Private Infrastructure Development Group

Pioneering infrastructure changing lives

Disclosure Statement

Operating Principles for Impact Management

Published: November 2022

Impact, defined as tangible positive changes to people's lives is one of PIDG core values and our overall purpose is to combat poverty in the poorest and most fragile countries through pioneering infrastructure. Most of our investments are in Least Developed Countries and in Fragile and Conflict Affected States. Since 2002, PIDG investments have played a pioneering role, from the development of mobile telecommunication in Africa to the first privately financed renewable energy projects in several markets.

At PIDG, we are excited to see impact investing continue to move from being niche and that mainstream investors are starting to go beyond compliance with environmental and social standards, towards demonstrating net positive impact. Three years ago, PIDG signed up to the Operating Principles for Impact Management as they represent a very important reference point in the sector, which we believe has been helping to bring about positive change, more transparency and increased credibility of impact claims.

In the absence of standards and common practices, it is impossible to benchmark performance and achieve progress on the great challenges of our time, working towards the Sustainable Development Goals.

In 2020 we presented PIDG's first disclosure of compliance with the Operating Principles for Impact Management, which was verified by PIDG Independent Panel on Sustainable Development Impact. In line with the annual disclosure requirement, we are proud to present this disclosure statement as PIDG's third annual update.

The Private Infrastructure Development Group Ltd hereby affirms its status as a Signatory to the Operating Principles for Impact Management (the "Impact Principles").

This Disclosure Statement applies to the following Covered Assets that align with the Impact Principles:

- *InfraCo Africa Ltd*
- *InfraCo Africa Investment Ltd*
- *InfraCo Asia Development Pte. Ltd*
- *InfraCo Asia Investments Pte. Ltd*
- *The Emerging Africa Infrastructure Fund Ltd*
- *GuarantCo Ltd*

The total value of the Covered Assets in alignment with the Impact Principles is US$1,710.1m as at 31/12/21.

Marco Serena
Head of Sustainable Development Impact,
Private Infrastructure Development Group (PIDG)

07/11/22

Principle 1:

Define strategic impact objective(s), consistent with the investment strategy.

