



PowerCo
International

**CORPORATE COMPLIANCE
POLICIES
&
PROCEDURES MANUAL**

Company Overview

PowerCo International Ltd is a limited company incorporated in Bangladesh. The business of the company is specialized in project development and trading in the Power, Energy and Infrastructure sectors. The company's active management approach has been tailored to help meet the requirements of emerging energy markets.

PowerCo's on-the-ground teams, experience in the region, and in-depth local knowledge, supported by regional execution teams and central global functions, enable the group to identify compelling investment and trading opportunities and engage actively with its partner companies. With its strong partnerships with exporters of LPG, LNG, HFO, Bitumen and NGL from USA, Middle East and Asia, and long-term relationships with customers in major emerging energy markets, the company has maintained a track record of reliable delivery and expertise across marketing and trading.

PowerCo provides a critical link between the market and upstream and downstream companies, by giving them the marketing, commercial and logistic support. The company markets and manages commodity transactions with end users by negotiating Spot, Short-term and Long-term contracts for LPG, LNG, HFO, Bitumen and NGL products.

The company works with integrity, rigor and with a view to becoming agents of change. It adheres to the principles that underpin its values: entrepreneurialism, accountability, collaboration, integrity and empathy.

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Contents

Section I: Introduction	5
Section II: Scope	5
Section III: Policy Statement	6
Section IV: Meaning of Compliance and Compliance Standard	6
Section V: Compliance Management	6
Section VI: Compliance System	7
Section VII: Code of Conduct.....	8
Section VIII: Business Policies and Ethics	11
Section IX: Review and Amendment	18

Section I: Introduction

Power and Energy sector in Bangladesh is growing very fast and nature of this sector is very competitive. The survival factor of this sector is 'Good Will' and 'Reputation'.

PowerCo International Ltd has built a reputation of cultivating legal, ethical and corporate compliance standard (Compliance Standard) which has become its distinctive strength. Ethical, legal and corporate compliance refer to the lawful, responsible and proper conduct of owners, shareholders and employees of PowerCo International.

The company's involvement in the energy markets provides it with a deep understanding of industry on the basis of which it has developed the compliance standard. The company strictly follows the compliance standard within its operations and business activities.

PowerCo is also very keen to maintain standard of compliance at the administrative and management practices at its offices. The authorized agents of the company are also required to maintain the compliance standard while transacting on behalf of the company. It addresses and prevents every sort of infringement to the compliance practice with methodical application of compliance mechanism.

PowerCo has its Compliance Committee for monitoring the standard of compliance within the PowerCo International offices and associates companies. The Committee takes precautionary and remedial measures while being committed to identifying and mitigating every infringement to the compliance standard.

Due to the need for a coherent application of compliance standards and adherence to standards by every department of the company, PowerCo International issued this Corporate Compliance Policy and Procedural Manual (Compliance Policy), which remains as the basis of the company's corporate governance.

PowerCo International Ltd will review its compliance policy as and when needed and in regular intervals.

Section II: Scope

This policy is applicable for all owners, shareholders and employees, agents, contractors and representatives of PowerCo International. For the office situated in Bangladesh, the governing laws to adjudicate the infringements to compliance standard shall be this Compliance Policy and the laws of Bangladesh.

Section III: Policy Statement

Every employee and any person involved with the business of PowerCo will be required to make a personal commitment to adhere to the basic Policy Statements:

- a) Obey the laws and regulations of the land.
- b) Obey the Compliance Standard set in this policy
- c) Deal with any issue that gives rise to a conflict of interest between personal and PowerCo International with clarity and honesty.
- d) Be honest, fair and trustworthy in all the activities.
- e) Apply ethical and moral sense at the time of discharging responsibility.
- f) While discharging duties, protect the interest of the company and do not adversely cause harm to others.
- g) Create safe work place and environment for all.
- h) Establish accountability for compliance at all times.
- i) Enforce strict accountability in dealing with violation of law.

