

# **Global Green Power PLC**

***Statement on Corporate Governance...***

***...Incorporating the Code of Ethics***

**Version 1**

**Dated 31 January 2008**

www.ggp.com

**Conducting "*Clean & Green*" Business Throughout GGP Business**

# Statement on Corporate Governance

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## Introduction from the Board

GGP is committed to operating under high standards of corporate responsibility.

This Statement on Corporate Governance, incorporating the Code of Ethics ("COE"), is applicable to all GGP employees across all GGP companies and associated. The policies included herein have the full support of the Board.

Adherence to the COE is a critical aspect of achieving GGP's goals and maintaining GGP standards.

GGP's Statement on Corporate Governance covers the following areas:

1. **Code of Ethics ("COE")** – Requirements for all the Board, management and employees.
2. **Memorandum and Articles of Association** – Objects and rules that govern the company.
3. **Policies & Procedures on Internal Controls** – Financial process control procedures.
4. **Other Matters** – Other corporate finance matters requiring attention.

For and on behalf of Global Green Power PLC:

.....  
David de Montaigne  
Chief Executive Officer

Words importing the masculine shall include the feminine and words importing the singular shall include the plural or vice versa.

The provisions of this COE can be amended and supplemented from time to time by resolution of the Board of Directors of GGP.

Acknowledgement for receipt and acceptance by every employee (copy page to be signed & returned to GGP Human Resources):

Name: .....

Position: .....

Date: .....

# 1. Code of Ethics (“COE”)

## 1.1 Introduction

The COE is applicable to all members of the Board of GGP, all management and all employees (“GGP Personnel”). The COE guides everyone within GGP to act honestly, with integrity and with respect.

## 1.2 Objective

All GGP Personnel must carry out their affairs both directly themselves and indirectly through any affiliates or associates to high standards of international business and must avoid conflicts of interest between their private financial activities and their part in the operation of GGP business.

## 1.3 COE Content

This COE covers the following areas:

|                                   | <u>Page</u> |
|-----------------------------------|-------------|
| 1. Introduction                   | x           |
| 2. Objectives                     | x           |
| 3. COE Content                    | x           |
| 4. General Business Principals    | x           |
| 5. Matters Reserved for the Board | x           |
| 6. Specific Business Principals   | x           |
| 7. Conflicts of Interest          | x           |

The COE does not cover exhaustive “do’s & don’ts” for every country and every situation GGP operates in and encounters. GGP requires all GGP Personnel to understand the COE and act in accordance with its principals. If in doubt clarification on any issue can be sought from any appropriate member of GGP Personnel.

### 1.3.1 Appropriate GGP Personnel Authorized to Decide on COE Issues

The appropriate GGP Personnel authorized to decide on COE issues will depend upon the position of the GGP Personnel within the organization, the issue at hand and sensitivity within the operations of GGP. Responsibility for reporting COE issues lies with each individual and guidance can be obtained from the following points (in escalating order of seniority) – in most instances your immediate superior will be your appropriate GGP Personnel authorized to decide on COE issues:

1. Immediate Line Manager.
2. Supervising Line Manager.
3. Department Manager.
4. Site General Manager.
5. Operational Company Director.
6. Group Company Director.
7. Group Company Chief Executive Officer.
8. Group Company Board of Directors.

Due to the responsibility on GP Personnel to report COE issue to the appropriate levels then disciplinary action may result if “reportable” issues are later found out to have not been reported.

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### 1.4 General Business Principals (“GBP”)

#### 1.4.0 Introduction

GBP apply to all GGP’s business affairs and describe the behaviour expected of every individual member of GGP Personnel. These are based on GGP’s core values of honesty, integrity and respect for people. They also indicate how GGP promotes trust, openness, teamwork, professionalism and pride in what we do. As an international group GGP has a responsibility to be a good corporate citizen.

Within GGP the following factors are important:

- Compliance on all transactions or items both large and small.
- Development of sustainable development principles and practices.
- All GGP Personnel are responsible for their own and everyone else’s actions.
- Demonstrate leadership, accountability and teamwork.
- Continual development and improvement.
- Report concerns and non-compliance within safe & confidential channels.
- Engagement with local communities to expand “beyond” GGP.

