

Environmental and Social Review Summary (ESRS) Jamaica Public Service Company Limited (Phase 2) – JAMAICA

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1 General Information of the Project and Overview of Scope of IDB Invest's Review

Jamaica Public Service Company Limited ("JPS", the "Client", or the "Company") is an integrated electric utility company and the licensed sole distributor of electricity in Jamaica. It is engaged with the generation, transmission, and distribution ("T&D") of electricity, and with purchasing power from several Independent Power Producers ("IPPs"). JPS is the largest electricity supplier to the grid, with approximately 1,040 Megawatt ("MW") of installed capacity, 697 MW peak demand, and a whole-island T&D license. The Company owns and operates 4 power stations, 9 hydroelectric plants, 1 wind farm, and over 14,000 kms (8,699 miles) of T&D lines which includes 51 substations. The Company has several offices and operational infrastructure located across the country. Daily service is provided to over 710,000 customers with a net generation of 4,356 Gigawatt-hour ("GWh").

The proposed investment (the "Project" or "Phase 2") aims to provide additional financing for the Company's existing transaction¹ ("Phase 1")¹ towards restoration works caused by Hurricane Melissa and required to: i) repair, replace, expand and upgrade generation, transmission and distribution assets; ii) install or repair the Company's telecommunication infrastructure; iii) upgrade to climate resilient infrastructure; and iv) install or upgrade energy efficiency and energy storage solutions.

The Environmental and Social Due Diligence ("ESDD") process included: i) virtual meetings with the Client ii) ongoing development of the Company's environmental management system; and iii) a review of information on permits and licenses, policies and procedures on environmental health and safety, waste management, emergency response and Greenhouse Gas ("GHG") emissions submitted by the Client as part of the required annual reports to IDB Invest.

To ensure the Project's commitment to respect and protect human rights, its zero tolerance for retaliation, and its commitment to providing and guaranteeing a safe environment for stakeholders to voice their concerns without fear of retaliation, the ESDD process also included the review of the following documents: i) Diversity Policy; ii) Code of Ethics and Business Conduct; iii) Sexual Harassment Workplace Policy; and iv) Employee Grievance Policy.

¹ <https://idbinvest.org/en/projects/jamaica-public-service-company-i-jps-i>

2 Environmental and Social Categorization and Rationale

The Project has been classified as a Category B operation according with IDB Invest’s Environmental and Social Sustainability Policy, since it is likely to generate the following impacts: i) waste generation; ii) noise emissions; iii) air and dust emissions; iv) effluent emissions; v) health and safety risks; and vi) community disturbance, among others. These impacts are deemed to be of medium-low intensity, which can be managed through standard risk and impact mitigation measures and management plans.

The Performance Standards (PS) triggered by the Project are: i) PS1: Assessment and Management of Environmental and Social Risks and Impacts; ii) PS2: Labor and Working Conditions; iii) PS3: Resource Efficiency and Pollution Prevention; and iv) PS4: Community Health, Safety, and Security.

3 Environmental and Social Context

3.1 General characteristics of the Project’s site

Project interventions at this time are limited to existing installations and networks distributed across the country, including areas heavily impacted by Hurricane Melissa. Works are not expected to involve new greenfield projects. Nevertheless, it is recognised that the Company may pursue future greenfield projects outside of Project interventions.

3.2 Contextual risks

According to studies by the IDB², as a small, open economy with a narrow production base, Jamaica is vulnerable to external shocks, including from natural disasters and climate change, and is one of the most tourism-dependent economies in the world.³ The country’s productivity has also been in decline for decades and remains below levels that which prevailed prior to independence. Jamaica is considered a relatively low-wage labor market within Latin America and the Caribbean (“LAC”). Recent IDB analysis maintains Jamaica near the lower end of wage levels among a sample of 20 LAC countries.⁴ Regional salary surveys similarly indicate that wages in Jamaica remain below regional benchmarks for many roles.⁵

For many, particularly the most vulnerable populations, access to quality basic services is lacking, including quality healthcare, education, vocational training, safe drinking water, and electricity. Jamaica has one of the region’s highest costs of living, although its inflation ranking has fluctuated and recently moderated relative to some regional peers.⁶ For many, the current price of housing,

² Jamaica Country Strategy (2022-2026); IDB publication - Measuring the Cost of Salaried Labour in Latin America and the Caribbean.

³ (Mooney et al. 2020)

⁴ [Inter-American Development Bank \(IDB\), Salaried Labor Costs in Latin America and the Caribbean: A Ten-Year Update \(2026\)](#)

⁵ Caribbean Society for Human Resource Professionals (CSHRP), PayPulse Caribbean Salary Survey Reports (2024–2025)

⁶ <https://tradingeconomics.com/jamaica/inflation-cpi>; <https://jis.gov.jm/inflation-rate-to-average-5-9-per-cent-over-next-two-years/>

utilities and food items continue to affect quality of life and the ability to live comfortably.⁷ Despite significant recent reductions in violent crime, including a decline in murders, Jamaica continues to experience high levels of crime and violence. Preliminary data for 2025 indicate further improvements, with murders declining by more than 40% compared to the corresponding period in 2024.⁸ Despite significant recent reductions in homicide rates, crime remains a major social and economic concern. Corruption, high unemployment, and violent crime, especially homicides and rapes of women and girls, are therefore widely perceived as some of the country's most pressing problems.

