

SUSI ASIA ENERGY TRANSITION FUND

# ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM

June 2023

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# ENVIRONMENTAL AND SOCIAL POLICY FOR SUSI ASIA ENERGY TRANSITION FUND AND ITS INVESTMENTS

SUSI Asia Energy Transition Fund (SAETF) provides capital and expertise to infrastructure investments enabling the energy transition in Southeast Asia. We seek to achieve a positive and measurable environmental and social impact alongside financial returns and aim to contribute with our investments to the achievement of the Sustainable Development Goals. SAETF will integrate environmental, social and governance standards into the core of our project delivery and execution. We believe that high standards in environmental and social (E&S) management are fundamental to good business and that by working with investee companies and projects to enhance their E&S processes and performance, we are creating value and improving our portfolio risk/return characteristics.

SAETF is committed to working with companies and projects to enhance E&S performance consistent with SAETF's Environmental and Social Management System (ESMS). This requires us to work with potential investees to identify and address the gaps between their environmental and social performance and the Applicable Requirements: the IFC Performance Standards, AIIB's Environmental and Social Policy (ESP) (for all investments) and Environmental and Social Standards (ESS) (for category A investments); the International Labour Organisation (ILO) conventions and the International Bill of Human Rights. We also align our investments with the goals of national climate change policies, the Paris Agreement and SDG 13: Climate action.

In all our investment agreements we require our investee companies to operate in alignment with the Applicable Requirements. Once agreement is reached for SAETF to invest, we will work with our investee partners to develop capacity for improved E&S management, invest in efficient technologies and achieve enhanced outcomes, meet the Applicable Requirements within a reasonable period of time, and continuously maintain or enhance E&S performance. SAETF provides important support to its investee companies and projects to aid in the understanding of these requirements and the capacity to manage their activities accordingly. This support will include annual training. Accountability towards investors is maintained through regular monitoring and reporting mechanisms.

SAETF will maintain, throughout the lifetime of all its investments, an External Communication Mechanism (ECM) to receive any public concerns related to the Fund's investments. Through the ECM, SAETF will work with relevant parties to address the cause of any valid complaints and inform the complainant of any actions taken.

SAETF's Managing Director is responsible for implementation of this E&S Policy across all SAETF's investments and operations, and is ultimately responsible for administration and oversight of the ESMS as well as the ESG Managers. The ESG Manager is accountable for implementation of the ESMS, and working with portfolio companies to meet the Applicable Requirements. We commit to ensuring that all SAETF staff will have adequate training to perform their roles in the implementation of the procedures. This policy will be communicated to the entire SAETF team who will be expected to adhere to the policy. It will also be posted on SAETF's website.

The ESMS will be reviewed and revised accordingly on an annual basis.

Signed

Effective Date

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Wymen Chan, Managing Director

# 1 INTRODUCTION

SAETF is committed to effective environmental and social (E&S) practices in all its investment activities consistent with the SAETF E&S Policy. In accordance with the SAETF E&S policy, SAETF will follow the processes and procedures laid out in this ESMS. This ESMS provides guidelines for identifying and managing E&S risks and impacts as well as opportunities, in a structured way and on a continuous basis. The procedures apply to all investments (both new investments and follow-on investments), from early identification stage through to investment, portfolio management and exit. The E&S checklists and reports are important records and are required to be completed and stored in the SAETF investment filing system.

## 1.1 EXTERNAL COMMUNICATION MECHANISM

SAETF accepts communications through email or phone and responds to all complaint inquiries that arise from the Fund's activities, including the activities of portfolio companies, even if they are later deemed ineligible as not being clearly related to the activities of the Fund. The External Communication Mechanism (ECM) is outlined in full in Annex A. SAETF keeps a complaint log for the purpose of documentation and best practices to be shared with the Fund's Limited Partners (LPs) upon request. This log, in the format outlined in Annex A, will contain all complaints that SAETF receives directly from third parties, and will be standardised and stored electronically allowing for easy access. The Managing Director and the ESG Manager will validate and understand the complaint, fully assessing each inquiry thoroughly and preparing a corrective action measure if necessary. All individuals or entities reporting a complaint will receive responses within thirty days and the complainant will be contacted through either letter or email. For grievances received anonymously, this will be recorded and addressed at the project or fund level, depending on the issues raised. The Fund considers adequate closure of grievances received anonymously if the same complaint or feedback has not recurred within 30 days. Otherwise, the anonymous complainant can lodge a follow up via the same channel. All grievances will be consolidated at the Fund level and tracked on a monthly basis.

SAETF will publish its investments along with the respective E&S category on their website.

## 1.2 APPLICABLE REQUIREMENTS

SAETF is required by its investors to ensure that all investments meet the following applicable requirements:

- Applicable local, national and international environmental and social legislation.
- International Finance Corporation (IFC) Performance Standards (2012 version).
- AIIB Environmental and Social Policy (2016, amended May 2021) (for all investments) and Environmental and Social Standards (for all Category A and Category B+ investments).
- UN Guiding Principles on Business and Human Rights.
- ILO Declaration on Fundamental Principles and Rights at Work.

- ILO Basic Terms and Conditions of Employment.
- EDFI Principles for Responsible Financing.
- World Bank Group (WBG) General Environmental, Health and Safety (“EHS”) Guidelines.
- All applicable WBG sector specific EHS Guidelines including for Wind Power and Electric Power Transmission and Distribution.

## 1.3 ROLES AND RESPONSIBILITIES WITHIN SAETF

Figure 1 illustrates the roles and responsibilities for driving the implementation and continuous improvement of this ESMS across SAETF and its portfolio companies. As a fund, SAETF leverages the cooperation, support and feedback of its developing partners as well as the portfolio companies’ in-country resources in managing environmental and social performance to create long-term value for its investments. Key team functions include investment, asset management, ESG and sustainability, and legal and compliance. SAETF has in-house team leads across these four verticals who work together in ensuring a holistic approach to investments.

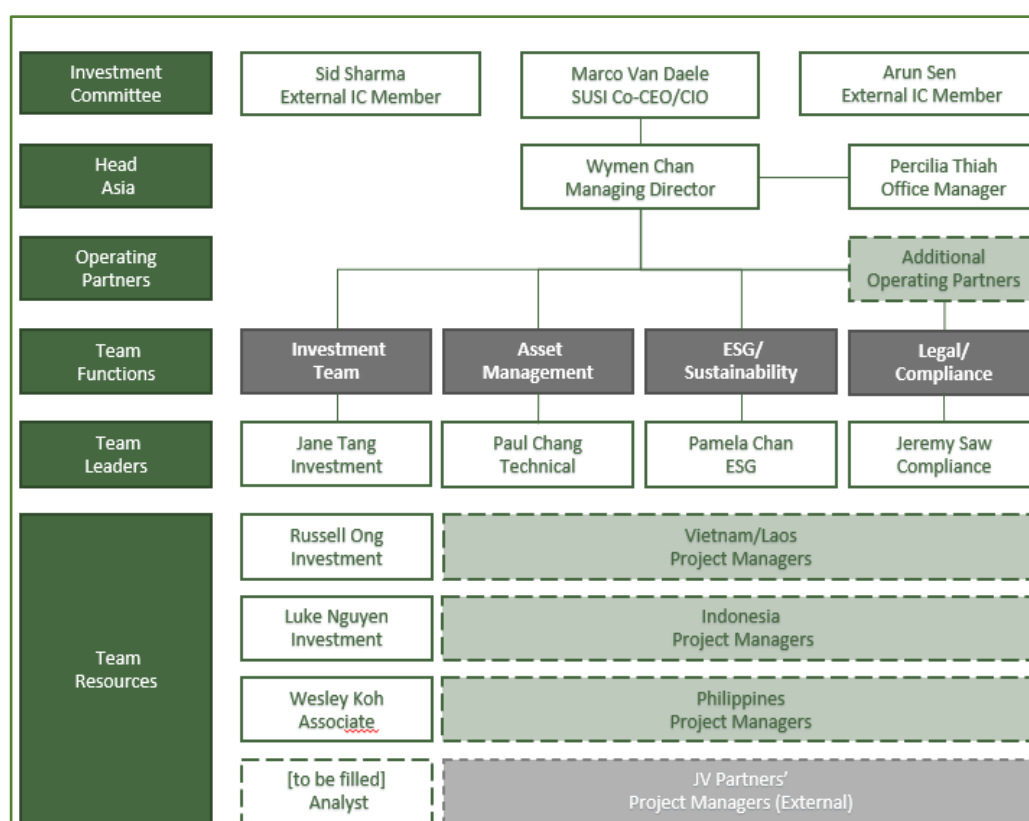


Figure 1. Organisational structure for SAETF ESMS implementation

The following positions have E&S responsibilities:

The **ESG Manager** is Pamela Chan. The ESG Manager is accountable for the proper implementation of the ESMS, the Environmental and Social Action Plan (ESAP) of the Fund, the ESAPs for Portfolio Companies, and compliance with the Applicable Requirements. The ESG Manager is responsible for preparing the ESDDs, working with and managing consultants for the due diligence of all category A and B+ potential investments. During the investment phase, the ESG Manager is responsible for the quality of each Environmental and Social Due Diligence (ESDD) and for presenting the findings of the ESDD and ESAP to SAETF senior management and the Investment Committee (IC), making the recommendation that the proposed investment is acceptable to SAETF and proposing the E&S investment conditions to be integrated in the investment documentation. The ESG Manager will also ensure that all investment staff receive annual E&S awareness training.

The role includes communicating with the Limited Partners, including (but not limited to):

- Informing the E&S Sub-Committee of the category of prospective investments before starting the ESDD.
- Facilitating, coordinating and chairing E&S Sub-Committee meetings, share minutes of meetings within 10 Business Days of the meeting, and facilitate physical meetings alongside the Advisory Committee meetings whenever deemed relevant and/or necessary by the members of the E&S Committee.
- Sending to the E&S Sub-Committee no later than 10 business days prior to presentation to the IC for final approval, the ESDD and ESAP for: (a) the first three proposed investment in a Portfolio Company that is a Non-Category A Client; and (b) any proposed investment in a Category A Client (whether in respect of the first investment in a Portfolio Company or any Follow-On Investment in an existing Portfolio Company;
- Presenting the conclusions and recommendations from the E&S Sub-Committee to the IC prior to the IC meeting on that proposed investment;
- Consulting with the E&S Sub-Committee and addressing the E&S Recommendations by delivery of a final ESAP for the portfolio company. The final E&S Action Plan of the Portfolio Company will be agreed with the proposed Portfolio Company and will include a timeframe for implementation of the E&S Recommendations and conditions precedent for the proposed Investment. Members of the E&S Sub-Committee shall be entitled, upon request, to review and comment on any final E&S Action Plan of the Portfolio Company, agreed with the proposed Portfolio Company.
- Reporting to LPs within three business days after becoming aware of the occurrence of any any environmental, social, security, labour or health and safety incident, accident or circumstance with respect to any existing or proposed Portfolio Company that: (a) has, or could reasonably be expected to have, a material adverse effect or impact on the Fund, the Portfolio Company, the environment, communities or the workforce of a Portfolio Company, or (b) which results in a loss of life, severe permanent injury, severe permanent damage to health or a material effect on the environment, or (c) involves or causes, or is reasonably likely to involve or cause, any material breach of the E&S Requirements as defined in the E&S Undertakings in the Limited Partnership Agreement dated 25 May 2021.

During the asset management phase, the ESG Manager will work actively with the Technical Director and the portfolio companies to support their implementation of their ESAPs, including preparation of international standard Environmental and Social Impact Assessments (ESIA), ESMSs, Stakeholder Engagement Plans (SEP) and

Emergency Preparedness and Response Plans as required as well as supporting monitoring and reporting. The ESG Manager will maintain a register of applicable laws and regulations in Vietnam, Indonesia, Thailand, the Philippines, Malaysia, Cambodia, Myanmar and Laos in line with Annex B.

The ESG Manager is responsible for maintaining a register of suitably qualified consultants who may be used to provide E&S support, including to undertake ESDDs, prepare project ESIAs and develop project ESMSs. The ESG Manager will manage and oversee E&S consultants to facilitate the high quality of their deliverables and, also taking the opportunity to learn from specialist expertise, she will accompany E&S consultants on due diligences and site visits wherever possible. The ESG Manager will also be acquainted with and continuously develop the list of useful E&S resources Annex C.

The ESG Manager owns the ESMS and will undertake an annual review of the procedures to respond to lessons learned over the year of implementation, discussing the findings with the E&S Sub-Committee. Any lessons learned and challenges encountered over the year should be documented in order to do so.

The **Managing Director** is Wymen Chan. He retains overall accountability to the LPs for the E&S risk management of the fund. He will take responsibility for oversight of E&S on a management level, including the Fund's environmental and social strategy and policies, the integration thereof in overall fund management, and the hiring of sufficient dedicated qualified E&S staffing (such as E&S Managers) and managing them, to ensure adequate implementation throughout the portfolio. He will particularly pay attention to E&S during the investment approval process. He also owns the External Communication Mechanism (ECM) and will ensure that all external communication is handled in accordance with the E&S Policy. He will approve any updates to the ESMS, which the ESG Manager may suggest after the annual ESMS review.

The **E&S Sub-Committee** will be a subcommittee of the Advisory Committee for E&S matters, constituted of the E&S representatives of the Advisory Committee members. Its purpose will be to enable the Advisory Committee to monitor the Fund's E&S performance and to advise the Investment Manager on matters pertaining to the Applicable Requirements. The Terms of Reference of the E&S Sub-Committee will be agreed at the first meeting and will be attached to Annex J. The frequency of the meetings will be agreed by the committee but will be no less frequent than biannually.

**E&S External Consultants** will be commissioned to undertake the ESDDs for all category A and B+ investments and for any other activities outside the expertise of the ESG Manager. For example, with the advice of the E&S Sub-Committee, the ESG Manager may identify the need for specialist consultants to support the portfolio companies in undertaking E&S assessments, developing E&S programmes and monitoring E&S management plan implementation. These may be higher risk investments that have exposure to involuntary resettlement, risk of adverse impacts on Indigenous Peoples, significant risks to or impacts on the environment, community health and safety, biodiversity, cultural heritage and significant occupational health and safety risks. With input from the E&S Subcommittee, the ESG Manager will develop a list of potential E&S consultants to be used.

**Investment Managers** are currently Jane Tang, Russell Ong, Luke Nguyen and Wesley Koh. They are responsible for working with the ESG Manager to communicate the E&S Requirements to the investee company before and during the due diligence and throughout the investment period.

**Investment Committee (IC)** is responsible for understanding and taking into account in their decision-making advice for each deal the E&S information presented in the ESDD. The IC comprises Marco van Daele and two independent members and it has an advisory role in the investment process. The Managing Director, Investment Managers and ESG Manager will take into account the IC's advice in their decision-making process.

## 1.4 ROLES AND RESPONSIBILITIES OF THE PORTFOLIO COMPANIES

The following responsibilities must be clearly attributed to someone at the Portfolio Company level. Depending on the Portfolio Company structure, the responsible person may be the **Portfolio Company's Chief Executive Officer**. However, it may also be that the Owner's Engineer, contractors or SAETF's asset management team take over these responsibilities. In the latter case, the different SAETF roles (strategic guidance vs. day-to-day decision making) must be clearly delineated.

- Communicating with SAETF and coordinating with SAETF's ESG Manager on all ESG matters.
- Managing the Company's compliance with SAETF's ESG requirements.
- Reporting to the board and SAETF on the ESG performance of the Portfolio Company, as well as on grievances and stakeholder engagement issues.
- Ensuring that the Portfolio Company has an ESMS according to SAETF's requirements and that adequate resources are in place to implement the same.
- Appointing competent staff in charge of Environmental, Health and Safety, as well as social matters (including stakeholder management).
- Ensuring timely disclosure of environmental and social information, stakeholder consultation and establishment and implementation of a Grievance Redress Mechanism
- Ensuring that non-compliances are addressed, and corrective actions are implemented on time.

E&S tasks need to be taken over by suitably trained personnel within the Portfolio Company. The resources need to be commensurate with the level of risks. On the one end of the risk spectrum this may mean that the Portfolio Company needs to hire an Environmental, Health and Safety Manager, a Social Development Manager and a Community Liaison Officer. On the other end of the spectrum it may be adequate if the project's Technical Manager is appointed to take over these roles. The person/s will be responsible for:

- Implementation of any ESAP agreed with SAETF.
- Development of the company ESMS according to the Applicable Requirements adopted by SAETF.
- Ensuring that all contractors and third-party personnel working on site or for the project are appropriately trained and supervised to be in compliance with SAETF's ESG requirements.
- Providing daily guidance to employees and supervising, assisting and auditing staff to ensure effective implementation of the ESMS and EHS programs.
- Assisting with developing and maintaining the Site Emergency Preparedness Plans and Procedures, performing emergency response training and maintaining adequate filing systems.
- Reviewing accidents and incidents, conducting root cause analysis, managing corrective actions and ensuring adequate reporting.
- Ensuring regulatory compliance.
- Developing a Stakeholder Engagement Plan for the duration of the project life cycle and overseeing its implementation.
- Developing and implementing E&S management plans, including Resettlement Action Plans, Livelihood Restoration Plans, Biodiversity Plans and Indigenous Peoples Plans, as required.
- Communicating and interacting on a regular basis with the local communities and project affected communities on all social and resettlement issues, including any grievances.



- Developing a Portfolio Company Grievance Redress Mechanism in line with SAETF's requirements.
- Explaining the grievance mechanism to local communities and stakeholders, documenting the grievances, resolving grievances, documenting feedback from the affected peoples, local community administration/leaders and/or community members and reporting to the CEO and SAETF'S ESG Manager.

## 1.5 E&S TRAINING

SAETF will conduct an annual review of the E&S training needs of the team and develop a plan to fill any necessary gaps, including internal and on the job training. The minimum requirements will be:

- All SAETF team members to undertake IFC STEP online training;
- Investment Managers to receive in person E&S training;
- ESG Manager and/or responsible Investment Manager to accompany E&S Consultants on site visits to build understanding of E&S risks and opportunities in practice and to facilitate subsequent monitoring of ESAPs.

## 2 OVERVIEW OF THE INVESTMENT CYCLE

SAETF's E&S activities are closely aligned to the investment cycle and are intended to provide the relevant information on E&S risk of investments appropriate to the stage of decision making. SAETF also believes it is important to work with the investee companies closely to ensure they have the understanding and capacity to meet the Applicable Requirements. Figure 2 aligns SAETF's E&S interaction with the investee company throughout the period of investment.

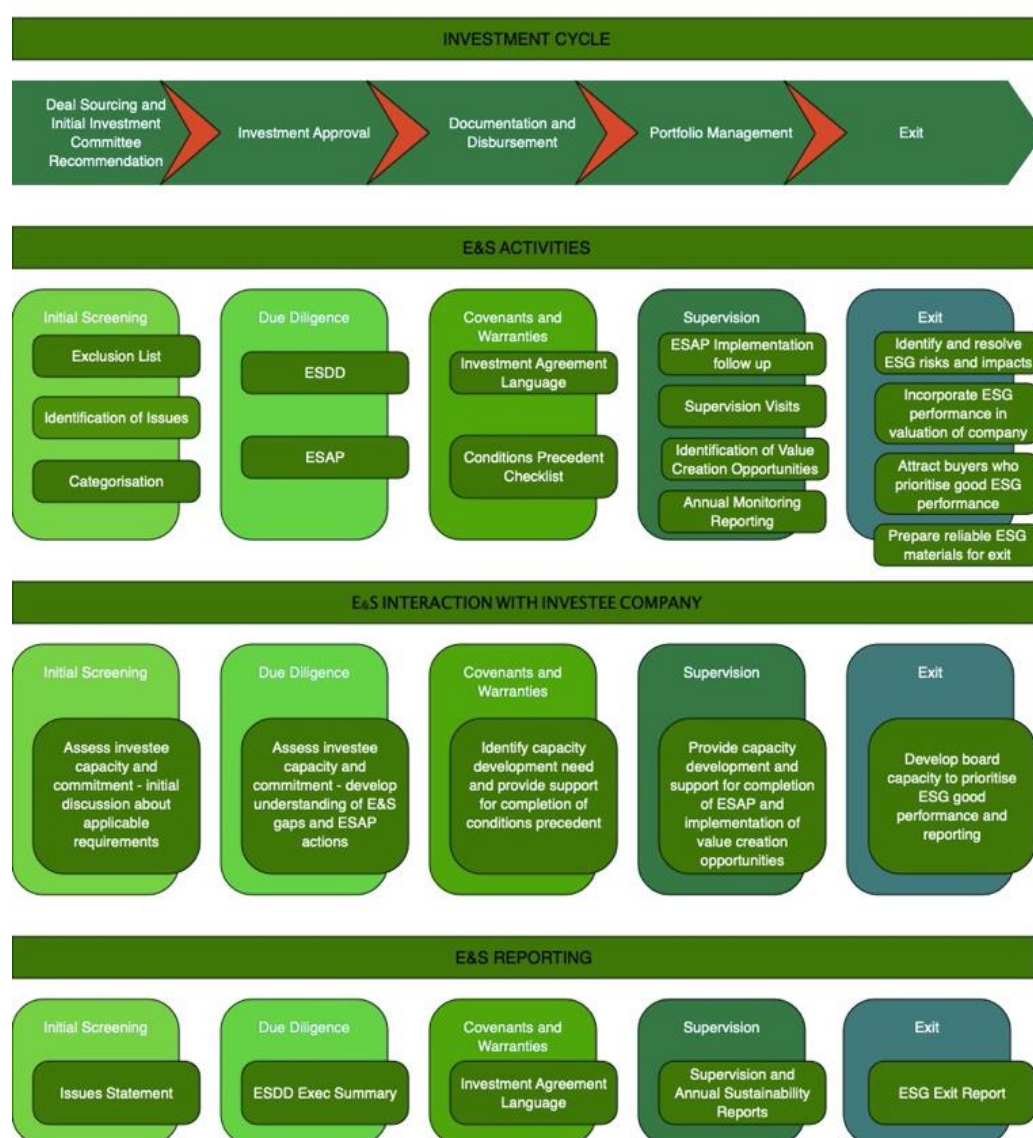


Figure 2: SAETF Investment Cycle

## 2.1 INITIAL E&S REVIEW

The initial recommendation to progress with (external) due diligence on a prospective Portfolio Company/project requires the following steps:

- E&S screening to ensure the prospective Portfolio Company meets SAETF'S eligibility criteria;
- Establish outline E&S risks or opportunities, including assessment of prospective Portfolio Company's capacity and commitment; and
- Define the initial E&S category.

### 2.1.1 ELIGIBILITY CRITERIA

When a potential investment is first identified, the investment team is required to review the Exclusion List (Annex E) and confirm that the investment is not exposed to any activities on the list. It is essential to consider all activities of the investee company that SAETF will be exposed to as shareholder and if the prospective Portfolio Company does not meet the eligibility criteria, further consideration of the deal should be terminated.

It should be noted that in certain circumstances, additional investment restrictions agreed with individual LPs may also be relevant, such as investments in Disputed Areas (see AIIB Operational Policy on International Relations).

### 2.1.2 INITIAL SCREENING

An initial identification of the main E&S risks will help to inform the IC's recommendation on whether to move forward with the investment and to help focus the future due diligence efforts. This initial stage includes:

- Desk review of information in the public domain, including a web search of available information on negative press reports, public complaints, infringements of the regulations, labour disputes, court cases or fines. Using Annex F, it should include a search for contextual risk relating to the potential investment opportunity's nature of business, sector and location. Such risks will include reputational issues related to the prospective Portfolio Company's activities, or potential issues related to human rights, land acquisition, biodiversity, Indigenous Peoples or cultural heritage in the location of the project.
- Discussion with the prospective Portfolio Company's management and, if possible, staff, customers and neighbouring communities, using informal and structured interactions and observations at the company premises. Select and fill out the appropriate questionnaire in Annex G.

