

# Bonus Policy

## 1. General provisions

- 1.1. This Bonus Policy was developed in accordance with the law of the Republic of South Africa and establishes the procedure for material incentives of BWC's employees for the hard work and achievement of the company goals.
- 1.2. This Policy applies to all permanent employees of the company working under an employment agreement (contract).
- 1.3. Under this Policy the bonus shall be treated as the lump-sum payment to an employee above the agreed monthly salary by a decision of the Director of BWC as a reward for the hard work and achievement of the company goals.
- 1.4. Bonus payments are aimed to financially incentive of BWC's employees for timely and quality performance of their work duties in accordance with the existing labor agreement (contract) and for achievement of the company goals.

## 2. Types of bonuses

- 2.1. Bonus can be paid to employees:
  - 2.1.1. At the end of the calendar year (Annual Bonus) depending on results archived by the company and the personal contribution of an employee to the achievement of those results;
  - 2.1.2. At any time during the year (One-time Bonus) as a reward for achievements, timely and quality performance of particularly important works as well as tasks and assignments of the Director and/or Principal Specialists.
- 2.2. Annual Bonus (item 2.1.1) can only be paid to employees who have worked in the company for at least six (6) months and the Company has funds for this purpose.
- 2.3. One-time Bonus (item 2.1.2) shall be paid to employees:
  - 2.3.1. For the successful registration of the project (PDD) assigned by the Principal Specialist under CDM (Clean Development Mechanism) providing that the employee has prepared PIN (Project Idea Note) and PDD (Project design document) in time defined by employee's Contact, supported the project during the process of validation and registration.
  - 2.3.2. For the successful issuance of CER (Certified Emission Reduction) for the project assigned by the Principal Specialist providing that the employee has prepared MR (Monitoring Report) in time defined by employee's Contact, supported the project during the process of verification and CER issuance.

## 3. The decision on Bonus Payment

- 3.1. The company director is in charge of taking the decision on Bonus Payment and it is at his/her complete discretion.
- 3.2. At the end of each calendar year the company director shall take the decision on payment of Annual Bonus (item 2.1.1) based on individual assessment of employees and their

**Blue World Carbon Asset Management (Pty) Ltd**

Suite 101

First Floor Block A

7 West Quay Road

V & A Waterfront

8002

Registration Number: 2009/002466/07



personal contribution to the achievement of goals and results of the company for the past year. Annual Bonus can only be paid if the Company has funds for this purpose.

- 3.3. The company director shall take the decision on payment of One-time Bonus (item 2.1.2) based the successful registration of the assigned project (PDD) by CDM EB and the report of the Principal Specialist.
- 3.4. The company employees who helped in project (PDD) registration (item 2.3.1) or the CER issuance (item 2.3.2) but to whom the project was not initially assigned shall not be eligible for the One-time Bonus (item 2.1.2), since it is company employee's duty to help each other in achievement of the company goals. However the contribution of such employees shall be considered by the company Director in evaluation of Annual Bonus (item 2.1.1).

#### **4. The size and order of payment of Bonuses**

- 4.1. Annual Bonus (item 2.1.1) is paid by the decision of the company Director based on the funds allocated for this purposes by the company shareholders.
- 4.2. One-time Bonus for the project (PDD) registration (item 2.3.1) or the CER issuance (item 2.3.2) is paid in the amount defined in the employee's contract 1 month after the first sale of CER issued by the assigned project.

#### **5. Final clause**

- 5.1. This Bonus Policy become operative from 1<sup>st</sup> February 2010