The energy sector continues to transition toward a more diversified and sustainable energy mix, with increasing investments in solar, wind, and hydropower. By the end of 2024, Jamaica's installed renewable energy capacity accounted for about 10% of total electricity generation. The Government has reaffirmed its target of achieving 50% renewable electricity generation by 2030 through additional utility-scale renewable energy projects and energy-storage investments.⁹ At the same time, a significant shift has occurred in the country's fuel mix, with reduced reliance on heavy fuel oil ("HFO") and automotive diesel oil ("ADO"). Liquefied natural gas ("LNG") accounted for approximately 60% of electricity generation in 2024, making it Jamaica's primary fuel source for power generation and serving as an important transition fuel while renewable energy capacity continues to expand.¹⁰

Notwithstanding, the relatively higher costs associated of fossil sources are further compounded by fluctuations in foreign exchange market (mainly between the US dollar ("USD") and local Jamaican ("JMD") currency) as well as recent global supply chain disruptions. These factors make service providers susceptible to high fuel and operational costs in the context of a depreciation of the JMD, which increases the overall cost of living for the average citizen.

Linked to continuing high levels of crime and violence and the growing threat and creativity from criminals¹¹, the country suffers from high incidences of utility theft (electricity and water). The prevalence of this activity in some areas of the country, at times, interfere with both the infrastructure and the service to legal paying customers.

4 Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures

4.1 Assessment and Management of Environmental and Social Risks

While the Company has certain environmental and social ("E&S") management elements in place, these are not yet integrated into a cohesive Environmental and Social Management System ("ESMS") to guide the assessment and management of E&S risks and impacts.

⁷ Up to mid-2022, the country experienced one of the highest levels of price rise increase - Sources: Economic Survey of Latin America and the Caribbean 2022; Statistical Institute of Jamaica (STATIN)

⁸ [From 1,406 in 2023 to 1,147 in 2024](#)

⁹ [JIS 1/ JIS 2](#)

¹⁰ <https://our.today/vaz-lng-contributed-60-of-electricity-generation-inputs-in-2024/>

¹¹ Such as People who attempt to impersonate service providers, and cybercriminals that employ innovative techniques to disrupt IT operations or gain access to personal or business data.

However, in accordance with local requirements, the JPS has valid environmental permits issued by the National Environmental Planning Agency (“NEPA”) covering various E&S aspects linked to its operations (e.g., air emissions, effluent discharge, facilities expansion, hazardous waste, vegetation maintenance). These permits establish compliance conditions, including monitoring and reporting, and the Client maintains an updated permit register.

4.1.a E&S Assessment and Management System

Even though still disaggregated and not sufficient to constitute an ESMS, the Company’s corporate structure has in place some elements of such system: management programs, emergency preparedness and response (“EPR”) procedures, grievance procedures, stakeholder engagement plans, along with ISO 9001¹² and ISO 17025¹³, which are audited annually for compliance. Therefore, the Client will articulate the current elements and will add the missing ones to develop a formal ESMS.

4.1.b Policy

The Company has adopted a stand-alone Environmental Policy Statement which states that JPS “*will comply with environmental regulations and behave as a responsible steward of the environment.*” The Company has also developed an Environmental, Social & Governance (“ESG”) Statement guided by ISO 26000¹⁴ which includes commitments to: i) environmental compliance; ii) restoration, preservation, and protection of the environment; iii) youth and community engagement; iv) create a diverse and inclusive work environment; v) good corporate governance; and vi) continuous ESG improvement.

4.1.c Identification of Risks and Impacts

This process is currently conducted using a multi-team approach aligned with the local regulations. However, as part of its ESMS, the Client will outline and maintain a process for identifying E&S risks and impacts linked to its activities (including all its offices and associated facilities)¹⁵, and consistent with good international industry practice and local requirements. This will include an impact identification matrix.

It will also submit a post-damage assessment and tracking procedure to systematically identify, document, prioritize, and monitor physical climate risks and resilience measures across its impacted operations and associated facilities. The procedures will include post-event damage assessments,

¹² The International Standardization Organization (“ISO”) 9000 family is a set of five quality management systems standards that help organizations ensure they meet customer and other stakeholder needs within statutory and regulatory requirements related to a product or service.

¹³ ISO 17025 is the international standard that sets out the general requirements for the competent, impartial, and consistent operation of laboratories.

¹⁴ ISO 26000 is defined as the international standard developed to help organizations effectively assess and address social responsibilities that are relevant and significant to their mission and vision; operations and processes; customers, employees, communities, and other stakeholders; and environmental impact.