All GGP companies are expected to comply with the GBP as a matter of course. In joint ventures, we use our influence to persuade our partners to adopt and apply GBP consistent with ours. We also expect contractors to conform to the GBP in all aspects of their work with GGP companies.

#### 1.4.1 Stakeholder Responsibilities:

GGP is responsible to the following stakeholders:

- *Shareholders* – To protect shareholder investments.
- *Customers* – To offer quality, value for money products & services.
- *Employees* – To provide involved employment, continuous training & development as well as clean & safe working conditions.
- *Business partners & associates* – To develop long-term relationships with business partners & associates who share the GGP COE values.
- *Environment* – To be socially responsible and act in an environmentally sustainable manner.

#### 1.4.2 General Business Principals:

GGP’s general business principals are as follows:

1. Promote long-term profitable operations using sustainable solutions.
2. Act honestly, with integrity and fairness in all areas of the business.
3. Implement healthy, safe and secure working environments.
4. Compete fairly and ethically in line with local and international laws and business frameworks.
5. Act without political bias or pressure.
6. Interact with and support local communities.
7. Offer regular and transparent communication with our stakeholders.

### ***1.5 Matters Reserved for the Board***

#### **1.5.0 Overview:**

The GGP Board has sole responsibility for the following key areas of corporate control and conduct:

1. Strategy and Management.
2. Structure and Capital.
3. Financial Reporting and Controls.
4. Internal Controls.
5. Contracts.
6. Communication.
7. Board Membership and Other Appointments.
8. Remuneration.
9. Delegation of Authority.
10. Corporate Governance Matters.
11. Other.

#### **1.5.1. Strategy and Management**

- 1.1 Approval of GGP's long term objectives and strategy, policies and annual budgets.
- 1.2 Oversight of GGP's operations and management.
- 1.3 Review of performance in the light of GGP's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.4 Extension of GGP's activities into new business areas.
- 1.5 Any decision to cease to operate all or any material part of GGP's business.

#### **1.5.2. Structure and Capital**

- 2.1 Changes relating to GGP's capital structure.
- 2.2 Major changes to GGP's corporate structure, management and control structure.
- 2.3 Any changes to the company's listings or its status as a PLC.

#### **1.5.3. Financial Reporting and Controls**

- 3.1 Approval of regular and irregular results and announcements.
- 3.2 Approval of the annual directors' report and accounts.
- 3.3 Approval of the dividend policy and declaration of dividends.
- 3.4 Approval of any significant changes in accounting policies or practices.
- 3.5 Approval of treasury policies.

#### **1.5.4. Internal Controls**

- 4.1 Responsible for a sound system of internal control and risk management.

#### **1.5.5. Contracts**

- 5.1 Major capital projects, investments or contracts in excess of the amount delegated to individual Directors.
- 5.2 Lending or borrowing by the company made outside the treasury policy of the company.

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### 1.5.6. Communication

- 6.1 Approval of resolutions and related documentation to be put forward to shareholders at a general meeting.
- 6.2 Approval of shareholder circulars and listing particulars.

### 1.5.7. Board Membership and Other Appointments

- 7.1 Board appointments and removals.
- 7.2 Succession planning.
- 7.3 Appointment or removal of the company secretary.
- 7.4 Appointment, reappointment or removal of the external auditor to be put to shareholders for approval.

### 1.5.8. Remuneration

- 8.1 Approving the remuneration policy for GGP Personnel.
- 8.2 Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
- 8.3 The introduction of new share schemes or new long-term incentive schemes or major changes to existing schemes, which require shareholders' approval.

### 1.5.9. Delegation of Authority

- 9.1 The division of responsibilities between the Chairman and the Chief Executive.
- 9.2 Approval of terms of reference of any board committees.

### 1.5.10. Corporate Governance Matters

- 10.1 Conduct an adequate annual evaluation of corporate governance matters.
- 10.2 Determining the independence of directors.
- 10.3 Updates to these corporate governance matters.