Section IV: Meaning of Compliance and Compliance Standard

1. Corporate compliance is the mechanism through which PowerCo ensures that all the legal entities involved in PowerCo business adhere to the laws and regulations of the land applicable for carrying out the business. Any sorts of illegality, immorality and unethical activity shall be considered as non-compliance to this policy. In addition to the laws of the land, this Compliance Policy acts as the guideline for corporate governance. Non-compliance to the policies set herein shall lead to initiation of disciplinary action.
2. In respect of this Compliance Policy, Compliance Standard means the rules set in this Policy.

Section V: Compliance Management

1. Compliance Management of PowerCo will be administered by the Compliance Committee. The Compliance Committee will be consisted of three members: 1. Compliance Manager, 2. Compliance Secretary, and 3. Member. The Committee will be chaired by the Compliance Manager; the managing director or head of the branch, whichever is applicable, will act as the Compliance Manager.
2. The Board of Directors of PowerCo (PowerCo Board) may change the structure of the Compliance Committee. The Compliance Committee shall report to the PowerCo Board as and when needed and periodically on compliance oversight (see Section VI below).

Section VI: Compliance System

1. The Compliance Manager may call a meeting of the Committee whenever he/she deems it required to call it and shall notify the members.
2. The Compliance Committee shall sit at least once in every three months to prepare report on compliance oversight status. In addition to compliance oversight status, the report will also include all the new laws, rules and orders promulgated and implemented by the state relevant for the company's business and their implications on company business and operations. This report shall be submitted to the PowerCo Board. On the basis of the report, the Board of Directors shall take necessary management decision to be compliant with the laws and fulfil the oversight.
All the members of the Compliance Committee shall be present, physically or through digital technology at every meeting of the Compliance Committee. The members of the Committee may invite any other person or entity to be present at the meeting if necessary.
3. Compliance Committee shall receive and investigate the complaints.
4. Compliance Manager will instruct the Compliance Secretary to call for a Compliance Committee meeting whenever he/she receives any complaint. In the meeting the Compliance Committee will decide further action on the complaint and if necessary, will decide on the process of investigation of the complaint.
5. Members of the Compliance Committee will [as per the decision of the Board of Directors] have access to all business units and documentation that may be necessary to carry out their compliance responsibilities.
6. Compliance Committee will ensure that all heads of department/section ensure the regulatory compliance on a day-to-day basis within his or her own area of responsibility.
7. Compliance Committee will arrange training on the issue of compliance on regular intervals for the employees.
8. Compliance Committee will review the effectiveness of the existing system for monitoring compliance with laws and regulations, PowerCo contracts and policies and will bring necessary modification in the Company administration and management.
9. Compliance Committee may initiate suo moto disciplinary action for any non-compliance, if deemed appropriate.

Section VII: Code of Conduct

A. Application of the Code of Conduct

The Code of Conduct applies to all employees, contractors, agents and representatives of PowerCo.

B. Compliance

Compliance with the Code of Conduct is mandatory. All employees, contractors, agents and representatives are expected to be familiar and comply with the Code of Conduct in the performance of their duties. All employees, contractors, agents and representatives are expected to understand the obligations under this compliance policy. Whoever fails to abide by this Code of Conduct set in this Policy will be subject to disciplinary action, which may lead to administrative measures, including dismissal or legal action.

C. Responsibilities to Report

1. PowerCo encourages responsible reporting by employees, clients or agents of incidents of unethical, unlawful or immoral conduct of PowerCo employees.
2. The Reporting has to be done in written form and has to be done in good faith. The Report has to be authentic and true to the best knowledge of the reporter.
3. The report has to be addressed to the Compliance Committee

D. Investigations

- a) Upon receiving the report, the Compliance Committee shall initially carry out an internal investigation and place the investigation report before the Board of Directors.
- b) The Board of Directors shall take their decision on the basis of the fact, evidence and reports placed before them.