¹⁵ Associated facilities, which are facilities that are not funded as part of the project and that would not have been constructed or expanded if the project did not exist and without which the project would not be viable. These may include railways, roads, captive power plants or transmission lines, pipelines, utilities, warehouses, and logistics terminals.

root-cause and vulnerability analysis, tracking of corrective and resilience-related upgrades, and monitoring of implementation status and resilience key performance indicators (“KPIs”).

4.1.c.i Direct and indirect impacts and risks

Alongside daily operations, Project activities linked to works needed to restore, upgrade or expand some of the Client’s infrastructure may potentially generate the following impacts and risks: i) dust emissions; ii) solid (including hazardous) waste; iii) noise emissions; iv) effluents; v) temporary interruption of energy provision; vi) damage to street and road infrastructure; and vii) health and safety risks to workers, among others. Indirect impacts may potentially include network disruptions, traffic disturbance and temporary access restriction to households and businesses.

4.1.c. ii Analysis of alternatives

The proposed interventions will be carried out on existing Company installations and infrastructure. Therefore, no alternative assessment was carried out. Should any new infrastructure be financed with funds provided by the Project, an alternative assessment will be prepared.

4.1.c.iii Cumulative impact analysis

Since primary interventions identified thus far will be undertaken across the Client’s existing installations and networks distribution, no cumulative impact assessment was carried out.

4.1.c.iv Gender risks

According to the World Bank Gender Assessment for Jamaica¹⁶ and more recent labor market data, Jamaica has made progress toward gender equality; however, disparities in economic opportunity persist. Women's labor force participation remains lower than men's, although the data indicates gradual improvement. As of 2024, the female labor force participation rate was 61.9%, compared to 74.5% for men, while the female unemployment rate (4.5%) remained higher than the male rate (2.6%). Women continue to be concentrated in service, retail, education, healthcare, and public-sector occupations and remain underrepresented in STEM and ICT-related fields.¹⁷

Despite relatively strong educational outcomes and literacy levels among women, gender gaps in earnings, labor market participation, and access to higher-value employment opportunities persist. At the same time, Jamaica continues to rank comparatively well in female representation in management and decision-making positions relative to regional peers.¹⁸

Gender disparities continue to influence social and economic outcomes. Men are disproportionately affected by violent crime and homicide, while boys from low-income urban communities are more likely to leave school early and face barriers to tertiary education and formal employment. Some of these factors have contributed to pervasive crime issues within the country which has impacted

¹⁶ [World Bank Gender Assessment for Jamaica](#)

¹⁷ [jis.gov.im](#)

¹⁸ [reliefweb.int](#), [jamaicaobserver.com](#)

various aspects of the private sector, such as increased bank fraud, lottery scamming, cybercrimes, along with high rates of electricity theft especially in inner city communities.

Violence against women and girls continues to pose a significant social risk. The gender assessment indicates that approximately 7% of women¹⁹ experienced physical and/or sexual intimate partner violence (“IPV”) within the previous 12 months, while gender-based violence (“GBV”) continues to be underreported. Sexual violence and harassment are particularly relevant risks for adolescent girls and vulnerable populations, due in part to social stigma and barriers to reporting.

Human trafficking, including sex trafficking of women, girls, and other vulnerable populations, remains a concern in Jamaica. According to recent trafficking assessments, traffickers continue to exploit victims both within Jamaica and abroad, while advances in digital technologies and social media have created additional channels for recruitment, grooming, and exploitation. Children and young people, particularly those facing social and economic vulnerabilities, are considered at heightened risk.²⁰

4.1.c.v Gender Programs

JPS has established several corporate policies and procedures that promote equal employment opportunity, non-discrimination, diversity, inclusion, and workforce wellbeing. The Company’s Code of Ethics and Business Conduct, Diversity Policy, and Sexual Harassment Policy apply to employees, contractors, and other workers performing services on behalf of the Company. These frameworks prohibit discrimination, harassment, intimidation, child labor, and forced labor, while promoting fair and equitable treatment in employment, recruitment, compensation, training, promotion, and other employment-related decisions.

The People Operations Division is responsible for addressing employee safety and security concerns. Women security personnel often form part of the security team deployed to JPS locations by its third-party security service providers.

Women currently occupy approximately 25% of leadership positions within the organization.

There have been no reports of sexual exploitation and abuse or GBV cases within the Company in last 5 years. However, JPS will: i) submit its Employee Disciplinary Code addressing such issues; and ii) adopt specific provisions regarding zero tolerance towards sexual exploitation of minors and GBV

Even though the Company does not have lactation rooms, it makes appropriate arrangements to accommodate lactating mothers and provides maternity leave in line with the Maternity Leave Act (1979).²¹ While Jamaica has now formally implemented paternity leave within government organizations,²² this has not been yet adopted by the Company but is under consideration.

