

**Adopted by the Directors
of GLOBALTRANS INVESTMENT LTD**

Resolution of 24 January 2008

**GLOBALTRANS INVESTMENT LTD
RISK MANAGEMENT POLICY**

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1. INTRODUCTION

Globaltrans Investment Ltd (hereinafter *GTI* or *the Company*) Risk Management Policy provides a basis for understanding, developing, implementing and maintaining risk management within the Company.

GTI understands the importance of risk management as the existence of sound risk management and internal controls systems allows the Company to increase its probability of achieving key business and strategic objectives and outcomes, and to add shareholders value. To add value, risk management shall underpin corporate governance, be integrated with decision making, provide assurance to stakeholders and investors and reflect legislation and compliance requirements.

Risk management shall be a continuous and developing process which runs throughout the Company's strategy and the implementation of that strategy. It shall address systematically all the risks surrounding the Company's past, present and in particular, future activities.

GTI as an asset management company shall consider risks inherent to subsidiaries in the context of GTI Group materiality (hereinafter the Group) in order to build an effective risk management system. The Group means overall GTI business, including subsidiaries' business. The Board of Directors (hereinafter the Board) considers the Policy as a basis for developing a risk management system and embedding it into the subsidiaries' business.

The Policy shall be part of the introduction process for new joiners.

2. RISK MANAGEMENT PRINCIPLES

GTI bases its risk management activity on the series of well defined risk management principles, derived from experience, best practice and corporate governance principles. The Group's risk management principles consist of nine interdependent components. The Group declares that risk management is:

- **Enterprise-wide.** Risks that the Group is facing, shall be managed on an enterprise-wide basis. It shall be a continuous and developing process which runs throughout the Group's strategy and the implementation of that strategy;
- **Systematic and structured.** Risk management shall involve recognized processes and activities in a systematic, methodical way that ensures, that the results of risk management activities are reliable, robust and comparable;
- **Based on upside and downside approach.** Risk management shall arrange the understanding of the potential upside and downside of all risks which can affect the Group. It shall increase the probability of success, and reduce both the probability of failure and the uncertainty of achieving the Group's overall objectives. Risk management activity shall include development and implementation of risk response actions to remove or reduce all the risks, the Group is facing, transfer them to a third party or accept them;
- **Forward thinking approach.** Risk management shall be forward thinking. It shall involve identification and preparation for what might happen rather than always managing retrospectively. Risk management shall encourage the Group to manage proactively rather than reactively;
- **Aligned with Group's objectives.** Risk management shall be aligned with Group's objectives. Risk management shall provide reasonable assurance regarding the achievement of Group's objectives;
- **Integrated into Group's business.**
Risk management shall be embedded in all the Group's practices and business processes so that it is relevant, effective, efficient and sustained. In particular, risk management shall be embedded in key business processes, including business and strategic planning, budgeting and decision-making. Everyone shall be responsible and accountable for managing the risks in their activities;

- **Integrated into corporate culture.** Risk management shall be a part of Group's corporate culture. All employees shall be aware of the relevance of risk to the achievement of their objectives;
- **Clear and plain.** Risk management principles, methods and tools shall be clear and plain for the Group's employees;
- **Evolving.** The Group's risk management system shall be evolving. This is an ongoing process and it is recognized that the level and extent of the risk management system will evolve as the Group evolves from research and development into commercialization and exploitation.

3. RISK MANAGEMENT ROLES AND RESPONSIBILITIES

The GTI Board of Directors has overall responsibility for the GTI's risk management and it delegates to the Chief Executive Officer responsibility for effective and efficient implementation and maintenance of risk management. Day-to-day responsibility for the risk management lies with line management.

The Audit Committee is authorized by the Board to monitor, review and report the effectiveness of the Company's risk management.

The Board of Directors conducts an annual review of risk management and internal controls system effectiveness and reports results to shareholders.

4. RISK APPETITE

Risk appetite is the amount and type of risk that shareholders of GTI are prepared to accept, tolerate or be exposed to in achieving its business objectives. The risk appetite is reviewed by shareholders at least annually as part of the annual business planning cycle.

GTI's appetite for risk forms the basis for taking business and financial decisions are taken and risks are monitored and reported.

Identifying the risk appetite is a dynamic activity and the Company shall periodically review the process to ensure that the stated appetite does reflect the Group's current position.

5. RISK CATEGORIES

GTI uses a portfolio approach to the management of its risks, in a holistic, enterprise-wide manner. A portfolio approach analyzes and aggregates risks by type and tries to achieve an overall balance of risk and return. GTI defines four types of risks: strategic, operational, compliance and financial risks.

6. UPDATES TO RISK MANAGEMENT POLICY

The way the risk management principles are applied might need to change over time to reflect changes in circumstances under which the Company operates. In these cases the Company innovates and adapts its risk management practices to remain competitive in a changing and uncertain world, so that it can respond to existing and exploit new opportunities.