E. Code of Conducts

PowerCo expects its employees, agents, contractors and representatives (hereinafter collectively referred to as Employees within Section VII) to maintain the Code of Conducts as defined below, but not limited to:

I. Corporate Code of Conduct

1. Representation

Every employee who is representing PowerCo or working for PowerCo for any particular corporate issue -

- a) Shall be authorized to deal with that particular corporate issue on behalf of PowerCo;

- b) Shall not take any illegal and unethical advantage of PowerCo representation.
- c) Shall be accurate, factual and properly authorized while making public disclosure.
- d) Shall be professional in behavior and demonstrate personal integrity.
- e) Shall demonstrate moral values.
- f) Shall communicate and negotiate with honesty with all employees, customers, partners, stakeholders, suppliers, associates and other members of the public.

2. Legal and Social Responsibility

- a) The Employees of PowerCo shall be compliant with all applicable laws and regulations.
- b) The Employees of PowerCo shall not be involved with any anti-social and/or immoral and/or unethical and/or terrorist activities.

3. Client Dealing

- a) The Employees shall deal PowerCo clients with honesty and fairness.
- b) The Employees shall do everything possible to provide proper service to PowerCo clients.
- c) The Employees shall not commit any decision or overture to any third party for which he/she has not been authorized or which he/she does not have the ability to execute.

4. Use of Information of PowerCo

- a) The Employees shall comply with the non-disclosure policy set in Section VIII – Business Policies and Ethics.
- b) All information held by PowerCo is confidential and the property of PowerCo. This includes information relating to PowerCo business, property, employees, clients, partners, consultants, or others that is not generally available to the public.
- c) The Employees are responsible to uphold the trust of the clients by keeping their confidential information confidential.
- d) The Employees shall not spread rumors about PowerCo or their clients and shall not discuss the confidential information even at any personal conversation.
- e) The obligation under this part of this section shall be enforceable for the Employees even after the termination of their relation with PowerCo.

5. Use of Computer Systems and Software

- a) The Employees shall comply with the 'data protection policy' set in Section VIII - Business Policies & Ethics.
- b) The Employees shall be careful in dealing with the computer systems and software and operations infrastructure of PowerCo.
- c) The Employees shall be very keen about the protection of soft data and cyber security framework.
- d) The Employees shall be careful not to expose the computer, computer systems, operation system and information system of PowerCo to any potential cyber security risks.

6. Use of Property of PowerCo

- a) The Employees shall protect the Properties of PowerCo.
- b) The Employees shall not misuse or retain the property of PowerCo.

7. Financial Transactions

- a) The Employees shall demonstrate the sense of responsibility while dealing with PowerCo fund and finances.
- b) The Employees shall follow the set rules of financial transaction and keep record of every transaction.

II. Personal Conduct

8. Employee Professionalism

- a) Every Employee shall be committed to showing professionalism in his/her behavior, dress and communication while working for PowerCo.
- b) Every Employee shall perform his/her duties with honesty and sincerity and help other employees to perform their duties and shall be keen not to create any hindrance in the performance of other employees.
- c) No Employee shall misuse the work place or engage in illegal or harmful activity using company resources, including information communication and social media technologies.
- d) No Employee shall carry out any anti-social or illegal activity in the work place.
- e) The Employees shall maintain office decorum and respect the senior employees.
- f) The Employees shall comply with the policies set in Section VIII - Business Policies and Ethics.

9. Conflict of Interest

- a) The Employees shall comply with the policies set in Section VIII - Business Policies and Ethics.
- b) The Employees shall not engage themselves in any activity which is in conflict with the interest of PowerCo without the permission of PowerCo.
- c) The Employees shall always uphold the interest of PowerCo at the time of their very activities and shall not do anything which diminishes the reputation of PowerCo.
- d) The Employees shall not use their official identity for illegal personal gain.

10. Involvement in Political Activity

- a) PowerCo employees may have personal political conviction, however they shall not actively participate in any political activity.
- b) PowerCo employees shall not intentionally promote any political agenda of any political a party.

11. Unethical Personal Benefit

- a) PowerCo Employees shall not make any unethical gain from their position in PowerCo.
- b) PowerCo employees shall not make any exchange of interest holding a position in PowerCo.

