Green Guarantee Company

A greener world guaranteed

Conflicts of interest policy and inventory

Contents

Conflicts of interest policy and inventory

1. Purpose and background

1.1 The purpose of this policy is to assist Green Guarantee Company Limited ("GGC" or the "Company"), its management and employees and Development Guarantee Group Limited ("DGG") who is the manager of GGC, to identify potential and actual conflicts of interest and to manage them appropriately and to protect the integrity of the Company's decision-making process, to enable the investors, the institutions, entities or companies which the Fund is financing directly or indirectly, whether through equity, loan or guarantees (defined as "Clients") and other partners of the Company to have confidence in the Company's integrity, and to protect the integrity and reputation of Stakeholders.

1.2 GGC is committed to avoiding, and where this is not possible, mitigating any conflict of interest that may arise between GGC (and / or its representatives), DGG and its clients.

1.3 In rendering service to its clients, the interests of GGC's clients must come before those of GGC and / or its representatives.

2. Responsibility

2.1 This policy applies to:

- Directors and staff of GGC, whether acting individually or collectively;
- The Services Providers of the Company (such as e.g. the Manager, the Custodian, the Company Administrator, the General Secretary, the Legal Counsel and the Auditor and their respective affiliates, directors, officers and stakeholders) and;
- any person or collective of persons within GGC that can influence the activities of GGC. (referred to collectively as the "Stakeholders" and each individually as a "Stakeholder").

2.2 This policy provides direction and support for all directors and staff of GGC and any person that can influence the activities of GGC.

3. What are conflicts of interest

3.1 A conflict of interest is a situation in which an individual who is in a position of responsibility has a competing professional or personal interest (it can include financial interests, related- party business undertakings, personal relationships, non-financial personal interests and affiliations with for-profit or non-profit organisations, or with political or professional organisations). Such competing interests can impair the performances of his/her duties towards the Company and may result in acting against the best interest of the Company. A conflict of interest may be real, apparent or perceived.

As a matter of principle, no Stakeholder shall derive any personal profit or gain or otherwise receive any material or immaterial advantage, directly or indirectly, for him/herself or for any family member, friend or close associate, by reason of his or her involvement in the Company and possible other conflicting activities. Each Stakeholder shall disclose to the Company any personal interest which he or she may have in any matter related in carrying out his/ her duties towards the Company and shall refrain from participation in any deliberation and decision on such matter.

3.2 Examples of conflicts of interest may appear in situations where GGC:

- is likely to make a financial gain, or avoid a financial loss, at the expense of the Client; or has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client which is distinct from the Client' interest in that outcome; or
- has a financial or other incentive to favour the interest of another client or group of Client over the interests of the other Client; or
- •receives or will receive from a person other than the Client an inducement or financial interest in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard or legislated commission or fee for that service.

3.3 The existence of a conflict of interest may not, in and of itself, be evidence of wrongdoing. In fact, for many professionals, it is virtually impossible to avoid having conflicts of interest from time to time.

3.4 It is acknowledged that international finance institutions/development finance institutions (IFIs/DFIs) that are shareholders of the Company at the same time structure and implement their own country and regional programs and may be involved in negotiating competing refinancing or may be interested in certain current and/or potential Clients of the Fund. Where there is an overlap of activities, both the Company and the respective IFIs/DFIs aim at operating in a complementary manner. This may also include the promotion of co-investments or joint investments.

4. Identifying conflicts of interest

4.1 GGC must identify all known and potential conflicts that exist in relation to the Client and these are to be listed in the Conflicts Inventory (Appendix A) and the Conflicts Register, as the case may be.

4.2 GGC must, on a regular periodic basis monitor and review the Conflicts Inventory and Conflicts Register and identify and document the key conflicts (actual and potential) faced by GGC in its day-to-day business in the Conflicts Inventory and/or Conflicts Register.

5. Avoidance of conflicts of interest

5.1 Where a conflict is identified, GGC will seek to organise its business activities in a manner which avoids such a conflict. However, the avoidance of all conflicts is generally not feasible in a commercial environment.

5.2 Each Director shall inform the Board of possible conflicts as defined in this Policy.

5.3 Each Director shall inform the Chairperson of any other directorship, office or responsibility - including executive positions - which is taken up outside the Fund during the term of the directorship. The disclosure of such responsibilities and positions will be recorded in writing and kept on file and updated as required.

6. Managing conflicts of interest

6.1 Where conflicts can't be avoided, this Policy provides guidelines to ensure conflicts of interest are managed fairly within reasonable time and to prevent conflicts of interest from constituting, or giving rise to, a material risk of damage to the interests of GGC and the Client.

6.2 It is the duty of all persons to whom this policy applies to immediately when any conflict or perceived conflict becomes known, report such conflict in writing to the Chief Operating Officer (COO) of DGG, who must then ensure that same is entered into the Conflicts Inventory and/or Conflicts Register, and ensure that proper steps are taken regarding the management of any conflict or perceived conflict so recorded. The COO of DGG will inform the Chairperson of the Board without delay of any conflict which may arise.

