

Environmental and Social Review Summary (ESRS) Cable & Wireless Revolving Credit Facility - Panama

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1. General Information of the Project and Scope of IDB Invest's Environmental and Social Review

This transaction (the "Facility") is a revolving credit facility to purchase receivables¹ from Cable and Wireless Panamá S.A. (the "Seller", "C&W Panama" or the "Company"), to provide it with the liquidity to finance the expansion of its telecommunications and broadband infrastructure in Panama. This expansion is expected to contribute to closing Panama's digital divide by improving coordination between the government, regulators, regional and international organizations, and the private sector.

The Facility's Environmental and Social Due Diligence ("ESDD") required assessing all the technical, environmental, occupational health and safety and employment documentation submitted by the Company. It also included virtual interviews with C&W Panama's Risk and Compliance and Human Resources team.

2. Environmental and Social Categorization and Rationale

The Project has been classified as a Category B facility according with BID Invest's Environmental and Social Sustainability Policy since it will likely generate the following impacts and risks among others i) occupational health and safety including electrical safety, electromagnetic fields, fiber optics, working at heights, etc., and ii) waste generation. These impacts and risks are deemed to be of medium-low intensity.

The Performance Standards² (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; iv) PS4: Community Health, Safety, and Security

3. Environmental and Social Context

3.1 General Characteristics of the Project's site

Cable & Wireless Panamá S.A. is the leading telecommunications company and the largest in Panama. The Company is a subsidiary of Cable & Wireless Communications Limited and Cable & Wireless CALA Holding Limited, which is owned by Liberty America Ltd. It provides landline, mobile and broadband telephony services, television, corporate and business services using state-of-the-art technology, as well as solutions and applications for various sectors such as health, education,

¹ Invoices, part payments ("CCP") and no objection certificates ("CON").

² https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/Performance-Standards

citizen security and digital government. Its shareholders are currently as follows: Cable & Wireless CALA Holding Limited (49%), Republic of Panama (49%), and the remainder is held by the Company's employees (2%). C&W Panama acquired Claro in July 2022 (see section 3.2).

C&W Panama has 1,507 transmission towers and antennas nationwide (738 owned by C&W and 769 by Claro), whose heights range between 5 and 100 meters. Most of them are located in the Panama Province, but there are also several in the provinces of Chiriqui, Bocas del Toro, Cocolé, Herrera, Veraguas, Los Santos, Colon and Darien. The National Public Services Authority ("ASEP") classifies these structures as located on building roofs, braced, self-supported (most of them 369), transportable, posts, monopoles, and fences. The Company has 592 additional structures. C&W Panama's structures include DSLAM³, HFC⁴ and RBS⁵ telephone exchanges, the latter comprise a combination of owned and leased structures.

The Company's business model includes leasing transmission sites, rather than building new towers, where required. Thus, it has not built any new structures since 2015, nor is it planning to build any in the near future, with the exception of two specific projects to comply with the Universal Service Law, where towers were built in 2019 and 2021 at the request of these governmental projects. C&W Panama is currently integrating its systems with Claro's systems.

C&W Panama has 46,973 km of cables⁶ nationwide. However, it plans to add another 5,000 km by 2023. The Company has begun to replace all its copper cables with fiber optic cables, due to vandalism and other factors.

3.2 Contextual Risks

The Panamanian Authority for Consumer Protection and Defense of Free Trade ("ACODECO") approved the purchase of all the shares of América Móvil SAB de C.V. in Panama (Claro Panama) by Liberty Latin America Ltd. ("LLA") in March 2022, through its subsidiary Cable & Wireless Panamá S.A. In July 2022, the Cabinet Council approved the change of Claro Panamá's concession to +Móvil, which closed the purchase and initiated the integration. The Chairman of Digicel Group, a telecommunications company with 10% of the Panamanian market, claimed that the merger of Liberty Latin America Ltd and Claro was "the end of free competition in the telecommunications market in Panama" aggravated by a "conflict of interest for the Government that acted both as arbitrator and participant by allowing the merged companies to control 56% of the market, with the Panamanian State having a 49% interest in this new dominant operator"⁷.

After Claro and C&W Panama merged, Digicel filed for voluntary liquidation with the Panamanian government, thus exiting the domestic market. If Digicel leaves Panama, then only it will only have two operators C&W Panama and Movistar (Tigo). Faced with this scenario and the growing number

³ Digital Subscriber Line Access Multiplexer, "DSLAM" are systems at the telephone exchange that provide subscribers with access to digital subscriber line ("DSL") services over twisted-pair copper wire (telephone cable).

