

# Transparency & Disclosure Policy

May 2021

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Belgian Investment Company  
For Developing Countries



**BIO**   
Investing  
in a Sustainable Future

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## 1. Purpose and Scope

The Belgian Investment Company for Developing Countries SA/NV (BIO) considers public access to information a key component of effective engagement with all its stakeholders, including BIO’s shareholder and the public, in the fulfilment of its mandate. Public access to BIO information improves transparency and accountability and creates trust in BIO’s activities.

The main purpose of BIO’s Transparency & Disclosure Policy (the “Policy”) is to define the information that is disclosed to its stakeholders, i.e. the public, the Belgian State, employees, customers, creditors and other relevant parties, like e.g. the Organisation for Economic Cooperation and Development (OECD), or the DG International Partnerships (DG INTPA), in a timely, accurate, complete, understandable, convenient and affordable manner, and the degree of confidentiality of the information disclosed.

The Policy has been established by BIO’s Board of Directors. The Board has the responsibility to ensure the adequate disclosure of information to the public and to monitor, supervise, and develop the Policy.

The Manager External Affairs is responsible for maintaining this Policy in close cooperation with Executive Management, as well as for submitting it to the Board every two years for review and approval.

This Policy applies to all information in the custody of BIO. For this Policy, “Information” means any content produced by or for BIO, in any medium (paper or electronic; audio, visual or audio-visual).

BIO is committed to the protection of personal data and has developed and implemented a Personal Data Processing Policy (PDPP), subject to and in accordance with the European General Data Protection Regulation (GDPR) and the Belgian data protection act of 30 July 2018. The disclosure of any personal data by BIO shall comply with the PDPP, as well as with any rules and regulations of relevant international organisations (such as the IFC Operating Principles of Impact Management).

Finally, BIO has taken the initiative within the association of European Development Finance Institutions (EDFI) to achieve a common basic disclosure policy for all its members.

## 2. Limitations

This Policy is guided by the principles of openness and transparency, such that any information concerning BIO is publicly accessible, or available upon request, unless the information is deemed restricted or confidential. (Cf. **3.2 Internal: information that is restricted to BIO employees, Board, and shareholder** and **3.3 Confidential: information that is only shared on a need-to-know basis, and as defined by the BIO Law and the BIO Management Contract**).<sup>1</sup>

To eliminate any doubt, the rules provided in this Policy are without prejudice to any obligation BIO may be subject to, to disclose information pursuant to any law, regulation or decree, including the BIO Law and the BIO Management Contract.

## 3. Types of information

BIO makes a distinction between three types of information:

1. Public: Information that can be publicly disclosed
2. Internal: information that is restricted to BIO employees, Board, and shareholder
3. Confidential: information that is only shared on a need-to-know basis, and as defined by the BIO Law and the BIO Management Contract

### 3.1. Public: Information that can be publicly disclosed

The following information shall be made accessible to the public, as far as is reasonable and practical<sup>2</sup>, through the BIO website and is also available upon simple request:

- Information for current and potential investees
  - General
    - Mission statement
    - Values
    - List of targeted countries by BIO

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<sup>1</sup> Disclosure relations with BIO's shareholder (Minister, Government Commissioners, DGD) are defined by the BIO Law and Management Contract, in particular: BIO Law Art.5 §1 and §2 and the BIO Management Contract, Chapter 5, articles 49, 50, and 51.

<sup>2</sup> Reasonable and practical means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.