¹⁹ Aged 15–49

²⁰ <https://www.state.gov/reports/2024-trafficking-in-persons-report/jamaica/>
<https://radiojamaicanewsonline.com/local/jamaica-maintains-tier-2-rank-on-2025-trafficking-in-persons-report>

²¹ An act to provide for the right of female workers to be granted maternity leave by their employers and to be paid maternity pay in some cases, and for matters incidental to or connected with the purposes aforesaid

²² [January 2023](#);

However, in the meantime, it provides several leave options which male employees can take advantage of to access paternity related time-off.

4.1.c.vi Climate change exposure²³

Jamaica lies within the Atlantic hurricane belt and, as a result, remains highly vulnerable to hurricanes, tropical storms, flooding, droughts, landslides, storm surge, and other climate-related hazards. The Atlantic hurricane season runs from June to November, with August, September, and October typically being the most active months for the island. Being in the Atlantic hurricane belt, Jamaica is heavily exposed to tropical storms and hurricanes from June to November. Associated rainfall and extreme weather events can significantly affect existing infrastructure through flooding, landslides, and coastal storm surge.

While the frequency and intensity of extreme weather events vary from year to year, climate projections indicate increasing risks associated with higher temperatures, more intense rainfall events, prolonged drought conditions, coastal erosion, and sea-level rise (“SLR”). These hazards can adversely affect critical infrastructure, including power generation, T&D systems, roads, water supply systems, and telecommunications networks. Heatwaves and higher average temperatures may also increase electricity demand, placing additional stress on the national power grid and energy infrastructure.

This was demonstrated by Hurricane Melissa, a Category 5 hurricane that made landfall in Jamaica in October 2025 with sustained winds of approximately 185 mph (295 km/h), the strongest hurricane to affect the country since records began and among the most powerful Atlantic hurricanes ever recorded. The hurricane caused widespread damage to housing, transportation, electricity, telecommunications, agriculture, and other critical infrastructure across the island. National post-disaster assessments estimated total economic damage and losses at approximately JMD 1.45 trillion (approximately US\$8.8 billion), equivalent to about 41% of Jamaica's GDP, ranking it among the costliest natural disasters in the country's history and surpassing the estimated impacts of Hurricane Gilbert, previously considered Jamaica's most damaging hurricane event.

The hurricane also severely damaged JPS's transmission and distribution network, requiring more than US\$300 million in unplanned restoration, reconstruction, and resilience-related expenditures. As of the first quarter of 2026, approximately US\$270 million had already been spent or committed toward recovery efforts, including the rebuilding and strengthening of generation, transmission and distribution infrastructure. The event highlighted the vulnerability of critical energy infrastructure to increasingly severe weather events and reinforced the need for climate-resilient infrastructure planning and design.

²³ <http://jamaica-gleaner.com/article/news/20260621/more-time-hands-dads-paternity-leave-reshaping-fatherhood-jamaica>
<https://publications.iadb.org/en/assessment-effects-and-impacts-hurricane-melissa-jamaica>;
<https://climateknowledgeportal.worldbank.org/country/jamaica>;
<https://www.iadb.org/en/news/idb-world-bank-estimate-hurricane-melissa-damage-jamaica-totals-all-time-high-us88-billion>

Given the above, and based on the scope of the Client's operation, the Project is classified as highly exposed to physical climate-related hazards, including hurricanes, extreme rainfall, flooding, landslides, droughts, heat stress, and coastal storm surge.

The Project is considered Paris Agreement aligned based on the overall analysis conducted in accordance with the IDB Group Paris Alignment Implementation Approach. In addition, the transaction is not inconsistent with regional adaptation goals and priorities

4.1.d Management Programs

The Company has several management plans and procedures to guide the various aspects of daily operation: occupational health and safety ("OHS"), hazardous materials and waste, air quality, water and wastewater, vegetation, scrap metal, solid waste, spill control etc. These plans are managed and updated periodically across several departments with oversight by the newly established Environment, Health and Safety ("EHS") Division.

4.1.e Organizational Capacity and Competency

As part of recent organizational restructuring, the environmental portfolio was transferred to the EHS Division, which currently reports under the purview of the President and CEO. The division is responsible for environmental compliance, OHS and related E&S risk management functions. There is currently a Safety Director with oversight for OHS, and an Environmental Affairs Manager with oversight for all environmental compliance stewardship and sustainability, supported by officers, coordinators, and operational focal points located throughout the organization. This structure is supplemented by business unit EHS representatives, management committees, and contractor oversight processes that support implementation of the Company's EHS mandate and continuous monitoring of environmental, social, health and safety performance.

4.1.f Emergency Preparedness and Response

There are several documents and procedures addressing various aspects of EPR within the Company's portfolio. This includes emergency evacuation plans and drill reports for some offices, a Business Continuity Plan ("BCP"), a Comprehensive Disaster Management Program document, and expansion permits requiring site specific EPR plans.

