

1. Scope of the Environmental and Social Review

IDB Invest's environmental and social review included meetings and telephone calls with Selina management teams in New York and Panama, as well as with the persons responsible for the environment, experience, human resources, and hospitality (impact and culture). The review included an analysis of the Company's environmental, social and health and safety ("ESHS") management process and its approach to supply chain management.

The Environmental and Social Due Diligence (ESDD) process included the review of supplementary information, such as environmental management policies, plans, manuals, and procedures; the human resources ("HR") policy; occupational health and safety ("OHS") programs; information on waste management (both non-hazardous and hazardous or special management waste); monitoring and review of ambient conditions in the workplace (e.g. air emissions, noise, and effluents); and emergency response plans, among the most important. On October 10 and 11, and 21 to 23, 2019 respectively site visits to the Selina Hotel in Panama and to two Selina hotels in Costa Rica where undertaken, where inspection to the premises and surrounding areas of influence where made, and meetings with staff personal where conducted.

2. Environmental and Social Categorization and Rationale

This operation was classified in Category B as per IDB Invest Environmental and Social Sustainability Policy, since the environmental and social ("E&S") risks and impacts it could generate are deemed to be limited, mostly reversible, and subject to being managed by measures that are readily available with current technologies and whose implementation is feasible within the context of the operation.

The possible E&S risks and impacts related to the Project's construction activities will be: (i) hazardous and non-hazardous waste generation; (ii) pollutant air emissions (mainly combustion gases from construction machinery and equipment, and dust); (iii) wastewater generation; (iv) noise pollution; (v) vegetation removal in green-field sites; (vi) earthworks; (vii) ground vibrations; (viii) increase of occupational health and safety (OHS) risks, and (ix) community health, safety, and security concerns related to increased vehicular traffic. During the operation and maintenance ("O&M") stage the risks and impacts mainly relate to: (i) workers' health and safety; (ii) generation of solid (hazardous and non-hazardous) and liquid waste (mainly domestic wastewater), (iii) air emissions (mainly combustion gases from glass smelting furnaces and, to a lesser extent, the vehicles that transport the goods) and noise and vibration; and (iv) use of resources, such as energy and water sources (municipal public utility system).

The Project will trigger the following Performance Standards (PS):

- PS 1: Environmental and Social Assessment and Management System;
- PS 2: Labor and Working Conditions;
- PS 3: Resource Efficiency and Pollution Prevention
- PS 4: Community Health, Safety and Security
- PS 8: Cultural Heritage

3. Environmental and Social Context

Selina operates 67 urban, beach, jungle and mountain-side locations across Latin America (i.e., Panama, Costa Rica, Colombia, Mexico, Guatemala, Brazil, Argentina, Nicaragua, Peru, Bolivia, and Ecuador) and Europe (i.e., Greece, United Kingdom and Portugal). Latin America has most of its portfolio, with 49 properties (existing facilities) which will be complemented by the addition of new

facilities in Latin America and the Caribbean (new facilities) ("the Project").

Every Selina hostel aims at being a change agent to the community where it is located. Selina properties implement a variety of economic equity, environment and education programs that directly impact community members and provide training to approximately 500 workers per year in its Hospitality Program, a program conceived to train and hire locals who can use that experience for career advancement. The Selina Gives Back ("SGB") is the Company's holistic volunteering program for staff, guests and neighborhood partners who want to positively contribute in community programs.

In addition to the SGB initiatives, Selina involves community members through artist workshops during the renovation process of each property. The furniture, fixtures, décor, and retail items are also sourced locally, improving the local supply chain management.

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 Assessment and Management System

To comply with PS-1, Selina will develop a specific Environmental and Social Management System (ESMS) for its operations that includes: (i) an Environmental, Social and Health and Safety (ESHS) policy; (ii) internal procedures to identify, assess, and manage possible ESHS risks and impacts associated with each Project activity, both for their own workers and those engaged by third parties (contractors and subcontractors); (iii) internal procedures to ensure compliance with the Environmental Management Plan (EMP); (iv) organizational capacity and competency, including the definition of roles and allocation of responsibilities for the implementation of said ESMS; (v) emergency preparedness and response protocols; (vi) stakeholder engagement methods or planning; (vii) external communication and grievance mechanism; (viii) protocols for the disclosure of information, decision making and training to communities; (ix) protocols for the evaluation and continuous improvement of the ESMS; and (xi) regular audits and inspections of ESHS requirements under the countries environmental regulation, where they operate.

