



Private Infrastructure
Development Group
Pioneering infrastructure changing lives

Health, Safety, Environmental and Social Management Systems (HSES-MS) HSES policies



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|--------------------------------|----------------------------|----------------|-------------|---------------|----------------------------------|
| Document number | 001-001-PIDG-HSES Policies | Ver No. | Date | Author | Scope / Remarks / Changes |
| Language version | Not applicable | 01 | 05/01/2019 | HSES | Final |
| Document status | Issued for use | 02 | 03/03/2020 | HSES | Safeguarding policy |
| Document type | 001 Policy | | | | |
| Originator / Author | PIDG HSES | | | | |
| Security classification | Unrestricted | | | | |
| Issue date | March 2020 | | | | |
| Document version: | 02 | | | | |

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02 PIDG HSES policies

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Glossary of terms

| Term | Definition |
|-------------|--|
| GIIP | Good International Industry Practice – Good International Industry Practice (GIIP) is defined as the exercise of professional skill, diligence, prudence, and foresight that would reasonably be expected from skilled and experienced professionals engaged in the same type of undertaking under the same or similar circumstances globally or regionally. The outcome of such exercise should be that the project employs the most appropriate technologies in the project-specific circumstances. |
| HSES | Health and Safety, Environment and Social |
| IFC | International Finance Corporation |
| MS | Management System |
| PIDG | The Private Infrastructure Development Group |
| SDG | United Nations’ Sustainability Development Goals |

Introduction

1.1 General overview

PIDG's purpose is to combat poverty in the poorest and most fragile countries through pioneering infrastructure – helping economies grow and changing people's lives. We provide leadership, development capability, funding and finance solutions across the project cycle to support infrastructure provision. This delivers high development impact and develops local capacity and capability and the financing potential of local credit and capital markets.

Responsible investment requires strong Health, Safety, Environmental and Social (HSES) governance. At PIDG, we recognise that to meet our values and be able to deliver the responsible investment that we believe in, we must ensure that there is strong HSES governance across all our companies and at the heart of all our operations.

Effective management of HSES reduces risks to our people, workers, our contractors and our neighbours; reduces risk to the environment and builds climate resilience. The implementation of good HSES practices is increasingly associated with a wide range of business benefits including access to markets, increased investment opportunities, reduced employee turnover, cost efficiencies, enhanced reputation, and provides a social license to operate.

To realise our values, we are governed by the PIDG HSES policies. These policies set out our overarching commitments to HSES and apply to all our people and across all the PIDG companies. The PIDG HSES policies are implemented through the PIDG HSES management system. By providing this overarching HSES framework across PIDG and our companies we are able to ensure our values are implemented in all our projects. Through sharing our strengths and learning outcomes, we are able to demonstrate our continual improvement in HSES performance. The PIDG HSES policies are implemented through the PIDG HSES management system.