⁴ Hybrid Fiber-Coaxial or HFC is a fiber optic network system that includes a coaxial cable to create a broadband network.

⁵ Radio Base or Base Station (RBS) is a relay station for mobile voice and data information signals.

⁶ Underground and aerial cables. The Company has no underwater cables.

⁷ [https://www.dw.com/es/digicel-asegura-que-en-panam%C3%A1-no-hay-libre-competencia/a-61386189#:~:text=Digicel%20Panam%C3%A1%20present%C3%B3%20en%202021,que%20la%20sacar%C3%ADa%20del%20mercado\(consultado on Oct. 10, 2022\).](https://www.dw.com/es/digicel-asegura-que-en-panam%C3%A1-no-hay-libre-competencia/a-61386189#:~:text=Digicel%20Panam%C3%A1%20present%C3%B3%20en%202021,que%20la%20sacar%C3%ADa%20del%20mercado(consultado on Oct. 10, 2022).)

of broadband subscribers, the government will find it difficult to promote competition in this sector. However, no protests are expected on this issue.

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

4.1 Assessment and Management of Environmental and Social Risks and Impacts

4.1.a Environmental and Social Management System

C&W Panama has a General Occupational Health and Safety Policy, a Risk Assessment Procedure, an Occupational Risk Prevention and Management System, and an Occupational Risk Prevention Plan. However, it does not yet have an Environmental and Social Management System with a comprehensive approach to environmental and social risk assessment. The Company will evaluate its systems and procedures as a result of its merger with Claro, then prepare a single document to identify and mitigate the environmental and social risks associated with its business.

The Company complies with the Regulations for the Installation, Operation and Shared Use of Towers or Infrastructure Supporting Telecommunications Services Antennas (Annex A, No. 2848-Telco). These regulations require the approval of entities such as ASEP, municipalities, the fire department, and Civil Aeronautics, together with electromagnetic field measurements and safety protocols that protect the Company's employees.

C&W Panama has signed the United Nations Global Compact for Corporate Social Responsibility. The Liberty Latin America Group publishes an annual Environmental, Social and Governance ("ESG") report that describes LLA Group's commitment to social responsibility by all its businesses in Latin America and the Caribbean. The report follows the Sustainability Accounting Standards Board ("SASB") guidelines for the Telecommunications Services industry⁸.

4.1.b Policy

The Company has a General Occupational Health and Safety ("OHS") Policy, which establishes its commitment to employee safety, as well as its responsibilities, risk identification processes, consultation processes with employees, procedures for handling substances harmful to health, the number and form of training events, medical surveillance protocols, procedures for monitoring working conditions and emergency procedures.

4.1.c Identification of Risks and Impacts

C&W Panama has had a Risk Assessment Procedure, a General Occupational Health and Safety Policy, an Occupational Risk Prevention and Management System, and an Occupational Risk Prevention Plan since 2008.

The General OHS Policy establishes that each department is responsible for risk assessment, which should then be communicated to the Risk and Compliance Department and subsequently evaluated

⁸ See <https://investors.lla.com/esg/>

by the Risk and Compliance Executive Director. Risk identification focuses on risks related to OHS issues.

4.1.c.i Gender Risks

There are Panamanian laws⁹ and institutions that protect women. However, gender violence and harassment and sexual crimes are still present in Panama. i) During 2022, there were 14 femicides, 6 as simple femicides and 8 as female homicides classified as violent deaths. Most of the victims were women aged 15 to 44 years while most of the victims were women aged 13 to 45. ii) There were 33,392 sexual crimes between 2015 and 2020, the main crimes being rape (42%), followed by sexual acts with minors (25%), libidinous acts and child pornography (20%)¹⁰.

Panama Province was ranked first, and Colón Province ranked second by the number of femicides and violent deaths in Panama in 2022, according to national statistics. However, the number of cases decreased in comparison to the previous two years. It is believed that the situation was aggravated by the pandemic during 2020-2021.¹¹

The Company belongs to the Liberty Latin America Group, which has a Code of Conduct that guides the behavior of employees, customers, and communities, by protecting and ensuring that they all respect women. It also has a Workplace Gender-Based Violence Policy, which provides information and educational tools to ensure that all employees can recognize gender-based violence and know how to respond when gender-based violence occurs within their workplaces. This policy establishes confidentiality parameters and guidelines that protect everyone involved.

