



**Caribbean Information &
Credit Rating Services Limited**

CONFLICTS OF INTEREST

POLICY

CariCRIS has put in place a multi-layered governance structure as well as a code of ethics and conduct, drawing on international best practices, aimed at minimizing conflicts of interest in the conduct of its business. Maintaining the independence and functional autonomy of the Rating Committee in assigning ratings, is a core element of the governance plan.

To manage and minimize any potential conflict of interest, CariCRIS and the Rating Committee members have agreed on the following practices/ principles:

- a. The members shall ensure that any professional engagements or assignments which they may be taking on outside of their engagement with CariCRIS, or any of their material interests, do not put them in a position of conflict with regard to dispensation of credit ratings and other similar services provided by CariCRIS.
- b. The members shall voluntarily declare their (and their dependants') material & fiduciary interests in entities or securities before joining the CariCRIS Rating Committee, and agree to keep the same updated as and when such interests change, add on or diminish.
- c. In instances where the member is a Director of or has a material interest in an entity being rated, CariCRIS shall follow the best practice of conducting the Rating Committee with the concerned member **not attending** the relevant part of the Rating Committee and does not cast his vote pertaining to the specific entity.

- d. The material interests shall be declared by Rating Committee members on a semi-annual basis, either directly to a sub-committee of the Board of directors, appointed for the purpose of monitoring and managing conflicts of interest, or directly to the CEO until such time that such a sub-committee is put in place. The CEO shall be responsible for bringing instances of conflict of interest at Rating Committee to the notice of this sub-committee, once installed. Non-declaration / false declaration of material interest may result in termination of engagement of the concerned Rating Committee member.
- e. CariCRIS may also follow the practice of declaring the members' interest as well as abstention from the Rating Committee deliberations, while disseminating the ratings related to such entities, or follow such other policies as the organization may adopt from time to time.