Section VIII: Business Policies and Ethics

1. Conflict of Interest Policy

PowerCo is very aware of not being engaged in any activity which is in conflict with any other party/parties with whom PowerCo has contractual relation of not being so engaged, without the consent of that party/parties.

The employees, contractors, agents, representatives of PowerCo (collectively referred to as Employees in Section VIII) shall not advance their own personal interests against the interests of PowerCo and the interest of any other party/parties with whom PowerCo has contractual relation of not being so engaged, without the consent of that party/parties.

a) Duty to Disclose

Every employee/agent or representative of PowerCo is obligated to disclose any known or potential conflicts of interest as soon as they arise to his/her reporting authority.

b) Investigating Potential Conflicts

If the Compliance Committee comes to know of any possibility of any employee or agent or representative of being involved in any function which is in conflict with the interest of PowerCo, the Compliance Committee shall carry out an investigation.

c) Addressing Conflicts of Interest

When an actual conflict of interest is found by the Compliance Committee, the Committee shall notify the concerned person or entity of the conflict and give direction to take necessary actions which the Compliance Committee thinks fit and proper.

d) Disciplinary Action

In case of non-compliance with the instruction of Compliance Committee, a disciplinary action shall be initiated by the Compliance Committee.

2. Audit Policy

PowerCo shall have a functional Audit Committee. The Audit Committee shall be appointed by the PowerCo Board of Directors to fulfill its fiduciary oversight and to be compliant with the laws and regulations applicable for carrying out business in the respective country.

a) Structure of the Audit Committee

The Audit Committee will consist of three members appointed by PowerCo Board of Directors for the period decided by the PowerCo Board of Directors. The Committee shall be chaired by the Financial Director of PowerCo. The members of the Audit Committee shall be knowledgeable and experienced in financial matters, including the review of financial statements.

b) Meetings

The Audit Committee shall sit for meeting at least quarterly or as frequently as needed by the Committee. Every member shall be present electronically or physically at every meeting. The members of the Committee may invite any other person or entity to be present at the meeting if necessary.

c) Responsibilities of Audit Committee

The Audit Committee will carry out the following responsibilities:

- a. Carry out all the responsibilities conferred upon the committee by the PowerCo Board.
 - b. Ensure the accurate compliance with revenue laws and regulation of Bangladesh and submission of Income Tax and VAT return on time and in accordance with law.
 - c. Keep contact with internal auditor and external auditor for making financial reports as appointed by the PowerCo Board and as per approval of the PowerCo Annual General Meeting.
 - d. Review accounting documents and reports.
 - e. Review the reports prepared by external auditors, and the internal auditors.
 - f. Incorporate the financial suggestions made by the external or internal auditors within the financial structure of the PowerCo.
 - g. Review the annual financial statements and give proper instruction to submit the annual return to the relevant regulatory and tax authority.
 - h. Get reports from the accounts section on a regular basis.
 - i. The Committee shall develop a financial risk management process and on a regular interval assess the financial threats for PowerCo and advise the PowerCo Board accordingly.
 - j. Regulate the internal financial control, internal audit process and external audit process.
3. Non-disclosure Policy

The Employees of PowerCo are strictly instructed to abide by the non-disclosure policy of PowerCo. The PowerCo non-disclosure policy in brief is very simple, that is - "The information you get due to your involvement with PowerCo, is the property of PowerCo, you shall not transfer it to other without PowerCo permission; and the information PowerCo get due to our involvement with you, is the property of yours, PowerCo shall not transfer it to other without your permission".

The Employees of PowerCo will be required to undertake not to disclose the 'Confidential Information' to any entity without the permission of PowerCo.

The 'Confidential Information' means all technical and/or business information, trade secrets, confidential proprietary business information of PowerCo, which is not generally known to the entity to whom it has been disclosed; 'Confidential Information' includes all documents and data containing confidential information.

The Employees will further be required to agree that they shall -

- a) Return all the company documents, computer devices, data storage and data kept with them upon termination of their relation with PowerCo.
- b) Not use information they come to know by virtue of their relation with PowerCo for their personal benefit or to the benefit of other corporate entity.

