



# SCIF Sifi Salem

## Sustainability Policy

### (SSS-SP001)

#### Introduction

SCIF-SiFi Salem (SSS) is responsible for building and managing an open access optic fiber network in the city of Salem, Massachusetts.

Through its activities, SSS provides essential infrastructure for key digital services in urban areas and is dedicated to conduct itself in accordance with the highest legal, ethical and professional standards throughout our business and operations.

This Sustainability Policy (the Policy) sets out the aims and commitments related to Environmental, Social and Corporate Governance (ESG) issues of SSS. The Policy applies to the Board of Directors (Board), Management Team, main service providers and Staff at SSS.

The Board of Directors is responsible for updating and approving this document. The Management Team is responsible for its proper implementation and reporting to the Board.

The shareholders are signatories of the United Nations Principles for Responsible Investment (UN PRI) and UN Global Compact and aim to adhere to all its standards in relation to ESG matters through all their investments.

This policy was prepared by Smart City Infrastructure Fund (SCIF) and approved by the Board of SSS.



## ENVIRONMENTAL

### **Biodiversity and habitat**

SSS's aim is for its activities to have minimal impact on the surrounding biodiversity. Where possible it will look to improve biodiversity and where possible will monitor impacts, whether positive or negative of its construction activities.

### **Climate change adaptation and resilience**

SSS's aim is to understand the future risk and opportunities of climate change on its fiber optic network and will conduct and integrate climate risk studies in its operational decisions. Where necessary and possible SSS will investigate and complete adaptation and mitigation measures for climate change. SSS will engage with its clients and municipality of Salem to consider the role its fiber optic network can play in the resilience of the urban environment to catastrophe or natural disasters.

### **Energy and Greenhouse Gas Emissions**

The nature of SSS's activity positions it on the low side of the environmental impact spectrum and the underground infrastructure is not subject to soil contamination or other hazards linked to other utilities' assets. During the operation of the asset the focus will be put on an efficient use of power and on a clean sourcing of electricity to data centers and to the active side of the network to ensure our greenhouse gas emissions are minimized.

SSS has the ambition of reaching net zero carbon where possible, or to align with the targets of the jurisdictions it is subjected to.

### **Pollution and Environmental Impact**

During construction, the focus on the environment will lay on avoiding hazards linked to breaking of existent utilities in the ground which may be not identified. Avoiding these hazards, we aim to reduce our possible intrusion or cause of contaminated land and hazardous substances. SSS will also abide by regulation in terms of disposal of waste produced during construction. SSS will strive to minimize air, noise and light pollution during development, and where applicable during the operation of the asset. During development we will also look to minimize our impact on local biodiversity and habitats, considering the environment from the due diligence process through to operation.

### **Water**

SSS aims to ensure sustainable use of water resources by its operators.



### **Waste**

SSS will aim to support its operators and suppliers in reducing waste generation and the diversion of materials to landfill. Where relevant SSS itself will reduce its waste generation and work with its suppliers to improve recycling and circular efforts.

### **Pollution**

SSS intends to minimize air, light and noise pollution and where necessary and possible. SSS will engage with operators to further support this aim.

### **Sustainable Supply Chain**

Where possible SSS will look to ensure what it considers a sustainable supply chain, selecting materials on environmental impact and increasing resource efficiency. Where possible this will focus on using locally sourced materials, reducing transportation requirements for material delivery and considering the embodied carbon of the development.

## SOCIAL

### **Labor Standards**

SSS's Board, management team and main service providers will see that all employment engagements are subject to the labor laws of the United States of America.

SSS strongly opposes the use of child labor and modern slavery and will pass this through to its engagement with its suppliers. SSS will implement such checks through its due diligence and procurement processes.

### **Health and Safety**

SSS has an objective of zero accidents and has put in place a series of Health and Safety (H&S) KPI's which are monitored and discussed periodically during Board meetings to identify improvement areas and prevent any incidents. This extends from contractors, to the supply chain, and where applicable to the community.

SSS's main contractor has the responsibility of H&S during construction, its Project Monitor will be monitoring its performance and reporting to the main contractor and to the Board any deviations or potential risks.

The main contractor will carry out training and tool meetings every day in order to identify potential risks and make sure they are dealt with and avoided. SSS requires its main contractor to have in place an emergency and communication plan in case of accidents.



### **Local Community Support**

SSS aims to promote development in the local community, by not only supporting the technological advancement of the city, but also through hiring local people from disadvantaged background, highlighting its commitment to the community. SSS also looks to connect with local social enterprises, supporting the area through multiple platforms.

### **Stakeholder Engagement**

SSS is committed to engaging with and fostering strong relationships with relevant stakeholders, these include local communities, contractors, operators, and customers. Where possible, we will also look to gauge customer satisfaction.

## GOVERNANCE

### **Governance Processes**

SSS's Board has an active role in its sustainability drive and supports continuous improvement of its ESG decision making. SSS adheres and subscribes to its shareholder responsible investment practices, including those set by SCIF, Whitehelm Capital and APG. SSS believes in an open, transparent and safe working environment and recognizes and supports whistle-blower protection. SSS ensures that any engagement with lobbying groups is aligned with our climate change and other sustainability commitments and align with our shareholder's corporate commitments.

### **Fiduciary Duties**

SSS and all its board members are compliant with the highest anti-corruption standards and explicitly pursue non-ethical behavior at all the organization's levels. SSS has zero tolerance to bribery. This applies to all the levels of the organization in particular on dealing with public officers, including contractors and sub-contractors. SSS has zero tolerance to Anti-Money Laundering. It is discussed in board meetings.

### **Data Protection and Cybersecurity**

SSS ensures it meets federal and state level data protection and cybersecurity requirements. As a fiber optic network, SSS understands the importance of upholding strong data protection and cybersecurity measures, and therefore integrate these issues through due diligence in acquisition to operation.

### **Transparency**

SSS is committed to good corporate governance driven through transparency and supported by annual external audits.



Its Board of Directors agree to share any information which may result in a conflict of interest for SSS and all board directors have presented to the Board a form in which they present all other positions held in other corporations.

**Sustainability Governance**

Control systems include approvals involving different organizations and different people as well as a monthly control on financials. During construction phases, SSS will have an external Project Monitor in place which has a control over construction cost and progress.

ESG is integrated throughout SSS’s activities, with the Board having oversight and final decision making upon issues. The role of ensuring SSS abides by this policy is delegated to the Management of SCIF and contractors and sub-contractors involved in projects.

**Equality and Diversity**

SSS believes equality and diversity to be of significant importance and strives to have good levels of diversity across directors, management and staff.

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