### 1.5.11. Other

- 11.1 Settlement of litigation.
- 11.2 Changes to this schedule of matters reserved for board.
- 11.3 Any other matter not falling within the powers and authority of the shareholders or Directors.

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### 1.6 Specific Business Principals (“SBP”)

#### 1.6.0 Introduction

SBP expand the GBP in more depth. This is not a definitive list, rather a guide to help GGP Personnel conduct their affairs in line with the GBP.

SBP cover the following areas:

|   | <u>Page</u> |
|---|-------------|
| <b>A. Customer &amp; Supplier Principals</b>                            |             |
| 1. Conflicts of Interest.   | x           |
| 2. Gifts & Hospitality.   | x           |
| 3. Political Activity & Payments.                                       | x           |
| 4. Import & Export.   | x           |
| 5. Client Information.  | x           |
| <b>B. Stakeholder Principals</b>  |             |
| 6. Public Disclosure.   | x           |
| 7. Non-Disparagement.   | x           |
| 8. Stakeholder Selection.   | x           |
| <b>C. Market Principals</b>   |             |
| 9. Money Laundering.  | x           |
| 10. Inside Information & Securities Trading.                            | x           |
| <b>D. Financial &amp; Asset Principals</b>                              |             |
| 11. Safeguarding Company Assets.  | x           |
| 12. Ownership of Company Information.                                   | x           |
| 13. Financial Reporting, Books & Accounts.                              | x           |
| 14. Time & Expense Reporting.   | x           |
| 15. Receipt of Legal Documents.   | x           |
| 16. Communications Systems (including Telephone, Email & the Internet). | x           |
| <b>E. Employee Principals</b>   |             |
| 17. Respect for All Individuals.  | x           |
| 18. Health & Safety, Security and the Environment.                      | x           |
| 19. Bribery & Corruption.   | x           |
| 20. Sick Leave.   | x           |
| 21. Maternity Leave.  | x           |
| 22. Equal Opportunities.  | x           |
| 23. Harassment.   | x           |
| 24. Substance Abuse.  | x           |

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### A. Customer & Supplier Principals

#### 1.6.1 Conflicts of Interest

1. All conflicts of interest must be declared to an appropriate member of GP Personnel.
2. GGP requires that all GGP Personnel exercise responsible judgement in determining if there is a conflict of interest. If in doubt the matter should be raised – as opposed to not raised.
3. GGP respects the privacy and personal activities of GGP Personnel. However these personal activities may create conflict with GGP Personnel's ability to perform their duties. These instances must be disclosed to GGP.
4. Conflict may arise where an employee, their spouse, child, family member or alternative business associate acts as an employee, director, consultant or shareholder in any contractor, customer, supplier or competitor of GGP (past, present or future).
5. If GGP Personnel intend to use information, experience or position gained through GGP to further themselves in an outside capacity they must disclose this to GGP.

#### 1.6.2 Gifts & Hospitality

1. Soliciting gifts or hospitality is forbidden and acceptance is discouraged.
2. However, it may be standard practice in different countries that gifts are presented (especially at important lunar or religious festivals). Refusal of gifts may actually damage business relationships and this is also to be avoided. Gifts must never influence independent decision-making and in such circumstances all gifts should be disclosed to an appropriate member of the GGP Personnel.
3. The following items can be accepted or given without prior approval:
  - a. Gift(s) not exceeding \$50.
  - b. Normal gifts given during festive periods (e.g. Chinese mooncake festival).
  - c. Business meals not exceeding \$100 per person.
  - d. Occasional invitations to events not exceeding \$200 in value per person.
4. The following items can never be accepted:
  - a. Illegal gifts or hospitality.
  - b. Personal services.
  - c. Loans.
  - d. Inappropriate gifts / inappropriate location expenses.
  - e. During strategic / important business decision periods where acceptance may cast concern over an independent decision.

#### 1.6.3 Political Activity & Payments

1. GGP deals directly with national Governments, Government agencies & bodies and related organisations. GGP must act independently from any such Government bodies and pressure there from.
2. Payments to political parties are not allowed.
3. Payments to contribute to a political campaign, political party or a political candidate are not allowed.
4. Political views of GGP Personnel are independent of the political views of GGP. If appropriate, the political views of GGP are decided by the GGP Board.