- Summary of OFC-policy
  - Ex-ante development assessment tool
  - Carbon footprint and mitigation measures taken<sup>3</sup>
  - Harmonised EDFI Exclusion List
  - IFC Exclusion List
- Investment field specific, a description of the BIO tools for investing:
  - In Infrastructure
  - In Financial Institutions
  - In Investment Companies & Funds
  - In Enterprises
  - By the Business Development Support Fund
  - By the SDG Frontier Fund
- Publications on the BIO website, via LinkedIn, or in a printed version.
  - News items/press releases
  - Story Letter
  - Impact stories
  - Annual reports
  - Annual Development & Sustainability Report (new in 2021) with special attention to actual impact effects and the KPIs to measure them
- Strategies, Studies & Policies
  - Investment Strategy
  - Environmental and Social Policy
  - Transparency and Disclosure Policy
  - Gender Strategy and Action Plan
  - Studies (digital survey etc.)
  - Theory of Change
  - Operating Principles for Impact Management
  - Personal Data Processing Policy
  - Tax Policy (new in 2021)
  - A summary of the KYC Policy (new in 2021)
- Corporate information
  - General Contact details
  - Liaison Offices contact details
  - Company registration number
  - Team and departments (name, picture, function, generic email addresses if the respective teams decide to use those) & organogram
  - Career opportunities
  - Financial statements (Balance sheet, Profit & Loss Account, Management Report, and Report from the Independent Auditor)
- Oversight

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<sup>3</sup> Carbon footprint data are now basically limited to BIO's own carbon footprint. These will be systematically broadened by the Development and Sustainability Department to also include carbon data on clients, fund investees, infrastructure projects, etc.

- Operating rules of the Grievance Mechanism and aggregated yearly information on the Grievance Mechanism as published in the Annual Report
- External evaluations
- Management responses to the external evaluations
- Information on BIO's investments
  - Portfolio information (see **4. Online Portfolio Disclosure**)
  - Outstanding investments & net commitments as published in the Annual Report
- Legal framework and corporate governance
  - BIO law
  - management contract
  - Articles of association
  - Board of Directors: composition and compensation
  - Role and composition of the BIO management bodies (investment committee, audit committee, HR committee, credit committee, executive committee)
  - Code of Conduct (new in 2021)
  - Whistle blower Policy (new in 2021)
- Partner URLs (EDFI, DFIs, Wehubbit, IFC, EIB, The Shift, etc.)

### **3.2. Internal: information that is restricted to BIO employees, Board, and shareholder**

Internal information is available to BIO staff and directors. It is also disclosed to BIO's direct stakeholders (auditors, the Belgian State and its institutions) in so far as this information is necessary to execute their duties in the context of BIO's operations as required by the laws and regulations BIO is subject to.

Internal, restricted documents ("Restricted Documents") are documents that principally relate to the operational and organisational aspects of BIO's activities and that are not intended to be shared beyond the organisation. Best efforts shall be made to label Restricted Documents as such, i.a. via Microsoft Information Protection, which enables BIO staff members to categorise each document and email according to confidentiality. When in doubt whether a document is a Restricted Document, the Legal Department is to be consulted.

Restricted Documents include (but are not limited to):

- Investment Process Manual
- Procurement Policy
- Document Retention Policy<sup>4</sup>
- Crisis Communications Policy

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<sup>4</sup> The Document Retention Policy, approved by the Board in October 2020, relates to the practical day-to-day management of the company. It lists all the internal documents and says how long BIO stores the info, under which format (hard/soft, ...), and how to discard it afterwards. Since this document has little added value for any third parties, it is considered an internal document.

- The Emergency Call List for crisis communications
- Crisis Simulation Exercises
- Contact details
  - Staff
  - Customers
- HR policies and key HR documents
- Materials of trainings provided to staff
- Travel Policy
- All other internal policies, operating procedures, templates or working tools not falling under the 'publicly disclosed' section
- Internal templates and other work documents.

### **3.3. Confidential: information that is only shared on a need-to-know basis, and as defined by the BIO Law and the BIO Management Contract**

Confidential information (“Confidential Information”) is information that is not known to the general public, that is potentially sensitive and that is labelled as such; or that should, given the nature of the information, reasonably be considered as such. When in doubt about whether a document is confidential, the Legal Department should be consulted.

Confidential Information shall only be shared on a need-to-know basis and as defined by the BIO Law and the BIO Management Contract, including within the organisation, and externally only if the recipients are bound by a valid confidentiality obligation. The unauthorised disclosure of Confidential Information can be prejudicial to BIO’s interests, negatively affect its credibility and reputation, and/or impede its work.