To ensure that EPR processes are consolidated and appropriate to respond to emergency situations associated with its operations, the Client will prepare as part of its ESMS, a comprehensive EPR plan capturing existing procedures, in addition to further specified response measures to cover all regional offices and categories of operating facilities. This plan will explicitly outline critical hazards, especially those associated with climate change such as hurricane and flooding, the process for the identification of communities or individuals that may be impacted, details of the equipment and resources needed to manage emergencies, designation of responsibilities, communication, collaboration with relevant third parties, contractor responsibilities, and periodic training to ensure effective response.

4.1.g Monitoring and Review

The Company's policies for Environment and Occupational, Health and Safety reaffirms its commitment to monitor, measure and review environmental and safety objectives in support of its strategic business direction. The EHS Division oversees environmental compliance and related regulatory obligations. Performance is monitored through established management systems, compliance audits, permit and license tracking, incident and accident investigations, E&S inspections, employee engagement programs, and the annual tracking and reporting of environmental and OHS KPIs. These tools support the periodic review of policies, procedures, operational controls, and regulatory requirements, while helping identify opportunities for continual improvement across the Company's operations.

4.1.h Stakeholder Engagement

There is reference to a Stakeholder Engagement Plan and Strategy within the Company's previous business plan aimed at building awareness and understanding of the Company's operations, policies, and procedures, as well as the general environmental factors that affect the energy sector. It also identifies main stakeholder groups, along with several initiatives which have been implemented to improve customer service such as the upgrade of a Customer Information System ("CIS") which has enhanced operational efficiency and customer satisfaction; the introduction of Customer Advisory Councils which help to provide an effective feedback loop for the Company; and more channels for communicating with customers (e.g., traditional media, social media, a mobile app, 24-hr online customer service, text messages and emails). To support these initiatives, the Company has a dedicated Customer Services Division staffed with a Manager for Community Renewal, a Community Relations Officer and a Manager for Community and Stakeholder Relations.

The Company's Outreach Policy and Procedures (guided by ISO 2600) also references stakeholder engagement through commitments to ensure that all key stakeholders are informed of any project or involvement in activities in their area.

Given the latter, the Client will prepare, as a part of its ESMS, a standalone Stakeholder Engagement Plan ("SEP"), which will also include a revision of the Outreach Policy and Procedures to assess KPIs and measure the impact level of the Company's projects.

4.1.h. i Disclosure of Information

Per local permit requirements, certain projects executed by the Company require public stakeholder consultations and disclosure. There is public access to the Company's annual reports, and both the business plan and Outreach Policy refer to various channels for sharing information with stakeholders, but the process of disclosure is not explicit. Therefore, the Client will outline within the SEP, a specific process for information disclosure to stakeholders according to their category, level, and type of interaction and activity being undertaken by the Company. This will also detail the local procedures in cases where projects have high E&S impact.

4.1.h.ii Informed Consultation and Participation

In general, the Company's Stakeholder Engagement Plan and Strategy referred to within its business plan identifies several initiatives which have been implemented to proactively provide customers with information and enable 2-way communication. Also mentioned are the use of the Customer Advisory Councils; quarterly engagement meetings with special interest groups; engagement through its Community Renewal and Foundation groups (with further details outlined in the Company's Outreach Policy and Procedures), and various channels to facilitate informed consultation and participation (e.g., Company website with chat, radio programs, social media, emails, expos, conferences).

4.1.h.iii Indigenous Peoples

The Project will not generate any impacts to indigenous communities.

4.1.h.iv Private Sector Responsibilities Under Government-Led Stakeholder Engagement

All environmentally permitted projects executed by the Company require public stakeholder consultations and disclosure in collaboration with NEPA.

4.1.i External Communication and Grievance Mechanisms

The Company's business plan describes JPS efforts to address key points of customer dissatisfaction and includes a comprehensive organizational restructuring exercise to ensure more efficient service delivery to customers, and greater accountability across the organization. Notwithstanding ongoing efforts to improve customer service, there is still some customer dissatisfaction with the Company's responsiveness time to resolve queries.

4.1.i.i External communication

The Client has implemented several initiatives to address customer dissatisfaction: the introduction of the Customer Advisory Councils; a customer service platform; more channels for communicating with customers (including dedicated segments in the traditional media, social media, text messages, 24-hr online customer service, emails); and outsourcing the call center to improve service quality. There is also public access to the Company's annual reports and E&S initiatives via its website.

4.1.i.ii Community grievance mechanism

JPS has no specific grievance process outlined for other stakeholder groups other than its customers. Therefore, it will develop and adopt one.

4.1.i.iii Provisions for addressing vulnerable groups' grievances

The grievance mechanism to be developed and adopted by JPS will have provisions to capture and address grievances from vulnerable groups.

4.1.j Ongoing Reporting to Affected Communities

As part of its partnerships with customer interest groups, the Company established a framework for ongoing dialogue with consumer advocacy groups through quarterly meetings which are used to capture feedback, as well as share information on the Company's plans and programs. The Company also utilizes various communication channels to report to any communities affected by its operations (e.g., via its website and mobile app, traditional and social media, emails, SMS, newsletters).