4.1.b Policy

Selina will develop an overarching ESHS policy that will specify: (i) the person within the organization who will ensure compliance with and be responsible for the execution of this policy; (ii) the way how this policy will be communicated to all levels of the organization; and (iii) a mechanism to measure and communicate continuous improvements on the policy's implementation.

4.1.c Identification of Risks and Impacts

For any new project construction or refurbishment, in addition to verifying compliance with local environmental impact regulations, an identification and assessment of E&S risks and impacts will be carried out. Based on the latter and regardless of the mechanisms to be used by the Company to comply with the in-country ESHS regulations, Selina will identify and assess direct and indirect, and synergistic ESHS risks and impacts for each new facility and each Project phase (design, pre-construction or refurbishment, construction or expansion, O&M and closure or decommissioning), taking into account: (i) cumulative impacts; (ii) greenhouse gas emissions (GHG); and (iii) relevant risks associated with natural hazards and climate change.

Finally, given that the execution and operation of the Project is dynamic, Selina will continuously

update the ESHS risk matrix for each project phase for all its operations, in order to obtain, monitor, and control the needed local permits or licenses.

4.1.d Management Programs

Selina will develop an Environmental and Social Management Plan (ESMP) specific for each facility to be built, refurbished or expanded, with appropriate management measures to address each of its major environmental risk and impacts. This ESMP will contain the following programs: (i) an Impact Management Program for the Physical, Biological and Visual Environment, which will include, among other aspects, the following: management measures for any impact on terrain relief (in the event of earthmoving or earthworks); hazardous and non-hazardous solid waste management measures; gas emission control activities; control measures for the generation of dust and noise; and control of liquid effluents, such as: industrial, runoff and domestic; and (ii) an Impact Management Program for the Socioeconomic Environment, which will include: safety measures for the communities located in the vicinity of the facility; ESHS training for construction managers and workers; communication measures for inter-institutional coordination; and measures to ensure safe and hygienic-sanitary conditions for workers during construction.

Likewise, the ESMP for the O&M phase of each facility will include the following programs: (i) an E&S Monitoring and Vigilance Program, especially for fixed sources gas emissions (boilers, power generators, etc.); (ii) a Comprehensive Solid and Liquid Waste Management Program, emphasizing environmentally friendly measures to store and dispose of any waste that cannot be reduced, reused or recycled, and that will also provide measures to handle hazardous waste (oils, greases, paints, solvents, medicines or biological-infectious waste, and disinfectants); and (iii) a Workplace Occupational Health and Safety Program that provide a safe and healthy work environment, taking into account inherent risks in this particular sector and specific classes of hazards in the work areas, including physical, chemical, and biological, hazards, and specific threats to women.

4.1.e Organizational Capacity and Competency

Selina currently lacks a dedicated E&S and OHS organizational structure to monitor ESHS impacts and risks, and implement the ESMP and all in-country ESHS regulations. Therefore Selina will: (i) define the E&S Organizational Capacity and Competency policy or policies; (ii) appoint an E&S focal point within its organizational structure; (iii) define the focal point's functions, responsibilities and level of authority that will enable this person to implement the ESMS; and (iv) ensure adequate human and financial resources to enable the implementation of the ESMS. Likewise, Selina will conduct at least once a year an introductory or refresher ESHS Training Program for all personnel responsible of the management of each existing or future facility, which will present and analyze the most important ESHS risks and impacts of such facility, and the in-country ESHS regulations to be complied with.

4.1.f Emergency Preparedness and Response

Selina has executed several initiatives to develop site specific Emergency Response Plans (ERP). However, to fully comply with the PS-1 and the safety principles of the OHS Regulations in each country where it has operations, Selina will develop a Policy that will require for each facility to have its specific Emergency Response Plan (ERP). For new facilities the ERP will cover its pre-construction, refurbish or construction and O&M phases; and for existing facilities, only the O&M phase. The policy will include a set of specific pre-established procedures to coordinate, alert, mobilize and respond in the event or imminence of a particular event, such as: (i) natural hazards (e.g., earthquakes, hurricanes and/or tropical storms, floods, thunderstorms, etc.); (ii) human conflicts (e.g., civil or war disruptions); and (iii) technological hazards (from fires, explosions, fuel

spills, and accidents befalling workers and suppliers).

