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# Impact Policy

**Document Number: JCM-P-I-1.0**

## Document Version Control


Date	Document Number	Prepared By	Approved By	Notes
2018-08-27	JCM-P-SED-0.1	Alan Cochran, ESG Director	To be approved by the BOD	Draft Social and Economic Development Policy for Governance Committee review
2018-11-06	JCM-P-SED-0.2	Alan Cochran, ESG Director	To be approved by the BOD	Social and Economic Development Policy incorporating FMO and Swedfund comments.
2018-11-12	JCM-P-SED-1.0	Alan Cochran, ESG Director	JCM Board of Directors	Approved SED Policy
2020-09-01	JCM-P-I-0.1	Alan Cochran, ESG Director	To be approved by the BOD	Replacement of the JCM SED Policy with the JCM Impact Policy based on the development of the JCM Impact Strategy
2020-11-13	JCM-P-I-1.0	Alan Cochran, ESG Director	JCM Board of Directors	Approved Impact Policy

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## Abbreviations and Acronyms

Abbreviation / Acronym	Definition
CBO's	Community Based Organizations
ESG	Environmental and Social Governance
IFC	International Finance Corporation
ILO	International Labor Organization
NGO's	Non-Governmental Organizations
PAP's	Project Affected Peoples
PS	Performance Standard
SED	Social and Economic Development
SDG	United Nations Sustainable Development Goals
UN	United Nations

## 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.
Workplace	This includes the Project site, areas within the Community, the JCM offices, and any other location where Employees fulfil their duties in the course of their employment.

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## 1 Policy Statement

At JCM, we are committed to having an impact in the communities in we operate in through empowering PAP's and communities through two main areas:

1. Our core business operations; and
2. Our SED programmes.

We are further committed to facilitating access, creating opportunities, developing partnerships, enhancing self-efficacy and promoting sustainable livelihoods within communities, with due consideration for the natural environment.

## 2 Objectives

This will be achieved through the following objectives:

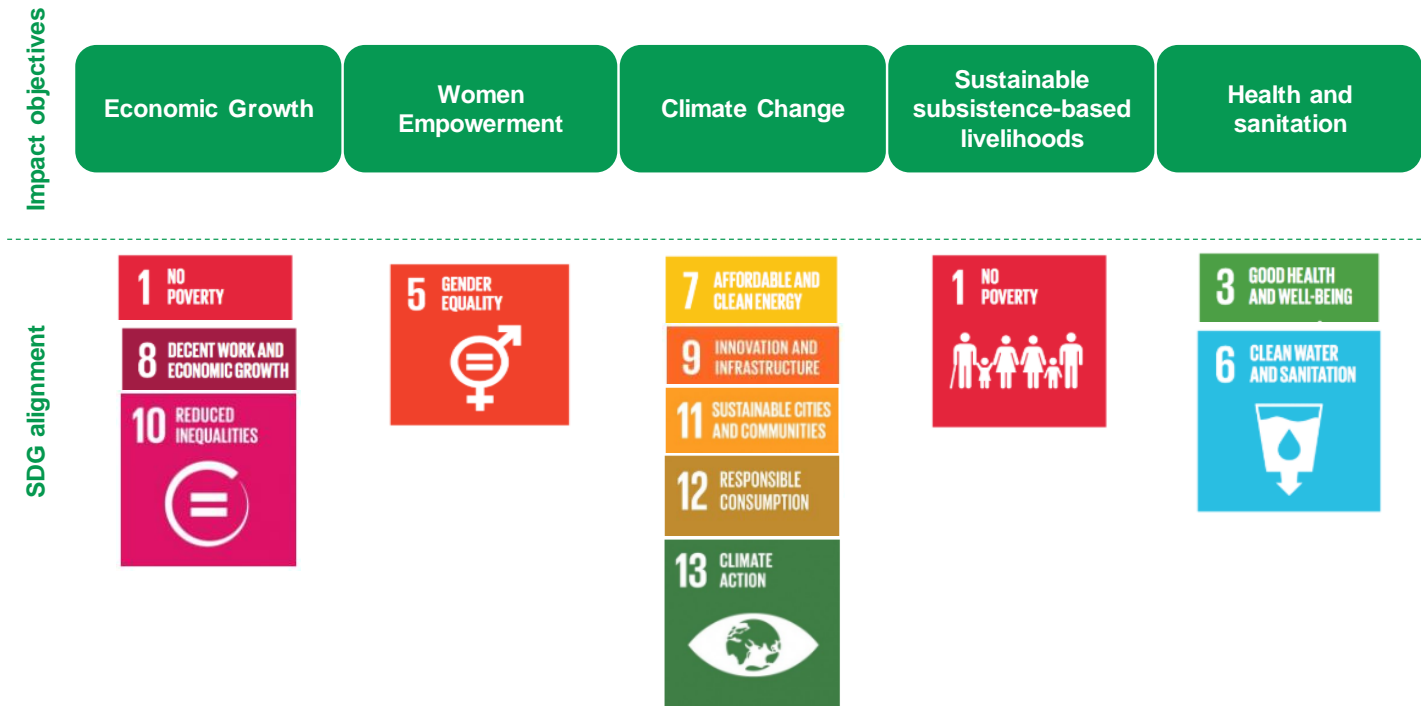
- Compliance with all relevant national and international environmental and social legislation as well as align with international best practice, including the IFC Performance Standards, the UN Guiding Principles on Business and Human Rights, ILO Core Labor Standards and ILO Basic Terms and Conditions of Employment, and contributing to the UN SDG's;
- Design of SED programmes through stakeholder engagement and active consultation with communities as well as undertaking independent needs assessments;
- Provision of sufficient funds for both programme development and ongoing operations for lifespan of a Project under JCM ownership;
- Promotion of active partnerships with governments, local authorities, Non-Governmental Organizations (NGO's), Community Based Organizations (CBO's) and enterprises in our Project areas of influence where there are social needs that we as a company can help to address;
- Optimization of the economic impact of our Projects through enhancing local content (local goods, services, and employment), skills and capacity training and strategic social investment activities;
- Investment in strategic areas where we can help communities advance and improve their quality of life, focusing these investments in sustainable areas which will have a positive lasting impact, whilst acknowledging that these may differ in every context in which we operate; and
- Focusing our efforts on JCM's five Impact Themes (Figure 1) as defined by our Impact Strategy.