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

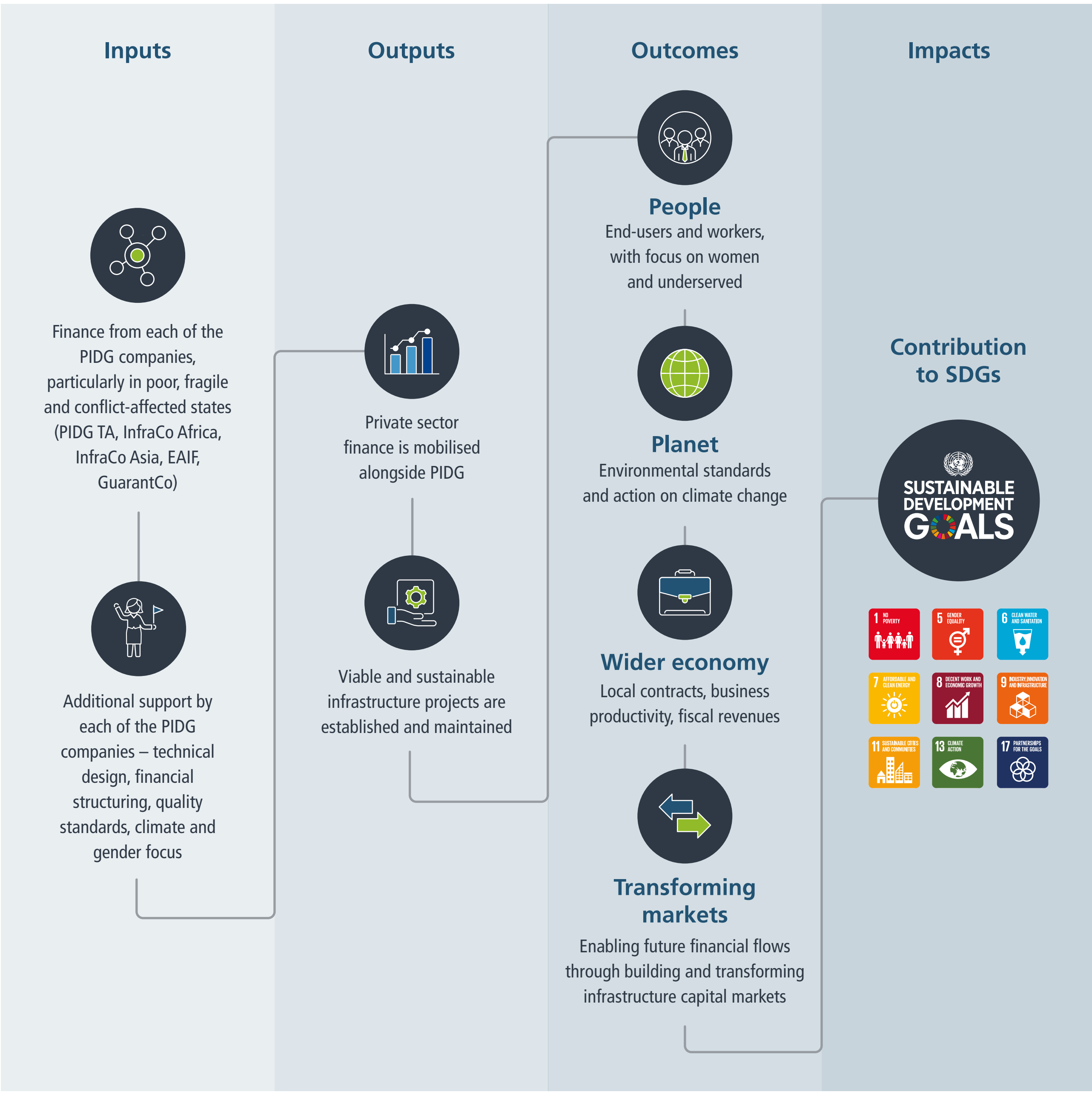
The Private Infrastructure Development Group (PIDG) is an innovative multi-donor organisation that was established in 2002 and is funded by the IFC and six governments – the UK, the Netherlands, Switzerland, Australia, Sweden and Germany through KfW. The purpose is to address market failures in the provision of sustainable infrastructure in sub-Saharan Africa and south and south-east Asia.

PIDG works collaboratively over the project life-cycle and across the capital structure by deploying grants, equity, long term debt and guarantees in both hard and local currencies through our group entities: PIDG TA, InfraCo Africa, InfraCo Asia, EAIF and GuarantCo. Financial dexterity is complemented by sharing knowledge, building local capacity and raising standards so that the projects become investable and remain sustainable for the long term.

PIDG helps transform economies and improve lives. Through the application of its theory of change (on page 3) PIDG mobilises private sector funding and capacities to deliver infrastructure projects that would not otherwise happen in the most difficult geographies and where it is most needed.

The PIDG theory of change assumes the following pathways and steps:

- PIDG provides finance and technical support to infrastructure projects in low-income countries, alongside private sector funds.
- These infrastructure projects are commercially viable (either immediately or over time) providing a sustainable model for delivering essential services as well as a demonstration effect for the future, crowding in more private sector investment and funding for infrastructure.
- Projects generate positive outcomes for society by providing new or improved access for individuals and households to essential services such as energy, water, communications, transport and housing.
- In order to achieve impact, these infrastructure services must be affordable to households. They may achieve a scale of impact either through their size or through their replication. Positive outcomes for women and girls are particularly important.
- Alternatively, or additionally, improved infrastructure helps businesses to grow and create more and better jobs. In order to achieve impact in this way, these services must be affordable to businesses. There may also be employment opportunities generated in the supply chain of the PIDG-supported infrastructure.
- The infrastructure company will pay taxes, as will the companies in the supply chain and those benefiting from the infrastructure.
- PIDG seeks to support infrastructure projects which contribute to the mitigation of climate change, and to prioritise low-carbon solutions. Given the geographies that PIDG operates in are some of the most vulnerable to climate change globally, PIDG seeks to ensure that the projects it invests in are resilient to the impacts of climate change (e.g., through project design) and able to withstand extreme weather events that are more likely as our climate changes.
- PIDG's investments may also have an influence on the wider capital market, enabling more funds to flow to infrastructure in the future. At a minimum, they create an important track record in frontier markets, but PIDG companies go further, building local capacities and developing solutions to transform markets enabling future flow of finance to infrastructure.
- PIDG's investments may demonstrate the viability of a structure (for example, a public private partnership), an innovative technology or a geography, so that other investors are attracted into that market and engage without the need for PIDG's involvement.
- Through a combination of the above, PIDG investments contribute substantially towards the SDGs. PIDG investments underpin economic growth, creating decent jobs, transforming economies – contributing to SDG 1 and SDG 8. Moreover, investments in specific sectors deliver against SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 9 (industry, innovation and infrastructure), SDG 11 (sustainable cities and communities through affordable housing investments). Further examples include, inter alia, contribution to action against climate change (SDG 13) and Gender Equality (SDG 5), which are now integrated in all stages of the PIDG investment cycle.