The specific ERP's will address the following aspects: (i) emergency response procedures; (ii) trained emergency response teams; (iii) emergency contacts and communication systems and protocols; (iv) procedures for interaction with local and regional emergency and health authorities; (v) permanent emergency equipment and facilities (e.g., first aid stations, extinguishers, hoses, sprinkler systems); (vi) protocols for fire trucks, ambulances and other emergency vehicle services; (vii) evacuation routes and meeting points; (viii) training exercises (drills and simulations) that involve Selina's personnel and other key stakeholders and interested parties.

In addition, each ERP will contain an annual Training Program and a Root Cause Analysis procedure for any major accident or fatality, as well as a description of the corrective actions required to minimize the risk of new occurrences. In this regard, annual training programs will aim at strengthening effective responses to emergency situations and will include courses in: (i) first aid (basic life support, hemorrhages, shock, wounds and burns, fractures, mobilization of injured people, etc.); (ii) firefighting and prevention (firefighter safety, hose folding, handling extinguishers, etc.); and (iii) search and rescue, among others.

Furthermore, Selina will develop a specific Crisis Management Policy that sets forth governance standards to ensure an adequate organizational response to events that threaten or affect its assets.

4.1.g Monitoring and Review

For each facility, Selina has developed a compliance matrix, with a list of in-country permits, licenses and certifications required to operate each hotel. This matrix which will be updated by including: (i) key performance indicators (KPIs), to measure the effectiveness of the ESMP and the fulfillment of the in-country legal and contractual obligations; (ii) the competent authority in charge of granting the authorizations or issuing the permits; (iii) the date of issue and of effectiveness of each permit or authorization; (iv) the person responsible for the follow-up or compliance of each permit; and (v) communication and future compliance procedures.

In addition, Selina will prepare, through an internal audit or an external expert endorsed by the country Environmental Authority (external audit), a consolidated annual report on the compliance status of all ESHS policies and measures applicable to each facility, including: (I) the progress and performance of ESMS actions with regards to the defined KPIs; and (ii) its compliance status with the IDB Invest E&S Sustainability Policy, and the country's local ESHS regulations. Through these internal or external audits, Selina will define specific measures to reduce impacts and improve efficiency, and document and report progress and new procedures, and other certifications, depending on which country the facility will be located.

4.1.h Stakeholder Engagement

4.1.h.i Disclosure of information Selina will revise its Stakeholder Engagement Management Plan to include the following: (i) updated identification of all stakeholders, including the local authorities and surrounding communities and neighbors (within a 500 m radius of each facility); (ii) differentiated measures to enable the effective engagement of disadvantaged or vulnerable groups; (iii) a mechanism to ensure that community representatives accurately represent the views of the affected communities; (iv) details on how information is disclosed to stakeholders; (v) details on the stakeholder engagement process in these communities and how they can access the grievance mechanism; (vi) procedures to regularly report on the Company's E&S performance to stakeholders and the public in general; and (vii) mechanisms for implementing and disclosing the updated procedure to all its staff as part of a Training Program.

The Company will also develop a Community Relations Procedure as part of the Stakeholder Engagement Management Plan, which sets out effective strategies for communicating and maintaining good relations with the population in the area of influence of each facility and its stakeholders. This procedure will identify the work team responsible for its implementation (e.g., the Social Management manager and a team of social promoters) and define the protocols for the following activities: (i) interviews with authorities and stakeholder representatives; (ii) stakeholder briefings; and (iii) media and social networks management.

4.1.h.ii Informed consultation and participation

Selina will conduct a public hearing in the area of influence of every new facility which will be compliant with any local regulation and conformant with PS-1. This process will aim at: (i) obtaining the views of both men and women, if necessary through separate engagement; (ii) capturing the different concerns and priorities of men and women about the new facility's impacts, management mechanisms, and benefits, where appropriate; (iii) documenting the process; and (iv) informing those affected of how their concerns will be addressed through the grievance mechanism.