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JCM is committed to improving the environment and the quality of life and livelihoods of our staff, our third-party contractors, our suppliers and members of the communities that we work in through our core business operations and our SED programmes.

We commit to doing so through focusing our efforts on the Impact Themes as defined by our Impact Strategy and illustrated in Figure 1. JCM will not attempt to affect each of the themes through every action it takes, but rather aim to target at least one or more Impact Theme through each core business activity or SED programme. In aligning our ambition to these specific Impact Themes, JCM will be committing to making an ongoing contribution to the achievement of selected SDGs.

Figure 1: JCM’s Impact Themes Aligned to SDGs



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The framework below outlines the specific impact we aim to achieve and includes our commitments in this regard.

Impact Theme	Impact statement	Commitments
<b>Economic growth</b>	<i>Improving economic growth by stimulating job creation and engaging with local businesses in emerging markets. Contributing to lower energy costs and improved grid performance by increasing renewable energy capacity.</i>	<ul style="list-style-type: none"> <li>• Prioritising local suppliers across the project lifecycle.</li> <li>• Prioritising employment of local people for jobs across the project lifecycle.</li> <li>• Economic value add through taxes and salaries.</li> </ul>
<b>Women empowerment</b>	<i>Empowering women by providing them with opportunities participate in the energy sector, improving their skills and giving them a voice</i>	<ul style="list-style-type: none"> <li>• Prioritising women in employment opportunities.</li> <li>• Developing skills-focused programmes that target women.</li> <li>• Providing women with a voice and a safe space to engage throughout the project.</li> <li>• Requiring contractors and project partners to do the above.</li> <li>• Taking action to reduce GBVH in the workplace and Project related GBVH in our communities and establishing pathways for survivors of GBVH in the workplace and Project communities.</li> </ul>
<b>Climate change</b>	<i>Contribute to climate change mitigation by providing access to clean energy</i>	<ul style="list-style-type: none"> <li>• Build-Own-Operate renewable energy power plants.</li> </ul>
<b>Sustainable subsistence-based livelihoods</b>	<i>Improve the sustainability of subsistence-based livelihoods by partnering with organisations to drive improved agricultural practices</i>	<ul style="list-style-type: none"> <li>• Undertaking needs assessments to understand the needs of the people we seek to have an impact on.</li> <li>• Allocating sufficient funds to implement programmes.</li> <li>• Allocating appropriate resources (staff) to manage programmes.</li> <li>• Building the right partnerships with the community, NGO's, government, and other organisations.</li> </ul>
<b>Health and sanitation</b>	<i>Improving rural health and sanitation by partnering with organizations to provide access to basic services</i>	

### 3 Communication

The Impact Policy will be communicated to all Employees, Business 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