The size of the infrastructure financing gap and the scale and pace of investment needed to achieve the SDGs by 2030 is significant.

The PIDG Strategy identifies four strategic priorities to fulfil our mandate to invest at the frontier and play a pioneer role to accelerate further private investment in sustainable infrastructure: **scale, transformation, affordability, replicability.** The strategy also identified four programmatic sectors where PIDG will deliberately continue to build expertise and focus, maximising synergies across the Group and strategically leveraging experience and partnerships.

While PIDG will continue investing in its more traditional sectors of expertise, the additional programmatic sectors include o**ff-grid solar, affordable housing, water and economic zones.**

For more information, refer to **www.pidg.org** and the **PIDG Five-Year Strategy.**

Principle 2:

Manage strategic impact on a portfolio basis strategic impact objective(s), consistent with the investment strategy.

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognising that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

The Board and Management of PIDG formally acknowledge that overall progress with strategy implementation requires a unified portfolio approach and clear strategic KPIs.

PIDG ensures that incentives are aligned with impact through a set of KPIs at the Group level that will be monitored for all companies. The majority are impact performance indicators that speak to our overall theory of change. For example, these include (but are not limited to):

- Average Sustainable Development Impact Rating – portfolio distribution, based on Sustainable Development Impact Scorecard process outlined in Principle 4
- Percentage of cumulative number of projects committed in LDC and OLIC (DAC I/II)
- Percentage of cumulative number of projects committed in FCAS Countries
- Number of projects reaching financial close, scored as empowering women or transforming gender dynamics
- Portfolio carbon intensity by 2023 – against forecast trajectory.

Targets for these strategic portfolio KPIs are informed by, and incentivised through, company-specific, 3-year business plans that reflect the unique contributions of each PIDG company.

As these are a mix of financial and impact KPIs, there is active communication and collaboration between teams working on sustainable development impact, financial performance and risk management.

The Sustainable Development Impact team has a de facto veto power on investments, and deals that exceed expectations on climate, gender or market transformation are prioritised.

The ambition is to always balance risk-adjusted returns with sustainable development impact, ensuring financial sustainability for the underlying impact. Performance incentives reflect this balance, at the individual and company level. A Sustainable Development Impact Assessment is an explicit requirement in PIDG Investment Policy, and a dual climate and gender lens is applied in the Sustainable Impact Assessment of each investment.

Principle 3:

Establish the Manager's contribution to the achievement of impact.