4.1.i External Communication and Grievance Mechanisms

4.1.i.i External Communication

Selina will develop a Global Corporate Communication Policy, which shall ensure that all communication, whether directed to internal or external audiences, is delivered in a careful, responsible, and efficient manner. This policy will determine the external official communication channels to be used (reports, websites, press releases, social networks, transparency mailboxes, contact centers, focus groups, social events, etc.) to communicate with the corresponding stakeholders.

4.1.i.ii Grievance Mechanism for Affected Communities

As for the reception of external grievances and complaints from the community or any stakeholder, the Company's website only shows one point of contact. Selina will document all external communications, detailing: (i) how the grievance was received; (ii) who placed the grievance (clients, communities, stakeholders); (iii) how grievances were classified, processed, evaluated, and resolved; (iv) how responses to the grievances were provided and followed up; (v) how the grievance was closed; and (v) any adjustments or improvements to the ESMS, in terms of communication and dissemination of information.

For the latter purpose Selina will prepare and adopt the following:

- For all new facilities, and for the refurbishing or enlargement of existing facilities, an External Grievance Mechanism for their pre-construction and construction phases, focused on the communities and stakeholders (local authorities, neighbors or people located near the facility). Such grievance mechanism will include details of how these grievances or complaints are recorded, classified, investigated, evaluated and resolved, as well as their respective follow-up and closure process.
- For all the existing facilities similar External Grievance Mechanism for their O&M phase that incorporates the experiences and lessons learned in the construction phase.

4.1.j Ongoing Reporting to Affected Communities

Selina, through its Stakeholder Engagement Management Plan will furnish the communities and anyone who will require, regular reports on the Company's E&S performance.

4.2 Labor and Working Conditions

4.2.a Working Conditions and Management of Worker Relationships

4.2.a.i Human Resources Policies and Procedures

The “Selina Playbook” is a rulebook to be followed to become the best citizen of their staff community. The rules contained in it apply differently depending on the role of each staff member within the organization and sets for the principles of gender equality and non-discrimination, equal opportunity, the prohibition of child labor, fair treatment, prohibition of workplace harassment and penalties for sexual harassment, a contract with suitable working conditions and terms of employment and notice of dismissal and severance pay.

Selina has also several other policies and guidelines on human resources management, such as: the Anti-Harassment and Anti-Discrimination Policy; the Corporate Travel Policy; the Equal Opportunity Policy; and a set of performance policies, all accessible through its human resources (HR) system. Violations of these policies by any employee will result in corrective or disciplinary actions that can eventually lead to the termination of the corresponding working contracts.

4.2.a.ii Working Conditions and Terms of Employment

Through its Playbook, Selina fulfills the provisions of PS-2 and complies with local labor and health and safety laws and regulations that dictate the way and conditions for staff selection and hiring; working days, hours, and breaks; vacations; leaves; flexible work schemes to promote collaboration and productivity; wages and benefits; employer and employee rights and obligations; behavior and disciplinary measures; asset security; risk prevention; and workers with disabilities, among others. To reinforce the knowledge of these working conditions, Selina requires that each new employee signs a Letter of Acknowledge that states that this person has received, read and recognized his or her responsibility within the Company.

4.2.a.iii Workers' Organizations

Selina commits to the compliance of all local laws that recognize worker's rights to form and join workers' organizations and to observe and comply with all employer responsibilities derived from such laws, including those international conventions and treaties of the International Labor Organization (ILO) relating to workers' rights of the country where Selina has operation is signatory (Convention No. 87 concerning Freedom of Association and Protection of the Right to Organize, and Convention No. 98 concerning the Right to Organize and Collective Bargaining).

4.2.a.iv Non-discrimination and Equal Opportunity

The Selina's Playbook and Anti-Harassment and Anti-Discrimination Policy, declare a zero tolerance of discrimination and harassment and the Company's commitment to foster an environment in which no applicant, employee, service provider or contractor is banned from participation or discriminated against in any external or internal selection process on the basis of race, color, age, culture, national origin, physical appearance, physical or mental disability, religious belief, gender, sexual orientation, political inclination or affiliation or any other protected characteristic as established by law.

4.2.a.v Grievance Mechanism

According to Selina Playbook, there are two different methods that apply to the employee's grievance mechanism: (i) if the claim is of general nature, it will be canalized through its Human Resource Department; and (ii) if it involves an employee direct or indirect manager or supervisor,

the claim will be directed to the President of the Company.

