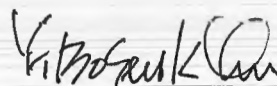


Environmental and Social Policy Statement

Nepal Water & Energy Development Company Pvt. Ltd. (NWEDC) declares that a core value in the management of our company is environmental protection and social responsibility. NWEDC commits to comply with national and good international industry practices in the hydropower industry in the construction and operation of all our projects, and further commits to:

- ◆ Comply with all applicable environmental and social regulations and World Bank Group Performance Standards on Environmental and Social Sustainability without compromise;
- ◆ Promote a working environment to provide women with opportunities for gainful employment and advancement in the workplace;
- ◆ Provide a safe and healthy working environment to all employees and contract workers;
- ◆ Adopt mitigation strategies to avoid, reduce, or compensate environmental degradation, pollution and adverse social impacts, and adapt to the impact of climate change of our projects;
- ◆ Provide benefits to the communities affected by our projects that promote the enhancement of their livelihoods;
- ◆ Identify, avoid or actively manage all project related risks to the health, safety and security of affected communities;
- ◆ Minimize land acquisition and involuntary resettlement and ensure that affected households are fairly compensated and actively assisted to restore and improve their livelihoods and living conditions;
- ◆ Foster biodiversity conservation and sustainable management of living natural resources, minimize our environmental footprint, and reduce the depletion of bio-diversity and ecosystem services by applying the latest technology in combination with local knowledge and practice;
- ◆ Recognize the values of indigenous peoples living within the areas of influence of our projects and take appropriate actions to address and satisfy their concerns;
- ◆ Understand and respect the culture, heritage and religious beliefs of the communities living within the areas of influence of our projects;
- ◆ Disclose all relevant project information to stakeholders in a timely and Inclusive manner and to maintain open lines of communication with stakeholders throughout the life of a project; and
- ◆ Organize, train and equip our project management teams to identify and address environmental and social issues throughout the life of a project.

NWEDC is committed to continuous improvement in the management of the environmental and social impacts of our projects through monitoring, evaluation and implementation of appropriate corrective actions whenever needed. The Management of NWEDC understands that responsible environmental and social performance is a priority for our company.



Bo Seuk Yi
Chief Executive Officer



19.12.2016