The objective of this initial review is to establish if there is any adverse public information indicating if there are significant E&S (including human rights) risks and impacts that may represent a reputational risk for the Fund or may preclude the potential investment from meeting the requirements of this ESMS and the Applicable Requirements within a reasonable period of time.

It is important to assess the prospective Portfolio Company's organisational capacity and commitment to working towards enhanced environmental and social performance. This judgement will be based on the information collected in the initial screening phase. The assessment of the capacity and commitment will be based on the willingness of the prospective Portfolio Company to budget for enhanced E&S performance and their past performance with respect to addressing incidents. For example, if there is news of an accident in the workplace,

look for evidence of health and safety procedures at the site; or if there are complaints about high dust levels discuss with the management their response such as enhanced dust control provisions. These are signs that the prospective Portfolio Company management may be taking its E&S performance seriously.

In order to make an assessment of the prospective Portfolio Company's commitment, it will be important to explain to the prospective Portfolio Company's the Applicable Requirements of the Fund and to explain the approach SAETF will take to the due diligence as well as ongoing enhancements to E&S performance.

On the basis of the initial screening, indicate if there are any red flags and if a red flag assessment should be initiated to better understand potentially significant project risks and to outline priority issues for the due diligence phase. Determine if the potential investment opportunity raises any issues that would result in non-compliance with the Fund's E&S Policy.

### 2.1.3 SUMMARY OF KEY E&S ISSUES

A summary of the potential key E&S issues for the project will be recorded in the E&S screening checklist, and further actions required to address or mitigate identified E&S issues will be recorded in the E&S screening checklist as presented in Annex G. Outcomes of this process will be discussed with the relevant investee company for acknowledgement and further engagement with end clients, if required.

### 2.1.4 CATEGORISATION

The E&S category should be assigned to each project under consideration for financing. The category is used to convey a sense of the relative magnitude of risks and potential impacts associated with the project prior to applying mitigation measures. The categorisation determination is made for the individual investments (A, B+, B, C). Guidance on how to assign a category to the investment is provided Annex H. Initial project categorisation and whether or not the project is recommended to undergo further external due diligence will be recorded in the E&S screening checklist as indicated in Annex G.

## 2.2 E&S DUE DILIGENCE AND INVESTMENT APPROVAL

Once approval has been given by the IC to undertake the E&S due diligence, the process outlined below should be followed. For all category A and B+ activities, the next step is to commission the E&S consultant, using the Terms of Reference in Annex I as a framework template.

### 2.2.1 E&S DUE DILIGENCE

The objective of the due diligence is to collect information to:

- Establish current and/or potential compliance with local, national and international laws, regulations and conventions;
- Undertake a gap analysis, comparing the current E&S performance of the prospective Portfolio Company/project with the Applicable Requirements; and

- Identify corrective actions to be implemented by the prospective Portfolio Company/project to bring it into compliance with all the Applicable Requirements.

To do so, the following steps need to be carried out:

- Identify the scope of the assessment. The assessment should consider all current project activities that the Fund will become exposed to as well as any plans for future expansion. For project finance, or investment in a special purpose vehicle (SPV) company with known operational or planned project(s), the due diligence will be undertaken on the existing and proposed exposure of the investment, including operational facilities and proposed projects, incorporating the organisational structures that the fund will be investing into. If there are many operational facilities or proposed projects, it may be appropriate to select a sample to be visited during the ESDD. The selection should include the higher risk facilities or projects in more remote locations. For investment into a platform where the pipeline of projects is largely undefined, a landscape assessment of the E&S risks associates with the potential projects as well as an assessment of the prospective Porfolio Company's E&S management systems, capacity and commitment to identify and manage the E&S risks and inmpacts will be the primary focus.
- Identify relevant local, national and international laws, regulations and conventions (this should be done in collaboration with the legal due diligence) and WBG EHS Sector Guidelines;
- Establish which IFC PS are triggered by the project;
- Undertake a site visit, interview relevant staff and stakeholders, request and review relevant documentation to evaluate the current performance of the company, to identify any non-compliances and to establish any gaps between current performance and the requirements of the IFC PS, relevant WBG EHS Guidelines and other Applicable Requirements.
- Prepare a ESDD report that explains how the prospective Portfolio Company meets the relevant Applicable Requirements and answers all the relevant questions in the questionnaires in Annex J.

The answers to the questions should be provided in the ESDD report format in Annex L. The sections referring to the IFC PSs that are not applicable can be deleted. Each section should contain the answer to all the questions for any IFC PS that is triggered. The sections referring to the IFC PSs that are not applicable can be deleted. Each section should contain the answer to all the questions for any IFC PS that is triggered. If the company is not compliant with the relevant Applicable Requirements then the gaps and actions required to bring the prospective Portfolio Company into compliance should be described in the Environmental and Social Action Plan (ESAP).

## 2.2.2 ENVIRONMENTAL AND SOCIAL ACTION PLAN

An environmental and social action plan (ESAP) will be prepared, outlining the actions required to align the investment with the Applicable Requirements. The ESAP will define the actions and deliverables required to verify completion of the actions, their risk rating and timeline for completion. See Annex L for guidance in preparing the ESAP. This ESAP will be inserted into the formal agreement between SAETF and the prospective Portfolio Company.

## 2.2.3 INVESTEE COMPANY CAPACITY ASSESSMENT

The prospective Portfolio Company is required to establish, maintain and strengthen as necessary an organisational structure that defines roles and responsibilities and authority to implement its E&S management

system. As such, the ESDD will assess the capacity of the prospective Portfolio Company to meet the Applicable Requirements and make recommendations where enhancements are necessary. It will be important also that the ESG Manager and Investment Manager works with the prospective Portfolio Company to understand the purpose of the ESDD, the implications of the ESAP and the benefits of working with SAETF to invest in enhancing E&S performance.

Where the prospective Portfolio Company does not currently have the required capacity, consider whether there is available capacity in the market or suitable training available to develop inhouse capacity. In some circumstances SAETF may have to look further afield than the local market for adequate capacity, which may have cost implications that should be discussed and included in the financial plan. All capacity strengthening requirements should be included in the ESAP. In some cases, the investee company may be required to demonstrate that they have allocated a budget for the employment and/or training of identified E&S staff and any other actions that will require a capital allocation.

## 2.2.4 INVESTMENT APPROVAL

SAETF will only make an investment in a proposed project or prospective Portfolio Company (including in respect of a new investment or a follow-on investment in an existing Portfolio Company) if:

- Any identified adverse impact or performance has been resolved in accordance with the Applicable Requirements;
- In respect of any new investment, the prospective Portfolio Company has agreed an ESAP to so resolve the identified adverse impacts or performance within a reasonable timeframe (including appropriate conditions precedent for the proposed investment), and the investment documentation includes appropriate remedies if the proposed Portfolio Company fails to implement the ESAP.

In order to ensure that the investment decision takes into account all the risks and impacts as well as the actions required to close any E&S gaps the following information should be included in the Final Investment Committee (IC) Memorandum and Updated IC Memorandum:

- The executive summary and ESAP from the ESDD;
- An indication whether the ESDD was prepared in-house or by an external consultant;
- A short summary from the team highlighting any material issues of relevance to the IC members and any recommended conditions for investment or non-standard terms, covenants or warranties for the investment agreement.

## 2.3 DOCUMENTATION AND DISBURSEMENT

Upon approval of the investment, the document preparation should include relevant E&S language to ensure the prospective Portfolio Company is bound to meet the E&S requirements, including the ESAP as well as the E&S conditions the Fund is held to by its investors. The ESAP will be appended to the investment agreement documentation (e.g. Shareholder's Agreement) to ensure the investee company is bound to implement the corrective actions.

## 2.3.1 INVESTMENT AGREEMENT LANGUAGE

Investment documentation should have E&S clauses/covenants referencing the Applicable Requirements and other general and specific conditions for investment by SAETF, the ESAP and remedies for failing to comply with the same (see Annex M). Specifically for commercial and industrial (C&I) renewable energy/energy efficiency service companies, the investment agreement should include reference to Schedule S.

## 2.3.2 CONDITIONS PRECEDENT AND DISBURSEMENT CHECKLISTS

Any actions that have been identified in the ESDD that were considered sufficiently important to be completed before investment should be included in the conditions precedent (CP) checklist. The conditions precedent checklist will be tailored for each individual project. The same applies for pre-disbursement checklists.

## 2.3.3 INVESTEE COMPANY CAPACITY DEVELOPMENT

During the discussion of the Investment Agreement, SAETF may take the opportunity to discuss capacity development opportunities for the investee company, outlining what support may be provided and commitment required by the investee company.

# 2.4 PORTFOLIO MANAGEMENT

## 2.4.1 PORTFOLIO MANAGEMENT ROLES AND RESPONSIBILITIES

Throughout the investment period, the investee company is required to implement its ESAP and maintain, or continually improve its E&S performance in line with the Applicable Requirements. The responsibilities of SAETF are to monitor, support and verify such E&S performance, and to ensure that any material changes in the activities of the investee company are assessed to identify and manage changes in E&S risk. Should there be any significant breaches in implementation of the ESAP (such as delays in implementing actions identified as “red flag” or “high risk”), deviations from the agreed actions, or serious incidents, the ESG Manager will be responsible for notifying the Investment Managers and IC. While breaches may be updated to the LPs through the E&S Sub-Committee, serious incidents will be required to be reported within three days as outlined in the E&S Undertakings under the Limited Partnership Agreement.

Table 1 summarises the responsibilities of SAETF and the portfolio company throughout the investment phase. The requirements are further described below.



**Table 1: Portfolio Management E&S Responsibilities**

PORTFOLIO COMPANY			SAETF
Implementation	Reporting	Monitoring	Reporting to LPs
Implement ESAP.	Report on completion of actions according to deadlines in the ESAP.	Review progress with ESAP implementation, provide technical support and capacity development as required and evaluate deliverables.	Quarterly E&S Status Update.  Annual E&S and Impact Report.
Develop, implement and maintain an ESMS.	Annual Monitoring Report.	Evaluate E&S performance in Annual Monitoring Report.	
Host annual/biennial supervision visits.		Undertake annual/biennial supervision visits and prepare supervision report.	
In case of incidents, implement emergency response plan, undertake root cause analysis and implement follow up actions.	Report incident within 24 hours.	Evaluate root cause analysis and follow up actions.	Report incident within 72 hours.
<b>Assets under construction</b>			
Implement ESMP.	Monthly progress reports.	Review monitoring and progress reports from the Portfolio Companies.	Quarterly E&S. Construction Progress Report.
Host quarterly site supervision visits.		Undertake quarterly supervision visits and prepare supervision report.	

## 2.4.2 MONITORING ESAP IMPLEMENTATION AND FOLLOW UP

Until the ESAP implementation has been completed, regular monitoring will be required to ensure that the corrective actions are being made as expected. At a minimum, SAETF will discuss the implementation of the ESAP and review documentary evidence of completion of actions. This will be done on a sufficiently regular basis to ensure that the deadlines detailed in the ESAP are met by the company. The ESG Manager will provide feedback provided to the company to ensure actions are resolved to an appropriate quality and to time. The ESG Manager will maintain a record of the status of the ESAP of each Portfolio Company in the format outlined in Annex N.



## 2.4.3 INVESTEE COMPANY CAPACITY DEVELOPMENT

In practical terms, the investee companies may require technical assistance and capacity development to support their implementation of the ESAP. At the earliest opportunity during the portfolio management phase, and at regular intervals thereafter, at least during supervision visits, the ESG Manager will assess the capacity of the Portfolio Company staff to implement their ESMS. The ESG Manager will agree and manage capacity development, sourcing consultants, training and supporting the selection of appropriate staff.

## 2.4.4 SUPERVISION VISITS

Supervision visits are required to review the E&S performance of the portfolio companies to:

- monitor and support ESAP implementation;
- confirm effectiveness of E&S management systems and evaluate E&S performance before and during major growth periods of the company, checking that the company is meeting the Applicable Requirements; and
- verifying that no material changes to the business have occurred that have E&S implications.

Tools to be used during the site visits can be selected from Annex C.

The ESG Manager will undertake all site visits. The ESG Manager may engage an external advisor for higher risk projects or projects with complex issues which may warrant an independent external opinion or advice, to ensure objectivity and better risk management.

The frequency of the monitoring visits will depend on the category of the project, whether construction is in progress and the level of support with implementation of the ESAP required by the company. Table 3 indicates the minimum interval of supervision visits.

**Table 3: Supervision Visits Timing**

	DURING CONSTRUCTION	DURING OPERATION
Cat. A / higher risk Cat. B+	Quarterly	Biannually
Cat. B	Quarterly	Annually/biannually
Cat. C	N/A	Opportunistically

A summary of the findings will be prepared in the Supervision Report (Annex O).

## 2.4.5 VALUE CREATION OPPORTUNITIES

SAETF aims to identify any ESG value creation opportunities together with the Portfolio Companies. The objective will be for the Portfolio Company to create value and efficiencies and to report such initiatives transparently to stakeholders, including existing and potential investors. Such opportunities may include developing a Gender Equity Strategy; an ESG community monitoring programme for a hydropower project, where communities' buy-in

and their environmental knowledge is strengthened, as well as monitoring costs can be cut; or enhancing ESG supply chain management to more efficient supply chain management practices.

## 2.5 INFORMATION REPORTING AND DISCLOSURE

### 2.5.1 SAETF REPORTING AND DISCLOSURE

Disclosure is the key that allows investors to better understand, evaluate and assess potential risk and return, including the potential impact of E&S factors on a company's performance. Therefore, the Fund seeks to be transparent about its E&S considerations of private equity investments and actively engage relevant stakeholders.

#### 2.5.1.1 ANNUAL REPORTING TO LIMITED PARTNERS

The format of the Quarterly and Annual E&S and Impact Reports are attached in Annex Q. The annual report should be prepared and sent to the Limited Partners within 120 days of the end of each financial year.

#### 2.5.1.2 INCIDENT REPORTING

Within three (3) Business Days after becoming aware of the occurrence, SAETF shall notify the Limited Partners and the E&S Subcommittee of any E&S Incident, specifying the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures being taken, or plans to be taken, to address them and prevent any future similar event; and keep the E&S Subcommittee informed of the on-going implementation of those measures. Annex S provides the format of the incident report.

An E&S Incident means any environmental, social, security, labour or health and safety incident, accident or circumstance with respect to any existing or proposed Portfolio Company that (a) has, or could reasonably be expected to have, a material adverse effect or impact on the Fund, the Portfolio Company, the environment, communities or the workforce of a Portfolio Company, or (b) which results in a loss of life, severe permanent injury, severe permanent damage to health or a material effect on the environment, or (c) involves or causes, or is reasonably likely to involve or cause, any material breach of the E&S Requirements.

#### 2.5.1.3 SAETF PUBLIC DISCLOSURE

SAETF shall disclose on its website:

- its E&S Policy.
- appropriate information about the Fund's investments (name, location, contacts and industry of the portfolio company, and its E&S Categorization), no later than 12 months from financial close, subject to regulatory constraints and commercial sensitivity.
- its External Communication Mechanism, including at the minimum a statement on the process it follows to receive and address inquiries or complaints about the implementation of its Environmental and Social Management System or the environmental and social impacts and performance of its portfolio companies.

SAETF shall also require prospective portfolio companies to ensure that relevant information about their E&S policies and adequate environmental and/or social assessment of their activities are available in a timely and accessible manner.

## 2.5.2 INVESTEE COMPANIES' REPORTING AND DISCLOSURE

### 2.5.2.1 MONITORING REPORT FROM INVESTEE COMPANIES

Investee companies are required to provide E&S reports according to the following schedule:

- During construction, on a monthly basis for each asset.
- Quarterly and annual updates of E&S performance, within 90 days of the end of each financial year.

At a minimum, the reports will contain the information in Annex Q and may include additional items specific to the E&S performance of the Company.

### 2.5.2.2 INCIDENT REPORTING

Investee companies are required to report to SAETF within 24 hours of becoming aware of an E&S incident as defined above. In case of incidents, the company is expected to implement its emergency response plan, undertake root cause analysis and implement follow up actions. Annex R provides guidelines on incident reporting.

### 2.5.2.3 INVESTEE COMPANIES' DISCLOSURE AND CONSULTATION

SAETF requires its investee companies to disclose environmental and social information proportional to the environmental and social risks and impacts associated with their activities. Particularly, SAETF shall require the portfolio companies to publicly disclose Environmental and Social Impact Assessment and associated approval from competent authorities, if applicable. If no such document is required according to local regulations, the portfolio companies should be required to make objective information about the environmental and social impacts associated with their projects or business activities accessible to interested and affected parties in a timely and understandable manner. For existing operations of the investee companies, high-level environmental and social information, or key commitments/high-level summary of the Investee Company Environmental and Social Action Plan shall be disclosed.

During SAETF's due diligence process as outlined above, the E&S Manager shall understand how the investee company engages with its stakeholders (including affected community, responsible governmental agencies, media, non-governmental organizations etc.) in relation to their business activities or projects. Consultation by investee companies shall be carried out in a culturally appropriate manner and documented. If the existing consultation/stakeholders engagement mechanism is considered insufficient based on the E&S Manager's professional judgement, supplementary measures shall be proposed as part of the investee company's ESAP.

## 2.6 EXIT

The ESG Manager will be involved in the exit process at an early stage, and prior to obtaining IC approval to exit. ESG impacts, risks and opportunities should be considered in the exit process, and the ESG Manager will work with the investee company in advance of the sale, to ensure that internal capacity and proper documentations are in place to sustain the ongoing implementation of the ESMS even after exit.

An ESG exit report will be initiated by the ESG Manager, detailing how the company has developed and improved its E&S performance throughout the investment period. The ESG exit report will also identify further opportunities that the investee company can act on prior to the sale, to further enhance ESG performance and company valuation that will attract prospective buyers for whom good ESG performance is a priority.

The ESG exit report will summarise:

- The current state of ESG management in the investee company vs. baseline performance at the start of investment;
- Key ESG highlights and positive impact contributions;
- Key ESG risks and opportunities that need to be remedied or further actioned prior to or post-sale;

Depending on the transaction, the ESG Manager may or may not need to conduct site visits to supplement the ESG exit report.

## Annex A External Communication Mechanism

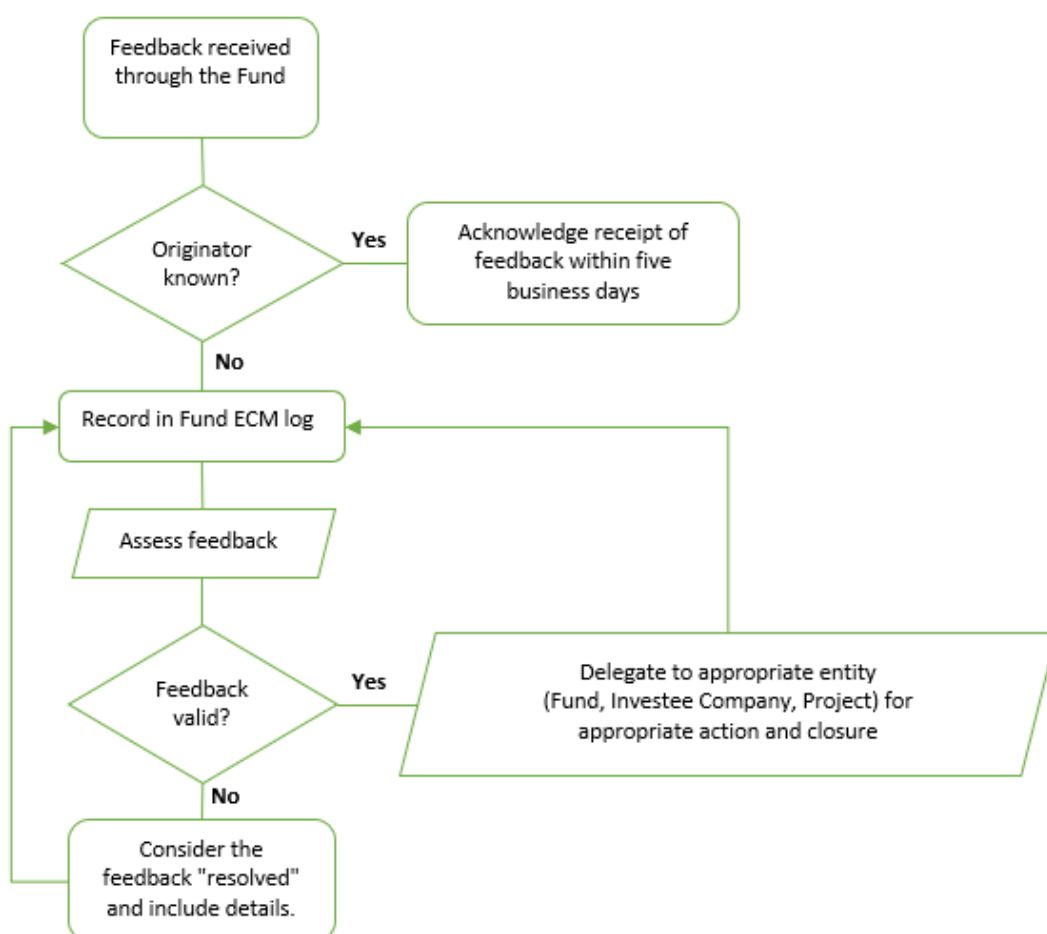
### Description of ECM

SAETF accepts communications through its website, email or phone and responds to all complaint inquiries that arise from the Fund's activities, including the activities of portfolio companies, even if they are later deemed ineligible as not being clearly related to the activities of the Fund. SAETF will ensure that an effective mechanism is in place by which it can receive feedback and suggestions in relation to the environmental and social performance of the Fund's investments, the conduct of our development partners and their contractors, from anyone who wishes to do so. Stakeholders are encouraged to inform SAETF of any unethical and/or illegal practice, or any fraudulent acts or misconduct by anyone related to the projects without any fear of retaliation. Stakeholders have the option to lodge feedback anonymously, however, are encouraged to provide contact details so that we can directly provide an update on the steps taken to address the issues raised. All information disclosed to us will be treated with utmost confidence, in line with applicable laws and regulations on privacy and data protection.

SAETF expects that majority of the feedback on the Fund's investments will be received by the portfolio companies, and hence will be handled and recorded in accordance with each portfolio company's ESMS and external communication mechanism. Feedback received through the portfolio companies will be reported back to SAETF and consolidated at the Fund level through the portfolio companies' quarterly and annual reporting to SAETF.

For feedback received directly by SAETF through various channels (e.g. website, email, phone and physical mail), where contact details of the feedback originator have been provided, SAETF will respond in writing within five business days from the date the feedback was received, including an indication as to whether or not SAETF deems the feedback valid for further evaluation and resolution. For anonymous feedback, details on the feedback and actions taken by SAETF to resolve the issue will be recorded in the Fund's ECM log. If the anonymous feedback pertains to specific projects, this will be brought to the attention of the relevant portfolio company for them to record and resolve. Since the feedback originator is not known, SAETF will decide whether the issue has been closed upon provision of satisfactory evidence by the portfolio company, and measures to close the grievance raised will be recorded accordingly. SAETF considers adequate closure of grievances received anonymously if the same complaint or feedback has not recurred within 30 days. Otherwise, the anonymous complainant can lodge a follow up. All grievances will be consolidated at the Fund level, and portfolio companies are expected to consolidate grievances related to each of their projects and report back to SAETF.

A general process flow for handling feedback received through the Fund's ECM channels is illustrated below.



**General process flow for handling feedback received via the Fund's ECM channels.**

Stakeholders are encouraged to reach out to the project's designated officer in their locality. If this is not a preferred option due to any other reason, stakeholders are welcome to escalate their feedback at the Fund level. SAETF keeps a complaint log for the purpose of documentation and best practices to be shared with the Fund's Limited Partners (LPs) upon request. This log, in the format outlined below, will contain all complaints that SAETF receives directly or indirectly from third parties, and will be standardised and stored electronically allowing for easy access. The Managing Director and the ESG Manager will validate and understand the complaint, fully assessing each inquiry thoroughly and preparing a corrective action measure if necessary. For grievances received anonymously, grievances will be recorded and addressed at the project, investee company or fund level, depending on the issues raised.