1.2 Overview of company structure



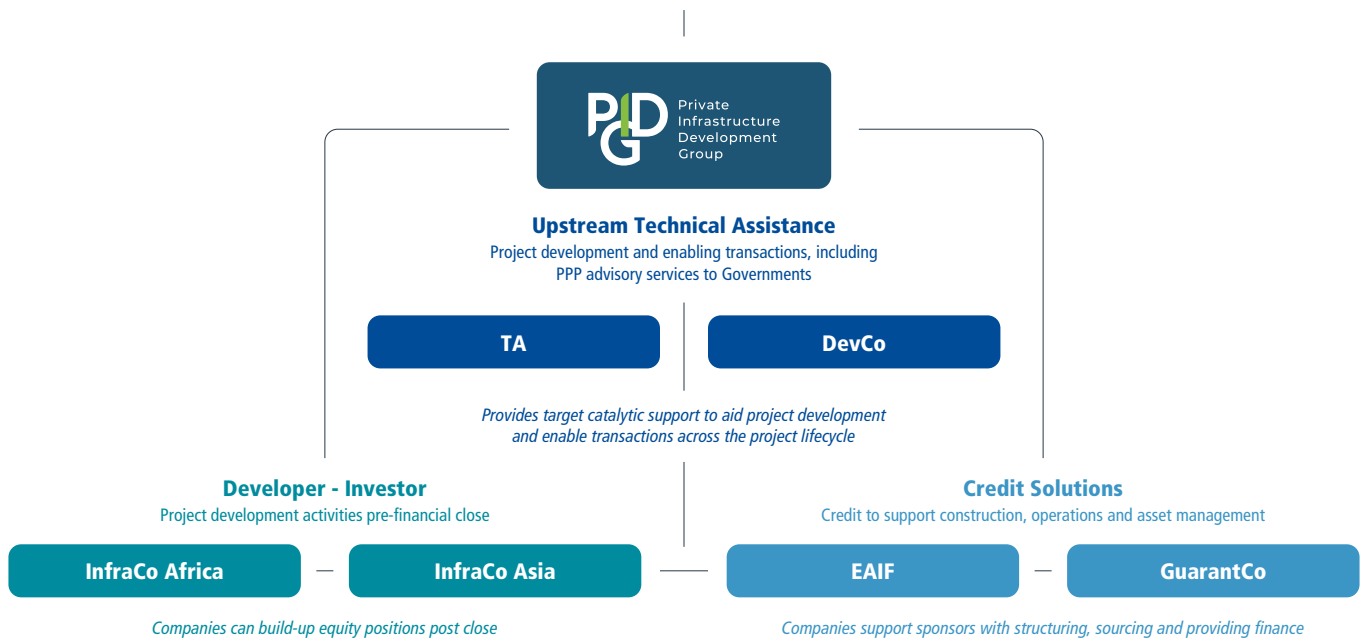
Ministry of Foreign Affairs of the Netherlands