However, in order to comply with PS-2 and because their hotels operate 24 hours a day, 365 days a year, Selina must adapt its internal grievance mechanism so as to; (i) provide an easily accessible and culturally appropriate mechanism that can be accessed at any time (e.g. an external mailbox or booth with printed or digital forms to register the grievance or inquiry); (ii) allow anonymous grievances or inquiries to be received and processed; and (iii) not prevent or even provide access to other any applicable administrative or legal recourse, as merited by the severity of the violation, according to local national labor laws and regulations.

In addition, through the Stakeholder Engagement Management Plan, Selina will hold communication fora during through which its management team will communicate the Company's main achievements, challenges, and advances, thus keeping all stakeholders informed, giving the Stakeholders the opportunity to ask questions and raise concerns.

4.2.b Protecting the Workforce

Selina, in observance of all the local legal labor requirements applicable in each country where it has operations, regulates labor relations by prescribing the minimum rights and duties of employers and employees, and which promotes equality and equity in the enjoyment of human, civil, political, economic, social, and cultural rights between women and men.

Likewise, the Selina Playbook, declares that Company employees, contractors, third-party workers, and suppliers are under the obligation to comply with all municipal, county, state, federal and country laws and regulations of civil, administrative, labor, constitutional, corporate, property, public or private nature.

4.2.c Occupational Health and Safety

Even though Selina has developed several plans and risk analysis on OHS to comply with local national laws and regulation of the countries in which it operates, to fully comply with PS-2, Selina will develop a Corporate OHS Policy whose purpose will be to ensure the health and safety of its employees, contractors, suppliers, and the communities in which the Company operates, by acting appropriately to prevent and avoid accidents and damage to health. This policy will set forth: (i) a management system to detect, identify, evaluate, control, and prevent risk and ensure accident-free working conditions throughout its value chain; (ii) the obligation for all employees, contractors, suppliers, and visitors to comply with all applicable laws, regulations, and legal requirements relating to OHS in the countries in which it operates; (iii) the obligation for all employees, contractors, suppliers, and visitors to be responsible for their own safety while performing their activities safely and complying with existing health and safety standards, procedures, and regulations.

Selina will also develop an Occupational Health and Safety Program (OHSP) for each existing and new facility that will include: (i) the identification of possible OHS risks for workers according to the work they perform; (ii) a risk assessment, a risk map and an intervention plan; (iii) details of the preventive and protective measures implemented; (iv) workers OHS training and visitors safety briefings; (v) specific training for workers and emergency brigades; (vi) OSH medical examinations requirements; (vii) procedures for statistics collecting and reporting on accidents and occupational diseases; (viii) procedures and a mechanisms to notify the main stakeholders (response agencies, local authorities, etc.) should major accidents occur; and (ix) an Accident Root Cause Analysis procedure to investigate the cause of incidents or accidents occurring in any site and to ensure the implementation of corrective actions to prevent future accidents.

Finally, as part of its ESMS, Selina will develop an Accident Monitoring Procedure to generate statistics of: (i) accidentality rates, taking into account all incidents resulting in the loss of work; and (ii) the nature and severity of each accident or incident, determined by the number of days lost relative to the number of accidents and the days lost.

4.2.d Workers Engaged by Third Parties

According to Selina's Playbook, all Company's labor standards, performance policies, and procedures are extended equally to its workers as well as to those of all contractors and subcontractors (defined as non-employees or engaged by third parties). The permanence of all workers depends on the compliance set forth in the Playbook.

4.2.e Supply Chain

Selina's Playbook states that the Company's supplier must comply with all applicable labor laws and policies, including those regarding child and forced labor. However, to fully comply with PS-2, Selina will develop a Corporate Supplier Selection Process that will include: (i) a questionnaire, which will be integrated into the internal Supplier Certification, with a set of questions that will have to be answered by all existing and potential supplier, that aims at establishing if whether the latter comply or not with PS-2 requirements; and (ii) a provision that blocks (and therefore prevents the Company to make any business with) any current or potential supplier should it fails to comply with in-country's labor laws or Selina's policies or regulations.

