

	Environmental and Social Policy	Document No.	JCM-P-E&S-2.0
		Date	2020-11-13
		Page Number	Page 1 of 7

Environmental and Social Policy

Document Number: JCM-P-E&S-2.0

Document Version Control

Date	Document Number	Prepared By	Approved By	Notes
2018-08-27	JCM-P-ESG-0.1	Alan Cochran, ESG Director	To be approved by BOD	Draft Environmental and Social Governance Policy for Governance Committee review
2018-11-06	JCM-P-E&S-1.0	Alan Cochran, ESG Director	JCM Board of Directors	Environmental and Social Policy
2020-09-01	JCM-P-E&S-1.1	Alan Cochran, ESG Director		Annual review of policy
2020-11-13	JCM-P-E&S-2.0	Alan Cochran, ESG Director	JCM Board of Directors	Approved revision of Policy

Table of Contents

1	Environmental & Social Policy Statement	4
2	Objectives	4
3	Communication	5
4	Continual Improvement	5
5	Responsibility and Accountability	5


Abbreviations and Acronyms

Abbreviation / Acronym	Definition
E&S	Environmental & Social
ESG	Environmental, Social and Governance
ESMS	Environmental & Social Management System
IFC	International Finance Corporation
PAP's	Project Affected Peoples
PS	Performance Standard
SDG's	Sustainable Development Goals
PAPs	Project Affected Persons
UN	United Nations

	Environmental and Social Policy	Document No.	JCM-P-E&S-2.0
		Date	2020-11-13
		Page Number	Page 3 of 7

Definition of Terms

Term	Definition
Business Partner	Clients/portfolio companies that receive loans/investments; contractors and suppliers that provide services or goods to the Project Company.
Community	The Community refers to communities associated with a Project usually defined in the Environmental and Social Impact Assessment as falling within the direct area of impact.
Employee	In the context of this policy an Employee refers to all persons employed by JCM, its contractors and their subcontractors. This definition could also extend to individuals such as consultants or service providers.
Policy	This Document
Project	A renewable energy generation, distribution, or transmission asset owned and operated by JCM.

	Environmental and Social Policy	Document No.	JCM-P-E&S-2.0
		Date	2020-11-13
		Page Number	Page 4 of 7

1 Environmental & Social Policy Statement


At JCM Power, we are committed to fighting climate change and to promoting and practicing the protection of the natural environment and the social wellbeing of our Employees, the Communities, and PAPs in the countries that we operate. We do this by realizing renewable energy production and by conducting our business and managing investment projects in a manner that will prevent, minimize, mitigate or remediate negative environmental and social impacts associated with our business activities while maximizing positive impacts. Our mission is to accelerate social, economic and environmental sustainability in growth markets through the development of renewable energy. We aim to do this through addressing the following aspects: (1) energy as a basic need and development driver; (2) the necessary transition to energy production that does not contribute to climate change, (3) the recognition that this also needs to be to the benefit of the communities hosting the projects and not to the detriment of the receiving environment.

We are further committed to implementing and maintaining an effective ESMS and we will require contractors and other Business Partners that have responsibilities in developing, realizing and/or operating the businesses we are engaging in, to do the same.

2 Objectives

The JCM ESMS will include ways to verify that the appropriate sustainability practices are applied and delivered on by our Business Partners. This will be achieved through the following objectives:

- Compliance with all relevant national and international environmental and social legislation as well as align with international best practice, including the IFC Performance Standards, the UN Guiding Principles on Business and Human Rights, ILO Core Labor Standards and ILO Basic Terms and Conditions of Employment, and contributing to the UN SDG's;
- Implementation of ESMS that is consistent with the above;
- Prevention or minimization of the environmental risks associated with our operations, including:
 - Prevention or minimization the release of pollutants into air, water, and land, including greenhouse gas emissions;
 - Promotion of the efficient use of natural resources including but not limited to energy, water, and input materials;
 - Avoidance or minimization of the use of hazardous materials and chemicals and of the generation of hazardous and non-hazardous wastes. Where waste generation is unavoidable, waste must be recovered, reused, treated and properly disposed of; and

	Environmental and Social Policy	Document No.	JCM-P-E&S-2.0
		Date	2020-11-13
		Page Number	Page 5 of 7

- Biodiversity, habitat and ecosystem conservation and the sustainable management of living natural resources associated with JCM Projects.
- Prevention or minimization of the social risks associated with our Projects, including:
 - Avoidance or minimization of the need for displacement or forced evictions of people from land affected by our Projects;
 - Protection of the human rights of PAP's and Communities, including indigenous people;
 - Protection of the cultural heritage of PAP's and Communities affected by our Projects, under host country obligations and internationally recognized practices.

3 Communication

The Policy will be communicated to all Employees, partners and stakeholders through the following mechanisms:

- Providing policy training to new hires;
- Electronic distribution of the policy to Employees, investors and stakeholders;
- Providing public access to the policy on the JCM website; and
- By physical means to important stakeholders (that do not have access to internet).

4 Continual Improvement

The Policy will be reviewed at least every three years to assess its relevance and coverage of E&S issues and, if necessary, updated and re issued. Updates and changes to the Policy will be communicated following the mechanisms outlined in Section 3.

5 Responsibility and Accountability

It is the responsibility of the ESG Director to implement the Policy, monitor compliance, and take suitable corrective action when there is non-compliance. The ESG Director is also responsible for the review and revision of the policy.

	Environmental and Social Policy	Document No.	JCM-P-E&S-2.0
		Date	2020-11-13
		Page Number	Page 6 of 7

The Chief Executive Officer (CEO) of JCM Power will have ultimate accountability for JCM’s compliance with the Policy and will ensure that JCM Executive Management provide the necessary resources required to effectively implement the Policy.

Approved by the board of directors as of **13 November, 2020**.



ESG CORPORATE OFFICE

2nd Floor The WorkSpace, Unit 6
44 Melrose Boulevard
Melrose Arch
Johannesburg
Gauteng
South Africa

CONTACT:

Alan Cochran (ESG Director)
acochran@jcmpower.ca

Lisa Muller (ESG Coordinator)
lmuller@jcmpower.ca

HEAD OFFICE

21 St. Clair Avenue East
Suite 700
Toronto
Ontario
M4T 1L9
Canada

CONTACT:

Martin Ritchie (Chief Risk Officer)
mritchie@jcmpower.ca