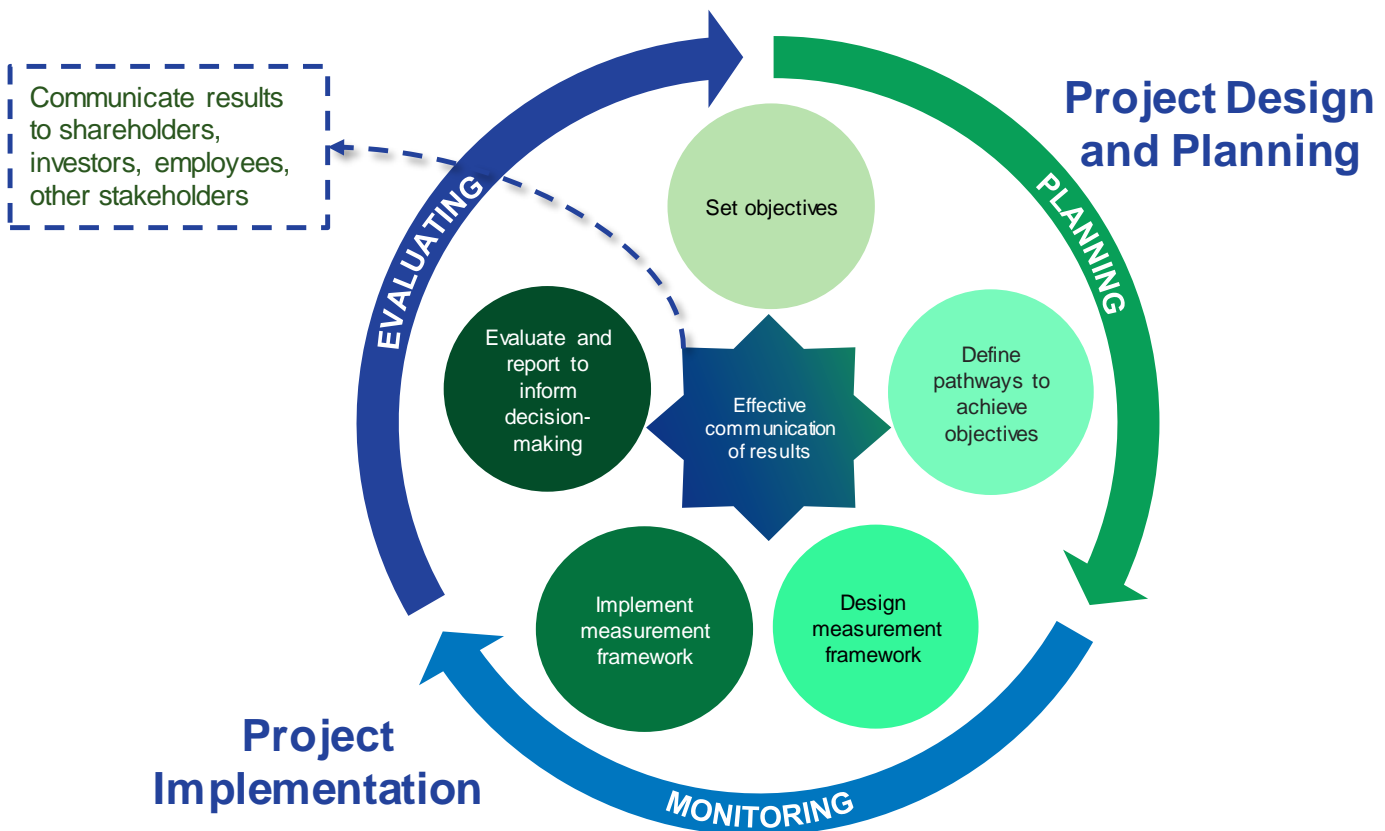
- By physical means to important stakeholders (that do not have access to internet).

## 4 Continual Improvement

The Impact Policy will be reviewed at least every three years to assess its relevance and coverage of issues and objectives and, if necessary, updated.

Achieving impact requires an iterative approach, and one that ensures feedback loops are appropriately integrated into all stages of the project lifecycle to inform periodic review and refinement of the Strategy against set objectives. Key components of the JCM’s approach to measuring and managing impact are illustrated in Figure 2 below.

Figure 2: Approach to Impact Measurement and Management



Source: Adapted from the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results

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## 5 Responsibility and Accountability

It is the responsibility of the ESG Director to implement this 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.

The Chief Executive Officer (CEO) of JCM will have ultimate accountability for JCM’s compliance with the policy and will ensure that JCM Executive Management provide the necessary resources required for its effective implementation.

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





# JCM POWER CORPORATION

## ESG

### 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](mailto:acochran@jcmpower.ca)

Lisa Muller (ESG Coordinator)  
[lmuller@jcmpower.ca](mailto: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](mailto:mritchie@jcmpower.ca)