4.3 Resource Efficiency and Pollution Prevention

4.3.a Resource Efficiency

4.3.a.i Water Consumption

Selina will develop and implement a Corporate Water Consumption Awareness and Reduction Program for each of its facilities that will contain the following overarching water-saving measures: (i) adoption of better technologies to make their processes more efficient (for example rainwater harvesting systems for different uses); (ii) monthly monitoring of water in each facility to detect any leakage or over consumption; and (iii) operating procedures to be triggered upon any variation in normal water consumption, to verify and correct the cause, either by plugging leaks or replacing fittings.

Likewise, Selina will manage its own wastewater treatment plants (WWTP) to ensure that their effluents comply with the applicable discharge parameters so that, in some cases, the treated water can be reused to wash vehicles or in secondary processes (toilets or irrigation, for example).

4.3.a.ii Energy

Selina will develop and implement a Corporate Energy Efficiency Program that includes procedures to: (i) identify measures to reduce the use of fuels and electricity; (ii) identify measures for the optimization and cogeneration of heat; (iii) analyze alternatives to utilize renewable or alternative energy sources; and (iv) analyze and implement comprehensive energy saving measures such as: replacing low-efficiency air conditioning systems with high-efficiency equipment and ozone-friendly refrigerants (e.g., replacing the use of R22 as a refrigerant, if any), installing LED lights, automating processes through programmable logistics controls, applying inverter technology to maximize efficiency in the equipment with the highest demand, such as industrial refrigeration and air conditioning systems, and using insulating and thermo-acoustic materials to reduce heat transfer and eliminate noise.

4.3.b Pollution Prevention

4.3.b.i Wastes

Selina will develop and implement a Corporate Effluent Management Program, that includes the testing, evaluation, and monitoring and control, of the wastewater treatment systems (grease trap, WWTP, sand traps, etc.) to ensure their compliance with all in-country regulation and the conformity with IFC's [1] emissions and effluent guidelines (whichever is more rigorous [2]), before discharging their water into the municipal sewer systems or any other authorized source.

Currently Selina classifies and stores solid wastes produced in its facilities. An external authorized supplier has been hired to retrieve and transfer all waste produced by the Company's facilities to the proper disposal sites (recycle managers or municipal authorized landfills). Selina does and will not transport its non-hazardous (domestic) solid waste outside its facilities.

To fully comply with PS-3 and improve its environmental performance, Selina will establish and implement a Corporate Solid Waste Management Program, that: (i) develops a reduce, reuse and recycle initiative and training campaign for all personnel and hosts; and (ii) classifies and registers its solid waste into two components: 1) organic wastes (losses from their kitchen and restaurants, which correspond to damaged products that are thrown away); and 2) recyclables (cardboard, paper, plastics, wood, metals, etc.), which will continue to be removed by a duly authorized external supplier for final disposal.

4.3.b.ii Hazardous Materials Management

Selina does not produce a large amount of hazardous materials. However, during maintenance of each facility or hotel, depending on the activities, this amount might be considerable. For that reason, Selina will implement a Corporate Working Manual for Hazardous Waste Management that aims at identifying, controlling, minimizing, giving value, and comprehensively managing the hazardous waste generated in each facility or hotel, and that seeks the development a comprehensive waste management culture. This manual will contain instructions to determine the measures for the internal collection and transfer to temporary storage for each type of hazardous waste or infectious biological waste (in case of injured people or medical emergencies), as well as the use of a duly authorized external supplier for final disposal.

Selina will also develop and adopt a Hazardous Materials Safe Storage Standard (to be used during internal audits) that, aligned to each country's official regulations, standards, and safety procedures, contains a compliance sheet for each hazardous substance according to its characteristics.

4.4 Community Health, Safety and Security

Selina's new facilities will be designed and built by competent, experienced and renowned contractors using the best international practices recommended by the industry, which are expected to comply with the applicable national and international construction and safety guidelines, standards, and codes.

4.4.a.i Fire Protection System

According to international Fire Safety and Protection Regulation, the design of the Life and Fire Safety (L&FS) Systems or Facilities of each Selina's building and facility will adhere to the international standards of the National Fire Protection Association (NFPA) and the standards of the Americans with Disabilities Act 2010 (ADA) for accessible design (those universal standards that make access to the physical environment possible to a greater extent, in accordance with the

conditions inherent to the Project).