Best efforts shall be made to label Confidential Documents as such.

Confidential information includes (but is not limited to):

- Information not to be disclosed because of GDPR
- Regulated information on listed companies
- Commercially sensitive project related information;
- Customer contracts and associated ESAPs;
- The contents of the Management Information System (MIS);
- Investment analyses and data-rooms, unless already in the public domain;
- Information relating to third parties, including countries, governments, and administrations that is deemed sensitive;
- Information BIO is required to keep confidential pursuant to applicable law;
- Information that is likely to endanger the safety or security of any individuals, violate their rights or invade their privacy. This includes information on grievances, the disclosure of which might endanger the complainants and/or the victims. The disclosure or distribution of personal data is prohibited without the prior consent of the data subjects concerned. For sensitive data, this consent must be explicit.
- Information received from or sent to third parties under an expectation or obligation of confidentiality or protected by a non-disclosure agreement (NDA);

- Information the disclosure of which is likely to endanger the security of BIO staff or prejudice the security or proper conduct of any operation or activity of the organisation;
- Information covered by legal privilege or regulatory proceedings, or that subjects the organisation to an undue risk of litigation, or is related to due process rights of individuals involved in internal audits and investigations;
- Commercial information, if disclosure would harm either the financial interests of the organisation or those of other parties involved;
- Information which, if disclosed, would seriously undermine the policy dialogue with BIO's shareholder;
- Other kinds of information, which because of their content or the circumstances of their creation or communication must be deemed confidential.

Best efforts shall be made to clearly label all confidential documents explicitly so that they can be easily identified, e.g. by marking "confidential" in the footer and as a watermark, and/or by using the "confidential" options in emails.

BIO's Confidentiality Policy also applies.

## **4. Online Portfolio Disclosure**

### **4.1. Scope of BIO's online portfolio**

BIO maintains an online public database which includes information on:

- All companies BIO is currently invested in, through debt, equity in funds, subsidy (or a guarantee).
- All companies that BIO is no longer invested in<sup>5</sup>, but has been in the last three years – i.e. on the 1<sup>st</sup> of January 2021, those investments that were finalised / terminated / inactive prior to the 1<sup>st</sup> of January 2018 are no longer required to be available online.

### **4.2. Information disclosed in BIO's online portfolio**

BIO's investments will be disclosed in the BIO online portfolio. Contracts with clients shall contain provisions permitting the disclosure of the information detailed below, in principle as from the signing date, or at the latest as from the date of first disbursement, if this is justified considering the specifics of the investment and if approved by the CEO.

A specific page will be created for each specific investment project, regardless of the number of investments made in a company or fund – however, the company information (name, website, domicile, indirect investments) will be shared across all investment projects in a particular company or fund.

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<sup>5</sup> When a project has been 100% provisioned and has no longer been actively followed by the investment department for three years, it will be considered as finalised/terminated/inactive, with the date of the final provisioning +3y being considered as the "exit" date. A paragraph will be added to the investment page briefly detailing the circumstances of the provisioning.

<b>Investee company or fund</b>
Official name
Short description
Website URL
Domicile
All equity investments made by funds (official name, short description & beneficiary countries of the investment), regardless of whether they are still in their portfolio. For debt funds a summary of exposure in terms of geographies and sectors will be given.

<b>Investment project</b>
Short description
Date of contract signature
For finalised / terminated / inactive investments: date on which this occurred <sup>5</sup>
Amount invested / subsidised (in EUR at the time of signature)
Type of investment: <i>Debt, equity, subsidy</i>
Beneficiary countries
Investment Field: <i>Enterprises; Infrastructure; Investment Companies &amp; Funds; Financial Institutions</i>
Activity (for direct investments, using NACE-codes up to level 2) <sup>6</sup>
Primary BIO Development Impacts with short description, the investment's desired impact, and its Key Performance Indicators.
E&S description (from March 2021)

### **4.3. Timing and maintenance of disclosure in BIO's online portfolio**

New investment projects are added to the online portfolio by the Communications team within twenty working days of the first notification of contract signature in the Management Information System (MIS) or, at the latest, twenty working days after the date of first disbursement, if the latter is justified considering the specifics of the investment and approved by the CEO. Prior to publication, all information is checked and approved by the Primary Investment Officer (PIO) concerned.