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

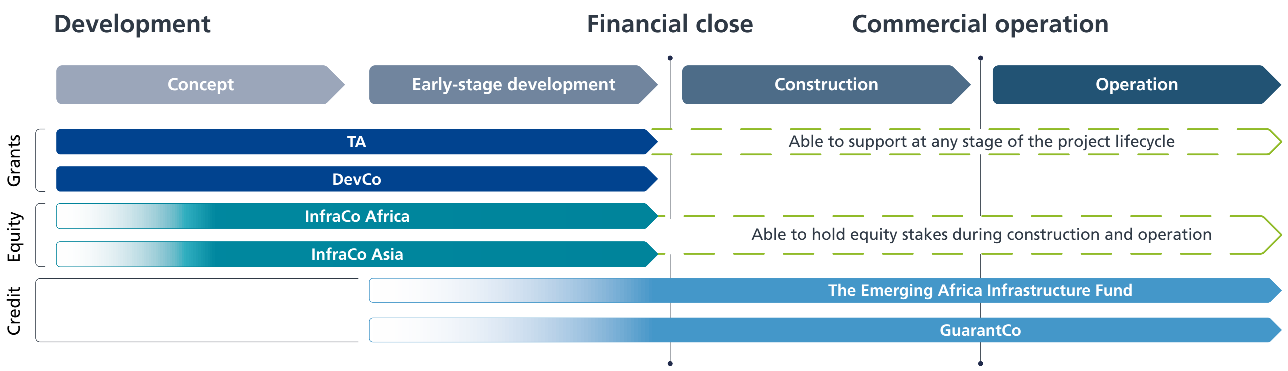
PIDG's investment policy sets out a number of criteria for an investment to qualify for PIDG interest. The first is **sustainable development impact:** *"All PIDG investments must, either directly or indirectly, facilitate the development of infrastructure services, capital markets and facilities that contribute to inclusive growth and/or poverty reduction and improvement of livelihood through access to infrastructure."* The second criterion is additionality: *"PIDG's input must be in addition to those currently delivered by the market or other actors and must complement rather than substitute."*

This ensures that PIDG's sustainable development impact is not only visible but also would not by other private sector financiers, for example because it is too risky.

"Where PIDG's potential additionality to an opportunity is weak, PIDG will not undertake any engagement."

PIDG companies operate over the life cycle of an infrastructure project and across the capital structure to de-risk infrastructure projects and thereby catalyse private sector involvement.

The financial and non-financial additionality of PIDG investment and the expected contribution of PIDG to the desired impact are systematically assessed and documented at investment appraisal and reviewed regularly.



Upstream Technical Assistance

TA grants support PIDG companies at any stage of the project life cycle. **DevCo** helps fund PPP advisory services to governments, delivered through the IFC.

Developer-Investor

InfraCo Africa and InfraCo Asia originate, develop, structure, invest in and manage projects. They can make equity investments in innovative and pioneering projects, and remedy the absence of capital.

Credit Solutions

EAIF provides long-term loans in sub-Saharan Africa. **GuarantCo** provides innovative local currency contingent credit solutions, including guarantees to banks and bond investors to develop local capital markets.

For more information, refer to the **PIDG Annual Review 2020**

Principle 4:

Assess the expected impact of each investment, based on a systematic approach.

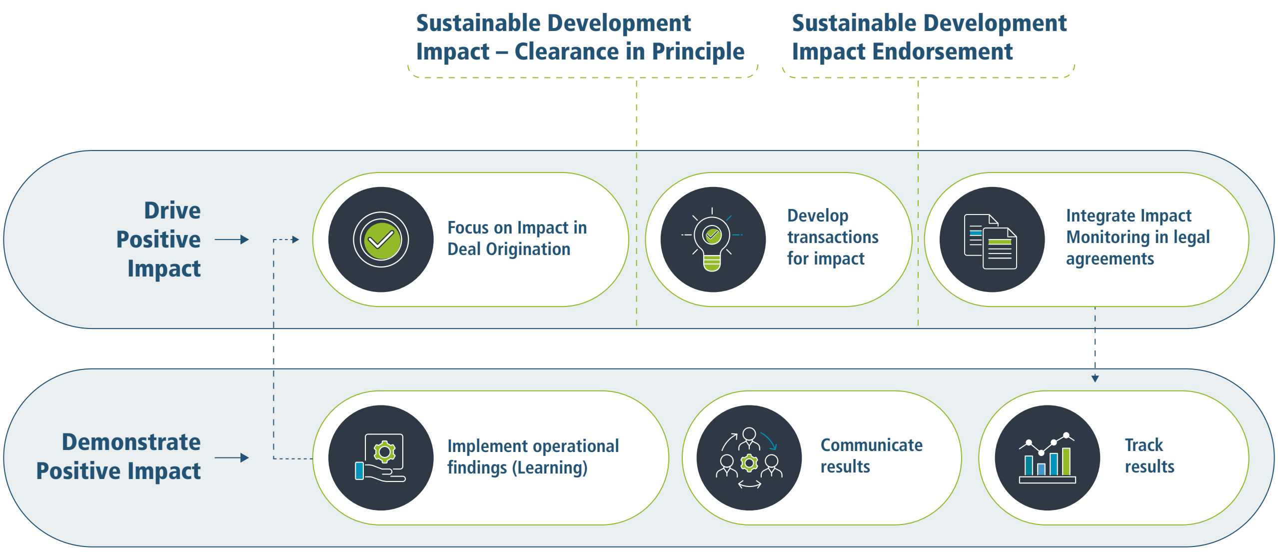
For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations.