- c) Not engage themselves in any activity which may be in conflict of interest with PowerCo business objectives and its competitive interests for 6 (six) months after the termination of their relation with PowerCo.
4. Intellectual Property Right Policy
- a) PowerCo is very keen about the violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations.
 - b) Any person or entity involved with PowerCo shall abstain from every unauthorized copying, digitization and distribution of contents from magazines, books or other material belonging to PowerCo.
 - c) Any person or entity involved with PowerCo shall abstain from every unauthorized use of any mark, design, logo and trade name of PowerCo without the expressed permission of PowerCo.
 - d) Appropriate disciplinary action will be taken against any employee, whoever being suspected for infringement of intellectual property right of PowerCo shall be subject to disciplinary action, which may lead to administrative measures, including termination of employment and/or criminal prosecution.
5. Cyber Security Management Policy

PowerCo will follow cybersecurity principles to establish a sound Cyber Security management within PowerCo.

These principles are:

- a) Information of PowerCo will be managed within a framework based on the internationally recognized Information Security Management System Standard.
- b) A risk management approach will be used to identify, evaluate and mitigate risks for the PowerCo Information and Operation Systems and information assets.
- c) The Cyber Security Policy is based on the three basic cyber security elements:
 - confidentiality: ensuring that information will be accessible only to those authorized to have access;
 - integrity: safeguarding the accuracy and completeness of information and processing methods; and

- availability: ensuring that authorized users will have access to information and associated assets when required.
- d) PowerCo personnel are prohibited to carryout activities listed below, by no means the list is exhaustive, but they attempt to provide a framework for activities which fall into the category of unacceptable use. The Compliance Committee may add any activity to this list whenever they think it proper and necessary:
- i. Accessing data, a server or an account for any purpose other than conducting PowerCo business, even if an employee has authorized access, is prohibited.
 - ii. Exporting software, technical information, encryption software or technology, in violation of laws, is illegal.
 - iii. Introduction of malicious programs into the network or server.
 - iv. Employees shall not engage in any blogging or social media activity that may harm or tarnish the image, reputation and/or goodwill of PowerCo.
- e) Appropriate disciplinary action will be taken against any employee, whoever being suspected of infringement of cyber security shall be subject to disciplinary action, which may lead to administrative measures, including termination of employment and/or criminal prosecution.

6. Anti-Bribery and Anti-Corruption Policy

- a) PowerCo is committed to conducting business in an ethical and honest manner and has zero-tolerance for bribery and corrupt activities.
- b) PowerCo is committed to acting professionally, fairly, and with integrity.
- c) PowerCo is committed not to giving or taking bribe and not to getting involved in any corruption.
- d) Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something for value or for an advantage so to induce or influence an action or decision. It also refers to any gifts and hospitality and facilitation payment received against any act (legal or illegal).
- e) Corruption refers to the activities referred in section 2(e) of Anti-Corruption Commission Act 2004.
- f) Appropriate disciplinary action will be taken against any employee, whoever being suspected for or involved in bribery and/or corruption shall be subject to disciplinary action, which may lead to administrative measures, including termination of employment and/or criminal prosecution.

7. Non-Discrimination and Human Rights Policy

- a) PowerCo follows the policy of Non-Discrimination and Human Rights on the basis of the fundamental rights enshrined in the constitution of People's Republic of Bangladesh and the international human rights law.
- b) PowerCo is keen not to engage in discrimination and violation of fundamental rights enshrined in the constitution of People's Republic of Bangladesh.
- c) PowerCo strictly prohibits infringement of human right and every sorts of discrimination on the grounds of religion, race, color, or national or ethnic origin.
- d) Appropriate disciplinary action will be taken against any employee, whoever being suspected for or involved in prohibited conduct shall be subject to disciplinary action, which may lead to administrative measures, including termination of employment and/or criminal prosecution.