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra



PIDG Owners

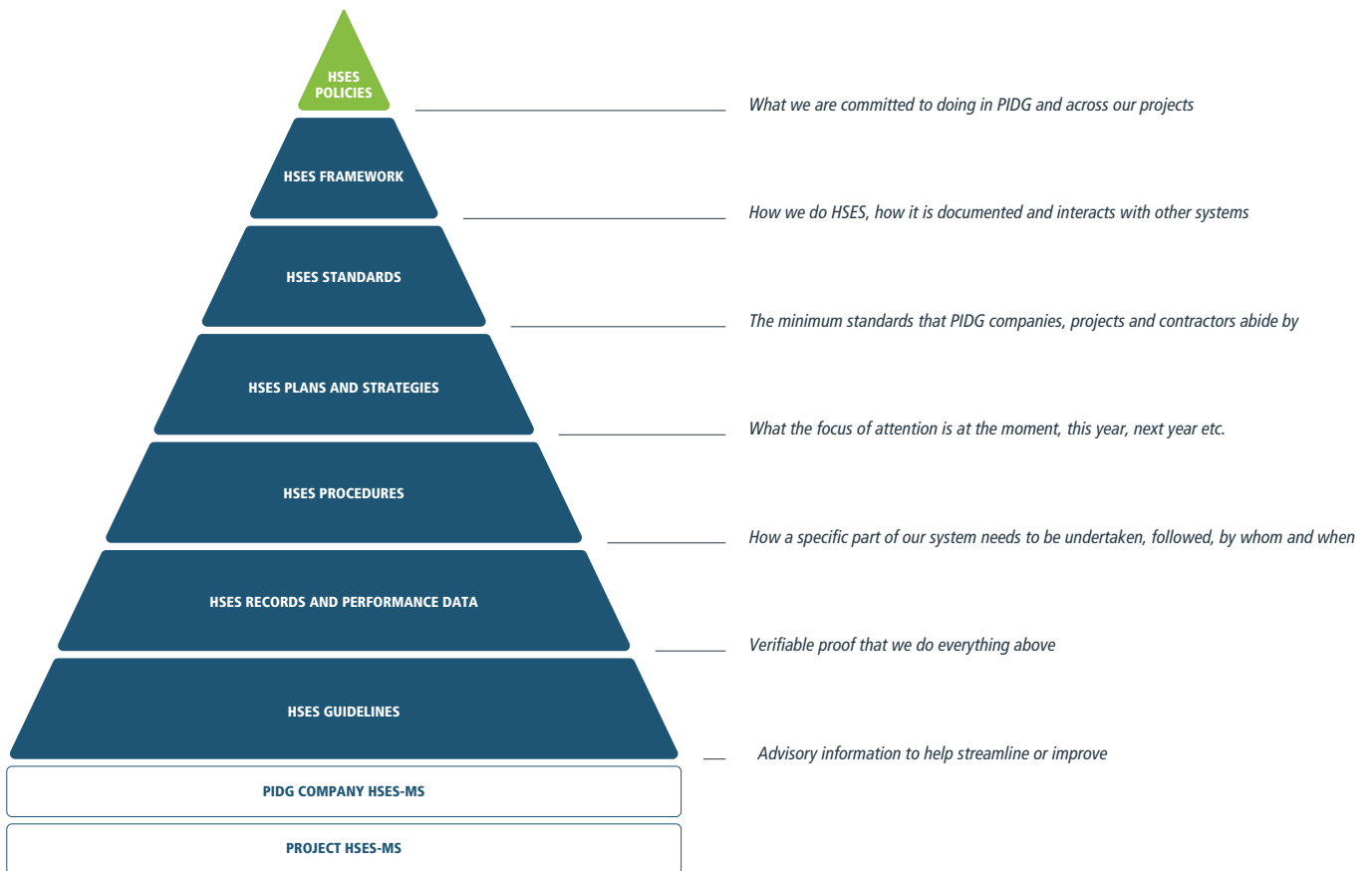


1.3 Structure of the PIDG HSES policies

The PIDG HSES policies drive HSES governance across PIDG and PIDG companies. Their purpose is to define PIDG’s intent with respect to all aspects of health, safety, environmental and social management.

Developed at PIDG, they are approved by the HSES committee on behalf of the Board of Directors and cascaded to all PIDG companies for implementation across all projects. The PIDG HSES policies are of equal importance and consistent with other operating PIDG policies.

Sitting at the highest level of the PIDG HSES management system the PIDG HSES policies define how our values shall be realised.



The PIDG HSES policies are implemented through the PIDG HSES management system. HSES standards are set at PIDG level, defining the minimum standards that are required to meet the PIDG HSES policy objectives. The PIDG HSES policies and standards are then implemented through the PIDG companies HSES management systems established at the company and project level to be appropriate and specific to each company and project requirements.

Fundamental to each is the commitment to:

- Eliminate or reduce the risks to health, safety, the environment and social from its activities, to levels which are considered tolerable and where required As Low As Reasonably Practical (ALARP)
- Meet or exceed all relevant regulatory and legislative requirements and to meet Good International Industry Practice (GIIP)
- Make continuous efforts to achieve HSES objectives and improve HSES performance.

The PIDG HSES policies are presented in four distinct documents, summarised below and presented in the following sections, covering the governance and management of health and safety; environment, social and security issues.

PIDG health and safety policy

This policy ensures the highest standards of health and safety are applied across all our companies and projects, protecting the health and safety of our people, contractors, visitors and our neighbours. It requires the prevention and reduction of accidents by enabling a culture where everyone takes responsibility for safety, and accidents, incidents and high potential near-misses are promptly reported and investigated and the lessons learned are shared and acted upon throughout PIDG.