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5. Political views of GGP Personnel that are deemed damaging to GGP are not supported by GGP, nor are political views in any country that are illegal in that country. GGP Personnel that support such views may be subject to disciplinary action.

### 1.6.4 Import & Export

1. GGP is involved in the import or export of goods and services across countries and all GGP Personnel responsible for carry out import & export duties must be aware of all applicable rules and regulations. If in doubt on import & export regulations seek legal advice.

### 1.6.5 Client Information

1. Protect sensitive, private or confidential client information.
2. Understand and abide by any applicable contractual restrictions agreed with clients.

## B. Stakeholder Principals

### 1.6.6 Public Disclosure

1. GGP must provide accurate, consistent, timely, transparent and complete public information.
2. Public disclosures may only be made by the Chief Executive Officer. From time to time public disclosures may be made by other members of the GGP Board, but only with the prior consent of the Chief Executive Officer.
3. Discussions and materials used in conducting the normal business affairs of GGP by GGP Personnel are not covered by these provisions on public disclosure.

### 1.6.7 Non-Disparagement

1. When employed by GGP all GGP Personnel have a duty to support the firm loyally. It is unacceptable to make significant or voluntary negative comments about GGP, or to damage GGP's reputation in any way, to anyone outside GGP. This includes leaking information to the media, making negative comments on message boards, chat rooms or email

### 1.6.8 Stakeholder Selection

1. GGP will not conduct business with others who are likely to harm GGP's reputation or economic performance.
2. Careful consideration must be given to the selection of clients, vendors, agents, consultants, sub-contractors, joint ventures, alliances, investors, financiers or anyone else in a business relationship with GGP prior to their selection and appointment.
3. GGP Personnel are required to seek adherence of the GGP COE fro its stakeholders.

## C. Market Principals

### 1.6.9 Money Laundering

1. GGP Personnel are not required to identify money laundering, but GGP Personnel are required to highlight & notify suspicious activity that may be money laundering. If money laundering is suspected then notify the appropriate GGP Personnel authorised to decide on COE issues.
2. Examples of money laundering include:
  - a. Where details of the parties involved cannot be identified.
  - b. Transfer of goods and transfer of payments to seemingly unconnected parties.

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- c. Transactions through unusual or unnecessary intermediaries.
- d. Unusual settlement methods.
- e. Complicated transaction structures.
- f. Large cash transactions where large transactions are not the country norm.
- g. Willingness to pay above market price.
- h. Transactions with high-risk countries.

### 1.6.10 Insider Information & Securities Trading

1. Buying or selling shares in GGP shares using material non-public information is prohibited. Providing this information to any person who may buy or sell shares in GGP is also prohibited.
2. Prior to the listing of GGP shares on any public market the GGP Board will publish internal procedures on insider trading and share dealing in GGP.

## Financial & Asset Principals

### 1.6.11 Safeguarding Company Assets

1. GGP's assets are absolutely critical to the operation of GGP's business. Assets must be safeguarded at all times. Assets include physical assets, financial assets or intangible assets (e.g. trademarks, intellectual property).
2. All GGP Personnel are personally responsible for GGP's assets to allow them to carry out their duties. Assets must be protected from waste, loss, damage, theft, misappropriation and misuse. Assets must be used in their proper way.
3. Financial records of the company must be accurate, reliable, complete and up to date. Falsification of financial records or misrepresentations of fact may be viewed as fraud and can result in criminal prosecution. Financial assets must be protected with maximum protection.
4. Intangible assets (e.g. copyright, intellectual property, trademarks and company secrets) must be protected by suitable legal protection.
5. Physical, financial and intangible assets of other people and other companies must be respected.

### 1.6.12 Ownership of Company Information

1. All company information belongs to GGP. This includes information, paperwork, proposal, operating data & logs, financial schedules and analysis and all other information used, prepared & published for use by GGP Personnel in the performance of their duties at GGP. This excludes information used which is in the public domain.
2. Removing company information for personal use, or future personal use (e.g. upon termination of employment with GGP), is strictly prohibited and constitutes theft.

