

IFS Environmental and Social Grievance Mechanism

1. Purpose of the IFS Environmental and Social Grievance Mechanism (IESGM):

This IESGM provides for the HKMC to receive submissions raising concerns or grievances (including complaints) relating to the actual, impending or anticipated environmental and social impact(s) of specific infrastructure projects which the HKMC has provided financing for (including secondary purchases of debt instruments by the HKMC relating to such infrastructure projects) (**Submissions**) and through its IFS Division, to process, evaluate and respond to such Submissions, and where appropriate or necessary, work with relevant parties to arrive at a resolution relating to the Submissions.

2. Submissions

To facilitate the HKMC's processing, consideration, investigation of and response to the Submissions, any relevant person (or a representative) is requested to provide the HKMC with the following information:

1. Contact information, including your:
 - a. Name;
 - b. Correspondence address;
 - c. Phone number;
 - d. Email address;
 - e. If a representative, reasonable evidence of your authority to make Submissions on behalf of the relevant person or liaise with the HKMC in relation to the Submissions together with clear identification of the relevant person (or class of relevant persons) including the contact details above of the relevant person(s)

The HKMC's ability to assess and follow-up with a Submission could be limited if it is made on an anonymous or if the relevant person(s) indicate that he/they wish to remain anonymous.

The following information should also be included in the Submission:

2. Project details, including the name of the concerned company/project financed by the HKMC or in relation to which the HKMC is a creditor (directly or indirectly), brief description and location.
3. Description of the grievance, including:
 - a. The adverse environmental and social impact which is the subject of the Submission together with any supporting documents (e.g. expert reports, statements, photographic or video evidence);
 - b. Whether any effort in good faith has been made to resolve the potential, impending or actual impact and details of such efforts and identification of parties dealt with;
 - c. If the Submission has been filed to other parties apart from the HKMC.
4. Indication of whether the relevant person(s) (including a representative) (**Relevant Person**) would like to remain confidential, and whether the Submission should also be kept confidentiality and the reasons for such request. If confidentiality is requested to be maintained, the HKMC will not disclose any personal information to any other parties apart from its officers and professional advisors who are subject to a duty of confidentiality. This confidentiality obligation will not apply to any information which is already in the public domain not due to a default by the HKMC (e.g. the relevant information has publicly disclosed or implied that he has made a Submission) or where the HKMC is compelled by any law or court of competent jurisdiction to disclose such information. However, it should be noted that the requirement to maintain such confidentiality may limit the ability of the HKMC to deal with or resolve the matter raised in the Submission in certain situations (e.g. requests for specific remedies for affected persons).
5. If the representative also represents other stakeholders, the identity of the other stakeholders represented should be disclosed and reasonable supporting evidence of the authority for such representation should be made available to the HKMC so that the HKMC may communicate with the Relevant Person in relation to such other stakeholders as well.

Any Submission may be made to the following contact details:

Email Address:

IFS_enquiries@hkmc.com.hk

Correspondence Address:

Level 65, International Commerce Centre,
1 Austin Road West,
Kowloon, Hong Kong

All Submissions should be addressed to:

The Hong Kong Mortgage Corporation Limited

(Attention: IFS Division – IFS E&S Grievance Mechanism Submission)

3. Handling of a Submission

An acknowledgement in writing will be sent to the Relevant Person after the HKMC receive the Submission.

The HKMC shall screen all the Submissions received in accordance with the following admissibility criteria:

- A. It relates to an active business activity undertaken by the IFS Division in relation to its scope of business (i.e. the grievance is related to an infrastructure company/project financed (within two years since full disbursement of our participation in the financing) and the HKMC has outstanding loan balances at the time of receipt of the grievance);
- B. The Relevant Person making the Submission or on behalf the Submission is made is affected or is likely to be affected by the infrastructure company/project financed by the HKMC;
- C. A relationship between the grievance(s) that the Submission raises and the infrastructure company/project financed by the HKMC must be indicated;
- D. Adverse environmental and/or social impact is suffered or is likely to be suffered by the Relevant Person;
- E. It has not previously been considered under this IESGM before unless material new information or records are or will be provided; and

- F. It is not filed fraudulently or with malicious intent or without adequate proof of proper authority (in the case of a representative).

After investigation of the Submission, if it is admissible, the HKMC (through IFS Division) will liaise with the Relevant Person to propose a resolution. IFS shall respond in a timely manner, normally no later than thirty (30) days after receipt of the grievance and information required on Section 2 above. IFS shall submit regular updates of any unresolved submissions to the Relevant Person. It should be noted that in certain instances, detailed investigation, obtaining required information and liaising with relevant parties may take more time and may not be straightforward.

4. No Retaliation

In the course of handling any Submission, the HKMC shall recognise and consider the risk of retaliation against any Relevant Person (whether or not confidentiality has been requested) in relation to a Submission. Before disclosing the identity of the Relevant Person(s) to other parties outside of the HKMC and its professional advisors, the HKMC shall seek the consent of the Relevant Person(s) and if not provided, such disclosure shall not be made. The HKMC shall take reasonable precautions to maintain the confidentiality of the Relevant Person(s) and the Submissions where there is a reasonable concern that retaliatory action may be taken against the Relevant Person(s). In such cases, the HKMC shall make relevant disclosures of its concerns to the Relevant Person(s) and discuss with him/them their approach.