PIDG environment policy

This policy ensures we strive to avoid or minimise potential adverse environmental impacts and conserve biodiversity wherever we operate. It ensures that all PIDG companies monitor and demonstrate the climate change impact of PIDG projects and support climate change mitigation and adaptation. It ensures the consideration of water use efficiency and water conservation measures in all projects.

PIDG social policy

contractors across all the PIDG companies and projects, to provide sustainable social benefit to the communities which host us, and to avoid creating adverse social impacts from any of our activities. It provides the mandate for addressing gender inequality and safeguarding vulnerable groups, including women and girls.

It ensures the consideration of displacement and project induced influx. The policy ensures that good communication and stakeholder consultation underpins all our business decisions.

PIDG security policy

This policy ensures the security of our people, contractors and assets across all the PIDG companies. It ensures that our activities, including those of our contractors, avoid any adverse impact on the security and human rights of the communities in which we operate. It provides the means to ensure the principles of proportionality are applied through all our security provisions and provides for a structured interface with our host country security forces.

The PIDG HSES policies are communicated to all our people, companies, projects, contractors and external stakeholders as appropriate. They are made publicly available.

PIDG people and companies are required to understand, promote and actively assist in the implementation of each policy.

1.4 Legislation and Good International Industry Practice (GIIP)

PIDG is committed to ensuring that all its activities operate to the national legal requirements of the host country law and compliance with international standards if higher. PIDG is committed to ensuring that all its activities align with Good International Industry Practices (GIIP).

This includes the following GIIP:

- IFC Environmental and Social Performance Standards
- the Principles of the UN Global Compact
- the Voluntary Principles on Security and Human Rights.

This commitment is reflected in the PIDG HSES policies. We map our portfolio against the United Nations' Sustainable Development Goals (SDGs) which aim to promote prosperity whilst protecting the environment. It is at the core of our business model that our projects shall align with these goals and this is supported through the implementation of our HSES policies.

1.5 Scope and applicability

The PIDG HSES policies are applicable to all PIDG people, all PIDG companies and to all projects in which PIDG and its companies invest, including consultants, contractors and the communities we operate in.

1.6 Continual improvement

The PIDG HSES policies are reviewed periodically by PIDG such that they are kept relevant to PIDG activities and they keep up with changes in GIIP and international standards.

HSES policies

2.1 Health and safety policy

PIDG's purpose is to combat poverty in the poorest and most fragile countries through pioneering infrastructure – helping economies grow and changing people's lives. We provide leadership, development capability, funding and finance solutions across the project cycle to support infrastructure provision. This delivers high development impact and develops local capacity and capability and the financing potential of local credit and capital markets.

It is the policy of PIDG to ensure the industry leading standards of health and safety across all our companies, protecting the health and safety of our people, contractors, visitors and our neighbours.

Helping our companies to prevent and reduce accident rates is a priority for us. Everyone in PIDG has a responsibility to help create a healthy and safe working environment by taking ownership of their own safety and through reporting any concerns. PIDG shall support and empower all people to realise this responsibility.

To meet our policy objectives we at PIDG shall:

- Mandate health and safety considerations into the decision-making process across all our activities
- Continually improve health and safety performance, supported by appropriate resources and strong visible health and safety governance
- Comply with all relevant host country health and safety legislation and align with Good International Industry Practices, including the IFC Environmental and Social Performance Standards
- Set health and safety performance objectives and targets and regularly monitor and report our performance across the group, and to the PIDG Ltd Board and owners;

- Ensure systems are in place to identify, assess, manage and control all project related health and safety risks
- Ensure that occupational health and safety rules and programmes are in place to protect people and workforce from hazards that may arise in our working environment
- Turn down opportunities for investment where we have concern that appropriate health and safety rules and programmes will not be put in place
- Ensure that our activities, including those of our project contractors, avoid or minimise any adverse impact on the health and safety of the communities in which we operate
- Foster a culture where accidents, incidents and high potential near misses are promptly reported and investigated and the lessons learned shared and acted upon throughout PIDG
- Maintain and regularly test contingency and emergency plans
- Undertake periodic audits, reviews and evaluations for measuring compliance with this policy.