### 1.6.13 Financial Reporting, Books & Records

1. GGP must comply with all local and international financial reporting requirements.
2. Approval for every transaction must be obtained before it is carried out. Approval is set out in "Approval Limits" in Section [X.X.X].
3. Once a transaction has been carried out it must be submitted for inclusion in the financial records & accounts of GGP.

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4. The recording of transactions in the financial records & accounts must be carried out by suitably trained finance personnel, on suitable systems, in a true & fair manner under local and international generally accepted accounting practices.
5. Everyone in GGP is responsible for maintaining complete and proper books and records as required by:
  - a. Their position to enable them to carry out their responsibilities.
  - b. GGP finance department for maintaining the accounting records of GGP.
  - c. National regulatory and tax authorities.
  - d. International regulatory and tax authorities.
6. Destroying GGP books & records is prohibited.
7. Falsifying books & records (e.g. altering sales or purchase prices different from actual amounts, adjusting date entries to mislead actual events) is prohibited.

### **1.6.14 Time & Expense Reporting**

1. GGP Personnel are responsible for submitting timely, accurate and complete time & expense reports.
2. Expense claims will only be allowed for expenses wholly, exclusively and necessary for the conduct of GGP operations. Ad hoc expenditure outside these parameters must be considered in advance by the GGP Board.

### **1.6.15 Receipt of Legal Documents**

1. If a legal document is received it requires immediate attention and must be passed to the local legal representative or director.

### **1.6.16 Communication Systems (including Telephone, Email & Internet)**

1. All internal & external communication on whatever format must be made using appropriate language and tone.
2. Personal use of computers will be tolerated within reasonable limits and must not restrict performance of GGP Personnel's responsibilities. "Messenger" based applications can assist business operations (e.g. Skype Mesanger) however excessive personal use is not allowed.
3. Communication systems anr not to be used for viewing, receiving or transmitting inappropriate materials or materials that may be offensive to other GGP Personnel and GGP stakeholders.
4. GGP's computer network must be protected by suitable computer virus and firewall hardware & software.
5. GGP Personnel are not allowed to download third party software onto their computer that exposes GP to any computer risk.
6. Suitable back-up procedures must be regularly carried out to protect against data theft, corruption or loss.

## **E. Employee Principals**

### **1.6.17 Respect for All Individuals**

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1. All GGP Personnel must treat all other GGP Personnel with equal respect. GGP respects the differences of our people from all around the world and encourages diversity within the organisation.
2. Employment decisions are based solely on performance as well as qualifications, talents & achievements necessary for any particular role.
3. Always behave appropriately with colleagues both inside and outside the office.

### **1.6.18 Health & Safety, Security and the Environment**

1. Do not do harm to people.
2. Protect the environment.
3. Comply with all relevant local and international health & safety regulations.
4. Report all accidents & incidents through the proper channels to the proper person.
5. Operate with all necessary health & safety permits & licenses.
6. Operate in a clean & secure environment keeping the workplace clean & tidy.
7. Operate machinery using all relevant safety procedures and equipment. GGP wants a "zero accident" safety record for all GGP Personnel.
8. Only operate machinery for which you have had adequate training & supervision.

### **1.6.19 Bribery & Corruption**

1. Bribes (or any other payment listed in point 1.6.2 below) of any size or kind must not be offered or accepted by any GGP Personnel. Direct or indirect offers, payments, soliciting or accepting bribes is unacceptable.
2. Definitions:
  - a. Bribes: Payment to influence decisions in favour of an individual or employee.
  - b. Facilitation payment: Payment not normally required but will enable or speed up a process.
  - c. Kickbacks: Giving or accepting of money, gifts or anything of value that is provided in return for favourable treatment.
  - d. Favours: Acts done out with the normal scope of business to benefit others in return for favourable treatment.
  - e. Picking up expenses: Payment for products & services by a different party from the party that paid for the products or services in return for favourable treatment (e.g. entertainment, travel & accommodation expenses).
  - f. Any other payment deemed non-professional or improper by the GGP Board.
3. GGP will apply and comply with all national and international laws to fight corruption.
4. GGP Personnel must attempt to ensure all agents, contractors, customers and suppliers adhere to these rules in their dealings with or for GGP.
5. Acts of bribery & corruption will be subject to disciplinary action, potential dismissal and criminal proceedings if appropriate.