4.2 Labor and Working Conditions

4.2.a Working Conditions and Management of Worker Relationships

JPS currently has 1,336 direct employees (418 women) operating in 10 senior divisions, 27 divisions and 154 departments across the island. JPS is guided by and complies with applicable local labor laws regarding relations and terms of employment, along with relevant International Labor Organization ("ILO") standards.

Given the country's high attrition rate (particularly in the utility industry), the Company is continuously faced with loss of specialized talent to other companies and countries (especially Canada). To mitigate this situation, JPS has taken the following measures: i) increasing the annual onboarding and training of linemen; ii) implementing a formalized succession planning program; iii) revamping the compensation structure inclusive of recognition and reward system; and iv) launching of a strategic internship program with universities and colleges to ensure a constant supply of talent.

4.2.a.i Human Resources Policies and Procedures

The Company has prescribed Human Resources ("HR") Policies and Procedures which are managed through the People Operation Department and guided by local laws and applicable ILO standards.

4.2.a.ii Working Conditions and Terms of Employment

Overall, the People Operations division is responsible for addressing employee safety and security concerns. Company procedures are grounded on the applicable local labor laws dealing with employment and working conditions, along with the country's Labor Relations Code which outlines the process for engaging worker representatives. The Client has a Worker Grievance Mechanism which is available via the company's intranet as well as in hardcopy, along with a Disciplinary Policy, and Code of Ethics and Business Conduct to guide required or expected behavior of Company employees. The Company tracks the development of new local laws to ensure alignment and implementation accordingly (e.g., the Occupational Health and Safety Act).

4.2.a.iii Workers' Organizations

The local Labor Relations Code applies to all employers, workers and organizations representing workers determining their conduct with each other and requires that employers respect the right of workers to belong to a trade union or to take part in the union activities. In line with this, there is an HR officer for Industrial Relations (currently vacant), and the Client has collective bargaining agreements in place.

4.2.a.iv Non-discrimination and Equal Opportunity

The Company's Code of Ethics and Business Conduct highlights JPS as an equal opportunity employer. It seeks to ensure fair and equitable treatment and protect all employees against areas such as harassment, intimidation or discrimination based on disability, gender, skin color, age, religion, national origin, pregnancy, and marital status. The policy is made available to all employees.

JPS's Diversity Policy highlights the Company's commitments to: i) ensure the fair and consistent treatment of employees; ii) meet all relevant ethical and legal standards; iii) eliminate deliberate or unintentional barriers from policies, procedures, and practices so that no one is disadvantaged; iv) provide ways that support dignity and productivity of its workers; v) hire or retain qualified disabled employees, or who belong to groups protected under applicable Human Rights Codes; and vi) provide reasonable accommodation such as modification of job or task, physical workplace, and work hours.

4.2.a.v Retrenchment

At present there are no plans for collective dismissals.

4.2.a.vi Grievance Mechanism

The Company has a Grievance Procedure Policy, which is spearheaded by the People Operations Division. It applies to all employees (permanent, contract and temporary) and enables those with concerns, problems, or complaints about their work, working environment or working relationships to have this dealt with (formally) by JPS. Such policy makes distinction between formal and informal resolution and is available to employees via the company's intranet as well as in hardcopy.

Formal grievances are guided by the separate Employees Grievance Procedure which aims to ensure fair settlement of employee complaints regarding any aspect of the terms and conditions of employment and outlines the role of union delegates. The Client, however, will update the Grievance Procedure Policy to ensure that informal grievances can be addressed with anonymity where there are sensitivities or fear of reprisal.

4.2.b Protecting the Workforce

The Code of Ethics and Business Conduct along with the OHSE Policy (which also applies to contractors and sub-contractors) addresses protection of the workforce and outlines measures as it relates to general health, safety, and security.

4.2.b.i Child Labor

At present, there are no explicit provisions against child labor in the Client's HR Policy. However, the age for recruitment and employment is strictly adhered to in keeping with local labor laws (minimum age for formal employment is 15 *if the employee has completed secondary education*, otherwise minimum age is 18). The Client will therefore revise its HR Policy to include explicit reference and provisions against child labor.²⁴ These updates will also apply to contractors, subcontractors and other third parties conducting business with the Company and be communicated as such.

4.2.b.ii Forced Labor

At present, there are no provisions against forced labor in the Client's HR Policy. The Client will therefore revise its HR Policy to include explicit provisions against forced labor.²⁵ These updates will apply to contractors, subcontractors and other third parties conducting business with the Company and be communicated as such.

4.2.c Occupational Health and Safety

The OHSE Policy (and to some degree the Code of Ethics and Business Conduct) guides the Company's OHSE Management to ensure compliance with applicable OHS laws and regulations and applies to all employees, third-party contractors, and visitors. Employees are required to comply and familiarize themselves with the policy and any breach can result in disciplinary actions aligned with the Disciplinary Policy. Given that the country is in the process of adopting the Occupational Health and Safety Act (2017) to Protect Employees from Unsafe Work Environments which was not previously a part of the local labor code, this will be subsequently adopted by the Company. Jamaica's recent endorsement of the amendment of the ILO's Declaration on the Fundamental Principles and Rights at Work should also guide this adoption.²⁶ This will be referenced in the updated HR Policy.