SAETF will publish the Fund's ECM in its dedicated website, <https://www.sustainable-asia.sg/>.

Table A-1: SAETF Complaint Log

COMPLAINT LOG	
Complaint Number	
Method complaint was received	
Anonymous (yes/no)	
Name of complainant (N/A if anonymous)	
Subject of complaint (eg Investee company)	
Address, email, phone number	
Other identifying information	
Preferred method of return correspondence	
Description of complaint (include when and where situation occurred, who was involved in)	
Complainant's suggestions	
Supporting documentation (pictures, letters, reports, etc)	
Corrective actions taken	
Date of corrective actions	
Parties and individuals involved	
Follow up required	
Date of notification to complainant	

## Annex B      Template for Local Law Register

LOCAL LAW REGISTER		
<b>Applicable Country:</b>		
<b>Date of last update:</b>		
<b>Legal Act</b>	<b>Summary of content</b>	<b>Permits/Licences required</b>
<b>General</b>		
e.g. Constitution, Environment Protection Act, Electricity or Energy Act		
<b>Labour/Health and Safety</b>		
e.g. Public Health Act, Labour Act, You can find a database of national labour law here: <a href="https://www.ilo.org/dyn/natlex/natlex4.byCountry?p_lang=en">https://www.ilo.org/dyn/natlex/natlex4.byCountry?p_lang=en</a>		
<b>Air Emissions</b>		
e.g. Environment Protection Act, Clean Air Act		
<b>Wastewater</b>		
e.g. Environment Protection Act, Water Laws, Water Resource Management Act		
<b>Solid and Hazardous Waste</b>		
e.g. Environment Protection Act, Solid Waste Regulations, Poisonous Chemicals Act		
<b>Noise</b>		
e.g. Environment Protection Act, Public Health Act, Noise regulations		
<b>Land</b>		
e.g. Constitution, Land Acquisition and Resettlement Act		
<b>Natural Resources</b>		
e.g. Forest Act, Wildlife Act, Fisheries Act		
<b>Indigenous Peoples</b>		
e.g. Ratification of ILO C169, Indigenous People Rights Act		
<b>Cultural Heritage</b>		
e.g. Tangible Heritage Law, Cultural Protection Property Act		



## Annex C Useful E&S Resources

CDC ESG Toolkit for fund managers: <https://toolkit.cdcgroup.com/>

EBRD Environmental and Social Guidance Note for Hydropower Projects:

[https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=6&cad=rja&uact=8&ved=2ahUKEwiSlujdh93jAhVGKFAKHZkhBpQQFjAFegQICBAC&url=https%3A%2F%2Fwww.ebrd.com%2Fdocuments%2Fenvironment%2Fpdf-guidance-note-hydropower.pdf&usg=AOvVaw3B6B8wDtdjtu4x2a\\_lyHGc](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=6&cad=rja&uact=8&ved=2ahUKEwiSlujdh93jAhVGKFAKHZkhBpQQFjAFegQICBAC&url=https%3A%2F%2Fwww.ebrd.com%2Fdocuments%2Fenvironment%2Fpdf-guidance-note-hydropower.pdf&usg=AOvVaw3B6B8wDtdjtu4x2a_lyHGc)

EBRD Environmental and Social Guidance Note for Small Hydropower Projects:

[https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=2ahUKEwioxYcliN3jAhULZ1AKHRMJDZgQFjABegQIARAC&url=https%3A%2F%2Fwww.ebrd.com%2Fdocuments%2Fenvironment%2Fenvironmental-and-social-guidance-note-for-small-hydropower-projects.pdf&usg=AOvVaw3eb\\_GETTqpp3gA3YWcoDdh](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=2ahUKEwioxYcliN3jAhULZ1AKHRMJDZgQFjABegQIARAC&url=https%3A%2F%2Fwww.ebrd.com%2Fdocuments%2Fenvironment%2Fenvironmental-and-social-guidance-note-for-small-hydropower-projects.pdf&usg=AOvVaw3eb_GETTqpp3gA3YWcoDdh)

FMO ESG Toolkit for fund managers: <https://www.fmo.nl/esg-toolkit>

IFC Good Practice Note: EHS Approaches for Hydro Power Projects:

[https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/publications/publications\\_gpn\\_ehshydropower](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_gpn_ehshydropower)

IFC Guide for Developers and Investors for Utility Scale Solar Power Projects:

<https://www.ifc.org/wps/wcm/connect/fe79dd27-5c9d-4cb0-8dc0-00e54073aa87/SOLAR%2BGUIDE%2BBOOK.pdf?MOD=AJPERES&CVID=jrR7UB7>

IFC Guidance Notes: Performance Standards on Environmental and Social Sustainability: [GN English 2012 Full-Documents updated June-27-2019.pdf \(ifc.org\)](#)

Sustainability Accounting Standards Board (SASB) Renewable Resources & Alternative Energy Industry Research Briefs: [Renewable Resources & Alternative Energy Industry Research Briefs - SASB](#)

World Bank Study: Environmental and Social Considerations of Wind Power Developments:

<http://documents.worldbank.org/curated/en/239851468089382658/pdf/662330PUB0EPI00e0wind09780821389263.pdf>

## Annex D Terms of Reference for E&S Sub-Committee

### 1. Definitions and Interpretation

1.1 Capitalised terms used but not defined herein have the meanings ascribed to them in the amended and restated limited partnership agreement in relation to SUSI Asia Energy Transition Fund SCSp (the “Fund”), a special limited partnership (*société en commandite spéciale*) under the 1915 Law with registered office and place of administration at 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg and duly registered with the Luxembourg Trade and Companies Register under number B234603.

1.2 In case of discrepancies between the Partnership Agreement and these Terms of Reference, the provisions of the Partnership Agreement shall prevail.

### 2. Purpose of the E&S Sub-Committee

2.1 The General Partner is responsible for establishing the E&S Sub-Committee to advise the Fund on social and environmental matters in accordance with the provisions in the E&S Policy and/or as reasonably requested by the General Partner or the Investment Manager.

2.2 The E&S Sub-Committee is an advisory organ to the Fund.

### 3. Duties of the E&S Sub-Committee

3.1 The E&S Sub-Committee will advise the Fund on social and environmental matters and will monitor the Fund’s E&S performance in accordance with the provisions in the E&S Policy and/or as reasonably requested by the General Partner or the Investment Manager.

3.2 The E&S Sub-Committee will advise the Fund on the Fund’s E&S risk management and its approach on E&S opportunities related to potential or new Portfolio Companies, including confirming (by no objection) the E&S categorisation of any proposed investment in a Portfolio Company.

3.3 The E&S Sub-Committee will advise the Fund on all E&S related aspects regarding the monitoring of E&S risks in relation to Portfolio Companies (including in relation to Investments that are categorized as Category A, B+ and/or B).

3.4 The E&S Sub-Committee shall be entitled, upon request, to review and comment on any final ESAP agreed with a Portfolio Company.

3.5 The E&S Sub-Committee members will be available to the Fund to elaborate on the E&S Sub-Committee’s recommendations and advice.

3.6 The E&S Sub-Committee has no decision-making power and the Fund does not have an obligation to follow the recommendations and/or advice given by the E&S Sub-Committee.

3.7 The Fund will inform the E&S Sub-Committee members about decisions taken that relate to any E&S Sub-Committee recommendations and/or advice.

3.8 The E&S Sub-Committee members are allowed to obtain information from the Fund or from a Fund-assigned consultant.

### 4. Membership, fiduciary duties, liability and indemnity

#### Membership

4.1 The E&S Sub-Committee will be composed of the members appointed by the Limited Partners and the E&S Manager of the Investment Manager. Each Limited Partner who has the right to appoint an Advisory Committee member shall also be entitled to appoint one member of the E&S Sub-Committee.

4.2 Each E&S Sub-Committee member will receive a copy of these Terms of Reference.

4.3 An E&S Sub-Committee member shall cease to be an E&S Sub-Committee member when his/her appointing Investor loses its right to appoint an Advisory Committee member.

4.4 A Limited Partner may remove and replace its appointed E&S Sub-Committee members from time to time in its sole discretion.

4.5 The E&S Sub-Committee's first appointed members are: Albert van Leeuwen/Anisa Xhitoni (FMO), Chee Wee Tan (AIIB), Kristin Sjöblom (SwedFund), Petter Vilsted (NorFund).

#### Fiduciary duties, liability and indemnity

4.6 The E&S Sub-Committee members do not have any fiduciary duty to the Fund.

4.7 The E&S Sub-Committee members are not liable to the Fund, the General Partner, the Investment Manager, the Investment Committee nor to each other for any act, unless such act results from willful misconduct or conscious recklessness of the E&S Sub-Committee Member or the Fund Manager and/or Investment Committee.

4.8 The Fund shall and hereby does, to the fullest extent permitted by applicable law, indemnify and hold harmless each E&S Sub-Committee member from and against any and all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions, whether judicial, administrative, investigative or otherwise, of whatever nature, known or unknown, liquidated or unliquidated ("Claims"), that may accrue to or be incurred by any Indemnified Party, or in which any Indemnified Party may become involved, as a party, relating to or arising out of the investment or other activities of the Fund, activities undertaken in connection with the Fund, or otherwise relating to or arising out of the Partnership Agreement, including amounts paid in satisfaction of judgments, in compromise or as fines or penalties, and counsel fees and expenses incurred in connection with the preparation for or defence or disposition of any investigation, action, suit, arbitration or other proceeding (a "Proceeding"), whether civil or criminal (all of such Claims, amounts and expenses referred to in this paragraph 0 are referred to collectively as "Damages"), except with respect to any act or omission which constitutes Disabling Conduct by such member or its appointing Limited Partner.

## **5. Meetings**

5.1 The Fund shall facilitate, coordinate and chair E&S Sub-Committee meetings, share minutes of meetings within 10 Business Days of the meeting, and facilitate physical meetings alongside the Advisory Committee meetings whenever deemed relevant and/or necessary by the members of the E&S Sub-Committee.

5.2 The E&S Sub-Committee shall in principle meet quarterly, in a meeting rota agreed upon between the E&S Sub-Committee members and the Fund.

5.3 E&S Sub-Committee members will participate in an E&S Sub-Committee meeting in person or by conference call.

5.4 The quorum for a meeting of the E&S Sub-Committee shall be a majority of its members, being present or represented, excluding any members who are required to abstain from voting and/or participating at the meeting.

5.5 The Fund will prepare an agenda for the meeting and make sure that all E&S Sub-Committee members have been provided with all relevant materials at least 10 business days before the meeting.

5.6 The agenda for a meeting of the E&S Sub-Committee shall, if applicable, include (but not be limited to) the following topics:

- (a) status update on any actions agreed during previous meetings;
- (b) update on Fund level plans and developments, such as (planned) changes in E&S staffing, ESMS, investment scope, and strategic initiatives;
- (c) review of potential investment deals prior to due diligence phase and their likely E&S risks and E&S risk categorisation;
- (d) assessment of E&S due diligence of proposed investments and E&S due diligence for potential follow-on investments (if applicable); and
- (e) review of existing portfolio E&S risks, priorities, accidents/incidents, major events or developments, actual or potential litigation, with a focus on E&S risks in relation to investments (including in relation to investments that are categorized as Category A, B+ and/or B).

## **6. Fees and expenses**

6.1 The members of the E&S Sub-Committee shall not be remunerated and shall not be reimbursed by the Fund for costs and out-of-pocket expenses incurred in connection with their attendance in person of an E&S Subcommittee meeting.

6.2 The E&S Sub-Committee may obtain outside professional advice at the Fund's expense, provided the Fund has approved the same beforehand.

6.3 All reasonable costs incurred by the Fund to establish and maintain the E&S Sub-Committee shall be a Fund Expense.

## **7. Governing law**

These Terms of Reference and any dispute or claim arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of Luxembourg. Any disputes or claims arising under or in connection with these Terms of Reference, their subject matter or formation shall be resolved in accordance with clause 25.2 ("Dispute Settlement") of the Partnership Agreement.

## Annex E SAETF Exclusion List

1. The Fund and any parallel Fund will not finance any activity, production, use of, trade in, distribution of or involving: Forced labor<sup>1</sup> or child labor<sup>2</sup>
2. Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
  - a) Ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
  - b) Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
  - c) Unsustainable fishing methods (e.g., blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length)
3. Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations
4. Destruction<sup>3</sup> of High Conservation Value areas<sup>4</sup>
5. Radioactive materials<sup>5</sup> and unbounded asbestos fibers
6. Pornography and/or prostitution
7. Racist and/or anti-democratic media
8. In the event that any of the following products form a substantial part of a project's primary financed business activities<sup>6</sup>:
  - a) Alcoholic Beverages (except beer and wine);
  - b) Tobacco;
  - c) Weapons and munitions; or
  - d) Gambling, casinos and equivalent enterprises
9. Coal prospection, exploration, mining, processing and trading
10. Oil exploration or production, transportation and storage, refining and distribution.
11. Standalone fossil gas exploration and/or production<sup>7</sup>
12. Transport (road/rair/port) and related infrastructure primarily<sup>8</sup> used for coal for power generation
13. Crude Oil Pipelines
14. Downstream oil refineries and petrol stations
15. Construction of new or refurbishment of any existing coal-fired power plant (including dual power plants)

<sup>1</sup> "Forced labor" means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

<sup>2</sup> Persons may only be employed if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.

<sup>3</sup> "Destruction" means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.

<sup>4</sup> High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of **outstanding significance** or **critical importance** (see <http://www.hcvnetwork.org/>).

<sup>5</sup> This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.

<sup>6</sup> For companies, "substantial" means more than 10 % of their consolidated balance sheets or earnings. For financial institutions and investment funds, "substantial" means more than 10% of their underlying portfolio volumes.

<sup>7</sup> Gas extraction from limnically active lakes is excepted from this exclusion.

<sup>8</sup> "Primarily" means more than 50% of the infrastructure's handled tonnage.

16. Construction of new or refurbishment of any existing HFO-only or diesel-only power plant<sup>9</sup> producing energy for the public grid and leading to an increase of absolute CO2 emissions<sup>10</sup>
17. Any business with planned expansion of captive coal used for power and/or heat generation<sup>11</sup>

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<sup>9</sup> For direct equity through investment funds, investments (up to a maximum of 20% of the fund) in new or existing HFO-only or diesel-only power plants are allowed in countries that face challenges in terms of access to energy and under the condition that there is no economically and technically viable gas or renewable energy alternative.

<sup>10</sup> i.e. where energy efficiency measures do not compensate any capacity or load factor increase.

<sup>11</sup> This does not apply to coal used to initiate chemical reactions (e.g. metallurgical coal mixed with iron ore to produce iron and steel) or as an ingredient mixed with other materials, given the lack of feasible and commercially viable alternatives

## Annex F Human Rights and Contextual Risk Analysis Tool

	YES/ PARTLY/ NO	ASSESSMENT	RELEVANCE TO THE FUND	IMPLICATIONS: INVESTMENT LEVEL (SELECT)	IMPLICATIONS: INSTITUTIONAL LEVEL (SELECT)	RESOURCES
<b>A. COUNTRY LEVEL RISK</b>						
Has the state ratified key human rights treaties and labour conventions?				<b>A:</b> Highlight risk in TOR for consultants <b>B:</b> Prioritise in ESGDD and Action Plan <b>C:</b> Include in monitoring activities <b>D:</b> Include in risk dialogue with the portfolio company	<b>A:</b> Consider options to exercise collective leverage <b>B:</b> Engage stakeholders to learn more about relevance to portfolio <b>C:</b> Include risk in dialogue with LPs	<a href="#">Check if country has ratified core HRs</a> <a href="#">See if the country has ratified all ILO FC</a>
Have UN bodies made any relevant recommendations to the state, with respect to labour rights and/or business and human rights?						<a href="#">Access HR recommendations Recommendations made by the ILO</a>
Is the country context known for risks of negative impacts by						<a href="#">Review: State Trafficking in Persons</a>

business on fundamental labour rights (child labour, forced labour, discrimination, or freedom of association)?						<a href="#">Review: Worst Forms of Child Labor</a> <a href="#">Country ranks: violations of trade union rights</a>
Have any relevant business and human rights violations been identified by civil society in the country context?						<a href="#">Database on country specific HR issues</a> <a href="#">Human Rights Watch's annual report</a>
Are there any known risks to human rights defenders in the country context (including environmental and land defenders)?						<a href="#">Global Witness' report on E&amp;HR defenders</a>
Are there any known risks to freedom of expression, privacy, and civil liberties (e.g., does the state attempt to suppress non-violent expression and open debate)?						<a href="#">Country ranks on internet freedom</a> <a href="#">Country ranks on civil liberties</a>
Are there any indigenous or other minority groups present in the country or						<a href="#">Minorities and indigenous people</a> <a href="#">Additional on</a>



relevant region who may be particularly vulnerable?						<a href="#">indigenous people</a>
Are there any violent conflicts at the national or regional level, such as those which involve the presence of armed security forces?						
<b>B. SECTOR LEVEL RISK</b>						
Is the sector known for high prevalence of vulnerable groups in the workforce? (e.g., Contract workers, migrant workers, seasonal workers, low-skilled workers, or prevalence of women, children, people with disabilities)?						
Is the sector commonly associated with negative impacts on fundamental labour rights (child labour, forced labour, discrimination, or freedom of association)?						
Is the sector commonly						

associated with negative impacts on employment standards and decent work (e.g., Working hours, wages etc)?						
Is the sector commonly associated with negative impacts on health and safety of workers?						
Does the sector have a large land footprint, commonly resulting in negative impacts on local communities' livelihoods, land rights, right to property, security or similar?						
Do the main activities of the sector involve provision of essential services which are also human rights and whose availability, accessibility, acceptability, and quality are protected under human rights law?						
Is the sector consumer-facing and known for carrying risks to						

consumer (e.g., Health, discrimination, safety, privacy, or other risks)?						
Does the sector involve the handling of large amounts of confidential electronic data?						
Are there known human rights issues in the sector supply chain?						
Does the sector involve a supply chain with dozens of suppliers & incomplete information about the policies of suppliers, e.g., Poor working conditions associated with key ingredients/sourcing categories or known high risk issues associated with select ingredients/sourcing categories?						

## Annex G Screening Checklist

### G.1 For all new prospective investment

PROJECT INFORMATION	
Project Name:	
Brief Project Description:	
Sector:	Investment Amount (\$M) and purpose:
Source of Information: Site Visit (Date: _____) Web search: Discussion with Company management:	
Reviewed By:	Date:
DESK REVIEW	
Check the WBG EHS General and sector specific guidelines and other relevant information online and list the key inherent risks here:	
<a href="http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/our+approach/risk+management/ehsguidelines">http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/our+approach/risk+management/ehsguidelines</a>	
Check (some of) the sources below and other relevant information online and list the key contextual risk information here <sup>12</sup> .	

<sup>12</sup> Contextual risks derive from the country or area where the investment is taking place and may impact the project. Contextual risks may be in the areas of land rights, (ethnic) minority rights and discrimination, gender inequality, freedom of expression & risks for human rights defenders or major biodiversity issues.

**Potential Sources:**

<https://www.maplecroft.com> => Verisk-Maplecroft provides analysis of risks at local, country, issue, and sector level, with quantitative risk indices and mapping technology.

<https://www.reprisk.com> > RepRisk offers daily monitoring of 28 ESG issues and media criticisms of companies (listed and unlisted), in 15 languages across thousands of sources globally.

<https://ibat-alliance.org> => Integrated Biodiversity Assessment Tool. Web-based map and reporting tool for rapid access to core biodiversity information and critical habitat issues. <https://www.ilo.org/> => the ILO provides information on labour issues globally.

<https://www.genderindex.org/> => The Social Institutions and Gender Index by the OECD provides a good quantitative overview of the gender equality situation in a country.

<https://www.hrw.org/de/world-report/2019> => Human Rights Watch provides country profiles in their yearly world report.

<https://minorityrights.org/country/> => This source provides info on minority and Indigenous Peoples Groups per country.

**Compliance with applicable requirements—check if the company complies with the requirements; provide an explanation if it is non-compliant:**

- ☐ Exclusion list
- ☐ National regulatory requirements
- ☐ Is the Company in possession of all required HSE permits and approvals?

**Company E&S Capacity:**

Does the Company have any staff with relevant E&S capacity?

- ☐ HR Manager (labour law, non-discrimination, sexual harassment in the workplace, gender-based violence)
- ☐ E&S Manager (waste management, effluent treatment, emissions control)
- ☐ Health and Safety Officer
- ☐ Community Relations Officer

**Incidents reported—check all that apply:**

- ☐ Has the Company had any significant accidents or incidents in the last two years (e.g., oil spills, fires) involving deaths or multiple serious injuries and/or significant environmental damage? (how and when: \_\_)
- ☐ Has the Company paid excess charges or fines/penalties for non-compliance with HSE/labour regulations and standards in the last two years? (when and why: \_\_)
- ☐ Other negative reports in the press/internet/marketplace (when and why: \_\_)

**Environmental Regulatory Compliance and Liability**

- ☐ Was the company inspected by relevant government/municipal authorities in last 2 years?  
If yes, provide results.