### **1.6.20 Sick Leave:**

1. Staff time must be dedicated to GGP business to fulfil their responsibilities. GGP recognises that on odd occasions staff will have to attend to personal matters. Personal time must be notified to

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appropriate GGP Personnel authorised to decide on COE issues in advance. Personal time will be monitored for excessive time off / abuse.

2. Statutory sick leave rules appropriate to each country will be adhered to.

### **1.6.21 Maternity Leave:**

1. Statutory maternity rules appropriate to each country will be adhered to.

### **1.6.22 Equal Opportunities:**

1. GGP offers equal opportunities on the basis of race, religion or sexual preference.

### **1.6.23 Harassment**

1. Harassment in GGP will not be tolerated and may result in disciplinary action, dismissal and potential legal action for the perpetrator.
2. Victims of harassment can be raised through formal and informal channels.

### **1.6.24 Substance Abuse**

1. The use of illegal substances, misuse of legal drugs and alcohol is prohibited.
2. A search may be conducted where drugs or alcohol are suspected of being brought to GGP sites.

### 1.7 Conflicts of Interest

#### 1.7.1 Provisions:

All persons must:

1. Act in accordance with the highest standards of honesty, integrity and fairness and expect the same in their relationships with others while maintaining a work and business climate fostering such standards.
2. Excuse himself from making any decision about an issue at hand in which a conflict of interests arises or could arise and in such event, disclose in writing the relevant facts and explain the circumstances that create or could create the conflicts of interest to an appropriate GGP Personnel authorized to decide on COE issues.
3. Avoid having any financial interest in works of or contracts awarded by GGP, a GGP subsidiary or a company associated with GGP, or in supplies effected or services rendered to or by such a company and where this is unavoidable or immediate family members have such a financial interest, such interest shall be disclosed in writing in the same manner as set out in sub-item 2 above.
4. Not seek or accept from third parties to his own advantage any favour in whatsoever form or howsoever described in connection with the business of any GGP company or his duties (except for the acceptance of such things as gifts of nominal value and working lunches, dinners and entertainment of reasonable value, frequency and duration, appropriate under the circumstances).
5. Not hold positions or jobs or engage in outside businesses or other interests that adversely impact the performance of duties owed to any GGP company or the interests of the same.
6. Avoid any relationship with a contractor or supplier that could compromise the ability to transact business on a professional, impartial and competitive basis or influence decisions to be made by any GGP company.
7. Report any breach thereof to an appropriate GGP Personnel authorized to deal on COE issues.

#### 1.7.2 Retaliation Protection:

No person reporting in good faith a suspected breach of conflicts of interest should be concerned about retaliation. Any job holder or person involved in retaliation will be subject to the sanctions referred to below.

#### 1.7.3 Accountability:

Each person is held accountable for the full compliance with this COE with respect to any issues within his control. Sanctions for a breach of this COE shall be determined by an appropriate GGP Personnel authorized to decide on COE issues. Sanctions may include serious disciplinary action, removal from office and dismissal as well as other remedies, all to the extent permitted by law and as appropriate under the circumstances.

***2. Memorandum and Articles of Association***

[Link to memorandum & Articles of Association]

### 3. Policies & Procedures on Internal Controls

1. [Full policies & procedures manual to be drafted]
  - a. Sales process.
  - b. Purchase process.
  - c. Fixed assets & capital expenditure approval process.
  - d. Inventory process.
  - e. Payroll process.
  - f. Cash receipts & payments.
  - g. Budgeting & forecasting process.
2. [Operational controls not all relevant during the start-up and investment phases of GGP]
3. [Purchase, capital expenditure and cash controls are relevant]

*Purchase Controls*

Approval Limits



**4. Other Matters**

[There are currently no other matters]