In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

PIDG has an established systematic approach to assessing the impact potential of prospective investments. This is part of PIDG's end to end system to drive and demonstrate impact across the entire investment cycle.

Since 2018, PIDG has used Sustainable Development Impact (SDI) scorecards to:
– ensure that the expected pathways to impact are clearly articulated for each investment
– aim to get a balance of development impacts across the portfolio
– identify areas of SDI that could be enhanced through focused learning, engagement or PIDG Technical Assistance

The scorecards are a vehicle for more transparent conversations on impact ex ante with investment teams. The scorecards are now a focal point for teams to strengthen and deepen the analysis of SDI on every deal. The SDI scorecard is built on the Impact Management Project's norms, reflecting PIDG's goals across the five dimensions of impact and investor contribution strategies. They cover direct impacts on people and planet as well as indirect, systemic impacts on local markets and the economy.



Impact areas assessed for each investment

Impact areas and sub areas		Impact questions, assumptions and priorities
1. Direct impacts on people and planet	1.1 Impact on end-users	• Who: Demographics of end-users and whether underserved? (priority to low-income, women) • Depth: What is changing for them? • Scale: How many people are expected to benefit?
	1.2 Impact on workers (short term and long term jobs)	• Who: Demographics of workers? (priority to women, local) • Depth: What is changing for them? (quality of job, income compared to national/living standards) • Scale: How many and duration of jobs created?
	1.3 Impact on planet	• What is the carbon intensity of the PIDG Investment? • What is the scale of impact on planet based on absolute emissions of the whole project?
2. Impact on wider economy	2.1 Impact on businesses	• Project contracts/payments to local businesses • Value of contracts to local businesses • Impact on businesses beyond project contracts • What is the depth of cost savings/increased revenues? • What is the scale of impacts for businesses?
	2.2 Fiscal impact on governments	• Value of additional fiscal revenues generated by the projects and companies financed.
3. Mobilising investment	3.1 Quantity of investment mobilised	• Ratio of PSI mobilised to PIDG Commitment (Credit Solutions Companies and InfraCo Investments) or • Ratio of TICs to PIDG Commitment (InfraCo Development).
	3.2 Quality of investment mobilised	• Whether local currency and new/domestic investors are being mobilised.
4. Transforming markets	Potential for replication and 'market-making' features	• What is the market challenge? • What is the expected market outcome? • What is the expected level of market movement in the outcome area?
SDI risks	Risks that the expected SDI will not materialise even if the investment goes ahead	
SDG contribution	Establish contribution of each project to specific SDGs and its relevance in the Country context	

The scorecards have thresholds and are live, so deals are improved on impact from the moment they are introduced into the pipeline, with sign-off required periodically to proceed to investment.

The two main tools for a systematic and documented process to measure and manage impacts on people and planet from PIDG investments related to sustainable development impact are the SDI Clearance in Principle note and the SDI Endorsement note.

SDI risks are considered and documented in the SDI scorecards and feed into the wider risk management framework.

In addition to deep alignment with the Impact Management Project, PIDG is officially signed up as a supporting organisation to the Task Force on Climate-related Financial Disclosures (TCFD), with a first disclosure published in June 2021 and second in November 2022. Expected Carbon intensity and financed GHG emissions are calculated for each new investment and monitored annually for high-emitting projects.

