

FairKlima Capital (FKC) aims to encourage the UN development goals by implementing the ten principles of the UN Global Compact in its daily business activities and stakeholder relationships.

## **Human Rights Principles**

### Assessment, Policy and Goals

FKC has published its own Employee Handbook, which in accordance with the Universal Declaration of Human Rights, details employees' rights and resources within the organization.

The Code of Code includes guidelines related to professional ethics, best management practices as well as other clauses that aim to protect employees and external parties in the conduct of daily operations.

The Company revises this document on a continuous basis, to ensure that it follows the organization's growth path, reflects encountered experiences and issues and contains timely and accurate provisions for the protection of its stakeholders.

### Implementation

FKC, in its labor contract, guarantees a culture of openness, honesty and transparency. Staff is encouraged to discuss issues encountered in the work place so as to find adequate solutions and prevent similar situations from happening in the future.

The Human Resources department is responsible for receiving employees' issues and suggestions to improve the overall quality of the work environment, while respecting privacy.

HR will then commit to resolve the issues is resolved in conformity with the country's laws and Universal Human Rights principles.

### Measurement of outcomes

To date, the Company has not encountered major incidents of Human Rights violation, due to senior management frequently reassessing the Company's policies and ensuring that its employees

and stakeholders are treated fairly and equally. FKC also encourages its external partners to follow its steps and act ethically in the work place which contributes to a healthier business environment and fewer cases of violation.

## **Labor Principles**

### Assessment, Policy and Goals

FKC recognizes the importance to provide an organizational culture based on respect and trust.

As a result, the Company benefits in terms of productivity and growth.

The Employee Handbook clearly states employee rights and responsibilities and their compensation and benefits.

Within the coming year, FKC aims to incorporate in its compensation packages a wider range of employee's benefits and foster a greater sense of ownership within the organization.

### Implementation

FKC has written guidelines to ensure that Labor Rights are respected and in case of violation, resolved with the best interest of the neglected party at heart. Below are a few examples of implementation measures taken by the Company:

- Employees are aware of their rights and responsibilities;
- Complaint/suggestion system is in place allow effective communication between top management and the staff.

### Measurement of outcomes

Human Resources and senior management work in hand to ensure that all employees are given access to the same resources and treated equally in the work place.

FKC is proud to encourage freedom of speech and diversity in the work place, having employees from different nationality, religious and educational backgrounds.

## **Environmental Principles**

### Assessment, Policy and Goals

FKC is an investment firm focused on sustainable development, low-carbon real estate and environmental sector social investment.

For instance, via its [51Give.com](https://www.51Give.com) micro lending online platform, FKC channels funds to rural entrepreneurs who make use of renewable energy sources and/or develop ways to transform waste into energy. To date, more than 14,000 people have been reached with clean/renewable energy and/or actively involved in efforts to contribute to environmental protection.

In addition to business activities being directly involved in fighting climate change, the Company has put in place simple guidelines to reduce energy consumption in the work place and raise awareness among its stakeholders.

Examples are:

- Windows shut when using air conditioning;
- Turn off lights, air conditioning, computer equipment, including desktops, upon leaving the office;
- Paper in printing documents;
- Reusable kitchenware;
- Use public transport, instead of taxis or Company cars, whenever possible to attend external meetings.

### Implementation

FKC's business solutions aim to find innovative ways to fight climate change and raise awareness among the population.

In addition, complete energy saving and environment protection guidelines will be included in the Company's Employee Handbook, by mid 2011.

#### Measurement of outcomes

[51Give.com](http://51Give.com) is the strategic partner and board member of Funding the Poor Cooperative, borrowers of which originate from poor areas in Hubei, Henan and other Chinese provinces. Borrowers all have excellent credit record and 99% repayment rates.

The promotion of low-carbon projects in the rural areas helps farmers to improve their daily lives through knowledge learning; also the promotion of environmental protection technologies such as methane, solar, wind, wall insulation, etc. helps more farmers to live a happy life, and to create a new rural lifestyle.

At the office, employees now apply the guidelines stipulated in the Employee Handbook and continuously seek new measures to limit their environmental footprint.

#### **Anti - Corruption Principles**

##### Assessment, Policy and Goals

FKC's headquarter is located in Beijing, China, where the Company faces high risks of corruption and bribery.

In order to avoid such violations, the Company holds a strict zero-tolerance policy for corruption and bribery.

In case staff confronted to situations where corruption and bribery are likely to take place, the Company's protocol provides guidance on how to react and report this type of violation.

### Implementation

The Employee Handbook, available to all employees, contains the Company policy and protocol to follow in the incidence of corruption and bribery violation.

### Measurement of outcomes

All employees are made aware of consequences related to corruption and bribery violations. Senior management ensures that junior and mid level employees are not put in situations where they can prove guilty or victim of such violations.

As a company, FKC's mission is to set the foundations for a sustainable and socially-responsible society via the creation of dynamic, innovative and transparent initiatives, all while ensuring its own corporate practices fall in line with the principles and ethical culture nurtured by the UN Global Compact.

Hiu Ng, CEO

FairKlima Capital