

1. Overview of Scope of IIC E&S Review The environmental and social review for the Arawak Port Expansion and Energy Efficiency Program (“the Project”) in Nassau, Bahamas was based on a desk review of relevant documentation as provided by the client during March 2017. A site visit was not deemed necessary given the project’s low environmental and social risk structure. The documentation reviewed included mainly Human Resources policies and programs as well as Quality, Safety, Health and Environment (QSHE) policies, procedures and programs.

2. Environmental and Social Categorization and Rationale The proposed operation is categorized as a Category C according to the IIC’s Environmental and Social Sustainability Policy, as it is likely to result in very limited or no adverse environmental or social impacts or risks.

3. Environmental and Social Context This project consists of a US\$3 million senior unsecured loan to Arawak Port Development Limited (“APD”) to finance the installation of a rooftop solar photovoltaic (PV) system on APD’s main building at the port in Nassau, as well as financing other small energy efficiency activities. Through the project, APD installs a 36kW alternating-current (AC) solar system on its administration building. The system will provide approximately 80,000kWh over the course of its first year and thus reduce the company’s carbon footprint by decreasing consumption of electricity from the grid through an investment that generates zero-emission electricity. As a result, the Project will improve the Company’s financial strength and competitiveness by reducing long-term operational costs through lower electricity costs. The project will have an outsized demonstration effect for other firms to invest in solar PV to reduce emissions in the country, reduce costs, and improve competitiveness.

4. Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures

4.1 Assessment and Management of Environmental and Social Risks and Impacts

a. E&S Assessment and Management System APD has a comprehensive set of policies, procedures and programs that together make up their Environmental and Social Management System (ESMS). The Environmental Policy approved in February 2016 expresses the company’s commitment to environmental performance, including pollution prevention, compliance with environmental legislation, sound waste management and recycling, energy efficiency and the minimization of carbon emissions. APD’s Health and Safety Policy Statement, effective since May 2014, outlines the company’s commitment to conducting its operations with consideration for the health and safety of all employees and guests and with respect for the environment. The company’s health, safety and environment (HSE) strategy includes the implementation of an action plan to achieve continuous improvement in HSE performance and regular review by APD’s Board of related activities. The action plans are revised annually to ensure continuous improvement. The ESMS also includes provisions for emergencies (Hurricane Preparedness and Disaster Recovery Plan; Evacuation Plan; Fire Prevention); Waste Management Protocols; as well as a Policy and Procedures for accident investigation. All Departments are responsible for their compliance with HSE provisions, which is supervised by the Safety Department in the Legal Department. The Executive Team of APD includes the Assistant Vice President Legal and Safety.

b. Identification of Risks and Impacts The main risks of this Project are related to occupational health and labor safety issues during the installation of the PV solar panels and, to a limited extent, occasional maintenance (see below as it requires working in heights and with electrical installations. These are adequately mitigated by implementation of procedures for fall protection and electrical safety.

4.2 Labor and Working Conditions

a. Occupational Health and Safety The company has established an extensive Health and Safety Training Program to ensure that all staff have the knowledge and competence to follow out the safety procedures and policies. All personnel receive awareness training on all facets of the safety program through the HSE awareness training/and or campaigns which are conducted annually and involves all staff; and received by all new staff upon orientation. Additionally more comprehensive training is conducted on the specific safety requirements and procedures for specific roles and responsibilities (for example, specific staff, supervisor or executive trainings). The contractor Bahamas Energy and Solar Supplies Ltd. was selected to supply and install the system. Six persons were involved in the installation and the system is self-maintaining once installed and its performance monitored via remote access. The installation team was made up of licensed 3-phase

electricians and the installation was done in accordance with the manufacturer's specifications and in compliance with National Electrical Code (NEC) standards. The team that worked on the site participated in APD's Safety Orientation Program prior to starting work on site and installation was completed incident free. The system itself was engineered to meet the building demand within the safe limits of the electrical infrastructure in place.

b. Employee complaints and grievance mechanism The Company has published and provided to each of its employees an Employee Handbook which lays out the Employee Compliant procedure, Grievance Procedure and Reporting/Investigation Procedures. APD keeps records of any employee complaints permanently.

4.3 Resource Efficiency and Pollution Prevention As an energy efficiency project, the objective is precisely to achieve a savings effect in the energy consumption and thus greenhouse gas emissions originated by APD's operations. As a result, APD will reduce its CO2 emissions in 2017 by an estimated 45 tons (in CO2eq) and have the equivalent of 6,527 gallons of gasoline offset. For its standard operational processes, the company has in place Waste Management, Energy Efficiency and other Sustainability Plans and Procedures.

4.4 Community Health, Safety and Security a. Community Health and Safety The APD administrative building is located within the Port site and as such in an industrial/ commercial area where entry is limited to authorized personnel only. Due to the location, no negative impacts to communities are expected during installation and maintenance of the PV system. The materials are brought into the Port in a container and do not impact any persons in the area. The PV panels are mounted on the rooftop of the Maritime Center, therefore there are no visual impacts given that no high buildings are present in the surrounding area.

b. Community Complaints and Grievance Mechanism Any community complaints are passed to the CEO of APD who determines the adequate response process depending on the issue. Complaints can be presented via walk in, mail, phone or the company's web site. All complaints are registered in a filing system for subsequent follow up, unless they consist of verbal complaints that can be addressed immediately, in which case a record is also kept.