**Project Site—check all that apply:**

<input type="checkbox"/> Non-urban/undeveloped land <input type="checkbox"/> Proximity to river/stream/pond/lake <input type="checkbox"/> Proximity to protected area (e.g., forest/endangered species)/ecologically sensitive area (e.g., wetland/breeding grounds) <input type="checkbox"/> Proximity to culturally sensitive/indigenous area
<b>Labour Issues—check all that apply:</b>
<input type="checkbox"/> Labour complaints/court cases/ disputes (including sexual harassment complaints) <input type="checkbox"/> Vulnerable workforce (women, youth, migrants etc.) <input type="checkbox"/> High staff turnover or recent retrenchment
<b>Environmental Issues—check all that apply:</b>
<input type="checkbox"/> Air emissions (boiler, generator, vehicles, furnaces, incinerators, exhaust, on-site burning, etc) <input type="checkbox"/> Wastewater <input type="checkbox"/> Solid waste <input type="checkbox"/> Hazardous waste <input type="checkbox"/> Hazardous chemicals, fuels and pesticides <input type="checkbox"/> Resource consumption (fuel, electricity, electricity) <input type="checkbox"/> Nuisance (dust, noise, fumes, odours, vibration, traffic congestion) <input type="checkbox"/> Impacts on Flora <input type="checkbox"/> Impacts on Fauna
<b>Community Interaction—check all that apply:</b>
<input type="checkbox"/> Land acquisition required <input type="checkbox"/> Displacement/resettlement of local settlements <input type="checkbox"/> Impact on local settlements/livelihood <input type="checkbox"/> Impact on indigenous peoples <input type="checkbox"/> Complaints from neighbours/communities <input type="checkbox"/> On or adjacent to site of cultural/archaeological importance
<b>SITE ASSESSMENT</b>
<b>Additional Comments based on site visit:</b>
<b>Key indicators of problems in the work areas:</b> Is there any evidence of issues in the workplace? <input type="checkbox"/> High levels of noise (intermittent or continuous) <input type="checkbox"/> High levels of dust <input type="checkbox"/> Health and Safety risks <input type="checkbox"/> Strong smells/irritants <input type="checkbox"/> Access, fire risk <input type="checkbox"/> Presence of toxic/hazardous materials

**How are wastes and emissions handled?**

- ☐ Hazardous waste stored without safety measures in place (signage, in safe location, etc)
- ☐ Solid waste lying around untidily
- ☐ Solid waste unsegregated
- ☐ Inadequate wastewater treatment and effluents
- ☐ Air emissions from stacks (chimneys)

**Social and labour issues**

- ☐ Indication of poor labour and working conditions and ability to have representation
- ☐ Poor workers' accommodation or indication that workers (directly employed and contract) may be working excessive or unpaid overtime
- ☐ Evidence of child or forced labour/modern slavery
- ☐ Indication of issues with relations with local communities, disclosure and transparency
- ☐ Records of problems, complaints and protests from local communities

## G.2 Rapid Environmental & Social Screening for Rooftop Solar

### RAPID E&S SCREENING CHECKLIST FOR ROOFTOP SOLAR VER.05.23

**General Information on the Client/Offtaker**

Client entity name:	
Location:	
Client/off-taker industry type:	<input type="checkbox"/> Commercial, type: _____ <input type="checkbox"/> Industrial, type: _____ <input type="checkbox"/> Residential  Client's business exposure checked and cleared the SAETF Exclusion List? <input type="checkbox"/> Yes <input type="checkbox"/> No
Gender 2X impact:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Is the client entity a women-owned or women-led business?	
Is the client entity the building/roof owner?	<input type="checkbox"/> Yes <input type="checkbox"/> No, please provide details:
Client/offtaker policies and procedures:	Check all which are available and submit together with this completed checklist. If info is available online/electronically, please provide hyperlink:  <input type="checkbox"/> Environmental, health and safety (EHS) policy <input type="checkbox"/> Human resources policy/forced labour and child labour policy

	<input type="checkbox"/> Emergency response plan <input type="checkbox"/> Waste management plan <input type="checkbox"/> Health and safety plan <input type="checkbox"/> Waste management plan <input type="checkbox"/> External communication procedure/grievance mechanism  Specific to offgrid solar projects: <input type="checkbox"/> Consumer protection policy <input type="checkbox"/> Consumer complaint resolution procedure
Does the offtaker/building owner have a designated person to manage EHS including emergency response?	<input type="checkbox"/> Yes Name: Role/Title: Contact Information:  <input type="checkbox"/> No
Roof access:	Is there an existing access to the roof: <input type="checkbox"/> Yes, please describe: _____ <input type="checkbox"/> No, indicate planned access: _____
<b>Client contact details:</b> Name: Designation: Complete Address: Phone Number: Email:	
<b>STEP 1: INITIAL E&amp;S SCREENING</b>	
Rationale for the project:	Indicate if the project aims to replace/displace diesel power or grid electricity and the rationale for doing so, from the client's point of view  <i>e.g. augment shortage in current power supply, reduce operational cost, corporate sustainability efforts/greening power supply</i>
Total Project Capacity (MW):	_____ MW <input type="checkbox"/> single roof <input type="checkbox"/> multiple roofs, indicate #: _____
Proposed solution:	<i>Indicate solar panel brand and technical specs</i> <input type="checkbox"/> With battery storage, indicate battery brand and technical specs <input type="checkbox"/> Without battery storage  Will diesel genset be included and funded as part of the proposed system: <input type="checkbox"/> No <input type="checkbox"/> Yes, provide details: <i>number of gensets, capacity, estimated</i>



	<i>renewable energy penetration of solar (%) of annual total power output.</i>			
Total footprint (in square metres):				
Geographical Coordinates (latitude, longitude), or .kmz link if tagged in Google Earth:				
Project Status:	<input type="checkbox"/> LOI signed <input type="checkbox"/> Detailed design <input type="checkbox"/> Under construction <input type="checkbox"/> In operation			
Associated infrastructure within and outside of the project footprint (e.g. transmission line, worker's camp):				
Will a local environmental permit be required prior to construction?	<input type="checkbox"/> Yes, status: <u>[not started/in process/acquired]</u> <input type="checkbox"/> No <input type="checkbox"/> To be confirmed			
Site visit date:	<i>[Date]</i> <i>Please attach site visit report and photos together with this completed checklist</i>			
Ref	Probable Environmental Impact (before application of any management measures)	Yes	No	Remarks
E1	Aesthetic and potential property value impacts due to establishment of plant and ancillary facilities			Check surrounding areas for potential issues re: visual impacts
E2	Noise, vibration, and dust from construction activities			
E3	Vegetation removal/tree cutting to address shading impacts			
E6	Soil and water resources contamination due to improper hazardous waste management during construction and operation			
E7	Air emissions due to back up diesel generator sets			
E9	Climate risk impact on the asset: is the location of the roof installation vulnerable to physical climate risks and impacts (e.g. typhoon, extreme weather events)			

Ref	Probable Social Impact	Yes	No	Remarks			
S1	Is the ownership status and current usage of land/roof to be acquired known? If yes, provide details.						
S2	Will there be change of income sources, businesses, enterprises or means of livelihood due to the project?						
S7	Will land acquisition be required due to						
S10	Are there any aspects that may impact gender parity?						
S11	Any impact on the poor, women and children, scheduled tribes, or other vulnerable groups?						
S12	Are there risks and vulnerabilities related to occupational health and safety due to physical, electrical or fire hazards during construction, installation, operation, and decommissioning?						
S13	Are there risks to community health and safety due to accidental and natural causes, especially where the structural elements or components of the project are accessible to the public?						
S14	Are there conflicts with respect to water use for panel cleaning?						
S15	Are there structural risks of the building considering the present condition of the roof?						
S16	Is there an increased risk of fires or electrocution?						
S17	Will there be visual impacts due to glare?						
<b>CHECKLIST COMPLETION</b>							
Rapid ESG screening completed by:							
Date:							
<b>STEP 2: SAETF REVIEW AND SUMMARY OF FINDINGS</b>							
Summary of identified potential E&S issues on the project:							
Summary of key actions required to manage identified E&S issues:							
•							
SAETF project categorisation:		<input type="checkbox"/> Cat A <input type="checkbox"/> Cat B+ <input type="checkbox"/> Cat B <input type="checkbox"/> Cat C					

For external ESDD:		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>STEP 3: DISCUSSION AND AGREEMENT OF PROJECT ESAP</b>			
<b>Project environmental and social action plan (ESAP)</b>			
No.	ESAP Action Item	Responsibility	Deliverable and Timeframe
<b>STEP 4: ACKNOWLEDGEMENT</b>			
Name of investee company:			
Company representative:			
Date:			
Signature:			

## G.2 Rapid Environmental & Social Screening For Ground Mounted Solar Project

RAPID E&S SCREENING CHECKLIST FOR GROUND MOUNTED SOLAR PROJECT VER.05.23	
<b>General Information</b>	
Project Name:	
Location:	
Contact Details of Key Project Personnel:	
Name: Designation: Complete Address: Phone Number: Email:	
<b>[For projects with private power offtakers, NA for utility scale]</b>	
Power offtaker's business:	<i>Provide details on the power offtaker's business and the need for the project.</i>  <i>Company website link, if available</i>
Power offtaker's business permits and consents:	Check all relevant permits that apply:  <input type="checkbox"/> Business permit/license to operate <input type="checkbox"/> Building permit <input type="checkbox"/> Environmental permit <i>(e.g. Environmental Compliance Certificate)</i> <input type="checkbox"/> Waste/wastewater <i>(e.g. Sanitary Permit, Wastewater Discharge Permit)</i> <input type="checkbox"/> Water supply <i>(e.g. Surface/Groundwater Extraction Permit)</i> <input type="checkbox"/> Air emissions <i>(e.g. Permit to Operate generator sets)</i>  Copies of relevant permits sighted/obtained? <input type="checkbox"/> Yes <input type="checkbox"/> No
Power offtaker's policies and procedures:	Check all which are available and submit together with this completed checklist:  <input type="checkbox"/> Environmental, health and safety (EHS) policy <input type="checkbox"/> Human resources policy/forced labour and child labour policy

	<input type="checkbox"/> Emergency response plan <input type="checkbox"/> Waste/wastewater management plan <input type="checkbox"/> Health and safety plan <input type="checkbox"/> Employee grievance mechanism <input type="checkbox"/> Community grievance mechanism
Power offtaker's EHS resources:	Check all which are applicable: <input type="checkbox"/> Full time personnel in charge of environment, health and safety matters Name: Contact info: phone/email <input type="checkbox"/> Full time personnel in charge of community relations Name: Contact info: phone/email
<b>Project Details</b>	
Total Project Capacity (MW):	
For offgrid projects, solution proposed:	<input type="checkbox"/> 100% renewable energy <input type="checkbox"/> Hybrid, with estimated ____% renewable energy penetration annually.  # of genset and design capacity: _____ Fuel used: _____
Technology Used:	<i>Indicate solar panel brand and technical specs</i> <input type="checkbox"/> With battery storage, <i>indicate battery brand and technical specs</i> <input type="checkbox"/> Without battery storage
Total project footprint (in square metres):	
Land ownership status:	<input type="checkbox"/> Owned by the project <input type="checkbox"/> Leased, expiry date: _____ <input type="checkbox"/> Ongoing negotiation to acquire/lease land
Geographical Coordinates (latitude, longitude):  Or attach .kmz file if tagged in Google Earth	
Project Status:	<input type="checkbox"/> Design stage <input type="checkbox"/> Ready to build (i.e. design finalised and all permits have been acquired)

	<input type="checkbox"/> Under construction <input type="checkbox"/> In operation			
Will a local environmental permit be required prior to construction?	<input type="checkbox"/> Yes, indicate status: <u>[not started/in process/acquired]</u> <input type="checkbox"/> No <input type="checkbox"/> To be confirmed			
Associated infrastructure within and outside the project footprint (e.g. transmission line, access road, worker's camp):	Nearest substation: _____ Transmission line: <input type="checkbox"/> Existing, ____ kV, ____ km <input type="checkbox"/> To be constructed, ____ kV, ____ km  Worker's accommodation facility (specific to the project): <input type="checkbox"/> Yes, status: <u>existing/to be constructed (temp facil)</u> <input type="checkbox"/> No			
Site visit date:	<i>Please attach site visit report.</i>			
<b>Environmental Screen</b>				
Ref	Probable Environmental Impact	Yes	No	N/A, Remarks
	<b>Project Siting</b> Is the project footprint adjacent to or within any of the following environmentally sensitive areas? If yes, provide the distance from the site.			
E1	Is the project footprint adjacent to or within physical cultural/religious heritage site?			
E2	Is the project footprint adjacent to or within a legally protected area?			
E3	Is the project footprint adjacent to or within a natural or modified habitat with significant remaining biodiversity value such as pristine forest areas or grasslands?			

E4	Is the project footprint adjacent to or within a wetland (e.g. swamp, marshland, peatland, mangroves) and other human-made wetland such as fishponds, rice paddies, reservoirs and salt pans?			
E5	Is the project footprint adjacent to or within identified natural hazard risks – earthquake, fault line, flooding?			
E6	Will there be large scale land use conversion? If yes, please indicate current land use of the project site.			
E7	Will there be encroachment on ecological features resulting in loss or damage to terrestrial or aquatic habitats (e.g. wetlands, sensitive or protected areas, fish breeding grounds, flora, and fauna of economic/ medicinal value) or species of conservation significance?			
E8	Will there be aesthetic and potential property value impacts due to establishment of the project and ancillary facilities?			
E9	Will there be encroachment on historical/cultural monuments or			
E10	Will there be noise, vibration, and dust from construction activities?			
E11	Will there be soil erosion or siltation due to the project construction activities?			
E12	Will there be damage to local vegetation and crops or tree cutting required to avoid shading impacts?			

E13	Will there be soil and groundwater contamination from construction activities, such as the use of gensets or construction vehicles and equipment?			
E14	Will there be soil and groundwater contamination due to the use of batteries?			
E15	Will there be an increase in local traffic congestion during construction?			
E16	Will there be pollution of soil, nearby water bodies and aquatic ecosystems due to wastewater discharge from the project?			
E17	Will there be impact on local water resources due to abstraction of surface or groundwater for the project's construction and operational water requirements?			
E18	Will there be soil and groundwater contamination due to use of hazardous materials or disposal of broken or damaged solar cells (photovoltaic technologies contain small amounts of cadmium, selenium, and arsenic) during solar PV installation, operation, and decommissioning?			
E19	Will there be industrial liquid (dielectric fluids, cleaning agents, and solvents, lubricating oils, compressor oils, and hydraulic fluids) generated during			
E20	Will there be visual impacts due to reflection from solar PV arrays resulting in glint or glare?			



E21	Is the project vulnerable to changing climate risks such as typhoon and other extreme weather events?			
<b>Social Screen</b>				
<b>Ref</b>	<b>Probable Social Impact</b>	<b>Yes</b>	<b>No</b>	<b>N/A, Remarks</b>
S1	Will there be land acquisition required for the project?			
	If answer to S1 is "yes", please answer the following questions.			
S1.1	Will there be loss or damage to residential property due to land acquisition?			
S1.2	Will there be loss or damage to agricultural crops and assets due to land acquisition?			
S1.3	Will there be loss or damage to permanent or temporary structures or shelters due to the land acquisition?			
S1.4	Will there be involuntary resettlement due to the land acquisition?			
S1.5	Will the land acquisition result in any access restrictions to land or property adjacent to the project?			
S1.6	Will there be loss of income sources, businesses, enterprises or means of livelihood due to land acquisition?			
S1.7	Will there be road right of way (ROW) issues due to the project?			
S2	Is the project land ownership status or current land use known? If yes, please provide details.			

S3	Will there be permanent change to current land use leading to adverse impacts to local economic activities (e.g. displacement of farm lands and loss of livelihood due to the project).			
S4	Will people lose access to natural resources, communal facilities or state facilities and resources?			
S5	Will the project cause any displacement of people? If yes, approximately how many?			
S5.1	Will there be displacement of people belonging to any of the vulnerable groups: poor, female heads of households, scheduled tribes, elderly, persons with disability, indigenous people?			
S6	Will the project result in worsening gender parity?			
S7	Will the project result in adverse impacts on the poor, women and children, scheduled tribes, or other vulnerable groups?			
S8	Will there be large population influx due to the project, resulting in added pressure to local basic social services and infrastructure such as housing, transportation, water supply and sanitation?			
S9	Will there be social conflicts between local communities and migrant workers?			
S10	Will there be risks to occupational health and safety due to physical, chemical, biological, and radiological hazards during construction, installation, operation, and decommissioning?			

S11	Will there be risks to community health and safety due to the transport, storage, use and/or disposal of materials and wastes during project construction and operation?  <i>[Consider both accidental and natural causes especially when the public has access to structural elements or components of the project]</i>															
<b>CHECKLIST COMPLETION</b>																
Rapid ESG screening completed by:																
Date:																
<b>SAETF REVIEW AND APPROVAL</b>																
Summary of identified potential E&S issues on the project:																
<ul style="list-style-type: none"> <li>▪</li> <li>▪</li> <li>▪</li> </ul>																
Summary of key actions required to manage identified E&S issues:																
<ul style="list-style-type: none"> <li>▪</li> <li>▪</li> <li>▪</li> </ul>																
SAETF project categorisation:		<input type="checkbox"/> Cat A <input type="checkbox"/> Cat B+ <input type="checkbox"/> Cat B <input type="checkbox"/> Cat C														
For external ESDD:		<input type="checkbox"/> Yes <input type="checkbox"/> No														
<b>Project environmental and social action plan (ESAP)</b>																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">No.</th> <th style="width: 50%;">ESAP Action Item</th> <th style="width: 40%;">Timeframe</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>					No.	ESAP Action Item	Timeframe									
No.	ESAP Action Item	Timeframe														
<b>ACKNOWLEDGEMENT BY INVESTEE COMPANY</b>																
Name of investee company:																

Company representative:	
Date:	
Signature:	

### G.3 Rapid Environmental and Social Screening for Energy Efficiency Projects

#### RAPID E&S SCREENING CHECKLIST FOR ENERGY EFFICIENCY PROJECTS (WASTE HEAT RECOVERY, CO-GENERATION, BIOGAS) VER.06.23

##### General Information

Project Name:	
Location:	
Client/off-taker industry type:	<input type="checkbox"/> Commercial, type: _____ <input type="checkbox"/> Industrial, type: _____ <input type="checkbox"/> Residential  Client's business exposure checked and cleared the SAETF Exclusion List? <input type="checkbox"/> Yes <input type="checkbox"/> No
Gender 2X impact:	Is the client entity a women-owned or women-led business? <input type="checkbox"/> Yes <input type="checkbox"/> No
Power offtaker's business permits and consents:	Check all relevant permits that apply:  <input type="checkbox"/> Business permit/license to operate <input type="checkbox"/> Building permit <input type="checkbox"/> Environmental permit <input type="checkbox"/> Health and safety-related permit <i>(e.g. firefighting system)</i> <input type="checkbox"/> Waste/wastewater <i>(e.g. Sanitary Permit, Wastewater Discharge Permit)</i> <input type="checkbox"/> Water supply <i>(e.g. Surface/Groundwater Extraction Permit)</i> <input type="checkbox"/> Air emissions <i>(e.g. Permit to Operate generator sets)</i>

	Copies of relevant permits sighted/obtained? <input type="checkbox"/> Yes <input type="checkbox"/> No
Client/offtaker policies and procedures:	Check all which are available and submit together with this completed checklist. If info is available online/electronically, please provide hyperlink:  <input type="checkbox"/> Environmental, health and safety (EHS) policy <input type="checkbox"/> Human resources policy/forced labour and child labour policy <input type="checkbox"/> Emergency response plan <input type="checkbox"/> Waste management plan <input type="checkbox"/> Health and safety plan <input type="checkbox"/> Waste management plan <input type="checkbox"/> Supply chain/procurement policy <input type="checkbox"/> External communication procedure/grievance mechanism
Does the offtaker have a designated person to manage EHS including emergency response and community relations?	<input type="checkbox"/> Yes Name: Role/Title: Contact Information:  <input type="checkbox"/> No
Client/Offtaker Key Contact Details:  Name: Designation: Complete Address: Phone Number: Email:	
<b>Project Details</b>	
Total Project Capacity (MW):	
Energy efficiency solution proposed:	<input type="checkbox"/> Grid electricity consumption reduction by _____% monthly/annually <input type="checkbox"/> Diesel fuel/HFO consumption reduction by _____ % monthly/annually  <input type="checkbox"/> Other environmental benefits: e.g. biomass waste reduction of _____ tonnes per year

	e.g. freshwater use reduction by _____ cu.m. per year			
<b>FOR BIOGAS ONLY:</b> Feedstock information:	[please attach completed feedstock supply chain questionnaire]			
Total footprint (in square metres):				
Geographical Coordinates (latitude, longitude):				
Project footprint land ownership status:	<input type="checkbox"/> Owned by the project <input type="checkbox"/> Leased, expiry date: _____ <input type="checkbox"/> Ongoing negotiation to acquire/lease land			
Project Status:	<input type="checkbox"/> Design stage <input type="checkbox"/> Ready to build (design finalised and all permits acquired) <input type="checkbox"/> Under construction <input type="checkbox"/> In operation <input type="checkbox"/> Expansion of existing footprint (for biogas)			
Associated infrastructure within and outside the project footprint (e.g. transmission line, access road, worker's camp):	Nearest substation: _____ Transmission line: <input type="checkbox"/> Existing, _____ kV, _____ km <input type="checkbox"/> To be constructed, _____ kV, _____ km  Worker's accommodation facility (specific to the project): <input type="checkbox"/> Yes, status: <u>existing/to be constructed (temp facil)</u> <input type="checkbox"/> No			
Site visit date:	<i>Please submit site visit report together with this checklist.</i>			
<b>Environmental Screen</b>				
Ref	Probable Environmental Impact	Yes	No	Remarks
E1	<b>Project Siting</b> Is the project footprint adjacent to or within any of the following environmentally sensitive areas? If yes, provide the distance from the site.			
E2	Is the project footprint adjacent to or within physical cultural/religious heritage site?			
E3	Is the project footprint adjacent to or within a legally protected area?			
E4	Is the project footprint adjacent to or within a natural or modified habitat with significant remaining biodiversity value such as pristine forest areas or grasslands?			

E5	Is the project footprint adjacent to or within a wetland (e.g. swamp, marshland, peatland, mangroves) and other human-made wetland such as fishponds, rice paddies, reservoirs and salt pans?			
E6	Is the project footprint adjacent to or within identified natural hazard risks – earthquake, fault line, flooding?			
E8	Will the project result in large scale change in land use pattern due to diversion of productive lands?			
E9	Will the project result in encroachment on precious ecology resulting in loss or damage to terrestrial or aquatic habitats (e.g. wetlands, sensitive or protected areas, fish breeding grounds, flora, and fauna of economic/ medicinal value) or species of conservation significance.			
E10	Will the project result in aesthetic and potential property value impacts due to establishment of plant and ancillary facilities?			
E11	Will the project result in encroachment on historical/cultural monuments or areas?			
E12	Will the project generate noise, vibration, odour and dust from construction activities?			
E13	Will the project generate noise, vibration, odour and dust from operation due to the proximity of settlements or other features?			
E14	Will the project result in large population influx during project construction and operation that causes increased burden on social infrastructure and services (such as water supply and			
E15	Will the project result in change in ground water level or flow regimes downstream of the water intake due to abstraction for cooling purposes?			
E16	Will the project result in pollution of water bodies and aquatic ecosystems from wastewater treatment plant for boiler feed, bleed-off from cooling towers, boiler blow down?			
E17	Will the project result in a significant increase in local traffic during construction?			
E18	Will the project result in air emissions and air pollution harmful to human health and surrounding habitats due from the project?			

E19	Will the project result in fugitive dust during transportation, unloading, storage, processing of coal and polluted run-off from coal storage?			
E20	Will the project result in industrial liquid (dielectric fluids, cleaning agents, and solvents) and solid wastes (lubricating oils, compressor oils, and hydraulic fluids) to be generated during construction and operations likely to pollute land and water resources?			
E21	Will the project cause conflict with respect to feedstock sourcing?			
<b>Social Screen</b>				
Ref	Probable Social Impact	Yes	No	Remarks
S1	Will the project result in land acquisition, either directly (e.g. expansion of project footprint) or indirectly (e.g. expansion of feedstock plantation to meet feedstock demand)?			
S2	Is the ownership status and current usage of land to be acquired known? If yes, provide details.			
S3	Will there be involuntary land acquisition (i.e. non-negotiated settlement as in government-acquired land)?			
S4	Will there be a permanent change in land use? If yes, will it have an adverse impact on social and economic			
S5	Are there any issues in the existing road right-of-way (ROW)?			
S6	Will there be loss of shelter and residential land due to land acquisition?			
S7	Will there be loss of agricultural and other productive assets due to land acquisition?			
S8	Will there be losses of existing crops, trees, and fixed assets due to land acquisition?			
S9	Will there be a loss or reduction in income sources, businesses, enterprises or means of livelihood due to land acquisition?			
S10	Will people lose access to natural resources, communal facilities or state facilities and resources?			
S11	Will the project cause any displacement of people? If yes, approximately how many?			



S12	If displacement of people is possible, will the displaced people belong to any of the vulnerable groups such as the poor, female heads of households, scheduled tribes, or tribal people?			
S13	Will there be negative impacts on the poor, women and children, scheduled tribes, or other vulnerable groups?			
S14	Will the project result in negative impact to gender parity?			
S15	Will the project result in potential social conflicts between local communities and migrant workers/camp followers?			
S16	Are there risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during construction, installation, operation, and decommissioning?			
S17	Are there risks to community health and safety due to the transport, storage, and use and/or disposal of materials and wastes such as explosives, fuel and other chemicals during construction, and operation?  <i>[Consider both accidental and natural causes especially when the public has access to structural elements or components of the project]</i>			

Checklist Completion	
Rapid ESG screening completed by:	
Date:	
SAETF Review and Approval	
Summary of identified potential E&S issues on the project:	
<ul style="list-style-type: none"> <li>▪</li> <li>▪</li> </ul>	
Summary of key actions required to manage identified E&S issues:	
<ul style="list-style-type: none"> <li>▪</li> <li>▪</li> <li>▪</li> </ul>	
SAETF project categorisation:	<input type="checkbox"/> Cat A <input type="checkbox"/> Cat B+

		<input type="checkbox"/> Cat B <input type="checkbox"/> Cat C
For external ESDD:		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Project environmental and social action plan (ESAP)</b>		
No.	ESAP Action Item	Timeframe
<b>Acknowledgement by Investee Company</b>		
Name of investee company:		
Company representative:		
Date:		
Signature:		

## Annex H Categorisation Process

Environmental and social (E&S) categorisation is used as part of the E&S due diligence (ESDD) process to convey a sense of the relative magnitude of risks and potential impacts associated with the project under consideration for financing prior to applying mitigation measures. A preliminary category is assigned at Initial E&S Review stage, reflecting the initial assessment of the potential E&S adverse risks and impacts and the contextual risks of the investment activities. The preliminary categorisation and initial E&S review will appropriately focus the ESDD process. The outcomes of the ESDD will enable the final category to be defined.