Principle 5:

Assess, address, monitor, and manage potential negative impacts of each investment.

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

PIDG's approach to impact is two-fold: (i) drive and demonstrate positive impact on people and planet (as outlined in Principle 4) and (ii) identify and mitigate the risk of negative impacts.

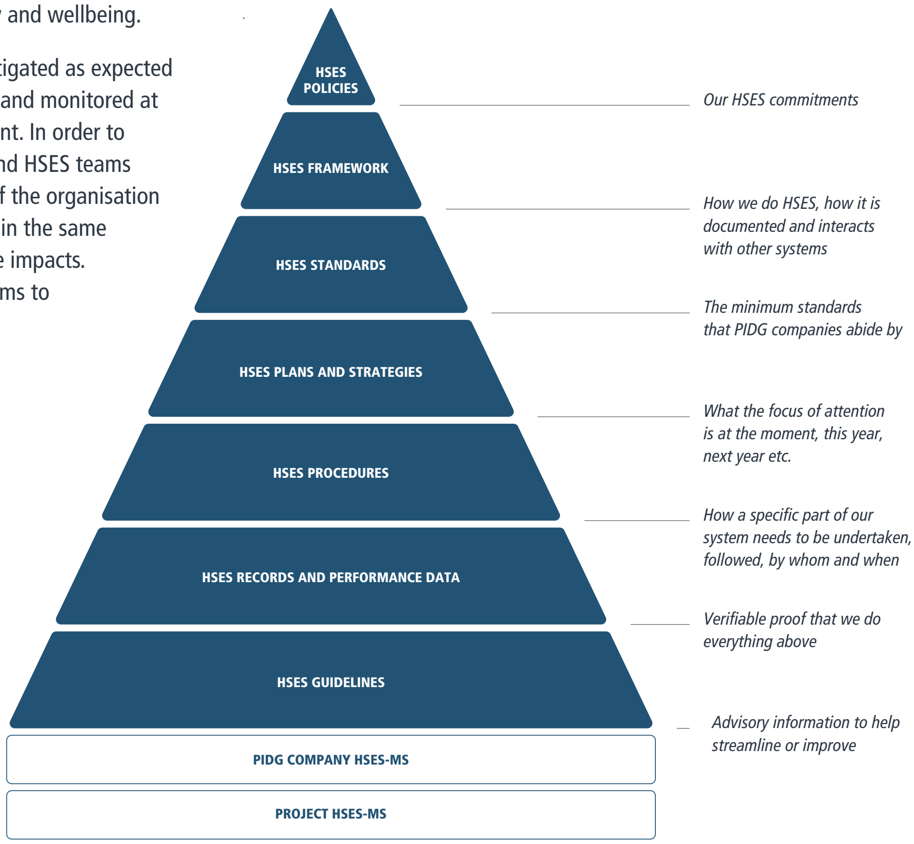
The work of PIDG Health, Safety, Environment and Social (HSES) Management Systems is critical to managing negative impacts.

A Strategic Safety Culture Framework states that safety is a central value to PIDG, that PIDG should do its outmost to meet its objectives in a safe, environmentally and socially responsible manner and that PIDG should be recognised as a leader for funding safe projects. A comprehensive set of HSES policies were introduced in 2019 governing the work and defining how safety values shall be realised. They include policies for Health and Safety; Environment; Security and Safeguards for rights, dignity and wellbeing.

The risk that negative impacts are not mitigated as expected is explicitly assessed in the SDI scorecard and monitored at different stages of investment development. In order to streng then this risk mitigation, the SDI and HSES teams collaborate closely and support the rest of the organisation to identify and manage negative impacts in the same flow as identifying and managing positive impacts. Trainings are jointly delivered by both teams to PIDG staff and development partners.

In 2020, we updated our policies to include human rights safeguarding, published the 12 PIDG life-saving rules and 10 PIDG safeguarding rules on our website, and delivered Gender Based Violence and Harassment (GBVH) training workshops across the group. Together, the PIDG life-saving rules and the PIDG safeguarding rules will go a long way in helping us safeguard the people involved in our projects and protect the communities where we work.