In this regard, Selina will hire qualified L&FS professional acceptable to IDB Invest, who will certify that the design of the fire system of all new facilities: (i) satisfies the L&FS requirements of the IFC General Environmental, Health, and Safety Guidelines; and (ii) is fully compliant with the international L&FS code and the in-country laws. For existing facilities or those new facilities that are about to begin their operation phase, a qualified L&FS professional acceptable to IDB Invest will certify that such buildings and facilities were built in accordance with the approved L&FS designs and that all L&FS devices were installed as designed and tested in accordance with international requirements.

4.4.b Security Personnel

Depending on the security conditions and the violence reports by local authorities for each facility, Selina will decide on whether to hire or not security personnel to safeguard its assets. For those affirmative cases, Selina will provide a copy of the contract with the corresponding security company or companies, in order to verify –among other aspects– that it includes provisions to allow Selina to: (i) conduct reasonable investigations to ensure that security personnel do not have a criminal record and have not been involved in cases of abuse; (ii) verify details of necessary training on the use of force; (iii) verify restrictions or the procedures to be put in place regarding the use of firearms; and (iv) identify details of the environmental and social awareness training, including the subject of respect for human rights.

4.5 Land Acquisition and Involuntary Resettlement

The land acquisition process for new facilities or for the expansions or improvements of the existing facilities shall be governed by strict compliance with the nation local commercial laws and through agreements negotiated to the satisfaction of both parties (buyer and seller).

In this sense, Selina will prepare and adopt a Corporate Land Selection and Acquisition Manual with specific procedure that comply with PS-5 requirements. Should any of the new facilities require the physical or generates an economical displacement of people, Selina will prepare, submit for IDB's approval and, once approved, implement a Resettlement Action Plan.

4.6 Biodiversity Conservation and Management of Natural Resources

The selection of land for new facilities will avoid impacting on biodiversity^[3] or ecosystem services^[4]. Should the latter not be possible, Selina will prepare, as part of Corporate Land Selection and Acquisition Manual, a Biodiversity Conservation Procedure that sets forth measures aligned with PS-6 to minimize such impacts and restore biodiversity and ecosystem services.

4.7 Indigenous Peoples

The selection of land for new facilities will avoid impacting on indigenous peoples. However, should the latter not be possible, Selina will prepare, as part of the Corporate Land Selection and Acquisition Manual, an Indigenous People procedure to avoid such impacts or to manage them according to PS-7.

4.8 Cultural Heritage

The typical sites selected by Selina for their future projects are normally brownfields with existing previous impacts. However, the Company will ensure that the construction of any new facility will not be located within known or legally protected cultural heritage sites. For that purpose, if the

construction involves earthworks, Selina will obtain from the local authorities a certification of absence of archaeological remains or something equivalent.

For works that involve earthworks, besides complying with the relevant cultural heritage legislation, Selina will prepare a Chance Find Procedure^[5] and implement and execute an Archaeological Monitoring Plan, both satisfying the requirements of PS-8.

5. Local Access of Project Documentation

Additional information related to Selina and their impact, can be accessed at the following link: <https://www.selina.com/what-is-selina/>

6. Contact Information

For project inquiries, including environmental and social questions related to an IDB Invest transaction please contact the client (see **Investment Summary** tab), or IDB Invest using the email requestinformation@idbinvest.org. As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MICI@iadb.org, or calling +1(202) 623-3952.

7. Environmental and Social Action Plan. Please see attached document

[1] Guidelines on Environment, Health and Safety for Water and Sanitation, of the IFC; December 2007

[2] If the host country has regulations that differ from the levels and indicators presented in IFC guidelines, projects must meet the most stringent ones. If it is appropriate to use less stringent levels or indicators in view of the specific circumstances of the project, a full and detailed justification for any proposed alternative should be included, demonstrating that the alternative performance level protects human health and the environment.

[3] Selecting land that does not contain natural habitats of critical importance or significant value for biodiversity

[4] Ecosystem services are: (i) provisioning services, which are the products that people obtain from ecosystems; (ii) regulatory services, which are the benefits that people obtain from regulating ecosystem processes; (iii) cultural services, which are the non-material benefits that people obtain from ecosystems; and (iv) support services, which are the natural processes that maintain other services.

[5] A chance find procedure is a project-specific procedure that describes the measures to be taken in the event of finding previously undiscovered cultural heritage.