While this guidance attempts a comprehensive overview of the approach to E&S categorisation, it is not intended, nor can it cover, all possible investment scenarios or categorisation variables and therefore professional judgment will need to be exercised.

The categorisation determination is made for the individual direct investments (A, B+, B, C). Categories of Environmental and Social Risk and Impact.

SAETF PROJECT CATEGORISATION	
Direct Investments	Examples from SAETF's Investment Universe
<b>A: High E&amp;S Risk</b> Business activities with potential significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented.  An indication for categorising an activity as "A" is that there is no proven mitigation or that such mitigation measures or remedies may incur significant costs.	<ul style="list-style-type: none"> <li>Project involving physical resettlement or impacts to Indigenous Peoples.</li> </ul>
<b>B+: Medium High E&amp;S Risk</b> Business activities with generally limited potential adverse social or environmental impacts or risks that are site-specific and readily addressed through mitigation measures, but having some specific features which can have significantly larger adverse social or environmental impacts.	<ul style="list-style-type: none"> <li>Greenfield investment in medium scale wind park close to but not significantly affecting important bird areas, not involving physical or economic resettlement and not affecting Indigenous Peoples or cultural heritage.</li> </ul>

<b>B: Medium E&amp;S Risk</b> Business activities with potential limited adverse environmental or social risks and/or impacts that are few in number, generally site specific, largely reversible, and readily addressed through mitigation measures.	<ul style="list-style-type: none"> <li>Investment in waste heat recovery in an existing steel plant</li> <li>Greenfield investment in a solar farm that does not involve physical or economic resettlement and does not affect Indigenous Peoples or cultural heritage.</li> </ul>
<b>C: Low E&amp;S Risk</b> Business activities with minimal or no adverse environmental or social risks and/or impacts.	<ul style="list-style-type: none"> <li>Investment in an energy-efficiency project in an existing supermarket that involves upgrade of ventilation/air-conditioning and LED lighting.</li> </ul>

The evaluation of risk involves consideration of a combination of specific E&S criteria:

- Sector and activities of the financed transactions (based on general expectations or specifically definable impacts such as consumption of resources, use of hazardous materials, effluents, emissions, wastes).
- Specific location (site and potential impacts of land use or operations on sensitive areas including impacts on biodiversity, prevalence of gender-based violence, high labour rights risk).
- Country context such as national regulations relevant to the particular project context and their implementation, good governance, conflict patterns, human rights situation, previous E&S experiences with similar projects.
- Purpose of financing (e.g. greenfield, brownfield, site expansion, modernization).
- Size of the transactions (large, medium or small scale).
- Sector (e.g. low wage industries, agriculture, mining, infrastructure financed business activities).
- Number of employees (present, newly created jobs, dismissals) and occupational health and safety risks related to the sector.
- Percentage of risk groups as a proportion of total workforce (e.g. temporary workers, migrants, minors, women, disabled persons).
- Affected communities (e.g. physical or economic displacement, impacts on social and economic infrastructure, community health and safety, vulnerable groups, potential human rights violations).
- Financed business activities with extended construction activities (e.g. camp needed).
- Sub-contractors (e.g. number of workers hired through sub-contractors, especially in case of core business activities being outsourced to sub-contractors).

## Definitions

**E&S effect** - means any change to the environment, including any social impact, occurring as a result of the normal construction or operation of the project or in the event of a reasonably foreseeable accident or malfunction in relation to the project.

**E&S impacts** - refers to any potential change to the physical, natural, or cultural environment; impacts on surrounding communities; and/or impacts on the health of a community or workers resulting from the business activity to be supported.

**E&S risk** - refers to a combination of probability of certain hazard occurrence and severity of impacts resulting from such an occurrence. In making categorization decisions, take into consideration the following characteristics of severity of impact(s): 1) major and permanent, 2) major but temporary, 3) minor but permanent, 4) minor but temporary, 5) no impact; and the following characteristics of probability of impact(s) occurrence: A) common occurrence, B) known to occur, C) could occur, D) not expected to occur, E) extremely unlikely to occur.

**Inherent E&S risk of a sector** - the E&S risk related to generic aspects of an industrial sector or commercial activity excluding management or mitigation measures.

**Social impacts** - refers solely to those adverse impacts on people defined in the IFC Performance Standards, i.e., labour and working conditions, community health, safety and security, land acquisition and involuntary resettlement, indigenous peoples, and cultural heritage.

Key words when making the categorisation determination are 'diverse,' 'irreversible' and 'unprecedented,' which are elaborated upon in the Table below.

CHARACTER OF SIGNIFICANT IMPACT	FACTORS TO CONSIDER (NOT EXCLUSIVE)	EXAMPLE OF POSSIBLE SCENARIO
<b>Diverse</b>	Substantial risks or impacts to be managed by more than one Performance Standard from 5 – 8.	Impacts to a natural/critical habitat that is being utilized by Indigenous Peoples
<b>Irreversible</b>	<ul style="list-style-type: none"> <li>Permanent significant adverse change(s) to environment.</li> <li>Permanent significant adverse change(s) to people.</li> </ul>	<ul style="list-style-type: none"> <li>Significant loss of natural or critical habitat and or/ biodiversity</li> <li>Significant degradation of productive lands</li> <li>Certain aspects of child labour that cannot be reversed</li> <li>Certain aspects of forced labour that cannot be reversed</li> <li>Physical impacts to critical cultural heritage</li> </ul>

<b>Unprecedented</b>	<ul style="list-style-type: none"> <li>▪ Single major/significant impact that has to be managed through PS 2 – 8 and where the risks/impacts may go beyond the project boundary.</li> <li>▪ Significant impacts to communities with low resiliency who have no previous experience of a large, complex project.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Physical or economic resettlement of a large number of people</li> <li>▪ Situations where FPIC of Indigenous Peoples is required</li> <li>▪ Physical or economic resettlement of Indigenous Peoples</li> <li>▪ Significant land conversion</li> <li>▪ Adverse impacts to critical and/or natural habitats</li> <li>▪ Destruction of critical cultural heritage</li> </ul>
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### Categorisation for projects with defined scope/E&S footprint

Where the use of proceeds of financing and the associated E&S footprint are known/largely known, the E&S category will be based on the E&S risks and impacts prior to applying mitigation measures. The proposed categorization approach will include the assessment of inherent risks related to the sector of operation, as well as the context of the likely geographic setting.

Example: A wind park project which includes an operational wind farm and several defined components of a greenfield development such as 10 wind turbine generators, access roads, overhead line, on-site sub-station, and site office in which all components are included in the financing. Categorisation will be made based upon the inherent risks and actual impacts of each of the components and the actual project location prior to any mitigation measures being applied.

### Categorisation of investments into an investment platform with unknown or undefined scope/E&S footprint

Where the fund is investing into a platform with a pipeline of largely undefined project(s), characterised by:

- E&S footprint of the subproject cannot be well enough understood/defined at the time of ESDD, or
- The use of proceeds is undefined/largely undefined and not dedicated to a specific investment activity

The proposed categorisation approach will be based on risks inherent to the particular industrial sector, as well as on what can be reasonably known about the environmental and social characteristics of the subprojects' likely geographical setting will be taken into account in the categorisation.

Investments that are of inherent high risk and/or could potentially be located in sensitive environmental areas or areas with significant social disruption will be categorized as A.

Example 1: A platform company with rights to several wind projects in several locations but without clear definition of the site location and characteristics would typically be categorized as A, even without knowledge of the project details or the specific location.

Example 2: If the investment strategy of the platform company avoids any specific activities that would increase the subprojects footprint (e.g., financial restructuring of an operational large scale hydro power plant) the subproject would typically be categorized as B.

Where project scope and footprint cannot be defined, the ESDD will focus on two aspects of the Sponsor's operations. First, the capacity, maturity, and reliability of the E&S corporate management system to effectively manage E&S performance, including its ability to enable current and future project compliance with IFC's PS. The review will also consider the E&S performance of a representative set of the existing operations and assets (where they exist) where these serve as a proxy for the general type of E&S risks and impacts associated with the proposed investment that need to be managed.

It is likely that this approach will result in some investments being categorised as Category A on the basis of very limited information. In such circumstances, since it is too early to fully understand the investment's physical footprint, it may also be too early for a full-fledged impact assessment and/or undertake a process of Informed Consultation and Participation (ICP), if required. These subprojects will still need to demonstrate PS compliance (including appropriate E&S assessment, stakeholder engagement and disclosure), and evidence of ICP, where required) as the physical footprint is defined.

### Identifying Category A or B+ investments

Using the questionnaire, identify if there are any potentially significant risks that may indicate the investment is high risk or Category A and Category B+.

#	HIGHER RISK TRANSACTIONS SCREENING QUESTIONS	REPLY YES, NO OR UNKNOWN	EXPLANATORY COMMENTS (REMOVE [NOTES] AND INSERT COMMENTS)
1	Is the business activity/ies or project outside of a current facility perimeter and/or area of existing or planned similar operations?	Choose an item.	[This largely indicates if the receiving environment is already affected (e.g. brownfield project such as road upgrade) or unaffected by a similar project (i.e. generally 'greenfield' project).]

#	HIGHER RISK TRANSACTIONS SCREENING QUESTIONS	REPLY YES, NO OR UNKNOWN	EXPLANATORY COMMENTS (REMOVE [NOTES] AND INSERT COMMENTS)
2	Is the business activity/ies or project in an area that is protected, has special biological sensitivity, habitat for designated species, valuable or scarce resources, or provides ecosystem services?	Choose an item.	<p>[If the borrower will be clearing land for construction or is located in or near a Provincial or National Park, Protected Area or ecologically sensitive area (e.g. swamp, mangrove, coral reef, forest, etc.) then there is a possibility that there will be significant impacts upon biodiversity or ecosystem services.</p> <p>If borrower activities will only take place within an existing facility or on land that has previously been cleared/converted, then it is not expected to be a high risk project.]</p>
3	Will the business activity/ies or project affect an area with Indigenous People or Vulnerable Groups, either directly or indirectly (e.g. restriction on access to traditionally owned/customarily used land or natural resources supporting livelihoods, impacts on migrants or refugees, etc.)?	Choose an item.	<p>[Vulnerable groups or individuals refer to people who, by virtue of factors beyond their control, may be more likely to be adversely affected by the Project's environmental or social impacts and may be more limited than others in their ability to claim or take advantage of Project benefits. Vulnerable individuals and/or groups may also include, but not be limited to, people living below the poverty line, the landless, the elderly, women and children headed households, refugees, internally displaced people, refugees, ethnic minorities, natural resource dependent communities or other displaced persons who may not be protected through national legislation and /or international law.</p> <p>The term Indigenous Peoples is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (a) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (b) collective attachment to geographically distinct habitats or ancestral</p>



#	HIGHER RISK TRANSACTIONS SCREENING QUESTIONS	REPLY YES, NO OR UNKNOWN	EXPLANATORY COMMENTS (REMOVE [NOTES] AND INSERT COMMENTS)
			territories in the Project area and to the natural resources in these habitats and territories; (c) customary cultural, economic, social or political institutions that are separate from those of the dominant society and culture; and (d) a distinct language, often different from the official language of the country or region. In India, Indigenous People comprise all Scheduled Tribe, regardless of the zoning (i.e. scheduled area) of their area of residence or land use.]
4	Will the business activity/ies or project affect an area with cultural heritage (historical, archaeological or cultural) sites?	Choose an item.	[Cultural heritage includes: (i) tangible forms such as archaeological, historical, cultural, etc.; (ii) unique natural features or tangible objects that embody cultural values such as sacred groves, rocks, lakes, waterfalls, etc.; (iii) intangible forms such as knowledge, innovation or practices.]
5	Does the business activity/ies or project have the potential to impact public health, safety or security?	Choose an item.	[If the borrower's activity uses or requires the transport of harmful chemicals that could spill, could have a toxic air emission release, could explode or catch fire, is maintaining or will construct a dam, is employing security forces, is bringing in a large workforce from outside the community, etc. then this is possibly a risk/impact.]
6	Does the land acquisition for the business activity/ies or project have the potential to disrupt community infrastructure/livelihoods or result in involuntary physical or economic resettlement?	Choose an item.	[If the borrower has not or will not be acquiring land in the near future, then this is a low risk.  If the borrower has acquired land or plans to in the near future and they have the right to lawful expropriation, even if a willing buyer-willing seller negotiation was/will be completed, the risk needs to be evaluated.]
7	Is the borrower planning, or has conducted in last 3 years, any	Choose an item.	[Retrenchment means the elimination of a number of work positions or the dismissal or layoff of a number of workers by an

#	HIGHER RISK TRANSACTIONS SCREENING QUESTIONS	REPLY YES, NO OR UNKNOWN	EXPLANATORY COMMENTS (REMOVE [NOTES] AND INSERT COMMENTS)
	collective dismissals/retrenchment?		employer, generally by reason of business or site closing or for cost savings. Retrenchment does not include isolated cases of termination of employment for cause or voluntary departure. Retrenchment is often a consequence of adverse economic circumstances or as a result of a reorganisation or restructuring.]
8	Does the business activity/ies or project have the potential to require significant storage and/or use of hazardous materials (including fuels and lubricants) and/or require workers (employees or contractors) to engage in hazardous activities during construction or operation?	Choose an item.	[Examples of threats include working at heights, handling toxic chemicals, electrical shock, moving or lifting heavy loads, operating machinery, confined space entry, driving cars/trucks, etc. ]
9	Are there known or likely stakeholder (including affected people/communities and external stakeholders such as NGOs/CSOs/media, etc.) concerns about the business activity/ies or project?	Choose an item.	[Are there any records of opposition to or criticism of the specific project, industrial sector or Sponsor in publicly available media and judicial records.]
10	Are there any issues with availability of competent E&S skills and expertise?	Choose an item.	[Are you aware of gaps in competencies in the organization and/or available capacity in the market, for example, where the Sponsor may have difficulty employing competent E&S staff or finding contractors with adequate EHS capacity. ]

Source: adapted from: AIIB E&S Eligibility Criteria for Wind Projects

## Annex I      Terms of Reference for Environmental and Social Due Diligence

SAETF requires the services of an independent environmental and social expert to perform Environmental and Social Due-Diligence of [insert name of project] proposed for financing by SAETF.

### **Description of the Project**

[Insert project description]

### **Objective**

The requested services are to support SAETF's investment decision by independently reviewing and verifying the project against the scope of work, identifying compliance gaps, designing necessary mitigation measures and follow-up actions and outlining a managing/monitoring regime.

This review must specifically address foreseeable risks and mitigation measures, and should give an overall opinion on the ability of the project to meet the scope of work.

### **Applicable Requirements**

SAETF is required by its investors to ensure that all investments meet the following applicable requirements:

- Applicable local, national and international environmental and social legislation.
- International Finance Corporation (IFC) Performance Standards (2012 version).
- AIIB Environmental and Social Policy (2016, updated 2019) (for all investments) and Environmental and Social Standards (for all Category A investments).
- UN Guiding Principles on Business and Human Rights.
- ILO Declaration on Fundamental Principles and Rights at Work.
- ILO Basic Terms and Conditions of Employment.
- EDFI Principles for Responsible Financing.
- World Bank Group (WBG) General Environmental, Health and Safety ("EHS") Guidelines.
- All applicable WBG sector specific EHS Guidelines including for Wind Power and Electric Power Transmission and Distribution.

### **Team**

The assignment should be carried out by a qualified independent international social and environmental expert with appropriate environmental and social auditing background and experience in the sector and region. The expert should have appropriate knowledge and understanding of management aspects in line with the requirements of IFC Performance Standards. In case the consultant does not have extended expertise in management issues, additional expertise in this field will be required.

### Scope of Work and Tasks

The scope of work entails independent verification of all material environmental and social aspects of the project as per scope of works and tasks. This will include but not be limited to the following major facilities:

[insert list of facilities]

The ESDD will be undertaken on the Portfolio Company's environmental and social management system (ESMS) and its portfolio project.

Specifically, this work will entail:

- Verifying to what extent the Project is in accordance with the Applicable Requirements stipulated in SAETF's E&S policy, and industry best practice;
- Reviewing whether capacity and management structures to address environmental and social impacts are feasible and appropriate;
- Reviewing the adequacy of proposed designs, measures and budgets, and recommending additional actions as necessary, to be used in the Environmental and Social Action Plan (ESAP), detailing actions required to be implemented before investment and during the life of the Project; and timeframes for completion of such activities or measures, as such plan may be amended from time to time with the consent of all shareholders; for parts of the Project already constructed: review whether the land acquisition and construction process was done in accordance with the framework stipulated above, where non-compliances are found, recommend additional actions if feasible or highlight whether impacts can no longer be mitigated and residual risks will remain.
- Reviewing proposed monitoring systems and suggesting amendments as necessary.
- Reviewing the adequacy of the EIA process, of the EIA report, of the management programs and systems, and of the follow-up and implementation to date, and judge it against the IFC Performance Standards.

The appraisal will include the following five tasks:

**Preliminary Review:** This will include a review of all relevant environmental, social, and health and safety documents and information (i.e., Project environmental and social impact assessments, environmental licenses and associated applications, health and safety plan, Human Resource Policy, Code of Conduct, contingency/emergency plan, concession and construction contracts, any other additional environmental, health and safety studies, etc.).

**Site Visit and Further Review:** Conduct site inspections, review facility-based records, and interview key staff, including both sponsor personnel and relevant stakeholders (eg regulatory officials, community leaders and members, suppliers and customers). The selection of interview partners should be inclusive and represent the views of different genders, ages, ethnicities if relevant and consider other social markers as relevant.

**Management Review:** The management review will include management structure, definitions of responsibilities, communication about responsibilities, training programs and internal reporting

systems and will evaluate whether the structure will be adequate to manage environmental and social issues.

**E&S Performance Gaps and Necessary Corrective Actions Analyses:** Analyse project environmental and social performance in relation to the SAETF's Environmental and Social policy and the Applicable Requirements stipulated above. Identify these gaps and any corresponding corrective actions that will be necessary. Prioritise these and recommend acceptable and justified implementation schedules.

**Due Diligence Documentation:** Prepare a report summarising the results of the E&S due diligence. The ESDD report shall include a summary of the impacts and risks associated with the project, including the related performance gaps and corresponding corrective actions that will be necessary in order for the Company to invest.

### **Deliverables**

The consultant will provide a full report, describing: working approach; project description; reviewed information and documentation; interviewed peoples and entities; due diligence findings and recommendations, fully reflecting the scope of work.

The report will include a clear compliance overview table, providing for each relevant aspect of the framework stipulated above including at least the following information per key requirement:

- Confirmation or adaptation of initial E&S risk category assigned to the Project by SAETF;
- Description of the requirement;
- In the case of the Performance Standards: Relevance of the IFC Performance Standard issue (PS 2-8);
- Compliance status, differentiating between minor and major gaps to completion;
- Description of the observed situation/compliance gap including opinion on risk for non-compliance;
- Management issue (Performance Standard 1) should be evaluated in a separate section;
- Recommended follow-up.

Furthermore, the consultant will give a qualitative judgment about the feasibility of selected opportunities for improvement.

## Annex J IFC Performance Standards Tip Sheets

### IFC Tip Sheet: ESDD Performance Standard 1 – Assessment and Management of Environmental and Social Risks and Impacts

<b>Environmental and Social Management System</b>	The Environmental and Social Management System (ESMS) is similar to other financial or risk control systems in that it ensures that staff are making risk decisions consistent with Management directions. Simpler projects with lower risk will have a simple ESMS while large complex projects will have a more robust, complex ESMS. An ESMS can be stand alone or integrated with other business processes but the following elements should be included.	
<b>PS Risk</b>	<b>Questions</b>	<b>Possible Response</b>
<b>Policy, para 6</b>	<p><u>Requirement:</u> Does the company/project have an E&amp;S policy which at a minimum states:</p> <ul style="list-style-type: none"> <li>▪ That they will comply with applicable laws and regulations?</li> <li>▪ Who within the organization will ensure conformance with the policy?</li> <li>▪ Is endorsed by Sr. Management?</li> </ul> <p><u>Comment:</u> This can be a statement/document that is not called a “policy” and which may include other risk issues such as corporate governance, etc. Some policies might include reference to internationally recognized standards, certification schemes (RSPO, FSC, etc.), or codes of practice that are important for the business.</p>	If the company/project does not have a policy, include the development of one in an ESAP.
<b>Identification of Risks and Impacts, para 7–12</b>	<p><u>Requirement:</u> The company/project should have a written process or procedure outlining how they will assess the environmental and social risks and impacts in PS1–8, as applicable, and in accordance with national law.</p> <p><u>Comment:</u> Companies operating in high risk areas or sectors should include in the process how they will examine associated facilities, cumulative impacts, supply chains, and individuals/groups that may be disproportionately affected because of their disadvantaged or vulnerable status.</p>	If the company/project does not have a written risks and impacts identification process, include the development of one in an ESAP.

<b>Management Programs, paras 13–16</b>	<p>The company/project may have some routine on-going E&amp;S requirements (e.g. measure parameters in water outfall once/month, etc.) and one-off or non-routine requirements (e.g. install dust collection system) originating from permits, legal agreements, public commitments, or mitigation measures. The management program(s) is the written system that ensures that all of these requirements are consistently completed on time.</p> <p><u>Requirement:</u> A written program that describes mitigation and performance improvement measures and actions that address the risks and impacts.</p> <p><u>Comment:</u> The Management program can range from a sophisticated computer tracking system to a simple calendar and paper tracking system. Simple is good but more than one person needs to know how it works so that it can continue seamlessly.</p>	<p>If the company/project does not have a written risks and impacts identification process, include the development of one in an ESAP.</p>
<b>Organizational Capacity and Competency, paras 17–19</b>	<p>Are responsibilities and authorities for implementation of the ESMS defined and communicated appropriately through the client's organization?</p> <p><u>Requirement:</u></p> <ul style="list-style-type: none"> <li>▪ Is there a written job description for E&amp;S responsibilities?</li> <li>▪ Is there an organizational chart including E&amp;S staff?</li> </ul> <p><u>Comment:</u> Companies implementing high-risk projects likely will need external consultants to supplement their staff.</p>	<p>If the company/project does not have knowledge, skills or experience necessary to identify and manage the risks and impacts in PS1-8, mitigation might include retaining this expertise prior to investment.</p>
<b>Emergency Preparedness and Response, paras 20–21</b>	<p>Facilities that are likely to generate impacts will have Emergency Preparedness and Response Plans to respond to accidental and emergency conditions to prevent harm to people and the environment.</p> <p><u>Requirement:</u></p> <ul style="list-style-type: none"> <li>▪ Do <i>current (up to date)</i> Emergency Preparedness and Response plans exist that accurately reflect the facility and surroundings?</li> <li>▪ Has the client consulted or collaborated with potentially affected communities and local government authorities, as necessary?</li> <li>▪ Does the client have resources to implement the Plan?</li> <li>▪ Is the Plan reviewed, updated and staff trained on it periodically?</li> </ul>	<p>For undeveloped facilities, this requirement can be included in the ESAP with an appropriate due date (e.g. 6 months prior to beginning operations).</p> <p>For companies/projects that have low – med risk operational facilities, plans should be required ASAP in the ESAP.</p>

		For companies/projects that have high-risk operational facilities, plans may be required prior to investing.
<b>Monitoring and Review, paras 22–24</b>	<p>The client should have written procedures on how they will monitor and measure the management program to know if it is working and also to inform Sr. Mgmt.</p> <p><u>Requirement:</u></p> <ul style="list-style-type: none"> <li>Has the client established procedures to monitor and measure on a regular basis the key characteristics and performance of the management program, including the of use external experts where appropriate?</li> <li>Is appropriate environmental and social performance information periodically reported internally to senior management?</li> <li>Has senior management taken any actions as a result of monitoring data?</li> </ul> <p><u>Comment:</u></p> <p>During ESDD, verify that monitoring and review programs are in place and are being used. During supervision, review documentation submitted by the client regarding implementation of any corrective actions included as conditions of investment, as well as overall environmental and social performance.</p> <p>Also, review information submitted by the client concerning significant incidents or fatalities. Identify any follow-up corrective actions that might be necessary.</p>	If the company/project does not have a written monitoring and process, include the development of one in an ESAP.
<b>Stakeholder Engagement, paras 25–33</b>	<p>Stakeholder engagement is required when physical facilities may bring risk to or adversely impact Affected Communities.</p> <p><u>Requirement:</u></p> <ul style="list-style-type: none"> <li>Has the client established a community engagement process for affected communities?</li> <li>Has appropriate (technical level, language, location, etc.) disclosure of assessment information to, and consultation with, affected communities been/or is being conducted in a timely and culturally appropriate manner?</li> <li>Has the process ensured, or will it ensure free, prior and informed consultation of the affected community, where applicable?</li> </ul>	If the company/project has not established a written stakeholder engagement process, include the development of one in an ESAP.