This health and safety policy applies to all PIDG people and companies and shall be implemented through the PIDG HSES management system. We shall communicate this policy to all our people, companies, contractors and external stakeholders as appropriate.

All PIDG people and companies have a responsibility to understand, promote and actively assist in the implementation of this health and safety policy.

Dated: January 2020

2.2 Environmental policy

PIDG's purpose is to combat poverty in the poorest and most fragile countries through pioneering infrastructure – helping economies grow and changing people's lives. We provide leadership, development capability, funding and finance solutions across the project cycle to support infrastructure provision. This delivers high development impact and develops local capacity and capability and the financing potential of local credit and capital markets.

Our concern for the environment is central to our business. We strive to avoid or minimise potential adverse environmental impacts and conserve biodiversity wherever we operate. We map our portfolio against the SDGs which aims to promote prosperity whilst protecting the environment. We recognise that building climate resilience is key to delivering on our values and we shall track climate change mitigation and adaptation through all our projects.

To meet our policy objectives, we at PIDG shall:

- Mandate environmental considerations into the decision-making processes across all our activities
- Continually improve environmental performance, supported by appropriate resources and strong visible environmental governance;
- Comply with all relevant host country environmental legislation and align with Good International Industry Practices, including the IFC Environmental and Social Performance Standards
- Communicate environmental responsibilities to all PIDG people and PIDG companies, providing appropriate support and training to enable them to meet these responsibilities and fulfil their roles;
- Set environmental performance objectives and targets and regularly monitor and report our environmental performance across the group, and to the PIDG Ltd Board and owners

- Ensure systems are in place to identify, assess, manage and control all project related environmental impacts, providing appropriate offsets where required
- Turn down opportunities for investment where we have concerns about the systems being put in place to manage and control all project related environmental impacts
- Monitor and report the climate change impact of PIDG companies, projects and support climate change mitigation and adaptation through the prioritisation of renewable energy efficiency, and reduction in deforestation in our projects and environmental programmes
- Ensure water use efficiency and water conservation measures are considered on all projects
- Assess our impact on ecosystem services and maintain community benefits derived from these ecosystem services
- Enable timely environmental incident reporting to and from all PIDG's companies to PIDG Ltd
- Undertake periodic audits, reviews and evaluations for measuring compliance with this policy.

This environmental policy applies to all PIDG people and companies and shall be implemented through the PIDG HSES management system. We shall communicate this policy to all our people, companies, contractors and external stakeholders as appropriate.

All PIDG people and companies have a responsibility to understand, promote and actively assist in the implementation of this environmental policy.

Dated: January 2020

2.3 Social policy

PIDG's purpose is to combat poverty in the poorest and most fragile countries through pioneering infrastructure – helping economies grow and changing people's lives. We provide leadership, development capability, funding and finance solutions across the project cycle to support infrastructure provision. This delivers high development impact and develops local capacity and capability and the financing potential of local credit and capital markets.

The PIDG social policy is to enhance the welfare of our people and contractors across all the PIDG companies, to provide sustainable social benefit to the communities which host us, and to avoid creating adverse social impacts from any of our activities. We map our portfolio against the SDGs which aims to promote prosperity in a sustainable way. It is at the core of our business model that our projects shall align with these goals.