4.2.d Provisions for people with disabilities

The Company's Diversity Policy outlines commitments to ensure that qualified employees disabled through injury or illness, or that belong to groups protected under applicable Human Rights Codes are hired or retained. It also provides details for reasonable accommodation such as modification of job or task, physical workplace, and work hours especially in cases of disability.

4.2.e Workers Engaged by Third Parties

Third party contractors (including sub-contractors) who work with the Company are required to comply with the Code of Ethics and Business Conduct and OSHE Policy which outlines responsibilities to ensure the occupational health and safety of their workers. The OHSE competence of all their

²⁴ [consistent with ILO Convention 138- Minimum Work Age](#)

²⁵ [consistent with ILO Conventions 29 on Forced Labor](#), and [182Worst Forms of Child Labor](#)

²⁶ <https://jis.gov.jm/draft-occupational-safety-and-health-legislation-finalised/>; <https://www.ilo.org/topics-and-sectors/fundamental-principles-and-rights-work>

employees is a condition of their contractual obligation. These policies and procedures are communicated to contractors.

4.2.f Supply Chain

The Company's Procurement and OSHE Policies serve as the primary points regarding supply chain. However, neither policy currently has provisions to identify or address the risk of child or forced labor along the supply chain. Therefore, the Client will adopt a procedure to evaluate its suppliers and ensure that no child or forced labor has been used along its supply chain. These measures will be communicated to third parties including IPPs.

4.3 Resource Efficiency and Pollution Prevention

The electricity provided by JPS proceed from a combination of renewable and non-renewable sources: steam, diesel, hydroelectric, gas, wind, and solar.

As of 2025, JPS generated approximately one-third of the country's electricity and continued to support Jamaica's fuel-diversification strategy using LNG and renewable energy sources. The Company's generation portfolio includes approximately 140 MW of LNG-fired capacity, while renewable energy assets continue to contribute to the national generation mix through hydroelectric facilities. Automotive diesel and gasoline are still utilized for portions of the Company's vehicle fleet and operational activities.

4.3.a Resource Efficiency

Investment in low-cost, efficient technologies remains a strategic priority for the Company, with a focus on improving generation performance, grid resilience, digital capability, and customer service. Where feasible and subject to regulatory requirements, the Company intends to replace aging and less efficient generation assets with more reliable and cost-effective facilities, in accordance with the applicable merit order framework and the local procedures related to the Ministerial Schedule and Right of First Refusal ("ROFR") administered by the Office of Utilities Regulation ("OUR").

Consistent with its strategic plans, JPS is expanding its portfolio through utility-scale renewable energy, operations and maintenance services, behind-the-meter energy solutions, EV charging infrastructure, smart energy services, digital customer platforms, and energy management solutions. These initiatives will support Jamaica's transition to a cleaner and more resilient energy sector while strengthening operational efficiency, reliability, and customer experience.

To improve resource efficiency, the Client will perform a corporate internal energy audit (with recommendations to improve energy efficiency) towards developing an Energy Efficiency Program for its facilities.

4.3.a.i Greenhouse Gases

As per permit requirements, the Company must conduct air emissions monitoring and produce emissions reports for its power plants. However, this does not include calculations for GHG emissions which is done separately by the Company for its power plants. The Company also relies on the Forestry Department to calculate the carbon offset from its various planting initiatives. According to the most recent emissions data for the power plants (2025), the Company produces over 25,000 tons of CO₂ equivalent annually.

The Company will: i) prepare a Corporate GHG Monitoring and Management Plan; and ii) submit carbon offset reports.

4.3.a.ii Water Consumption

The Company's power plants require operational water (e.g., cooling water or process water) which is extracted from wells or seawater and monitored via flow meters. Monthly abstraction reporting is required per local permit, and annual extraction data is also captured. Potable water for operational locations is sourced from the municipal utility, and facilities are equipped with water storage tanks to supplement sanitary supply especially during periods of drought. However, there is no formal monitoring of water consumption. As such, the Client will prepare a Water Resources Management Strategy and Plan to monitor, manage and improve water usage.

4.3.b Pollution Prevention

4.3.b.i Wastes

The Company has several waste management plans to address both solid and liquid waste. Specifically, it has recently updated its Waste Management Policy, Plan and Procedures and has stand-alone Scrap Metal Storage Management Plans for 2 facilities.

Water discharge is subject to regulatory or municipal approval and must meet established standards. Regular sample analysis and reporting is therefore needed.

To improve efficiency and waste management strategies, the Client will streamline its site-specific plans and monitoring reports (including a Spill Prevention, Control and Response Plan, proper disposal for vegetation, and cross-reference to associated supplementary waste management plans); and ii) submit its Vegetation Management Plan.

