



Ministerial Statement

by:

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Minister of Economy and Labour

Benefit Entities & Trustee Amendment Acts 2025

12 September 2025

Mr. Speaker,

I stand before you to announce a pivotal moment in Bermuda's journey. We are introducing two landmark legal reforms that will cement our position as a forward-thinking and responsible global financial centre.

Mr. Speaker,

I am pleased to introduce in this Honourable House the Benefit Entities Act 2025 and the Trustee Amendment Act 2025. These reforms represent our bold commitment to being a jurisdiction of choice for those who believe that prosperity and purpose can, and should, go hand in hand.

Mr. Speaker,

For too long, the business world has been defined by a binary choice: for-profit or non-profit.

But what about the organizations that strive for both?

The Benefit Entities Act 2025 will introduce a new legal framework for use by companies, limited liability companies, also known as LLCs, and limited partnerships that are looking to change the way they manage their business operations to be more beneficial to society and the environment. Typically referred to as public benefit companies, these types of entities are committed to:

- 1) pursuing one or more public benefits or positive effects on society;
- 2) considering the impacts of business operations and decisions on the entity's shareholders and other stakeholders; and
- 3) periodic reporting on the entity's performance regarding intended public benefits to shareholders and, in many cases, the public.

Unlike a traditional company's goal of maximizing profits for shareholders or investors, Bermuda Benefit Entities will operate under a legal framework that allows them to prioritize both profits and additional stakeholders, including our wider society and the environment.

Mr. Speaker,

The Benefit Entities bill aims to position Bermuda as a leader in a global environment where the concept of "stakeholder capitalism" is being embraced by traditional for-profit companies and capitalist societies.

By creating a Benefit Entities framework, we are not just positioning ourselves to attract a new kind of business; we are creating an ecosystem in which companies can optimize short-term profits for shareholders, while also seeking long-term value creation for all stakeholders.

Mr. Speaker,

The Benefit Entities Act 2025 will differentiate Bermuda from other jurisdictions in the following ways:

- 1) the bill includes an enhanced level of flexibility that allows entities to choose whether or not they will identify a specific public benefit to be pursued;
- 2) the bill reflects a triple bottom line approach that focuses on profit, people and the planet, instead of the more standard double bottom line approach that balances profit and purpose;
- 3) the bill will establish benefit entities for traditional limited companies, LLCs and limited partnerships in contrast to most jurisdictions which offer this option for traditional companies and LLCs only; and
- 4) Bermuda will likely be the first offshore jurisdiction with a dedicated benefit entity framework.

Mr. Speaker,

In tandem with the Benefits Entities, we are also making a critical amendment to our trust law. This change empowers trustees to factor environmental, social, and governance criteria into their investment decisions without fear of violating their fiduciary duty.

Bermuda will differentiate itself as a jurisdiction through enactment of the Trustee Amendment Act 2025. This bill will establish Bermuda as an early adopter of statutory flexibility and protection for trustees to consider certain non-financial factors when investing trust assets.

Mr. Speaker,

This bill is viewed as an appropriate companion to the Benefit Entities bill because these changes will allow a trustee to consider the views of settlors and beneficiaries regarding the environmental and social impact of investments as well as the governance of those entities in which the trustee might invest.

Settlors and beneficiaries are valuable stakeholders of any trust, and this bill is reflective of the growing demand for sustainable investment strategies and responsible stewardship of private wealth.

Mr. Speaker,

There is wide industry support amongst Bermuda trust sector representatives for updating the trust law to accommodate evolving views regarding the impacts of investments and corporate governance, and Bermuda will take a leading role amongst her competitors as an early adopter of these types of changes.

Mr. Speaker,

I would like to thank industry representatives for their assistance in the development of the underlying legislative proposals for these bills. We appreciate every opportunity to collaborate with industry representatives on business development initiatives.

We look forward to more opportunities to work together to sharpen Bermuda's competitive edge through updated legislative frameworks.

The Benefit Entities and the trust law amendments are a testament to our adaptability and our unwavering commitment to shaping a better, more sustainable future for Bermuda and for the world.

Thank you, **Mr. Speaker**.