



UN Global Compact
Communication on Progress (COP) Report
April 19th, 2006

In 2003 Schneider Power Inc. (“SPI”) joined the UN Global Compact, an initiative to promote corporate citizenship by directly involving business in tackling some of the major social and environmental challenges that arise from increasing globalization. The ten principles of the Global Compact are based on internationally recognized norms and conventions in four critical areas: Human Rights, Labour Standards, the Environment, and Anti-corruption. SPI has been committed to the principles of the Global Compact. By signing on to the Global Compact, SPI has signalled its commitment to continue integration of the ten principles into its culture, strategy, and day-to-day operations.

The following table provides an overview of key practical actions and expected outcomes in relation to SPI’s continued support for the ten Global Compact principles.

Global Compact Principle	Practical Actions Taken to Date (Policies, Systems, Commitments)	Outcomes or Expected Outcomes
Human Rights		
<p>PRINCIPLE 1 Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p>PRINCIPLE 2 Businesses should make sure they are not complicit in human rights abuses.</p>	<ul style="list-style-type: none"> • SPI’s Employee Handbook outlines the company’s commitment to act in accordance with all applicable law, rules and regulations and high ethical standards. • SPI’s Corporate Social Responsibility By-Laws affirm SPI’s commitment to observe the fundamental tenets of human rights. 	<p>✓ All employees are required to formally sign the compliance with the Code of Business Conduct and Ethics.</p>

Labour		
<p>PRINCIPLE 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p>PRINCIPLE 4 Businesses should uphold the elimination of all forms of forced and compulsory labour.</p> <p>PRINCIPLE 5 Businesses should uphold the effective abolition of child labour.</p> <p>PRINCIPLE 6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.</p>	<ul style="list-style-type: none"> • SPI's Corporate By-laws and Corporate Social Responsibility Charter both include explicit commitments to fair employment practices, non-discrimination and a workplace where employees are treated with dignity and respect. • SPI has publicly endorsed the UN Global Compact and its ten principles. 	<ul style="list-style-type: none"> ✓ A check on Supplier Code of Ethics will be conducted in 2006. ✓ Active response from the Public and Media about the Global Compact.
Environment		
<p>PRINCIPLE 7 Businesses should support a precautionary approach to environmental challenges.</p> <p>PRINCIPLE 8 Businesses should undertake initiatives to promote greater environmental responsibility.</p> <p>PRINCIPLE 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> • SPI's Environmental Strategy Document outlines its commitment to the application of proven natural resource management controls and practices for the protection, mitigation and enhancement of the environment. • Environmental audits are conducted regularly on SPI's project developments 	<ul style="list-style-type: none"> ✓ Actively qualified all power generating facilities with Canada's Environmental Choice Program.
Corruption		
<p>PRINCIPLE 10 Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<ul style="list-style-type: none"> • The Corporate By-Laws outline SPI's policy on unfair business practices and confidentiality. 	<ul style="list-style-type: none"> ✓ All employees are required to formally sign off on their compliance.