4.3.b.ii Hazardous Materials Management

The Company has several site-specific management plans to handle hazardous waste. This includes its recently updated Asbestos and Asbestos Containing Material Management Programme, and Waste Management Policy, Plan and Procedures with a section addressing hazardous waste. Additionally, there is a Hazardous Waste Management Plan for 2 facilities. To improve efficiency and waste management strategies, the Client will streamline its site-specific plans (including a Spill

Prevention, Control and Response Plan and cross-reference to supplementary waste management plans).

4.3.b.iii Pesticide Use and Management

JPS has an updated Rodent and General Pest Control Services Program to strengthen pest management and pesticide control practices across Company facilities. The Client will therefore reflect pesticide use and management in its Waste Management Policy and Plan.

4.4 Community Health, Safety and Security

4.4.a Community Health and Safety

The project's interventions will not generate significant E&S impacts. However, some of these works may produce small-scale localized impacts such as: i) waste generation; ii) noise emissions; iii) air and dust emissions; iv) effluent emissions; v) health and safety risks; and vi) community disturbance. These impacts, some of which are already linked to daily operations, are currently managed via several policies (e.g., OSHE, Code of Ethics and Business Conduct), site specific and general operational management plans, and local environmental permits and licenses including Factory and Fire Certifications. In keeping with the local permit requirements for emissions discharge, the Company is also required to maintain a log to capture complaints (written and verbal) regarding air pollution from the permitted facilities.

4.4.a.i Infrastructure and Equipment Design and Safety

Given the country's high susceptibility to hurricanes, the Company developed a Comprehensive Disaster Management Program and Business Continuity Plan which includes a Hurricane Preparedness Plan. Adequate PPE is made available to employees, and facilities audits and routine drills at some locations result in reports which reflect deficiencies and recommendations for safety and equipment (e.g., elevators, ventilation, fire extinguishers and hydrants).

The Company, in collaboration with several external agencies, takes measures to improve and test the resilience of the grid and resources leading up to each hurricane season. However, it does not have specific information on infrastructural integrity (including all office buildings) to cope with primary identified hazards (coastal storm surges, floods, and earthquakes). Therefore, the Client will prepare an assessment and management report for its operational infrastructure across all locations (including office buildings) according to the identified primary hazards.

4.4.a.ii Hazardous Materials Management and Safety

Hazardous materials including solid waste and wastewater are currently managed according to the general Waste Management Policy and Plan, site specific Hazardous Material Management Plans, an Asbestos and Asbestos Containing Material Management Program, and Rodent and General Pest Control Services Program.

4.4.a.iii Ecosystem Services

The Project will not produce any material impact on ecosystem services.

4.4.a.iv Community Exposure to Disease

The existing OHSE Policy and Rodent and General Pest Control Services Program currently guide exposure to disease. Contractors are required to comply with these procedures.

4.4.a.v Emergency Preparedness and Response

The Company is recognized as leading the utility field in the country when it comes to disaster preparedness. In collaboration with several external agencies, it takes measures to improve and test the resilience of the grid and resources leading up to each hurricane season. It also utilizes a Digital Mobile Radio network which is hurricane-resistant and designed to connect field personnel across the island during storm events. EPR is guided by the Comprehensive Disaster Management Program and Business Continuity Plan. The Client will update these documents to reflect lessons learned and enhanced measures following Hurricane Melissa.

4.4.b Security Personnel

The Company currently engages the services of 3 private security contractors and collaborates with police officers to protect its personnel, properties, and assets. Armed security officers are deployed primarily at power generating facilities and the storage facilities. The Company's Code of Ethics and Business Conduct requires compliance from third party contractors, and it conducts Security Risk Assessments.

JPS also has a *Strike Force*, a special task force of technicians and support staff that facilitate the Company's operations in red zones²⁷, which collaborates with law enforcement. The loss reduction strategy for red zones involves addressing several of the underlying issues which include increasing law enforcement engagement. The unit also provides support, in the form of security and audit capacity, to other units of the business that need to operate in areas where there is a heightened risk of physical harm, damage to property and threats to life.

The Client will submit the Security Risk assessment and provide a grievance mechanism for any affected stakeholder to express concerns about the security arrangements and acts of security personnel.

4.5 Land Acquisition and Involuntary Resettlement

The Project will not require the acquisition of land and will not cause any physical or economic displacement.

²⁷ "Difficult" communities characterized by high levels of non-technical loss, high numbers of illegal users, restricted operations by the Company, high unemployment, and high levels of violent crimes.

4.6 Biodiversity Conservation and Natural Habitats

The Project will generate no material impacts to biodiversity.

4.7 Indigenous Peoples

The Project will not affect any indigenous community, nor will it intersect any indigenous territory.

4.8 Cultural Heritage

The Project will not affect any cultural heritage.

5 Local Access of Project Documentation

The primary documentation relating to the project can be accessed at the following links:

- [Annual reports](#)