	<ul style="list-style-type: none"> <li>Does the process include an assessment of who among the affected people is particularly vulnerable (women, youth, ethnic minorities, disabled people etc.) ? Has the process ensured equitable access to consultation and engagement especially for those groups?</li> </ul> <p><u>Comment:</u> Consultation is an on-going process that should be verified again during supervision.</p>	
<b>External Communication and Grievance Mechanism, para 34–36</b>	<p>The External Communication mechanism is intended to be at the corporate level for the general public while the Grievance Mechanism is for the project Affected Community.</p> <p><u>Requirement:</u></p> <ul style="list-style-type: none"> <li>External Communication Mechanism           <ul style="list-style-type: none"> <li>Is there a mechanism to receive and register external communications from the public?</li> <li>Is there a process for how to screen and assess the issues raised and to determine how to respond?</li> <li>Is there a log or register to track incoming queries and responses?</li> </ul> </li> <li>Grievance Mechanism           <ul style="list-style-type: none"> <li>Is there a mechanism to receive and register concerns/grievances from Affected Communities?</li> <li>Is there a process for how to screen and assess the issues raised and to determine how to respond?</li> <li>Is there a log or register to track incoming queries and responses?</li> <li>Is there evidence that Affected Communities (incl. vulnerable groups) know about the grievance mechanism?</li> </ul> </li> </ul>	<p>If the company/project does not have an external communication process, include the development of one in an ESAP.</p> <p>If the company/project does not have a grievance mechanism for Affected Communities, include the development of one in an ESAP.</p>

## IFC Tip Sheet: ESDD Performance Standard 2 – Labor and Working Conditions

<b>PS 2 seeks to establish and improve the worker-management through the promotion of fair treatment, compliance with national labor laws, and safe and healthy working conditions. It also seeks to protect children, migrant workers, workers engaged by third parties, and workers in the client’s supply chain; and avoid forced labor.</b>	
<b>Scope of application</b>	<p>PS 2 is applicable to all projects, even FI-3 and category C. The scope of its application depends on whether the employment relationship between the client and the worker is direct, contracted, or in the supply chain.</p> <p>The applicability of PS2 is established during the environmental and social risks and impacts identification process and the resulting actions are implemented and managed in accordance with PS1: Assessment and Management of Environmental and Social Risks and Impacts.</p>
<b>Theme</b>	<b>Questions</b>
<b>Human Resources Policies and Procedures, paras 8 &amp; 9; Working Conditions, paras 10–12</b>	<ul style="list-style-type: none"> <li>■ Does the client have an appropriate human resources policy that addresses all requirements of the performance standard and includes: <ul style="list-style-type: none"> <li>– Being readily accessible by employees?</li> <li>– Being clear and understandable?</li> <li>– Providing information on rights under national labor and employment law?</li> </ul> </li> <li>■ Has the client documented and communicated working conditions and terms of employment to all workers directly contracted?</li> <li>■ Are the terms and conditions in accordance with: <ul style="list-style-type: none"> <li>– Any collective agreement(s)?</li> <li>– National law?</li> </ul> </li> </ul>
<b>Workers’ Organizations, paras 13 &amp; 14</b>	<ul style="list-style-type: none"> <li>■ Does the client comply with national law in allowing workers to form and join workers organizations without retaliation or discrimination?</li> <li>■ If national law substantially restricts workers organizations has the client provided alternative means for workers to express their grievances and protect their rights without retaliation or discrimination?</li> </ul>
<b>Non-Discrimination and Equal</b>	<ul style="list-style-type: none"> <li>■ Does the client have documented transparent procedures, including recruitment, discipline, performance and grievance procedures, to ensure that employment decisions are not made on the basis of personal characteristics unrelated to job requirements?</li> </ul>

<b>Opportunity, paras 15–17</b>	<ul style="list-style-type: none"> <li>Do the employment statistics reflect non-discriminatory practices (e.g. equal share of men and women among the workforce and among management positions)?</li> </ul>
<b>Retrenchment, paras 18–19</b>	<ul style="list-style-type: none"> <li>If the client anticipates retrenchment of a significant number of employees, have they: <ul style="list-style-type: none"> <li>Developed a plan to implement the retrenchment and selected those who will be dismissed, based on non-discriminatory principles?</li> <li>Developed a plan to mitigate adverse impacts; and</li> <li>Have they consulted workers appropriately?</li> </ul> </li> </ul>
<b>Grievance Mechanism, para 20</b>	<ul style="list-style-type: none"> <li>Does the company have a grievance mechanism for staff to raise concerns to management? <ul style="list-style-type: none"> <li>Does the mechanism allow for anonymous complaints?</li> <li>Does it ensure concerns are addressed promptly, using an understandable and transparent process that provides timely feedback to those concerned without retribution?</li> <li>How is the grievance procedures communicated to workers?</li> <li>Is it available to contract workers?</li> <li>Does it include grievances concerning sexual harassment?</li> </ul> </li> </ul>
<b>Protecting the Work Force: Child Labor, para 20; Forced Labor, para 22</b>	<ul style="list-style-type: none"> <li>Does the client ensure child labor is not used directly, or through contractors or in the supply chain? <ul style="list-style-type: none"> <li>Does the client check the ages of all employees?</li> <li>Does the client ensure that young workers (15-18 years) are not employed in dangerous work?</li> <li>Does the client ensure that child labor is not used in their supply chain and do they commit contractors and suppliers to not use child labor?</li> </ul> </li> <li>Does the client ensure that forced labor is not used directly? <ul style="list-style-type: none"> <li>Does the client ensure that unacceptable prison labor is not used?</li> <li>Does the client ensure that forced labor is not used in their supply chain and do they commit contractors and suppliers to not use forced labor?</li> </ul> </li> </ul>
<b>Occupational Health &amp; Safety, para 23</b>	<ul style="list-style-type: none"> <li>Does the client provide its workers with a safe and healthy work environment? <ul style="list-style-type: none"> <li>Has the client taken steps to identify potential hazards to workers and prevent accidents, injury, and disease by minimizing the causes of hazards?</li> <li>Has the client trained workers in occupational health and safety?</li> <li>Does the client document and report on occupational accidents, diseases, and incidents?</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>– Does the client have an emergency prevention, preparedness and response arrangement?</li> </ul>
<b>Workers Engaged by Third Parties, para 24–26</b>	<ul style="list-style-type: none"> <li>▪ Does the company employ contracted workers through third parties? <ul style="list-style-type: none"> <li>– Does the client take steps to ascertain that third parties who engage workers are reputable and legitimate?</li> <li>– Do the third parties have appropriate management systems to ascertain compliance with labor standards?</li> <li>– Does the company have policies and procedures for managing and monitoring the performance of third party employers?</li> </ul> </li> </ul>
<b>Supply Chain, para 27–29</b>	<p>Supply chain requirements are triggered when:</p> <ul style="list-style-type: none"> <li>▪ There is a high risk of child labor or forced labor in the supply chain of the goods or materials that are being provided (this depends upon the country/sector risk); and</li> <li>▪ The risk is in the primary supply chain (see definition)</li> </ul> <p>The term ‘primary supply chain’ refers to those suppliers who are providing goods and materials essential for the core business process of the project and on an on-going basis, which implies a contractual relationship and the possibility of leverage and influence.</p> <p><u>Child/Forced Labor</u></p> <p>If these conditions exist:</p> <ul style="list-style-type: none"> <li>▪ Has the project demonstrated a system to screen and monitor for child/forced labor in the primary supply chain?</li> <li>▪ If any issues have been identified, has the project taken steps to eliminate and remedy?</li> </ul> <p><u>Significant Safety Issues</u></p> <p>Has the project demonstrated a system to ensure that primary suppliers are taking steps to prevent or correct life-threatening situations?</p>

### IFC Tip Sheet: ESDD Performance Standard 3 – Resource Efficiency and Pollution Prevention

<p><b>PS3 uses a project level approach to achieve two main goals: 1) minimize affects to human health by implementing pollution prevention (including greenhouse gases), and 2) promote sustainable use of natural resources through resource efficiency control. The sector specific WBG Environmental, Health, and Safety Guidelines (EHS GL) provide supporting information and are generally expected to be achievable unless justification of why they can't be is provided and accepted.</b></p>	
Scope of Application	<p>Projects that use resources and materials as inputs and generate wastes that could affect human health.</p> <p>The applicability of PS3 is established during the environmental and social risks and impacts identification process and the resulting actions are implemented and managed in accordance with PS1: Assessment and Management of Environmental and Social Risks and Impacts.</p>
Theme	Questions
<b>General – EHS GL's, paras 4–5</b>	<p>The General EHS GL and any other relevant sector specific EHS GLs (more than one may be relevant) should be used as a comparison to demonstrate the following:</p> <ul style="list-style-type: none"> <li>▪ Have project-specific pollution prevention and control and waste management techniques been applied?</li> <li>▪ Has a comparison of the projects water and air emissions been provided against the emissions requirements in the EHS GL's?</li> <li>▪ If less stringent levels or control measures are to be applied than those stated in the EHS GLs, has justification been provided and does it demonstrate that the approach is consistent with the overall requirements of PS3 (i.e. minimize or reduce adverse impacts on human health and the environment)?</li> <li>▪ If the project has the potential for significant impacts to ambient conditions, have ambient considerations been taken into account and appropriate strategies to minimize impacts implemented?</li> </ul>
<b>Resource Efficiency, para 6</b>	<p>Have resource conservation and energy efficiency measures been incorporated either in to the design and/or during operations? [Where benchmarking data is available, a comparison of the project to the data should be provided]</p>
<b>Green House Gases, paras 7–8</b>	<ul style="list-style-type: none"> <li>▪ Has GHG quantification (direct plus indirect from purchased electricity) been provided? [Not required if less than 25,000 CO2 eq annually; public GHG estimation tools are available]</li> <li>▪ Have options for GHG emissions reductions been evaluated and implemented which demonstrate that the project is emitting the least amount of GHG's possible?</li> </ul>
<b>Water Consumption, para 9</b>	<ul style="list-style-type: none"> <li>▪ Is the project potentially a significant consumer of water? [Defined as: contributes to the depletion of water resources such that third parties' ability to access water is adversely affected]</li> <li>▪ If so, does the client adopt measures that avoid or reduce water usage so that it does not have significant adverse impact on others?</li> </ul>

<b>Pollution Prevention, paras 10–11</b>	<ul style="list-style-type: none"> <li>▪ Has it been demonstrated that emission of pollutants have been avoided or minimized?</li> <li>▪ Where historical land or groundwater pollution exists, who is legally responsible for remediation? If it is the project, is mitigation being implemented?</li> <li>▪ Have impacts to ambient conditions been assessed and measures adopted to ensure protection of health?</li> <li>▪ Is the project located in a degraded air shed?</li> <li>▪ If it is in a degraded air shed, have measures been taken, or will be taken, that avoid (e.g. alternative location) or reduce negative effects (e.g. change in technology, fuel, emissions offsets) to health?</li> </ul>
<b>Wastes, para 12</b>	<ul style="list-style-type: none"> <li>▪ Has an analysis and hierarchical approach of avoidance, reduction, recovery, reuse, and environmentally sound disposal been applied to the management of hazardous and non-hazardous wastes?</li> <li>▪ When hazardous waste disposal is conducted by third parties, has the client demonstrated: use of reputable and legitimate contractors, licensed by the relevant government regulatory agencies and chain of custody documentation to the final destination?</li> <li>▪ Does the client ascertain whether licensed disposal sites are being operated to acceptable standards?</li> </ul>
<b>Hazardous Materials Management, para 13</b>	<ul style="list-style-type: none"> <li>▪ Does the client manage hazardous materials, including inputs/wastes during production, transportation, handling, storage and use for project activities so as to avoid, minimize and control the release to the environment (refer to the EHS Guidelines)?</li> <li>▪ If the project manufactures, trades or uses chemicals and hazardous materials subject to international bans or phase-outs, have they demonstrated why they cannot avoid these?</li> </ul>
<b>Pesticide Use and Management, para 14–17</b>	<ul style="list-style-type: none"> <li>▪ If pesticides are used, is their selection and management consistent with good international industry practice and part of an integrated pest management and/or vector management strategy?</li> <li>▪ If chemicals means are used, has it been demonstrated that the chemicals are the most appropriate and that they are not on the WHO Recommended Classification of Pesticides by Hazard Class Ia or Ib?</li> <li>▪ If chemicals are used, are they being properly stored, labeled, and disposed of and employees trained on use?</li> </ul>

## IFC Tip Sheet: ESDD Performance Standard 4 – Community Health, Safety and Security

<b>PS4 is about reducing and managing community health and safety risk from project activities, equipment, and infrastructure. Communities that are already feeling impacts from climate change, or that are vulnerable for other reasons, or are located in conflict or post conflict areas may have an intrinsic higher risk from activities.</b>	
<b>Scope of Application</b>	PS4 is applicable to projects that may present risks to or have adverse impacts on communities. The applicability of PS4 is established during the environmental and social risks and impacts identification process and the resulting actions are implemented and managed in accordance with PS1: Assessment and Management of Environmental and Social Risks and Impacts.
<b>Theme</b>	<b>Questions</b>
<b>Community Health and Safety, para 5</b>	The General EHS GL and any other relevant sector specific EHS GLs (more than one may be relevant) should be used as a comparison to demonstrate that assessment and mitigation measures have been taken which will protect community health and safety. [The demonstration provided in PS3, paras 4-5 should confirm this.]
<b>Infrastructure and Equipment Design and Safety, para 6</b>	<ul style="list-style-type: none"> <li>▪ When new buildings and structures will be accessed by the public (schools, airports, hotels, banks, ...), has the project provided evidence that design, planning and construction has incorporated: <ul style="list-style-type: none"> <li>– Consideration of public exposure to operational accidents and/or natural hazards?</li> <li>– Consistency with universal design?</li> <li>– Conformance with national and international requirements for fire and life safety?</li> </ul> </li> <li>▪ Has evidence been provided that structural elements have been designed and certified or approved by competent authorities or professionals?</li> <li>▪ Has evidence been provided on high risk structural elements (such as dams, tailings dams, ash ponds located in an area where failure could impact a community) that the project either has or will engage one or more external expert in the design and management?</li> <li>▪ Have measures been taken to avoid occurrence of incidents and injuries to members of the public during movement of equipment and hazardous materials on public roads?</li> </ul>
<b>Hazardous Materials Management and Safety, para 7</b>	In addition to the requirements of PS3, para 13, has the project provided evidence that public exposure to hazardous materials deliveries to the project; and transport and disposal of hazardous waste from the project through communities has been avoided and/or minimized?

<b>Ecosystem Services, para 8</b>	Has the project provided evidence that provisioning and regulating ecosystem services have been assessed and impacts avoided?
<b>Community Exposure To Disease, para 9–10</b>	Has the project provided evidence that they have assessed and avoided or minimized community exposure to disease from: <ul style="list-style-type: none"> <li>▪ Water-borne, water based, water related, vector-borne diseases?</li> <li>▪ Communicable diseases, esp. from an influx of temporary or permanent project labor?</li> </ul>
<b>Emergency Preparedness and Response, para 11</b>	In the event emergency preparedness and response requires participation of the community, has the client: <ul style="list-style-type: none"> <li>▪ Collaborated with government agencies and the community and assisted these entities to establish and maintain preparedness for emergencies?</li> <li>▪ Gauged government capacity shortcomings to adequately aid the community in emergency response?</li> <li>▪ Compensated for government capacity shortcomings to ensure adequate emergency response?</li> <li>▪ Disclosed appropriate information to Affected Communities, relevant government agencies and other relevant parties?</li> </ul>
<b>Security Personnel, para 12</b>	<ul style="list-style-type: none"> <li>▪ If the client retains security services for the project, has the client: <ul style="list-style-type: none"> <li>– Performed due diligence of the proposed security services provider?</li> <li>– Incorporated specific requirements of PS4 into contract specifications for the security services provider?</li> <li>– Established a grievance mechanism allowing affected communities to present and obtain a robust client response to communities' expressed issues with security arrangements?</li> <li>– Investigated allegations of unlawful and/or abusive acts of security providers?</li> </ul> </li> <li>▪ If the project is using government security forces: <ul style="list-style-type: none"> <li>– Has evidence been provided that the client has, or attempted to, implement the actions listed in 1) a-d?</li> <li>– Has the project encouraged the relevant public authorities to disclose the security arrangements, subject to overriding security concerns?</li> </ul> </li> </ul>

#### IFC Tip Sheet: ESDD Performance Standard 5 – Land Acquisition and Involuntary Resettlement



<p><b>PS5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and person that use this land. Experience demonstrates that the direct involvement of the client in resettlement activities can result in more cost-effective, efficient, and timely implementation of those activities.</b></p>	
<p><b>Scope of application</b></p>	<p>Projects where physical and/or economic displacement results from the following types of land-related transactions:</p> <ul style="list-style-type: none"> <li>▪ Land rights acquired through expropriation under the country's legal system; or</li> <li>▪ Land rights acquired through negotiated settlements where expropriation is possible; or</li> <li>▪ Involuntary restrictions on access to natural resources to which a community or group has had recognizable usage rights; or</li> <li>▪ Project situations requiring the evictions of people with no recognizable rights; or</li> <li>▪ Restrictions on access to land or use of other resources.</li> </ul> <p>The applicability of PS5 is established during the environmental and social risks and impacts identification process and the resulting actions are implemented and managed in accordance with PS1: Assessment and Management of Environmental and Social Risks and Impacts.</p>
<b>Theme</b>	<b>Questions</b>
<p><b>Scope of Application, paras 4–6; General, paras 8–9</b></p>	<ul style="list-style-type: none"> <li>▪ Does the project involve land acquisition that does not involve purely voluntary market transactions, but does involve one of the types of transactions listed in the Scope of Application, above?</li> <li>▪ If so, is there potential for any involuntary physical or economic displacement?</li> <li>▪ Has the client considered feasible alternatives to avoid or minimize displacement?</li> <li>▪ If displacement can't be avoided has the compensation been: <ul style="list-style-type: none"> <li>– At full replacement cost of the asset,</li> <li>– Transparently and consistently applied to all people affected by the displacement,</li> <li>– Where livelihood has been land-based, have the displaced been offered land-based compensation?</li> </ul> </li> <li>▪ If the land has already been acquired, were people compensated fully beforehand? If resettled, were they able to move to their resettlement site beforehand?</li> </ul>
<p><b>Consultation and Grievance Mechanism, paras 10–11</b></p>	<ul style="list-style-type: none"> <li>▪ Has the client disclosed all relevant information, consulted with affected persons and communities (equally taking into consideration the views of men and women, old and young people, views of minority groups if relevant) and facilitated their informed participation in the decision making process relating to resettlement?</li> <li>▪ Has client established an effective grievance mechanism?</li> </ul>
<p><b>Resettlement and Livelihood Restoration</b></p>	<ul style="list-style-type: none"> <li>▪ Has the client identified persons to be displaced by the project and those eligible for compensation and assistance through a baseline census with appropriate socio-economic baseline data?</li> <li>▪ Has the census established the status of displaced persons according to their legal rights or claim to land?</li> </ul>

<b>Planning and Implementation, paras 12–16</b>	<ul style="list-style-type: none"> <li>▪ Has cut off date for eligibility been established or disseminated?</li> <li>▪ Has client prepared RAP or resettlement framework (<i>if physical displacement</i>) that mitigates negative impacts of displacement, identifies development opportunities and establishes entitlement for all affected persons?</li> <li>▪ Has the client (<i>if economic displacement only</i>) developed procedures to offer compensation or other assistance that will establish entitlement for affected persons or communities?</li> <li>▪ Has client established M&amp;E mechanism?</li> </ul> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if resettlement and/or livelihood restoration planning and implementation have been or will be involved.</b></p>
<b>Physical Displacement, paras 17–24</b>	<p>Has the client offered displaced persons choices amongst resettlement options, relocation assistance, and/or compensation according to their status and entitlements as described by the PS?</p> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if physical displacement is involved.</b></p>
<b>Economic Displacement, paras 25–29</b>	<p>Has the client provided replacement property, compensation, targeted assistance and/or transitional support in accordance with PS5 requirements?</p> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if the economic displacement of more than just a few households are involved or there are few apparent opportunities to restore livelihood.</b></p>
<b>Private Sector Responsibilities Under Government-Managed Resettlement</b>	<p>Has client supplemented government actions and bridged the gaps (if applicable) between the government-assigned entitlements and procedures and the requirements of this PS?</p> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess and bridge any gap between the government assigned entitlements and the requirement of this PS.</b></p>

## IFC Tip Sheet: ESDD Performance Standard 6 – Biodiversity Conservation and Sustainable Management of Living Natural Resources

PS6 recognizes that protecting and conserving biodiversity, maintaining ecosystem services and sustainably managing living natural resources are fundamental to sustainable development.	
Scope of application	<p>Projects that are:</p> <ul style="list-style-type: none"> <li>▪ Located in modified, natural and critical habitat; or</li> <li>▪ Will potentially impact or depend on ecosystem services; or</li> <li>▪ Producing living natural resources (e.g., agriculture, animal husbandry, aquaculture, fisheries, natural and plantation forestry); or</li> <li>▪ Purchasing: i) primary production (agriculture, livestock, fish, etc.), and ii) the commodity is known to be produced in regions where there is a risk of significant conversion of natural and/or critical habitats</li> </ul> <p>The applicability of PS6 is established during the environmental and social risks and impacts identification process and the resulting actions are implemented and managed in accordance with PS1: Assessment and Management of Environmental and Social Risks and Impacts.</p>
Theme	Questions
<b>General, paras 6–8</b>	Has the project provided evidence that a mitigation hierarchy of avoidance, and when avoidance is not possible, minimize impacts and restore biodiversity (may also include biodiversity offsets) and ecosystem services (as part of the PS1 process)?
<b>Protection and Conservation of Biodiversity - Modified Habitat, paras 11–12; Natural Habitat, paras 13–15; and Critical Habitat, paras 16–19</b>	<p>1) Has the project PS1 assessment process determined if the project is located in, and may be impacting, modified, natural or critical habitat?</p> <p><b>Modified</b> (e.g., agriculture, forest plantations, reclaimed coastal zone/wetlands)</p> <p>2) If the project is located in modified habitat, has the assessment process determined if the modified habitat contains significant biodiversity value?</p> <p>3) If yes, has evidence been provided that impacts have been minimized?</p> <p><b>Natural</b></p> <p>4) If the project is located in natural habitat, has the assessment process determined if the project will significantly convert or degrade the natural habitat?</p> <p>5) Did the client retain a competent professional to assist with the assessment?</p>

- 6) If yes to questions 4 & 5, has the project demonstrated ALL of the following:
  - a. No other viable modified habitat alternatives exist within the region?
  - b. Consultation has established the views of stakeholders?
  - c. All impacts are mitigated according to the mitigation hierarchy?
- 7) If the project has demonstrated all of the items in 6), has the project provided evidence that no net loss will be achieved? (Actions might include: set asides, minimizing habitat fragmentation, restoration, offsets)?