4.1.c.ii Gender Programs

In 2022, Liberty Latin America Group promoted its second Employee Resource Group ("ERG") called "ELLAS" at all its subsidiaries including C&W Panama. This initiative empowers women in the Company through representation, fellowship, support and connection, and provides a safe opportunity for social connection and frank conversation that aims to achieve gender equality.

4.1.c.iii Climate Change Exposure

Panama has a uniform tropical climate throughout the year, with seasons marked by rainfall patterns splitting its climate into a dry and a rainy season. Average annual temperatures range between 23 and 27°C, with maximums reaching 33°C in coastal areas, although at higher altitudes they can drop to 16°C.

The Climate Change Directorate of the Environment Ministry within the Panamanian Government is leading processes that help Panamanian residents to adapt and become resilient to climate

⁹ Law 82 dated October 24, 2013 introduced measures to prevent violence against women and reformed the Penal Code by criminalizing femicide and punishing violence against women. Law 71 dated December 23, 2008 created the National Women's Institute. Law 38 dated July 10, 2001 reformed the penal and judicial code and added articles on domestic violence and child and adolescent abuse. Law 73 dated December 18, 2015 modified articles within Law 38 dated 2001 on the domestic violence procedure.

¹⁰ Public Ministry: <https://ministeriopublico.gob.pa/wp-content/uploads/2022/04/Informe-Estadistico-Victimas-de-Femicidio-a-Nivel-Nacional-Marzo-2022.pdf>

¹¹ Public Ministry: <https://efeminista.com/muertes-violentas-mujeres-panama/>

change threats. These initiatives include the National Climate Change Policy, which is currently being updated, the National Adaptation Plan, which is being prepared and applies to agriculture, health and other NDC sectors¹², the national climate vulnerability index, and climate risk analysis.

Over the past fifty years, Panama has experienced an increase in extreme weather events including intense and prolonged rainfall, storms with strong winds, floods, droughts, forest fires, landslides, tropical cyclones, and the impacts of El Niño, La Niña and the Southern Oscillation.

Although climate change has not yet impacted the Company's business, it will use the method described in the Climate Change Vulnerability Index of the Republic of Panama¹³ to assess the potential risk of climate change to its business. The results of this process will be used as a guide for conducting local vulnerability assessments, which will provide a more accurate and effective understanding of the various risks faced by local social and environmental systems.

4.1.d Management Programs

C&W Panama has i) a Risk Assessment Procedure (2008); ii) an Occupational Risk Prevention and Management System that was last updated in 2019; iii) a Risk Prevention Plan; iv) an annual training plan; and v) a personal protection equipment program.

4.1.e Organizational Capacity and Competency

The Company's CEO is ultimately responsible for compliance with the General Occupational Health and Safety Policy. However, the Risk and Compliance Director is responsible for operational compliance, and they are supported by a team composed of a Safety, Fire Protection and Environmental Manager, an Occupational Health and Safety specialist, and the Human Resources Manager.

4.1.f Emergency Preparedness and Response

The Company has an Emergency Response Procedure that considers both anthropogenic scenarios such as fire, medical emergencies, serious accidents, bomb threats, kidnapping and armed robbery, and natural scenarios such as earthquakes and high winds. This procedure forms part of C&W Panama's National Emergency Response Plan, which was prepared by the Business Continuity and Risk Prevention Department, whose responsibilities now fall within the Risk and Compliance Department. The Emergency Response Procedure effectively manages emergencies using specific templates for the risks likely to occur within the Company's facilities.

4.1.g Monitoring and Review

The Risk and Compliance Department at C&W Panama conducts annual internal inspections to monitor performance. This requires evaluating indicators such as electricity consumption, which

¹² Nationally Determined Contributions ("NDCs") are voluntary commitments by countries who have signed the Paris Agreement to reduce their greenhouse gas emissions.

¹³ https://dcc.miambiente.gob.pa/wp-content/uploads/2021/07/Indice_de_Vulnerabilidad_al_Cambio_Climatico.pdf

are then used to set reduction targets. Sites with towers or antennas are inspected every three months.

4.1.h Stakeholder Engagement

C&W Panama has identified the following stakeholders: Central government and governmental entities, legislative and judicial bodies, regulatory entities, customers, the Company's trade union and organized groups, employees, business associations, the media, NGOs, and civil society. However, it already has a stakeholder participation plan.

4.1.h.i Disclosure of Information

The Company complies with the local regulations regarding stakeholder participation as established by ASEP and the Regulations for the Installation, Operation and Shared Use of Towers or Infrastructure Supporting Telecommunications Services Antennas. However, C&W Panama will develop a stakeholder participation mechanism.