The PIDG policies, amongst others for HSES, Code of Conduct, Anti-corruption and Complaints and Whistleblowing are easily accessible **here.**



Principle 6:

Monitor the progress of each investment in achieving impact against expectations and respond appropriately.

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

Current PIDG internal processes that lead to a consistent monitoring of each investment and its sustainable development impact, include the following:

1. Early-stage approval – All transactions must be reviewed and 'cleared' by the Sustainable Development Impact team (see Principle 4).
2. Results monitoring sheets (RMS) – Once a project reaches a specified stage, the PIDG company is required to submit a Results Monitoring Sheet (RMS) to the Sustainable Development Impact (SDI) team. The RMS includes expected numbers on: people to benefit from new or improved infrastructure; direct jobs to be created; amount of private sector investment to be mobilised; innovative nature of the transaction; and other economic and social benefits expected from the project.
3. SDI challenge – The data in the RMS is challenged by the SDI team to ensure (a) that the benefits expected to arise from the project and articulated in the RMS can reasonably be attributed to the project and (b) the source of the data can be verified, or at least justified.
4. Finalised RMS – The discussion between the SDI team and the investment staff in the PIDG companies ends with an agreed RMS containing results which the SDI team consider to be robust and defensible.
5. Input to the database – In the case of financially closed projects, the data from this RM sheet is then input to the PIDG database.
6. Publicly available data on data.pidg.org – The public facing database contains a sub-set of the data on the internal database and is periodically uploaded from the internal database.
7. RMS annual updates – On an annual basis, the RMSs are updated by the teams within the PIDG companies and submitted to the SDI team for checking.
8. Annual Review – The numbers for the Annual Review are generated from the database after the annual RM update process is complete.
9. Project Completion Reports – When a project becomes operational, the investment staff in the PIDG companies are expected to complete a Project Completion Report which provides the 'actual' results.
10. Evaluations – The PIDG SDI team selects a sample of projects to evaluate the actual results on the ground.

The monitoring is guided by the PIDG's results monitoring handbook which is constantly revised and adjusted. The data – as available from the Investee through annual reporting – are fed into a publicly accessible website managed by the PIDG Sustainable Development Impact Team. The results are shared not only with the Investee but also with the general public and the Owners of PIDG.

Each project's SDI scorecard and Results Monitoring Sheet is updated yearly, which allows validating the anticipated results and accounting for reduced impact. This is why the cumulative results of the PIDG group vary slightly every year, in addition to the new projects that are being accounted for in that year. In 2022 PIDG undertook a review of the impact metrics currently in use across its impact management system and identified opportunities to harmonise these further with international best practice. PIDG has developed a menu of standardised indicators which predominantly draws on HIPSO (of which PIDG is a Partner), IRIS+ and Joint Impact Indicators (JII). Impact monitoring indicators on PIDG projects going forward will be drawn from this menu to further drive standardisation at PIDG and contribute to harmonisation and the development of best practices in the sector.

Given the nature of the projects that PIDG invests in, and the long lead time involved, PIDG reports on anticipated results at Financial Close of a new investment, when there is reasonable clarity on the depth of impacts. But in infrastructure, progress towards positive impact cannot always be observed during the period of active PIDG engagement. Many infrastructure elements develop their positive impact only years after their construction (see Principle 7).

In order to understand post-exit sustainable development impacts of PIDG-financed infrastructure, an evaluation and learning program is undertaken. It is often hard to distinguish the influence of large-scale pieces of infrastructure on economic development from other factors, which is why PIDG experiments with different evaluation approaches, trying to identify an approach that is both cost-effective (and thus scalable) and sufficiently rigorous.

The investees play a significant role as the stakeholders to these evaluations.

The response to an underperformance of investments regarding its development results, is the responsibility of the PIDG companies. When a project is not delivering the expected impact, the action taken depends on the status of the investment and the influence that PIDG companies have. If the project is still at project development stage and InfraCos are involved there is usually more scope to drive changes to the design in order to continue to achieve the desired impact. One response that has been used for this in the course of the COVID-19 crisis was to provide the project sponsor with additional TA funds to ensure compliance and enable the sponsor to leverage sustainable development impact.