**Critical**

- 8) If the project is located in critical habitat, has the assessment process determined if the project will significantly convert or degrade the critical habitat?
- 9) Did the client retain external experts with appropriate regional experience to assist with the assessment and development of the mitigation hierarchy? [Note: the external expert should also verify implementation of the mitigation measures.]
- 10) If yes to 8 & 9, has the project demonstrated ALL of the following:
  - a) No other viable modified or natural habitat alternatives exist within the region?
  - b) The project does not lead to measureable adverse impacts on those biodiversity values for which the critical habitat was designated and on the supporting ecological processes?
  - c) The project does not lead to a net reduction in the global and/or national/regional population of any Critically Endangered or Endangered species over a reasonable period of time?
  - d) Has a robust, appropriately designed, and long-term biodiversity monitoring and evaluation program is integrated in the management program?
- 11) If the project has presented evidence that all of the actions in 10) have been met, has the project developed a Biodiversity Action Plan, that once implemented, will achieve net gains of the biodiversity values for which the critical habitat was designated?
- 12) If biodiversity offsets are proposed as part of the mitigation strategy to achieve net gains, has the project demonstrated that the significant residual impacts on biodiversity will be adequately mitigated?

	<p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if natural or critical habitat is suspected or identified or if the projects assessment is subpar.</b></p>
<p><b>Legally Protected Areas, para 20</b></p>	<ul style="list-style-type: none"> <li>▪ Is the project located within a legally protected area or an internationally recognized area?</li> <li>▪ If yes, have the requirements of PS6, paras 13-19 been met?</li> <li>▪ In addition, has the project demonstrated: <ul style="list-style-type: none"> <li>– That it is legally permitted?</li> <li>– That it will act in a manner consistent with any government recognized management plans?</li> <li>– Consultation has been conducted with protected area sponsors and managers, Affected Communities, Indigenous Peoples and other stakeholders?</li> <li>– Additional programs have been identified, as appropriate, to promote and enhance the conservation aims and effective management of the area?</li> </ul> </li> </ul> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if it is located in a legally protected and/or internationally recognized area.</b></p>
<p><b>Invasive Alien Species, paras 21–23</b></p>	<ul style="list-style-type: none"> <li>▪ Has the client identified any alien or non-native, species that may be internationally or unintentionally introduced through its activities?</li> <li>▪ If new alien species are to be introduced, has the project demonstrated: <ul style="list-style-type: none"> <li>– The introduction is in accordance with the regulatory framework?</li> <li>– The species does not have a high risk of invasive behavior (even if legally permissible)?</li> <li>– A risk assessment has been conducted?</li> </ul> </li> <li>▪ Where alien species are already established in the project vicinity, has the project demonstrated mitigation to avoid spreading further and also to eradicate alien species from natural habitat (as practicable)?</li> </ul> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if the intention is to introduce new alien species.</b></p>
<p><b>Management of Ecosystem Services, paras 24–25</b></p>	<p>Ecosystem services include: i. provisioning services (food, freshwater, timber, fibers, medicinal plants); ii. regulating services (surface water purification, carbon storage and sequestration, climate regulation, protection from natural hazards); iii. Cultural services (natural areas that are sacred sites, areas of importance for recreation and aesthetic enjoyment); and iv. Supporting services (soil formation, nutrient cycling, primary production).</p>

	<p>Priority ecosystem services are defined as: i. Services on which project operations are most likely to have an impact which may result in adverse impacts to Affected Communities (Type 1); and, ii. Services on which the project is directly dependent for its operations (e.g., water) (Type 2).</p> <ul style="list-style-type: none"> <li>▪ Has the project PS1 assessment process determined if the project is likely to adversely impact Type 1 and Type 2 priority ecosystem services?</li> <li>▪ If communities are likely to be affected (Type 2), did they participate in the determination of priority ecosystem services?</li> <li>▪ Where impacts are unavoidable, has the project demonstrated identification of mitigation measures that will result in maintaining the value and functionality of priority services?</li> <li>▪ For Type 2 ecosystem services, has the project demonstrated resource efficiency measures as described in PS3?</li> </ul>
<b>Sustainable Management of Living Natural Resources, paras 26–29</b>	<p>Paragraphs 26–29 apply only if the project is involved in the primary production of living natural resources (e.g., agriculture, animal husbandry, fisheries, and forestry).</p> <ul style="list-style-type: none"> <li>▪ Has the project demonstrated where feasible, that the project will be located on un-forested or previously converted land?</li> <li>▪ Has the project demonstrated certification conformance: <ul style="list-style-type: none"> <li>– Independent verification or certification in one or more relevant and credible standards where available (credibility is defined in PS6, para 27)? OR</li> <li>– Where a credible standard exists, but independent verification or certification has not been obtained, has the project conducted a pre-assessment of conformity to the applicable standard and where there are gaps, have actions been identified to close them over an appropriate period of time? OR</li> <li>– If a credible standard does not exist, has the project committed to: <ul style="list-style-type: none"> <li>○ Applying good international industry operating principles, management practices and technologies?</li> <li>○ Actively engaging and supporting the development of a national standard, where relevant?</li> </ul> </li> </ul> </li> </ul>
<b>Supply Chain, para 30</b>	<p>Paragraph 30 applies only if the project is: 1. Purchasing primary (e.g., agriculture, livestock, aquaculture) production; and, 2) that is known to be produced in a region where there is a risk of significant conversion of natural or critical habitat.</p>

	<p>If para 30 applies, has the project demonstrated that systems and verifications have been put in place to assess primary suppliers (those suppliers who, on an on-going basis, provide the majority of living natural resources, goods, materials essential for the core business processes of the project)? [The goal is to ensure that the production of the commodity is not contributing to significant natural or critical habitat loss].</p>
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## IFC Tip Sheet: ESDD Performance Standard 7 – Indigenous Peoples

<p><b>PS7 recognizes that Indigenous Peoples, as social groups with identities distinct from mainstream groups, are often the most vulnerable segments of the population. It also recognizes that private sector projects can create opportunities for Indigenous Peoples to benefit from project-related activities that may help them fulfil their aspirations for economic and social development.</b></p>	
<p><b>Scope of application</b></p>	<p>There is no universally accepted definition of “Indigenous Peoples,” but for this Performance Standard the term is used to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:</p> <ul style="list-style-type: none"> <li>▪ Self-identification as members of a distinct indigenous cultural group;</li> <li>▪ Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;</li> <li>▪ Customary cultural, economic, social, or political institutions separate from the mainstream society; or</li> <li>▪ A distinct language or dialect, often different from the official languages of the country or region.</li> </ul> <p>The applicability of PS7 is established during the environmental and social risks and impacts identification process and the resulting actions are implemented and managed in accordance with PS1: Assessment and Management of Environmental and Social Risks and Impacts.</p> <p><b>It is strongly advised that a competent profession should be contracted by the Fund to verify the project’s determination of whether or not a particular group is considered as Indigenous Peoples for the purposes of this Performance Standard.</b></p>
<b>Theme</b>	<b>Questions</b>
<p><b>Scope of Application, paras 3–7; General, paras 8 &amp; 9</b></p>	<ul style="list-style-type: none"> <li>▪ Are there any communities of Indigenous Peoples within the project area of influence who may be affected by the project?</li> <li>▪ Has client identified through ESIA all communities of IPs who may be affected by the project and avoided impacts wherever possible?</li> <li>▪ Has the client considered alternatives that would avoid adverse impacts on Affected Communities of Indigenous Peoples?</li> <li>▪ If adverse impacts are unavoidable, has the project applied the mitigation hierarchy (minimize, restore, and/or compensate) for those impacts and put those proposed mitigation measures into a time-bound plan?</li> </ul> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess if the time-bound plan will address the nature and scale of impacts in a culturally appropriate manner.</b></p>



<b>Participation, para 10–12</b>	<ul style="list-style-type: none"> <li>Has the client undertaken a process of informed consultation and participation, as required under PS 1, with the following additional aspects: <ul style="list-style-type: none"> <li>The involvement of Indigenous Peoples representative bodies, as well as the Affected Communities of Indigenous Peoples (taking into consideration different points along social markers such as gender)?</li> <li>Provide sufficient time for Indigenous Peoples’ decision-making process?</li> </ul> </li> </ul>
<b>Free, Prior and Informed Consent, paras 11–17</b>	<ul style="list-style-type: none"> <li>Has the client determined through the PS 1 impact and risk assessment process that one or more of the three situations requiring free, prior, and informed consent (FPIC) are present? <ul style="list-style-type: none"> <li>Impacts on land and natural resources subject to traditional ownership or under customary use; or</li> <li>Relocation of Indigenous Peoples from lands and natural resources subject to traditional ownership or under customary use (Any relocation will also be consistent with the requirements of PS5); or</li> <li>Impacts on critical cultural heritage – tangible cultural heritage that is essential to the identity and/or cultural, ceremonial, or spiritual aspects of Indigenous Peoples’ lives, or commercial use of their intangible cultural heritage.</li> </ul> </li> <li>If FPIC is required, has the client carried out the necessary steps to meet the requirements of FPIC: <ul style="list-style-type: none"> <li>Document the alternatives considered to avoid or minimize the impact;</li> <li>Identify all property interests and traditional resource use prior to purchasing or leasing land;</li> <li>Document the Affected Community of Indigenous People’s resource use or use of cultural heritage;</li> <li>Ensure that the Affected Community is informed of their land rights under national law;</li> <li>Offer the Affected Communities compensation and due process in the case of commercial development of their land and natural resources including continuing access, if possible, and equitable sharing of benefits.</li> <li>Carry out good faith negotiations to establish an agreement between the client and Affected Communities and documenting both the process and the resulting agreement.</li> </ul> </li> </ul> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if FPIC may be required and to ensure that the process and agreement leading to FPIC meet the above requirements.</b></p>
<b>Mitigation and Development Benefits, para 18–20</b>	<p>Are the mitigation measures identified by the client and Affected Community of Indigenous Peoples culturally appropriate and sustainable, taking into account the institutions, customs, goal, and preferences of the community?</p> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project to ensure that the benefits are culturally appropriate for the Affected Communities of Indigenous Peoples.</b></p>
<b>Private Sector Responsibilities</b>	<ul style="list-style-type: none"> <li>Has the client collaborated with the responsible government agency, to the extent permitted by the agency, to achieve outcomes consistent with the objectives of this Performance Standard?</li> </ul>

<b>Where Government is Responsible for Managing Indigenous Peoples Issues, paras 21 &amp; 22</b>	<ul style="list-style-type: none"> <li>Has the client prepared a plan that, along with the government agency documents, addresses the relevant requirements of this Performance Standard?</li> </ul>
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## IFC Tip Sheet: ESDD Performance Standard 8 – Cultural Heritage

PS8 recognizes that the importance of cultural heritage for current and future generations.	
<b>Scope of application</b>	<p>Projects that:</p> <ul style="list-style-type: none"> <li>▪ Affect intangible forms of cultural heritage (e.g., objects, sites or structures having archaeological or historical value); or</li> <li>▪ Affect unique natural features or tangible objects that embody cultural values (e.g., sacred groves or waterfalls); or</li> <li>▪ Commercially use the intangible cultural heritage of communities embodying traditional lifestyles (e.g., traditional medicine).</li> </ul> <p>The applicability of PS8 is established during the environmental and social risks and impacts identification process and the resulting actions are implemented and managed in accordance with PS1: Assessment and Management of Environmental and Social Risks and Impacts.</p>
Theme	Questions
<b>Protection of Cultural Heritage in Project Design and Execution, paras 6 &amp; 7</b>	<ul style="list-style-type: none"> <li>▪ Is the client complying with applicable laws including the host country's laws implementing its obligations under the Convention Concerning the Protection of the World Cultural and Natural Heritage?</li> <li>▪ Has the project provided evidence of surveys to determine the presence of tangible cultural heritage within the area of influence as part of the PS1 process?</li> <li>▪ Has the client hired competent professionals to assist in the process of identification and protection of cultural heritage where the risk and identification process has determined a chance of impacts to cultural heritage?</li> </ul>
<b>Chance Find Procedure, para 8</b>	If the project PS1 assessment process determined that the project is located in, and may be impacting cultural heritage that may not have been identified and protected during the assessment process, has the client put in place a chance find procedure for unexpected discoveries of cultural heritage?
<b>Consultation, para 9</b>	Has the client consulted with Affected Communities who have used potentially project-impacted cultural heritage within living memory to incorporate the views of those communities into the client's decision-making process?
<b>Community Access, para 10</b>	Where the project site contains cultural heritage used by Affected Communities, has the client allowed access to that cultural heritage, subject to overriding health, safety, and security considerations?
<b>Removal of Replicable Cultural Heritage, para 11</b>	<ul style="list-style-type: none"> <li>▪ Has the client considered measures to avoid, or minimize the impacts on cultural heritage, including leaving it in situ?</li> <li>▪ Where removal is necessary, has the cultural heritage been restored in another location?</li> <li>▪ Where avoidance or minimization of adverse impacts is not feasible, and the cultural heritage is being use by the Affected Communities, have the communities been compensated for its removal?</li> </ul>

<b>Removal of Non-Replicable Cultural Heritage, para 12</b>	<p>Where there is non-replicable cultural heritage whose removal may result in its destruction, has the client demonstrated that:</p> <ul style="list-style-type: none"> <li>▪ There are no technically or financially feasible alternatives; and</li> <li>▪ Overall project benefits conclusively outweigh the loss of the cultural heritage; and</li> <li>▪ The removal of the cultural heritage is conducted according to the best available technique?</li> </ul> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if it involves the possible removal of non-replicable cultural heritage.</b></p>
<b>Critical Cultural Heritage, paras 13 &amp; 14</b>	<ul style="list-style-type: none"> <li>▪ Does the project include the communities who have used internationally-recognized tangible cultural heritage for long-standing cultural purposes?</li> <li>▪ If yes and where the impacts are unavoidable, has the client used a process of informed consultation and participation, leading to good faith negotiations that result in a documented agreement on the measures to address the impacts on the critical cultural heritage?</li> <li>▪ Has the client retained external experts to assist in the assessment and protection of the heritage?</li> </ul>
<b>Legally Protected Areas, para 15</b>	<ul style="list-style-type: none"> <li>▪ Is the project located within a legally protected area or an internationally recognized cultural heritage area?</li> <li>▪ If yes, have the requirements of paras 6-7 &amp; 11-12 been met?</li> <li>▪ In addition, has the project demonstrated: <ul style="list-style-type: none"> <li>– That it is legally permitted?</li> <li>– That it will act in a manner consistent with any government recognized management plans?</li> <li>– Consultation with protected area sponsors and managers, Affected Communities, Indigenous Peoples and other stakeholders?</li> <li>– Additional programs, as appropriate, to promote and enhance the conservation aims and effective management of the area?</li> </ul> </li> </ul> <p><b>It is strongly advised that a qualified consultant should be contracted by the Fund to assess the project if it is located in a legally protected and/or internationally recognized area.</b></p>
<b>Projects Use of Cultural Heritage, para 16</b>	<ul style="list-style-type: none"> <li>▪ Does the client intend to commercially use any intangible cultural heritage of local communities (e.g., traditional medical knowledge, or techniques for plants, fibers or metals)?</li> <li>▪ If yes, has the client: <ul style="list-style-type: none"> <li>– Informed the communities of their rights under national law; and</li> <li>– Informed the communities of the scope and nature of the proposed commercial development; and</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>– Informed the communities of the potential consequences of such development; and</li> <li>– Entered into the process of informed consultation and participation, using good faith negotiations, leading to a documented outcome; and</li> <li>– Shown that the outcome provides for the fair and equitable sharing of benefits of the proposed commercialization?</li> </ul>
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## Annex K ESDD Report Format

### Project Description

#### Approach

The Environment and Social Due Diligence consisted of the following four steps:

- **Document review:** The following project documents were reviewed:
- **Interviews:** Interviews were held with.....
- **Site visit:** The site visit was undertaken....
- **Review:** The information obtained was reviewed against the IFC Performance Standards, applicable local, national and international legislation, ILO Conventions covering core labour standards and terms and conditions of employment and the World Bank Group (WBG) General Environmental, Health and Safety (EHS) Guidelines [and sector specific guidelines].

#### Categorisation

#### Human Rights and Contextual Risk Analysis

#### Organisational Capacity

#### Performance Standard Gap Analysis

REQUIREMENT	DESCRIPTION
<b>PS 1: Assessment and Management of Environmental and Social Risks and Impacts</b>	
E&S Policy, para 6	
Identification of Risks and Impacts, para 7–12	
Management Programs, paras 13–16	
Organizational Capacity and Competency, paras 17–19	

Emergency Preparedness and Response, paras 20–21	
Monitoring and Review, paras 22–24	
Stakeholder Engagement, paras 25–33	
External Communication and Grievance Mechanism, para 34–36	
<b>PS2: Labour and Working Conditions</b>	
Human Resources Policies and Procedures, paras 8 & 9; Working Conditions, paras 10–12	
Workers’ Organizations, paras 13 & 14	
Non- Discrimination and Equal Opportunity, paras 15–17	
Retrenchment, paras 18–19	
Grievance Mechanism, para 20	
Protecting the Work Force: Child Labour, para 20; Forced Labour, para 22	
Occupational Health & Safety, para 23	
Workers Engaged by Third Parties, para 24–26	
Supply Chain, para 27–29	
<b>PS3: Resource Efficiency and Pollution Prevention</b>	
General – EHS GL’s, paras 4–5	
Resource Efficiency, para 6	
Greenhouse Gases, paras 7–8	
Water Consumption, para 9	
Pollution Prevention, paras 10–11	
Wastes, para 12	
Hazardous Materials Management, para 13	
Pesticide Use and Management, para 14–17	
<b>PS 4: Community Health, Safety and Security</b>	
Community Health and Safety, para 5	
Infrastructure and Equipment Design and Safety, para 6	
Hazardous Materials Management and Safety, para 7	

Ecosystem Services, para 8	
Community Exposure To Disease, para 9–10	
Emergency Preparedness and Response, para 11	
Security Personnel, para 12	
<b>PS 5: Land Acquisition</b>	
Scope of Application, paras 4–6; General, paras 8–9	
Consultation and Grievance Mechanism, paras 10–11	
Resettlement and Livelihood Restoration Planning and Implementation, paras 12–16	
Physical Displacement, paras 17–24	
Economic Displacement, paras 25–29	
Private Sector Responsibilities Under Government- Managed Resettlement	
<b>PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources</b>	
General, paras 6–8	
Protection and Conservation of Biodiversity - Modified Habitat, paras 11–12; Natural Habitat, paras 13–15; and Critical Habitat, paras 16–19	
Legally Protected Areas, para 20	
Invasive Alien Species, paras 21– 23	
Management of Ecosystem Services, paras 24–25	
Sustainable Management of Living Natural Resources, paras 26–29	
Supply Chain, para 30	
<b>PS 7: Indigenous Peoples</b>	
Scope of Application, paras 3–7;	



General, paras 8 & 9	
Participation, para 10–12	
Free, Prior and Informed Consent, paras 11–17	
Mitigation and Development Benefits, para 18–20	
Private Sector Responsibilities Where Government is Responsible for Managing Indigenous Peoples Issues, paras 21 & 22	
<b>PS 8: Cultural Heritage</b>	
Protection of Cultural Heritage in Project Design and Execution, paras 6 & 7	
Chance Find Procedure, para 8	
Consultation, para 9	
Community Access, para 10	
Removal of Replicable Cultural Heritage, para 11	
Removal of Non- Replicable Cultural Heritage, para 12	
Critical Cultural Heritage, paras 13 & 14	
Legally Protected Areas, para 15	
Projects Use of Cultural Heritage, para 16	

## Environmental and Social Action Plan

	CORRECTIVE ACTION	RISK RATING	MEANS OF VERIFICATION	IMPLEMENTATION SCHEDULE
PS 1: Assessment and Management of Environmental and Social Risks and Impacts				
1				
PS 2: Labour and Working Conditions				
2				
PS 3: Resource Efficiency and Pollution Prevention				
3				
PS 4: Community Health, Safety and Security				
4				
PS 5: Land Acquisition				
5				
PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources				
6				
PS 7: Indigenous Peoples				
7				
PS 8: Cultural Heritage				
8				

## Annex L Guidance for Preparing the ESAP

As guidance in preparing the ESAP:

- The ESAP should fully describe actions needed to achieve regulatory compliance and close PS gaps. Recommended actions should be related directly to a PS requirement;
- The ESAP actions should be closed within a reasonable timeframe, and prioritised in accordance with the following:
  - Actions needed to remove immediate threats to life and health;
  - Actions needed to remove immediate threats to the environment;
  - Actions needed to grant basic human rights;
  - Actions needed to improve OHS; and
  - Actions needed to reduce all other risks.
- The ESAP actions and deliverables should be linked to investment milestones such as signing the investment agreement, first disbursement or a specified number of months after signing or disbursement;
- The ESAP should only include actions that can be completed to close gaps against the Applicable Requirements, and should not include on-going monitoring which should be included in the Annual Monitoring Report;
- The ESAP should limit recommending actions related to further studies or planning, if possible;
- The ESAP actions should be SMART – specific, measurable, achievable, realistic, timely;
- The ESAP actions should be clearly prioritised according to assessed risk level.

There is no need to treat all actions the same. Actions can be prioritised as follows:

E&S RISK RANKING	DEFINITION AND CRITERIA
<b>Red Flag</b>	<p>The Project is not able to meet a specific aspect of the Applicable Requirements, and may have significant risk or impact which cannot be sufficiently mitigated, resulting in unacceptable residual or reputational risk.</p> <p>The following are specific aspects to be considered for evaluating potential for “Red Flag” risk:</p> <ul style="list-style-type: none"> <li>▪ Certain contextual issues (e.g. an area with known protests against neighbouring project in the same sector, e.g. hydro sector)</li> <li>▪ Certain legacy issues (e.g. land evictions)</li> <li>▪ Projects with the following legacy or potential exposures:               <ul style="list-style-type: none"> <li>– Involuntary resettlement</li> <li>– Adverse impacts on Indigenous Peoples</li> <li>– Significant risks or impacts to biodiversity or cultural heritage.</li> </ul> </li> </ul>
<b>High</b>	<ul style="list-style-type: none"> <li>▪ Known non-compliance with relevant Applicable Requirements that would pose a significant risk or impact and the Sponsor does not have mitigation measures planned/budgeted or in place; or</li> </ul>

E&S RISK RANKING	DEFINITION AND CRITERIA
	<ul style="list-style-type: none"> <li>▪ No or insufficient information available at the time of reporting leading to a potentially significant non-compliance with relevant Applicable Requirements; and</li> <li>▪ Concerns about the capacity and commitment of the project company.</li> </ul>
<b>Medium</b>	<ul style="list-style-type: none"> <li>▪ Known significant non-compliance with relevant Applicable Requirements that would pose a significant risk or impact and the Sponsor has proven mitigation measures planned and budgeted or in place; and</li> <li>▪ No concerns about capacity and commitment of the project company.</li> </ul>
<b>Low</b>	<ul style="list-style-type: none"> <li>▪ Non-significant non-compliance with relevant Applicable Requirements which does not pose a significant E&amp;S risk; or</li> <li>▪ Gaps can be readily addressed, minimal effort is required in order to mitigate the issue/meet the specific requirement.</li> <li>▪ Gaps typically involve minor inconsistencies, errors, omissions and data gaps that do not significantly influence the compliance of the Project performance with Applicable Requirements.</li> </ul>

## Annex M Indicative Investment Agreement E&S Language

The E&S Manager will be involved in the drafting and/or review of investment documentation such as shareholders agreement, framework agreement, EPC and O&M contracts to ensure that due diligence outcomes have included as part of conditions to deal closing and/or ongoing management during the project execution stage.