To meet our policy objectives, we at PIDG shall:

- Mandate social and sustainable considerations into the decision-making processes across all our activities
- Continually improve social performance, supported by appropriate resources and strong visible social governance
- Comply with all relevant host country social legislation and align with Good International Industry Practices, including the IFC Environmental and social performance standards
- Communicate social responsibilities to all PIDG companies, providing appropriate support and training to enable them to meet these responsibilities and fulfil their roles
- Set social objectives and targets and regularly monitor and report our social performance across the group, and to the PIDG Ltd Board and owners
- Ensure systems are in place to identify, assess, manage and control all project related social impacts, including the preservation of cultural heritage and providing appropriate compensation mechanisms when required
- Ensure systems are in place to consider the effect of displacement and to manage and control the impact of project induced influx
- Ensure processes are in place to promote gender equality, safeguard women and girls, and prevent any form of workplace discrimination, sexual harassment or physical assault
- Ensure processes are in place for payment of at least the minimum wage to all people, and for preventing any form of forced labour
- Ensure processes are in place to verify that all people and contractors are above the age of 16 (and 15 with exception), and that no people under the age of 18 are involved in hazardous work
- Undertake engagement and consultation with our stakeholders, including disclosure of information to affected communities in which we operate, and ensuring that vulnerable stakeholders (such as people with disabilities) are properly represented
- Ensure an effective visible grievance mechanism is in place across all of our projects and within the communities in which we operate
- Avoid or minimise project induced physical resettlement or economic displacement and provide processes to minimise adverse impacts including the provision of compensation and livelihood restoration programmes
- Support and respect the rights of indigenous communities and vulnerable groups
- Undertake periodic audits, reviews and evaluations for measuring compliance with this social policy.

This social policy applies to all PIDG people and companies and shall be implemented through the PIDG HSES management system. We shall communicate this policy to all our people, companies, contractors and external stakeholders as appropriate.

All PIDG people and companies have a responsibility to understand, promote and actively assist in the implementation of this social policy

Dated: January 2020

2.4 Security policy

PIDG's purpose is to combat poverty in the poorest and most fragile countries through pioneering infrastructure – helping economies grow and changing people's lives. We provide leadership, development capability, funding and finance solutions across the project cycle to support infrastructure provision. This delivers high development impact and develops local capacity and capability and the financing potential of local credit and capital markets.

The security policy of PIDG is to ensure the security of our people, contractors and assets across all the PIDG companies. We manage our Security provision to ensure that our activities, including those of our contractors, avoid any adverse impact on the security and fundamental human rights of the communities in which we operate.

To meet our policy objectives, we at PIDG shall:

- Deliver a level of security provision appropriate to the perceived threat, supported by appropriate resources and strong visible security governance
- Comply with all relevant host country security legislation, and align with Good International Industry Practices, including the IFC Environmental and Social Performance Standards, the Principles of the UN Global Compact and the Voluntary Principles on Security and Human Rights, and will be guided by the principles of proportionality in all aspects of security provision
- Communicate security responsibilities and guidance to all PIDG companies, providing appropriate support and training to enable them to meet these responsibilities and fulfil their roles
- Set security performance objectives and targets and regularly monitor and report our security performance across the group, and to the PIDG Ltd Board and owners

- Ensure systems are in place to identify, assess, manage and control all project related security risks
- Ensure peaceful resolution is prioritised at all times and that the use of firearms is controlled, and only used when necessary with restraint and caution
- Not sanction any use of force except where it is for preventive and defensive purposes proportionate to the nature and extent of the threat
- Agree the scope and standards of provision when working with public security forces
- Communicate security arrangements to our communities and provide an effective grievance mechanism for feedback on these arrangements
- Foster a culture where security incidents and near misses are promptly reported and investigated, and the lessons learned shared and acted upon
- Maintain and regularly test contingency and emergency procedures
- Undertake periodic audits, reviews and evaluations for measuring compliance with this policy.

This security policy applies to all PIDG people and companies and shall be implemented through the PIDG HSES management system. We shall communicate this policy to all our people, companies, contractors and external stakeholders as appropriate.

All PIDG people and companies have a responsibility to understand, promote and actively assist in the implementation of this security policy

Dated: January 2020

2.5 PIDG safeguarding policy

PIDG mobilises private sector investment to assist the poorest and most fragile countries through pioneering infrastructure to combat poverty, help economies grow, and change people's lives in a sustainable manner.