4.1.h.ii Informed Consultation and Participation

The Company complies with the Regulations for the Installation, Operation and Shared Use of Towers or Infrastructure Supporting Telecommunications Services Antennas, whose requirements include citizen consultation. That consultation includes collecting electromagnetic measurements, designing towers and structures that harmonize with the environment, defining the system's operational characteristics, and defining installation good practices. ASEP has a Towers and Antennas Register¹⁴ to inform residents.

4.1.i External Communication and Grievance Mechanisms

C&W Panama has a customer service mechanism¹⁵, which includes a telephone line (#123) and a WhatsApp service for capturing service requests, repairs, inquiries, and reporting frauds. However, the Company does not yet have an external grievance mechanism as the *Speak Up* mechanism is exclusively for employees.

4.1.i.i External Communication

C&W Panama communicates with its stakeholders using its website and its annual corporate reports, such as LLA's Annual ESG Report and C&W Panama's Sustainability Report, which complies with the United Nations Global Compact initiative.

4.1.i.ii Grievance Mechanisms for Affected Communities

Each vehicle in the fleet that serves C&W Panama is labeled with a telephone number dedicated to channeling complaints regarding the Company. Towers and antennas are inspected every three months and include a visit to local communities in order to collect any complaints or claims.

¹⁴ https://aplicaciones.asep.gob.pa/telec/html/consulta_antenas.php

¹⁵ <https://www.masmovilpanama.com/centro-de-ayuda/numeros-telefonicos>

However, the Company has no formal external grievance or external communication mechanism with an emphasis on disclosure to vulnerable groups.

4.1.i.iii Ongoing Reporting to Affected Communities

ASEP has a Towers and Antennas Register¹⁶ to inform residents. The LLA Group publishes an annual report on its compliance with ESG issues.

4.2 Labor and Working Conditions

4.2.a Working Conditions and Management of Worker Relationships

C&W Panama has 2,251 employees, where 60% are men and 40% are women, even though an early retirement scheme was launched as a result of the merger with Claro, and the Company has high staff turnover in its door-to-door sales department, which relies on younger and less qualified staff. 111 of its workforce hold management and supervisory positions, who represent 38% of the Company's management positions.

The Company's human resources policies are aligned with current labor legislation. Its occupational principles include an inclusive culture, which values talent, high performance and professionalism, risk-taking, respect, honesty, hard work, leadership and discipline.

4.2.a.i Human Resources Policies and Procedures

C&W Panama has an Executive Human Resources Department that establishes staff management guidelines including hiring processes. The Company has i) an Employee Assistance Program ("EAP"), which offers counseling, emotional support and life assistance services including bereavement, caring for children and the elderly, alcohol abuse, legal problems, etc., ii) an Employee Share Purchase Plan ("ESPP"), which provides advice on becoming a Company owner, iii) a Parental Leave Policy, and iv) a Global Recognition, Equity, Diversity and Inclusion Program ("EDI"), which promotes diversity and inclusion throughout the Company.

4.2.a.ii Working Conditions and Terms of Employment

The Company is also governed by the Labor Code and special labor laws¹⁷, its Internal Labor Regulations, and its Collective Bargaining Agreement. C&W Panama complies with labor laws and International Labor Organization ("ILO") conventions by establishing the principles of gender equality and non-discrimination, equal opportunity, prohibition of child labor, fair treatment, prohibition of workplace harassment and penalties for sexual harassment, agreement to appropriate working terms and conditions, and notice for termination and severance. Everyone working for the Company, depending on type of contract, receives training during their induction regarding Code of Conduct and Collective Bargaining Agreement.

¹⁶ https://aplicaciones.asep.gob.pa/telec/html/consulta_antenas.php

¹⁷ Cabinet Decree 252, Labor Code (December 30, 1971) and amendments to Law 44 dated August 12, 1995.

4.2.a.iii Workers' Organizations

C&W Panama promotes free association among its employees. Its employees are members of the Telecommunications, Related and Similar Workers Industrial Union ("SITINTELS") and its Collective Bargaining Agreement was renewed in September 2022.

The Company has a track record of more than 15 continuous years free of collective conflicts. The Company directly negotiates with SITINTELS, without any state intervention.

4.2.a.iv Non-discrimination and Equal Opportunity

Panama has signed several ILO conventions and international treaties related to workers' rights, including Convention 100 on Equal Remuneration and Convention 111 on Discrimination (Employment and Occupation). The Company has established respect for individual diversity and equity within its Code of Conduct and Collective Bargaining Agreement and it operates with fairness, equality and impartiality.