8. Anti-Harassment Policy

- a) PowerCo is very keen on maintaining a healthy work environment in which all persons involved are treated with dignity, decency and respect and free from any harassment.
- b) All employees, contractors, agents and representatives, PowerCo shareholders and PowerCo associated persons are covered by this policy and are expected to comply with this policy and take appropriate measures to ensure that prohibited conduct does not occur.
- c) PowerCo mostly consider the harassment in three forms as described below (but not limited to):
 - i. Verbal harassment: Verbal harassment includes comments that are anti-social, offensive or reasonably unwelcoming to the addressee.
 - ii. Non-verbal Harassment: Nonverbal harassment includes publication or communication of anti-social, offensive or reasonably unwelcoming statement or comments in written form.
 - iii. Sexual Harassment: Sexual harassment as defined in the "Sexual Harassment Elimination and Prevention Policy" issued by Bangladesh Legal Aid and Service Trust (BLAST).
- d) Appropriate disciplinary action will be taken against any employee, whoever being suspected for or involve in prohibited conduct shall be subject to disciplinary action, which may lead to administrative measures, including termination of employment and/or criminal prosecution.

9. Risk Management Policy

- a) The Compliance Committee also acts as a Risk Management Committee, until a competent set of risk management professionals constitute a Risk Management Committee.
- b) Risk Management Committee will sit at intervals as and when needed or at least half yearly. All the members of the Committee shall physically or through Digital Technology be present.
- c) Risk Management Committee will be responsible for identifying the risk, analyzing the risk, evaluating the risk, treating the risk and monitoring and reviewing the risk arising within PowerCo from its business operation, administration and management.
- d) This policy applies to all PowerCo activities.
- e) Given the inherent risks arising out of price volatility of energy commodities, uncertainty in operations and regulatory interventions, or exposure to any other risk factor, the Risk Management Committee shall make report assessing and stating the way of mitigation of risks and adverse effects on its business operations to the PowerCo Board. PowerCo Board will take necessary steps on the basis of the report.

10. Anti-Money Laundering Policy

- a) This policy is applicable for all the PowerCo, PowerCo shareholders, employees, agents, contractors and representatives of PowerCo to prevent the criminal activity of money laundering.
- b) Compliance Committee at their compliance training will take steps to enhance the awareness of all the concerned persons about their responsibility not to be involved in any activity which can be considered as money laundering.
- c) Every person involved with PowerCo works under an obligation to report every suspicious transaction.
- d) Failure by any employee to comply with the procedures set out in this policy may lead to disciplinary action being taken against him/her.
- e) Any person and entity involved with PowerCo, whoever being suspected for money laundering shall be subject to disciplinary action, which may lead to administrative measures, including termination of employment and/or criminal prosecution.

11. Reporting Illegal Activity Policy

- a) PowerCo is committed to conducting its business and administrative responsibilities in an ethical and lawful manner and in accordance with applicable laws.

- b) PowerCo encourages every person and entity involved with them to report suspected illegal activity to the Compliance Committee.
- c) Any person and entity involved with PowerCo, whoever suspected of committing illegal activity shall be subject to disciplinary action, which may lead to administrative measures, including termination of employment and/or criminal prosecution.

12. Green Environment Policy

“Sustainable development” is the most important issue for PowerCo in the context of protecting the natural environment in the 21st century. PowerCo gives high priority to the environment management issues. As part of the PowerCo Green Environmental Policy, the Company:

- a) Takes initiatives to recycling schemes in PowerCo offices by putting recycle bin for paper, glass and plastics at office premises and promote the use of recycled products for the offices.
- b) Encourages employees not to misuse or waste energy.
- c) Encourages the staff to 'car share' when on business trips or attending meetings, using the maintained, fuel efficient pool car.
- d) Promotes the use of eco-friendly energy, including but not limited to, for example:
 - o Low energy light bulbs
 - o LED lighting

Section IX: Review and Amendment

This Compliance Policy may be amended or modified from time to time only by the Board of Directors of PowerCo; provided that the Board of Directors may consult with their partners, external consultants, sister concerns and employees regarding their intended and necessary amendment.

Every such instrument of amendment shall be reduced to writing and shall be designated on its face an “Amendment” or an “Addendum” to this Compliance Policy.