

CIFI´s HUMAN RIGHTS STATEMENT

The mission of Corporación Interamericana para el Financiamiento de Infraestructura (CIFI) is to be an advisor and financier of infrastructure and energy projects in the Latin America and the Caribbean (LAC) region, promoting sustainable development through its operations. CIFI understands that investing in infrastructure projects can have significant positive impacts on human rights but, at the same time, it may also involve potential risks and adverse impacts that should be addressed fairly and effectively.

CIFI is committed to ensuring that the projects, it finances or advices, are developed in a manner that respects human rights, are socially responsible and reflect sound environmental management practices. CIFI's business activities are guided by the Equator Principles (EP) and the International Finance Corporation's (IFC) Performance Standards Social and Environmental Sustainability¹.

CIFI is committed to act consistently with the International Bill of Human Rights² and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work³. CIFI is also committed to conduct its business in compliance with United Nations Guiding Principles for Business and Human Rights (UNGPs)⁴ and with other internationally recognized human rights standards.

CIFI is committed to respect human rights and to identify, avoid, mitigate, and manage potential and actual adverse human right impacts related to its own operations, and take actions to address them using the UN Guiding Principles for Business and Human Rights (UNGPs) as a practical framework actively and continuously. This Human Rights Statement is part of CIFI's Environmental and Social Management System (ESMS).

CIFI acknowledges that specific circumstances may require the consideration of additional human rights covenants to be properly addressed. For instance, where projects may involve risks or impacts

to the rights of indigenous peoples; vulnerable groups; national, ethnic, religious, and linguistic minorities; children; people with disabilities; or migrant workers and their families.

1 See

https://www.ifc.org/wps/wcm/connect/24e6bfc3-5de3-444d-be9b226188c95454/PS_English_2012_Full-Documents.pdf?MOD=AJPERES&CVID=jkV-X6h

2 See <https://www.ohchr.org/Documents/Publications/Compilation1.1en.pdf>

3 See <https://www.ilo.org/declaration/thedeclaration/textdeclaration/lang--en/index.htm>.

This includes the eight fundamental conventions International of the Labor Organizations (ILO) which can be found here: <https://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>

4 See https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

CIFI recognizes the importance of the protection of environmental and human rights defenders and civil society in general. CIFI will not allow any acts by its staff, clients or business partners that amount to violence, intimidation, repression or reprisals towards individuals and organizations that express their dissenting opinions regarding CIFI's activities or those of CIFI's clients and business partners.

CIFI acknowledges that it may be connected in different ways to potential and actual human rights risks and impacts through its business relationships with the companies and activities it finances. CIFI expects its clients, business partners, and other companies involved in the projects it finances to assess their actual and potential human rights impacts, as well as to prevent, mitigate, and act upon their adverse impacts in ways that are consistent with the UNGPs, regardless of their size, sector, operational context, ownership, and structure.

CIFI builds, develops, and implements tools, policies, plans, and procedures to ensure respect of human rights in its operations, and supports human rights awareness, responsiveness, and capacity among its staff, contractors, clients, and business partners.

CIFI's human rights approach covers the following:

Identify and assess the actual and potential human rights risks and impacts of its potential clients and business partners prior to the decision to finance their projects;

Prevent, mitigate and account for human rights impacts and risks and the way in which those are addressed by CIFI's staff, clients, and business partners during the term of its financing operations until the time of divestment or end of the business relationship;

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Externally report on the implementation of CIFI's Human Rights Statement as part of its E&S annual reporting, and encourage CIFI's clients and business partners to also publicly report how they identify, prevent, mitigate and account for adverse human rights impacts related to their operations;

Use CIFI's business leverage to the extent possible to prevent and mitigate adverse human rights impacts by its clients and business partners, for instance, by providing capacity building and/or incentives to support the prevention and mitigation of adverse human rights impacts related to its activities;

Implement and effectively manage a fair and legitimate external grievance mechanism for project-affected individuals and communities to resort to in order to enable the remediation of any adverse human rights impacts that may have been caused or contributed to by CIFI, its clients, or business partners;

Require CIFI's clients to design and implement themselves a human rights policy and an operational level internal and external grievance mechanisms to facilitate access to remedy for individuals and communities;

Promote and encourage meaningful stakeholder engagement by CIFI's clients and business partners throughout the life of the project, to ensure stakeholders' views and inputs are considered. This will be especially relevant for CIFI when stakeholders include vulnerable groups, women, children, indigenous peoples, migrant workers, etc. CIFI may directly engage with project-affected individuals and communities throughout the project cycle.

This Human Rights Statement and related tools and processes will be reviewed and updated when necessary. This Statement will be communicated to CIFI's staff, clients, business partners, and other relevant stakeholders directly involved in its operations and supported by ongoing training in all relevant business functions.

This Statement has been approved by the Board, it is effective from February XXth, 2021, and applies to all CIFI financing activities approved thereafter, and as appropriate, to projects already in CIFI's portfolio.