Principle 7:

Conduct exits considering the effect on sustained impact.

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact.

The PIDG approach to considering sustained impact when conducting exits adjusts for each stage of the infrastructure financing cycle.

Overall, PIDG assesses the alignment of investment objectives of prospective buyers when considering exits. For PIDG project development business lines (InfraCo Asia and InfraCo Africa), a route to exit is planned at the very early stages of PIDG investment. PIDG credit solutions on the other hand may hold assets for periods of 10-15 years.

After an exit is complete, implementation of the monitoring requirements rests on arrangements with the asset owners.

Project evaluations are done regularly to try to understand a baseline at project start and likely long-term impacts either at or beyond exit. However, post-exit evaluations are rare.

Managing impact on exit was previously identified as an area for improvement for PIDG. During 2022, PIDG developed guidance to more systematically assess the financial and impact sustainability beyond PIDG investment. This builds on the introduction of SDI risk in the investment appraisal and management, including the risk that the expected impacts do not endure beyond the initial PIDG investment and includes whether an incoming party has the systems in place to sustain impact, beyond the current practice to assess alignment of investment objectives.

Principle 8:

Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

As described above (specifically under Impact Principles 3, 4 and 6), each new potential investment for PIDG is reviewed and designed carefully with regards to maximising the possible impacts and minimising risks and negative impacts. The investment managers are equipped with well-designed systems and checklists and support and control functions from various parts of the PIDG Group such as the central SDI and the HSES teams.

In order to learn from experience, evaluations are carried out and recommendations dealt with. PIDG has developed a Sustainable Development Impact Learning Strategy 2020-23 that supports an effective learning loop so that PIDG and its stakeholders can do more and better investments.

The learning strategy has three central priorities:

i) enhancing focus and relevance of evaluation, thematic and research work through a set core of workstreams and questions;

II) using the evidence and knowledge generated to strengthen and expand learning engagements; and

III) upgrading internal systems and processes to enhance learning capacity. Particularly in the second priority feedback loops will be strengthened by providing evidence and knowledge for, expanding and improving SDI policy and guidance, continual refinements to SDI review and endorsement processes, internal knowledge sharing and training engagements (utilising a variety of tools, right now adjusted to the new normal of using digital solutions) and improved external dissemination and partnering through scaled-up online presence of SDI.

Targeted improvements to PIDG monitoring and evaluation systems have been identified, to support PIDG in driving and demonstrating its impact and feeding effective learning loops. One is the introduction of an ‘annual valuation of SDI’ for each project, to provide a real-time portfolio overview of progress of each investment in achieving impact against expectations. The information and evidence generated is expected to feed into refining assumptions in the investment appraisal process of new projects.

A second improvement is evolving PIDG’s post completion monitoring exercise to more of a self-evaluation, as this is one of the most important opportunities in the project life cycle to capture lessons and this may be fed back to new projects relatively quicker than lessons from independent external evaluations.

Principle 9:

Publicly disclose alignment with the Impact Principles and provide regular independent verification of the alignment.

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

This updated report on alignment with the Impact Principles will be published on the website and widely available for comment and reference. It has been developed by PIDG in consultation with the Independent Panel on Development Impact, a standing body (up to August 2022) of three external experts who have a term-limited but ongoing mandate to provide oversight of how the PIDG Group monitors and evaluates its sustainable development impact. The Panel was formed in early 2018 reporting to the PIDG Ltd Board. It has submitted three annual reports to the PIDG Board on its view on whether PIDG is evaluating the sustainable development impact of its activities properly and generates learning opportunities about what delivers the greatest development impact. The focus of the Panel is on the practices of PIDG, not on performance.

As part of the preparation of PIDG's 2020 Disclosure, the PIDG Independent Panel performed an independent verification of PIDG's alignment, which was published on **PIDG's Website.** As part of the verification exercise, the PIDG Independent Panel reviewed the PIDG Sustainable Development Impact systems and practices in August 2020 and discussed its findings and areas for further improvement with the PIDG Executive Committee before transmitting the assessment to PIDG Ltd. Board. PIDG intends to undertake the next independent verification in 2024, to align with transition to a new Group strategy period.