6.3 The conflict mitigation measure must also be stated next to the conflict identified in the Conflicts Inventory and / or the Conflicts Register.

6.4 6.4 Examples of measures for managing conflicts may include:

- procedures to prevent or control the exchange of information between relevant persons engaged in potentially conflicting activities where the exchange of that information may harm the interests of the Client; (Chinese walls / segregation of duties);

- the separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, the Client, where the Client's interests may conflict, or who otherwise represent different interests that may conflict those of the Client;
- measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out services or activities; and measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate services or activities where such involvement may impair the proper management of conflicts of interest; and
- with regard to decisions by directors of GGC, where any director is conflicted or potentially conflicted on a specific matter, the relevant director will be recused from making any decisions pertaining to such matter.

7. Disclosure of conflict of interest

7.1 In the event that any Director or any member of any specialised committee has an interest conflicting with that of the Company, that Director or member of the specialised committee must make such interest known to the Board and cause a record of his/her statement to be included in the minutes of the Board meeting (in addition, as the case may be, to the minutes of the specialised committee meeting).

7.2 Where GGC is not reasonably confident that it is able to manage a particular conflict to adequately protect the interest of the Client, the general nature and/or sources of conflicts of interest will be clearly disclosed to the Client before undertaking any business.

7.3 The disclosure must be made in writing and include sufficient detail, taking into account the nature of the Client, to enable the Client to make an informed decision with respect to the service in the context of which the conflict of interest arises.

7.4 In addition to this, GGC will promptly disclose to the Client all relevant information about a conflict when circumstances change after an initial disclosure has been made, or when new situations arise, resulting in an emergent conflict of interest. Each declaration will contain sufficient detail on the conflicting interest to enable an adequately informed decision to be made about the management of the conflict of interest.

7.5 Disclosure of a private interest does not in itself resolve a conflict, however, it enables the necessary steps to be taken to determine what measures are needed to resolve or manage the conflict.

8. Monitoring conflicts of interest

8.1 GGC has implemented a number of procedures and controls to detect conflict situations as they arise, and the Directors of GGC will update the Conflicts Inventory and Conflicts Register accordingly. Once conflicts have been identified, further procedures and controls will be put in place to monitor the effectiveness of the management arrangements of such conflicts.

8.2 The Board must also, on a regular basis, evaluate the adequacy and effectiveness of GGC's measures and internal control mechanisms and arrangements in relation to conflicts of interest and will take appropriate measures to address any deficiencies.

8.3 The same provisions in terms of conflict of interest applicable to the Board as described in this Policy are also applicable to members of any specialised committees appointed by the Board. Each member of any specialised committees of the Company who is also a member of the management body of a Client or a member of a specialised committee appointed by the management body of such Client, shall inform the Chairperson of the Board of their other mandates.

9. Education and awareness

9.1 All staff, officers and Directors of GGC are required to familiarise themselves with GGC's Personal Accounts Dealing Policy and Procedures (CP7). In addition, all staff, officers and directors of GGC are required to give an annual undertaking of adherence to CP7.

9.2 All staff, officers and Directors of GGC also receive both formal and informal training in respect of conflicts of interest generally, and on specific or potential conflicts applicable to GGC.

10. List of appendices:

Appendix	Contents
Appendix A	Conflicts Inventory

Appendix A

Conflicts inventory

Business and operational conflicts

Issue	Potential conflict	Management arrangements
Conflicts of interest between GGC and the businesses of DGG		GGC and DGG in general operates and advocates clear disclosure and transparent ways of working across the various business lines. If a potential conflict arises, there is clear disclosure, and the conflicted member recuses themselves from the relevant matter. The implementation of physical barriers to information distribution / attribution between businesses is in place and will be monitored periodically.
Handling sensitive and confidential information	Inappropriate handling of sensitive or confidential information (whether inside information or not) or using such information to trade inappropriately to the detriment of other Client.	GGC has a Confidential Information Policy aims to mitigate such risks.

Personnel conflicts

GGC aims to employ experienced and professional personnel. However, the actions of a member of personnel may be influenced or create an influence over the activities of GGC.

Issue	Potential conflict	Management arrangements
Personal account trading	Personnel may trade on personal account in an inappropriate manner, including to the detriment of Client.	GGC has in place a Personal Account dealing Policy and a Confidential Information Policy with strict requirements around staff undertaking Personal account trading.
Inducements and entertainment	Personnel may be influenced in making investment or trading decisions or outsourcing selections when entertainment or other forms of inducement are provided.	GGC has in place an Anti- corruption and bribery, gifts and hospitality Policy with strict requirements around which staff can either give or receive inducements including gifts and hospitality.
Influence of outside business interests or activities	Personnel who have outside commitments (i.e. directorships, committee memberships, business interests etc.) may be influenced to act in a manner that conflicts with the interests of GGC or its Client.	GGC operates and advocates clear disclosure and transparent ways of working across the various business lines. If a potential conflict arises as a result of an outside interest of a member of its staff or director, there is clear disclosure and the conflicted member recuses himself from the relevant matter.