4.2.a.v Retrenchment

An early retirement scheme was launched as a result of the merger with Claro. However, a drastic labor reduction of more than 10% is not expected. The Company does not have an outplacement program.

4.2.a.vi Grievance Mechanism

C&W Panama policy engages in an open door culture throughout the entire organization for any matters, especially those that relate to occupational health and safety.

Employees can report work-related incidents or complaints through a confidential line called *Speak-Up*. Furthermore, the Collective Bargaining Agreement describes the mechanism for submitting a labor grievance when it requires union mediation.

4.2.b Protecting the Workforce

The Panamanian Constitution establishes that children become adults at the age of 18. C&W Panama only employs adults, as evidenced by its individual employment contracts and the checks performed by the Ministry of Labor and Occupational Development ("MITRADEL").

Panama has signed several ILO conventions and international treaties related to workers' rights, including Convention 138 on the Minimum Age, Convention 182 on Worst Forms of Child Labor, Convention 29 on Forced Labor, and Convention 105 on the Abolition of Forced Labor. Panama also has extensive labor legislation that regulates the length of the workday, working hours, overtime, paid rest days, minimum remuneration, family allowances, legal bonuses, and minimum occupational health and safety standards. C&W Panama uses its Code of Conduct to comply with these regulations and compliance is observed through its Collective Bargaining Agreement.

4.2.c Occupational Health and Safety

C&W Panama's General Occupational Health and Safety Policy establishes the Company's commitment to comply with Panamanian laws and regulations related to OHS issues, and to adequately monitor the exposure of its direct and indirect employees to occupational risks.

The Company identifies employees performing high-risk tasks, such as working at heights and exposure to non-ionizing radiation, and includes them in its health surveillance program. This program provides them with training and personal protective equipment that mitigates their exposure to the risks specific to their tasks.

C&W Panama has an Annual Training Plan that includes Occupational Health and Safety issues and involves staff participating in Corporate Social Responsibility initiatives. The 2022 Plan includes training on working at heights, working in confined spaces, first aid, defensive driving, working in remote areas, handling fire extinguishers and electrical safety.

The main ailments suffered by the Company's employees include low back pain, high blood pressure, type 2 diabetes, common colds, skin diseases (allergies), obesity and overweight.

C&W Panama registers all occupational accidents involving its direct employees. In 2021 the Company reported 28 lost days, a 0.59 Lost Time Incident Frequency Rate ("LTIFR") and a 5.58 Lost Time Injury Severity Rate ("LTISR"). The LTIFR and LTISR reported by the U.S. Department of Labor¹⁸ for the telecommunications industry (NAIC Code 517) during 2020 was 5.50 and 137.5, respectively. This indicates that C&W Panama has a lower lost time incident frequency and severity rate than the industry average.

The vehicle fleet was involved in 1,298 accidents between 2020 and 2022 resulting in an accident rate of 78%. C&W Panama will analyze the root causes of these accidents and prepare an improvement plan.

4.2.d Provisions for People with Disabilities

The LLA Group's Code of Conduct has been adopted by C&W Panama. It establishes the values of diversity and equal opportunities. Consequently, the Company's Human Resources policies include protecting the rights of people with disabilities.

4.2.e Workers Engaged by Third Parties

C&W Panama applies the Company's policies to its contractors. Accordingly, all its contractors' employees must understand and respect its Code of Conduct.

4.2.f Supply Chain

The LLA Group has a Supplier Selection Process to ensure objectivity and impartiality. Its policies apply to its suppliers in terms of labor standards, ethics, health and safety, and the environment.

¹⁸ <https://www.bls.gov/iif/oshsum.htm>

C&W Panama has an Inventory Procurement Policy that includes a supplier assessment, approval flow, order creation, subsequent purchase, receipt, and process closure. The most important suppliers are Anixter de Panamá, APPLE, Ericsson de Panamá, Huawei, Melandy Group, Cisco, Teleperformance Colombia, Alpha Telecom, Computación Monrenca, Samsung, and Ufinet.

4.3 Resource Efficiency and Pollution Prevention

4.3.a Resource Efficiency

The Liberty Latin America Group publishes its energy savings performance in its ESG Annual Report. C&W Panama uses its Global Compact annual report to describe its installation of solar panels, improvements in energy efficiency by installing inverter air conditioners, and other initiatives that reduce its CO₂ emissions in line with the Paris Agreement. The Company has replaced its electricity generators with more efficient models and has improved its electrical infrastructure. It has also reduced foreign travel, promoted video call technology, initiated energy reduction campaigns, and promoted renewable energy sources by purchasing energy generated from renewable sources such as ENEL Green Power.