PIOs are responsible for the accuracy of the information provided for their investments in the MIS in order to ensure an accurate portrayal in the online portfolio.

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<sup>6</sup> [https://ec.europa.eu/competition/mergers/cases/index/nace\\_all.html](https://ec.europa.eu/competition/mergers/cases/index/nace_all.html)

Equity investments made by Investment Companies & Funds (IC&F) will be added semi-annually for as long as the investment in the IC&F is active. The information on these indirect equity investments is to be sourced internally through the MIS. For debt investments made by IC&F only aggregated data on geographies and sectors will be disclosed annually.

## 5. Environmental & Social Disclosure

BIO believes that transparency regarding its Environmental & Social (E&S) impact is part of its development mandate.

A different approach to disclosure will be adopted depending on whether the information is public or confidential.

	Public information (Website)	Confidential information (DGD)
	5.1.	5.2
<b>Before due diligence</b>		
<b>During due diligence</b>		
<b>After disbursement</b>	Website E&S info	
<b>Once a year</b>	Development & Sustainability Report	DGD report

### 5.1. Public E&S information

Publicly available E&S information will be disclosed on the website for all new investments made after April 1<sup>st</sup> 2021. An E&S description will be added to the projects in the online portfolio.

BIO's investment contracts shall include standardised clauses allowing for the disclosure of the following information on the BIO website:

- The IFC E&S Performance Standards<sup>7</sup> triggered;
- A high-level summary of the E&S due diligence;
- The key areas of E&S improvement agreed with the client and BIO's ambitions for the project;
- The project's E&S risk category.

<sup>7</sup> [www.ifc.org/wps/wcm/connect/Topics\\_Ext\\_Content/IFC\\_External\\_Corporate\\_Site/Sustainability-At-IFC/Policies-Standards/Performance-Standards](http://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/Performance-Standards)

For projects financed by syndication, where BIO follows the lead of another investor, BIO may also refer to the lead investor's website when complementary E&S disclosure information is available and if it is acceptable to the lead investor to do so. For projects in syndication, BIO will always discuss with the lead investor on how to publish this information.

BIO will ask its higher E&S risk investees to publish a summary of their E&S Action Plan (ESAP) on their website, if they have such, as well as their progress against it. It is the responsibility of the client to publish this document.

Starting from 2021, BIO will annually publish a Development & Sustainability Report that will be made available on the website.

## **5.2. Informing on confidential E&S information**

Within the framework of its annual reporting to the Belgian Ministry of Cooperation and Development (DGD), BIO provides an overview of aggregated data of E&S impacts linked to BIO's activity. This information is considered confidential. The annual Report to DGD will also contain the following confidential information:

### **5.2.1. Context**

- Short description of the major evolutions during the reporting year on a more general level (countries, financial context, etc.), that have an important impact on BIO's investments
- Description of new developments at the level of BIO

### **5.2.2. State of the portfolio at the end of the reporting period, as well as the results obtained**

- Overview and analysis of the results obtained by the investment portfolio
- Overview by sector, geography, type of investment as well as an analysis of the opportunities and difficulties linked to them
- Evolution of the portfolio over the previous years
- Division and analysis of code 5 and code 8 investments
- Presentation of the ESG-aspects of the portfolio (% of projects at risk, the amount of projects with an ESAP and the way in which these ESAPs are monitored)
- Information on the Business Development Support Fund: results and analysis of the successes and difficulties
- The number of solo-projects and projects in consortium
- Results obtained and lessons learned from exited projects

### **5.2.3. New investments made in the year of the report**

- The expected development objectives and the main KPIs used to measure them.
- Development results expected for the company/institution, the target groups and, possibly, for the country
- Analysis of disaggregated ESG-data
- Financial and non-financial additionality of the project