The PIDG safeguarding policy seeks to ensure that the rights, dignity and wellbeing of people across our activities, including at our companies, on the projects we support and in our neighbouring communities, are protected. We map our portfolio against the SDGs which aim to promote prosperity whilst seeking to ensure people's fundamental human rights are protected. We are committed to gender equality and non-discrimination through all our processes. We will not tolerate Gender Based Violence and Harassment (GBVH), including any form of sexual harassment, exploitation or other form of abuse perpetrated towards any individual based on their gender, or to children. We are committed to reducing the risk of modern slavery (inclusive of indebted or bonded labour and trafficking) and child labour.

To meet our policy objectives, we at PIDG shall:

- Continually improve our internal and external safeguarding systems supported by appropriate resources and strong visible safeguarding governance including providing a focal point at PIDG Ltd Board level and in the top tier of management across all our companies, and requiring it on the projects we support
- Demonstrate a positive and inclusive organisational structure striving to ensure that there is diversity of representation at our senior management and board level and where leaders set clear expectations and model respectful behaviour in their interactions at work
- Comply with all relevant national and international legislation and align with Good International Industry Practices including the IFC Environmental and Social Performance Standards
- Communicate our safeguarding responsibilities to all PIDG companies, providing appropriate support and training to enable their staff to meet these responsibilities and fulfil their roles
- Set safeguarding objectives and targets for the PIDG companies and regularly monitor and report our safeguarding performance across the group and to the PIDG Ltd Board and Owners
- Ensure systems are in place throughout PIDG and at project level, to identify and assess all project related safeguarding risks and to implement appropriate management and controls commensurate with the level of risk
- Ensure adequate and robust policies are in place across PIDG and at the project level, which define our commitment to good labour management practices, to gender equality and non-discrimination and to the prevention of GBVH, modern slavery and child labour
- Ensure every PIDG company and project company requires their employees, contractors, subcontractors and primary suppliers to agree to and sign a code of conduct detailing our expectations regarding safeguarding and the sanctions for breaching the code
- Ensure recruitment processes are in place across PIDG and at the project level which are fair, transparent, documented and free of any charge. Ensure they include accompanied interviews, appropriate background checks and child age verification where it is required
- Ensure all employees across PIDG and employees at the project level, including temporary workers, have documented employment terms and conditions which explain their rights including payment of at least the minimum wage and not excessive working hours
- Provide training to all employees across PIDG and require project companies to provide training to all employees such that they understand what constitutes GBVH and how they can contribute to making the workplace a better place for all; such that they understand their employment rights, what behaviours are acceptable to PIDG, and how to report any concerns
- Ensure all places of work and accommodation across PIDG and at the project level are safe, hygienic and considerate of the employee's wellbeing
- Ensure all workers across PIDG and at the project level are, subject to the national law, free to form workers associations and to bargain collectively, without retribution. Allow women and vulnerable groups to form committees in working hours and to socialise
- Ensure a security management plan is prepared across PIDG and at the project level for any security provision, which will include the risk of GBVH to the workforce and host communities
- Ensure all community engagement is controlled through a transparent stakeholder engagement plan defining the conduct and processes, including accompanied meetings, of engagement and the reporting of all engagement activities
- Ensure an effective visible grievance mechanism is in place across all our projects and host communities and all employees have access to a whistle blowing procedure, which provide for anonymity and confidentiality and provide appropriate survivor led support mechanisms
- Undertake periodic audits, reviews and evaluations for measuring both our and our clients' compliance with this safeguarding policy.

This safeguarding policy applies to all PIDG people and companies and shall be implemented through the PIDG HSES management system. We shall communicate this policy to all our people, companies, projects, contractors, sub-contractors and primary suppliers as appropriate.

All PIDG people and companies have a responsibility to understand, promote and actively assist in the implementation of this safeguarding policy.

Dated: January 2020