C&W Panama's total electricity consumption is approximately 95 GWh/year excluding Claro Panama's consumption. Its main energy supplier is Naturgy, followed by Sistema de Medición Comercial ("SMEC") and Elektra Noreste S.A. ("ENSA"). The Company also has two diesel generators.

4.3.a.i Greenhouse Gases

Liberty Latin America Group's Annual ESG Report calculates and reports its Scope 1 and 2 direct carbon emissions. C&W Panama's emissions are described in its Global Compact Report.

C&W Panama's has a fleet of 576 vehicles, where 311 run on gasoline and 265 on diesel, and it has 14 diesel trucks. Its CO₂ emissions are 3,417.34 equivalent tons from vehicles and 36,028.48 from electricity generation. These figures exclude Claro Panama for the time being.

4.3.a.ii Water Consumption

Water is provided by the National Aqueducts and Sewerage Institute ("IDAAN"), which is a public utility. The Company does not have any rights to well water. Water consumption is highest in administrative buildings due to their bathrooms, sinks and water dispensers. At the moment, the Company does not keep centralized water consumption records. Each location records its own consumption and there are no general corporate consumption records.

4.3.b Pollution Prevention

C&W Panama operates a recycling program through its C&W Panama Foundation. This program collected 575 kg of laptops, CPUs, keyboards, etc., 4,713 kg of power adapters, 4,835 kg of connector cables, 922 kg of modems, 47 kg of switches, and 8 kg of telephones. The Foundation also arranges general collection campaigns. These contributions are described in its Global Compact Report.

4.3.b.i Waste

The waste generated by the Company is mainly organic and damaged compressed cardboard furniture. Its final destination is the Cerro Patacón municipal landfill in Panama City.

Other waste is generated in smaller quantities. These include computer equipment removed by the authorized supplier Recicla Panamá, all kinds of batteries sent to Recicla Panamá, metals sent to China Metal, copper cables sent to Recicladora Nacional and Betesda, and fiber optic cables.

4.3.b.ii Hazardous Materials Management

The Company does not generate or handle hazardous waste.

4.3.b.iii Pesticide Use and Management

The Company fumigates its facilities every quarter, to eliminate pests such as rodents and cockroaches using suppliers authorized by the appropriate Panamanian authorities.

4.4 Community Health, Safety and Security

4.4.a Community Health and Safety

C&W Panama's telecommunications infrastructure is widely dispersed, and its maintenance frequently requires ground transportation with the potential risk of collisions. C&W Panama has a Vehicle Use and Control Procedure that applies to all its employees and those of its contractors who drive Company owned or leased vehicles. This procedure describes how C&W Panama's vehicles should be used and controlled. Its purpose is to safeguard employee safety and to keep the fleet in normal operating condition so ensuring it meets the quality and efficiency standards that apply to the Company's resources. It clearly and precisely defines the procedures that apply to the fleet management department's tasks and responsibilities.

C&W Panama will develop a Stakeholder Engagement Procedure ("SEP") in accordance with the identified risks and potential impacts, to ensure smooth communication with stakeholders.

4.4.a.i Emergency Preparedness and Response

Currently, 10% of the Company's employees have been trained as emergency responders. C&W Panama performs annual simulations involving its employees and other companies duly accredited by the Panamanian Fire Department (Benemérito Cuerpo de Bomberos de Panamá).

4.4.b Security Personnel

C&W Panama subcontracts a security service from Seguridad Permanente y Protección S.A. This company is certified by the Panamanian government to provide security services to its facilities using armed guards. It observes the principle of proportional use of force and performs background checks on its guards.

4.5 Land Acquisition and Involuntary Resettlement

The Company has acquired land through voluntary and free negotiations. The Facility does not expect to construct new towers, and it does not expect to physically or economically and involuntarily resettle local dwellers.

4.6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The Facility does not expect to impact biodiversity since it does not expect to construct new towers.

4.7 Indigenous Peoples

The Facility does not expect to impact Indigenous peoples since it does not expect to construct new towers.

4.8 Cultural Heritage

The Facility does not expect to impact cultural heritage since it does not expect to construct new towers.

5. Local Access of Project Documentation

The documentation relating to the facility can be accessed at the following link:
<https://www.masmovilpanama.com/>