For high-level documentation such as shareholders and framework agreement, the Fund E&S Policy requirements will be included as a standalone appendix and will contain the following elements. In some cases, actual wording and terminologies could change in order to align with the contract definition of terms.

### Appendix: SAETF E&S Policy Requirements

#### **Applicable Requirements**

The Company shall develop and implement an environmental and social management system (ESMS) for the Group Companies that meets the following applicable requirements:

- Applicable local, national and international environmental and social legislation.
- International Finance Corporation (IFC) Performance Standards (2012 version).
- AIIB Environmental and Social Policy (2016, updated 2019) (for all investments) and Environmental and Social Standards (for all Category A and Category B+ investments).
- UN Guiding Principles on Business and Human Rights.
- ILO Declaration on Fundamental Principles and Rights at Work.
- ILO Basic Terms and Conditions of Employment.
- EDFI Principles for Responsible Financing.
- World Bank Group (WBG) General Environmental, Health and Safety (“EHS”) Guidelines.
- All applicable WBG sector-specific EHS Guidelines including for Wind Power and Electric Power Transmission and Distribution.
- SUSI Responsible Procurement Policy.

#### **E&S Organisational Capacity**

The Company shall designate a qualified person within its organisation to be the ESMS Officer. The ESMS Officer will:

- Lead the development and implementation of a project-specific environmental and social management system (ESMS) manual aligned with SAETF’s applicable requirements.
- Implement any environmental and social action plan (ESAP) agreed with SAETF.
- Develop and maintain an E&S permit register for the project.
- Complete project E&S screening and assessments for SAETF’s review.

- Coordinate integrate of the SUSI Responsible Procurement Policy in the procurement process.
- Supervise all contractors and third-party personnel working on the project site ensure that they are properly trained.
- Conduct an environmental, social and health and safety risk assessments prior to project development.
- Develop and implement a project stakeholder engagement plan and grievance mechanism (both internal and external).
- Develop and implement project-specific environmental and social management plans.
- Lead the periodic reporting of E&S performance of projects to SAETF.

#### **Exclusion List**

The Company will procure that Investment Opportunities presented to SAETF do not breach SAETF's Exclusion List as follows:

- Any activity, production, use of, trade in, distribution of or involving: forced labour or child labour
- Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
  - Ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
  - Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
  - Unsustainable fishing methods (e.g., blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length)
- Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations
- Destruction of High Conservation Value areas
- Radioactive materials and unbounded asbestos fibres
- Pornography and/or prostitution
- Racist and/or anti-democratic media
- Any of the following products make up more than 10% of the project client/offtaker's balance sheet/earnings:
  - alcoholic beverages (except beer and wine);
  - tobacco;
  - weapons and munitions; or

- gambling, casinos and equivalent enterprises
- Coal prospection, exploration, mining or processing
- Oil exploration or production
- Standalone fossil gas exploration and/or production
- Transport (road/rail/port) and related infrastructure primarily used for coal for power generation
- Crude Oil Pipelines
- Downstream oil refineries including petrol stations
- Construction of new or refurbishment of any existing coal-fired power plant (including dual power plants)
- Construction of new or refurbishment of any existing HFO-only or diesel-only power plant producing energy for the public grid and leading to an increase of absolute CO2 emissions
- Any business with planned expansion of captive coal used for power and/or heat generation

### E&S Reporting

The Company will report to SAETF on the E&S performance of SAETF-approved investments under this Agreement. The reporting frequency will be as follows:.

- during construction – monthly; and
- during operation – quarterly and annually.

A sample template is provided below, subject to any future revision by SAETF as and when necessary.

<b>Overview of Environmental, Social and Health and Safety performance</b>	
<b>Project Name:</b>	
<b>Period Covered:</b> <b>Month, Year</b>	
Project status:	<input type="checkbox"/> Under construction <input type="checkbox"/> Operating asset
Name of Project EHS officer:	
Email:	
Contact number:	
Contractors working for the project:	<ul style="list-style-type: none"> <li>• [Name of contractor] – [contracted scope]</li> <li>• [Name of contractor] – [contracted scope]</li> <li>• [Name of contractor] – [contracted scope]</li> </ul>
Description of key project activities this month:	x
Total hours worked	x
Total number of fatalities	x
Total number of lost time incidents	x

Project workforce statistics (as of MM YYYY), all workers including subcontractors										
Number of employees per category	Management		Professional		Supervisor		Skilled		Unskilled	
	Male	Female	M	F	M	F	M	F	M	F
Expatriate										
Local										
<b>Total</b>										
EHS-related training										
Topic			Date				Number trained			
Update on implementation of project-specific E&S management and monitoring plans										
Major changes to E&S management or practices										
Environmental incidents										
Description of incident										
Occurrence date										
Action taken and date										
Resolution and date										
Follow up actions to be taken										
Security incidents										
Description of incident										
Occurrence date										
Action taken and date										
Resolution and date										
Follow up actions to be taken										
List and description of stakeholder engagement activities undertaken										
Date			Activity							
Grievances received from the workers or the community										
Grievance #1										
Description of grievance										
Occurrence date										
Date of report										
Action taken and date										
Resolution and date										
Follow up actions to be taken										



<b>Grievance #2</b>			
Description of grievance			
Occurrence date			
Date of report			
Action taken and date			
Resolution and date			
Follow up actions to be taken			
<b>Project greenhouse gas accounting</b>			
<b>Scope 1</b>			
<i>Sources</i>	<i>Unit</i>	<i>Consumption</i>	<i>Remarks</i>
Fuel consumption <sup>13</sup> from project-operated genset	In litres		Indicate the type of fuel (gasoline, diesel, HFO)
Fuel consumption from construction and project-operated vehicles	In litres		
<b>Scope 2</b>			
Electricity consumption by the project (if any)	In kWh		Indicate if electricity consumption is from self-produced RE electricity or from the grid
<b>Scope 3</b>			
<i>Sources</i>	<i>Unit</i>	<i>Total spend</i>	<i>Remarks</i>
<b>Capital goods<sup>14</sup></b>			
Solar panels	USD		
Inverter	USD		
Battery, Li-Ion	USD		Indicate if not Li-Ion
Construction motor vehicles	USD		
Machinery and equipment	USD		
Electrical equipment, genset	USD		
<b>Purchased goods and services</b>			
Engineering services and technical testing services	USD		
Support services – e.g. solar panel cleaning services	USD		
<b>Waste</b>			
General waste	tonnes		Describe waste collection and disposal arrangement
Hazardous waste	tonnes		Describe waste collection and disposal

<sup>13</sup> Where fuel is purchased and paid for by the project (ie project cost). Fuel consumption where fuel cost is built into and paid under the EPC/O&M contract should not be accounted under Scope 1.

<sup>14</sup> Capital goods (purchased specifically for the project) to be reported only once, ie if reported in the previous month and there are no new capital goods purchased for the month, please put zero.

			arrangement
<b>Business travel by air</b>			
Total mileage (economy)	km		
Total mileage (business)	km		
<b>Business travel by land</b>			
Total distance travelled	km		Describe type of vehicle (sedan, pick up truck, van), highway/city driving, fuel type (diesel/gasoline)
<b>Employee commuting</b>			
Number of project-based employees commuting daily	persons		

## Annex N ESAP Implementation Status Report

COMPANY NAME:		DATE:	
Corrective Action	Means of Verification	Implementation Schedule	Status
1			
2			
3			

## Annex O Supervision Report

SUSI Asia Energy Transition Fund

PROJECT NAME:		LOCATION:	
Brief Project Description:			
Sector:		Investment Amount(\$M) and purpose:	
Status of facility visited: (construction, operation, expansion, shut-down)			
Prepared By:		Date:	
Status of E&S Action Plan Implementation:			
E&S Performance (ongoing compliance with host country laws, Applicable Requirements, etc):			
Significant Incidences and other issues:			

## Monthly report

Overview of Environmental, Social and Health and Safety performance										
<b>Project Name:</b>										
<b>Period Covered:</b> Month, Year										
Project status:			<input type="checkbox"/> Under construction <input type="checkbox"/> Operating asset							
Name of Project EHS officer:										
Email:										
Contact number:										
Contractors working for the project:			<ul style="list-style-type: none"> <li>• [Name of contractor] – [contracted scope]</li> <li>• [Name of contractor] – [contracted scope]</li> <li>• [Name of contractor] – [contracted scope]</li> </ul>							
Description of key project activities this month:			x							
Total hours worked			x							
Total number of fatalities			x							
Total number of lost time incidents			x							
Project workforce statistics (as of MM YYYY), all workers including subcontractors										
Number of employees per category	Management		Professional		Supervisor		Skilled		Unskilled	
	Male	Female	M	F	M	F	M	F	M	F
Expatriate										
Local										
<b>Total</b>										
EHS-related training										
Topic			Date				Number trained			
Update on implementation of project-specific E&S management and monitoring plans										
Major changes to E&S management or practices										
Environmental incidents										
Description of incident										
Occurrence date										
Action taken and date										
Resolution and date										

Follow up actions to be taken			
<b>Security incidents</b>			
Description of incident			
Occurrence date			
Action taken and date			
Resolution and date			
Follow up actions to be taken			
<b>List and description of stakeholder engagement activities undertaken</b>			
<i>Date</i>	<i>Activity</i>		
<b>Grievances received from the workers or the community</b>			
<b>Grievance #1</b>			
Description of grievance			
Occurrence date			
Date of report			
Action taken and date			
Resolution and date			
Follow up actions to be taken			
<b>Grievance #2</b>			
Description of grievance			
Occurrence date			
Date of report			
Action taken and date			
Resolution and date			
Follow up actions to be taken			
<b>Project greenhouse gas accounting</b>			
<b>Scope 1</b>			
<i>Sources</i>	<i>Unit</i>	<i>Consumption</i>	<i>Remarks</i>
Fuel consumption <sup>15</sup> from project-operated genset	In litres		Indicate the type of fuel (gasoline, diesel, HFO)
Fuel consumption from construction and project-operated vehicles	In litres		
<b>Scope 2</b>			
Electricity consumption by the project (if any)	In kWh		Indicate if electricity consumption is from self-produced RE electricity or from the grid
<b>Scope 3</b>			
<i>Sources</i>	<i>Unit</i>	<i>Total spend</i>	<i>Remarks</i>

<sup>15</sup> Where fuel is purchased and paid for by the project (ie project cost). Fuel consumption where fuel cost is built into and paid under the EPC/O&M contract should not be accounted under Scope 1.

<b>Capital goods<sup>16</sup></b>			
Solar panels	USD		
Inverter	USD		
Battery, Li-Ion	USD		Indicate if not Li-Ion
Construction motor vehicles	USD		
Machinery and equipment	USD		
Electrical equipment, genset	USD		
<b>Purchased goods and services</b>			
Engineering services and technical testing services	USD		
Support services – e.g. solar panel cleaning services	USD		
<b>Waste</b>			
General waste	tonnes		Describe waste collection and disposal arrangement
Hazardous waste	tonnes		Describe waste collection and disposal arrangement
<b>Business travel by air</b>			
Total mileage (economy)	km		
Total mileage (business)	km		
<b>Business travel by land</b>			
Total distance travelled	km		Describe type of vehicle (sedan, pick up truck, van), highway/city driving, fuel type (diesel/gasoline)
<b>Employee commuting</b>			
Number of project-based employees commuting daily	persons		

Quarterly report

NAME OF INVESTEE COMPANY:
Name of Company E&S Manager:

<sup>16</sup> Capital goods (purchased specifically for the project) to be reported only once, ie if reported in the previous month and there are no new capital goods purchased for the month, please put zero.

In the reporting period has there been: <ul style="list-style-type: none"> <li>▪ Change in business, assets and operations?</li> <li>▪ Organisation and EHS staff?</li> <li>▪ Change in E&amp;S regulations?</li> <li>▪ Update to the ESMS?</li> <li>▪ Material accidents or incidents?</li> <li>▪ Complaints from stakeholders?</li> <li>▪ Complaints from workers?</li> <li>▪ Any fines from regulatory authorities or court cases?</li> </ul>					
(If yes, please provide an explanation of the circumstances, investigation undertaken by the company, follow up and current status.)					
If not already completed, please provide an update on progress with implementation of the ESAP.					
What was the E&S budget? What were the key E&S activities and achievements?					
<b>Employees</b>					
<b>Number of employees per category</b>	<b>management</b>	<b>professional</b>	<b>supervisor</b>	<b>skilled</b>	<b>unskilled</b>
Male					
Female					
Expatriate					
Local					
Non-local national					
<b>EHS training in reporting period</b>					
<b>Topic</b>	<b>Date</b>			<b>Number trained</b>	
<b>Total amount spent on corporate social responsibility or community development projects</b>					
<b>Major changes to E&amp;S management or practices</b>					
<b>Log of open environmental incidents</b>					
Description of incident					
Occurrence date					
Action taken and date					
Resolution and date					
Follow up actions to be taken					



## Update on Investee ESAP action items overdue

### Annex Q SAETF Annual E&S Performance Report

#### Environmental and Social Progress Report (only for assets in EPC phase)

The Fund can report in its own format, and may even directly forward progress reports of contractors/portfolio companies, provided that such format has been approved by the E&S Committee, and that it meets all of the below.

Per asset under construction, as a minimum, the following needs to be included:

- General construction progress update and deviation from planning.
- Overall health, safety and environmental risk management performances.
- Key health, safety and environmental statistics including (but may not be limited to):
  - total number of male and female employees;
  - total number of domestic and migrant/international employees;
  - total hours worked
  - total number of fatalities and lost time incidents;
  - total number of open grievances of employees and community members;
  - total number of environmental incidents;
  - total number of Investee ESAP action items overdue (as per deadlines in the Investee ESAP)
- Key health, safety and environmental activities conducted and planned.
- Health, safety and environmental training conducted (if applicable).
- Other health, safety and environmental management issues to report.

#### Quarterly E&S Status Update

The Fund can report in its own format, provided that such format has been approved by the E&S Committee.

As a minimum, the following needs to be included:

- Overall ESG risk management performances of the Fund.
- Key ESG statistics at Fund level (adding data of Portfolio Companies), including (but may not be limited to):
  - total number of male and female employees;
  - total number of domestic and migrant/international employees;
  - total hours worked
  - total number of fatalities and lost time incidents;
  - total number of open grievances of employees and community members;
  - number and status of litigation cases;
  - total number of environmental incidents reportable under applicable regulations or standards;

- total amount spent on corporate social responsibility or community development projects;
- total number of Fund ESAP action items overdue (as per deadlines in the Fund ESAP)
- Material changes to report, including (if applicable)
  - Changes related to Portfolio Companies
  - Context and stakeholders
  - Organisation and management (including staff)
  - Assets and operations
  - Management of E&S performances
- Updated risk management (overview of key risks and planned responses)
- Fund ESAP update.
- Any other relevant business to report.

### **Annual E&S Impact Report**

**Format:** The Fund can report in its own format, provided that such format has been approved by the ESG Committee, and that it meets all of the below.

**Content:** The Performance Report shall contain, as a minimum, the information set out below as well as data in response to the list of impact indicators provided in the Appendix. Please note that the indicators in the list should be viewed as a minimum and that the indicators are subject to change. Existing indicators may be updated and changed over time, and new ones may also be added.

#### For the Fund:

- Name of the responsible Managing Director and E&S Managers;
- Overall ESG risk and impact management performance of the Fund
- Status / changes in:
  - Fund organisation and staff
  - E&S Management System
  - Resources for E&S management and E&S training undertaken / planned
  - E&S risk and impact management strategies
  - Material changes at portfolio company level (incl. E&S staff changes)
- Transactions declined on E&S grounds;
- Difficulties and/or constraints related to the implementation of E&S Management System;
- Key ESG statistics at Fund level (adding data of Portfolio Companies), including (but may not be limited to):
  - total number of male and female employees;
  - total number of domestic and migrant/international employees;
  - total hours worked
  - total number of fatalities and lost time incidents;
  - total number of open grievances of employees and community members;
  - number and status of litigation cases;
  - total number of environmental incidents reportable under applicable regulations or standards;

- total amount spent on corporate social responsibility or community development projects;
- total number of ESAP action items overdue (as per deadlines in the ESAP).
- Exclusion list: confirmation that no investments are undertaken in any of the activities listed in the Exclusion List (or, in cases where a Portfolio Company is found to be partly active in activities included on the Exclusion List, submit a plan to phase out such activities); Updated ESG risk management (overview of key risks and planned responses);
- Impact score card: A listing and description of the planned versus realized E&S impact indicators at a minimum including:
  - Employment
  - Total power production
  - GHG emissions and reductions
- Fund ESAP update;
- E&S trainings undertaken/planned;
- Confirmation that no investments were undertaken in any of the activities listed in the Exclusion List (or, in cases where a Portfolio Company is found to be partly active in activities included on the Exclusion List, submit a plan to phase out such activities);
- Any other relevant business to report.

For each Portfolio Company:

- Categorisation of each investment and rationale behind that categorisation;
- Summary assessment of E&S risks identified;
- For High Risk Activities, summary of the external E&S assessment undertaken and reference to qualification of external expert undertaking assessment;
- Status of E&S performance to date – including specific indication whether ILO core labour standards are adhered to and implementation of E&S Management System and agreed E&S Action Plan (if applicable)
- Has retrenchment of employees taken place in the reporting period? If yes, please specify number of employees affected and attach copy of retrenchment plan.
- Community development contributions (e.g. via corporate social responsibility) (# currency)
- Percentage of shares of the investee held by national/domestic parties (%);
- Date of the last site visit for E&S purposes;
- Any improvements in performance with a clear environmental benefit (e.g. energy savings, reducing (hazardous) waste, certification of relevant management systems such as ISO 14,001, OHSAS 18,000);
- Any improvements in performance with a clear social benefit (e.g. improvements in labour conditions, certification of relevant management systems such as SA 8000).

## Appendix:

Please find below a list of indicators that has been harmonized between Norfund, FMO and Swedfund. The indicators in the list should be viewed as a minimum. Also note that the indicators in the list is subject to change. They can be updated and changed over time.

### List of Impact Indicators: Fund Manager Level

(Please note that the list is to be viewed as a minimum that is subject to change)

Theme	Indicator	Definition
<b>Employment</b>	Direct Employment - Operations and Maintenance (Total)	Number of full-time equivalent employees as per local definition working for the client company or project at the end of the reporting period. This includes full-time equivalent worked by seasonal, contractual and part time employees. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job). Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked (e.g., a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
	Direct Employment - Operations and Maintenance (Female)	Number of full-time equivalent female employees as per local definition working for the client company or project at the end of the reporting period. This includes full-time equivalent worked by seasonal, contractual and part time employees. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job). Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked (e.g., a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
	Direct Employment - Operations and Maintenance (Youth)	Number of full-time equivalent youth employees as per local definition working for the client company or project at the end of the reporting period. This includes full-time equivalent worked by seasonal, contractual and part time employees. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job). Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked (e.g., a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.

Direct Employment Insourced - Operations and Maintenance (Total)	Number of full-time equivalent employees as per local definition hired through third party agencies working for the client company or project at the end of the reporting period. Also, this includes full-time equivalent worked by seasonal, contractual and part time employees hired through third party. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition. Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked. If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
Direct Employment Insourced - Operations and Maintenance (Female)	Number of full-time equivalent female employees as per local definition hired through third party agencies working for the client company or project at the end of the reporting period. Also, this includes full-time equivalent worked by seasonal, contractual and part time employees hired through third party. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition. Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked. If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
Direct Employment Insourced - Operations and Maintenance (Youth)	Number of full-time equivalent youth employees as per local definition hired through third party agencies working for the client company or project at the end of the reporting period. Also, this includes full-time equivalent worked by seasonal, contractual and part time employees hired through third party. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition. Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked. If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
Senior Management (Total)	Number of senior managers, defined as employees at C-Suite level or equivalent (e.g. Managing Directors, Partners) as of the end of the reporting period
Senior Management (Female)	Number of female senior managers, defined as employees at C-Suite level or equivalent (e.g. Managing Directors, Partners) as of the end of the reporting period
Other Management (Total)	Number of other managers, defined as permanent employees in leading positions with people reporting directly to them, in the company at the end of last calendar year
Other Management (Female)	Number of other female managers, defined as permanent employees in leading positions with people reporting directly to them, in the company at the end of last calendar year
Board of Directors (Total)	Number of directors on the company's board.
Board of Directors (Female employees)	Number of female directors on the company's board.
Investment Committee Members (Total)	Number of members of the organisation's investment committee as of the end of the reporting period

	Investment Committee Members (Female)	Number of female members of the organisation's investment committee as of the end of the reporting period
<b>Gender &amp; 2X Challenge</b>	Is your Fund founded by women?	
	What is the share of women in ownership in the Fund (Manager)?	
	Does the Fund have a policy or programme beyond compliance requirements that addresses barriers to women's quality employment? If yes, please specify.	
	Does the Fund have a strategy for investing in women-owned businesses? If yes, please specify.	
<b>Climate</b>	GHG emissions avoided during the reporting period (CO2 equivalent)	
<b>Economic &amp; financial</b>	Corporate income taxes	Sum of corporate income taxes transferred to the government during last calendar year.
	Other taxes and governmental fees	Sum of all other taxes and fees transferred to the government during last calendar year. Any direct subsidies or other cash transfers from the government to the company should be deducted.
	Total Assets	Total (consolidated) assets at the latest financial year-end.
<b>Other</b>	Fatalities	Number of work-related deaths, i.e. deaths occurring: a) on company premises; and b) outside of premises when work-related (i.e. occurring while doing work, or because of work being done for the company).
	Other serious accidents	Number of serious, occupational accidents during the last calendar year. A serious accident is an unexpected and unplanned occurrence, that results in more than 3 lost working days / permanent injury.

**List of Impact Indicators: Investee Level**

(Please note that the list is to be viewed as a minimum that is subject to change)

Theme	Indicator	Definition
<b>Employment</b>	Direct Employment - Operations and Maintenance (Total)	Number of full-time equivalent employees as per local definition working for the client company or project at the end of the reporting period. This includes full-time equivalent worked by seasonal, contractual and part time employees. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job). Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked (e.g., a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
	Direct Employment - Operations and Maintenance (Female)	Number of full-time equivalent female employees as per local definition working for the client company or project at the end of the reporting period. This includes full-time equivalent worked by seasonal, contractual and part time employees. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job). Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked (e.g., a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
	Direct Employment - Operations and Maintenance (Youth)	Number of full-time equivalent youth employees as per local definition working for the client company or project at the end of the reporting period. This includes full-time equivalent worked by seasonal, contractual and part time employees. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job). Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked (e.g., a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
	Direct Employment Insourced - Operations and Maintenance (Total)	Number of full-time equivalent employees as per local definition hired through third party agencies working for the client company or project at the end of the reporting period. Also, this includes full-time equivalent worked by seasonal, contractual and part time employees hired through third party. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition. Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked. If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.

Direct Employment Insourced - Operations and Maintenance (Female)	Number of full-time equivalent female employees as per local definition hired through third party agencies working for the client company or project at the end of the reporting period. Also, this includes full-time equivalent worked by seasonal, contractual and part time employees hired through third party. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition. Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked. If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
Direct Employment Insourced - Operations and Maintenance (Youth)	Number of full-time equivalent youth employees as per local definition hired through third party agencies working for the client company or project at the end of the reporting period. Also, this includes full-time equivalent worked by seasonal, contractual and part time employees hired through third party. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis, based on local definition. Seasonal or short-term jobs are prorated on the basis of the portion of the reporting period that was worked. If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
Direct Employment - Construction (Total)	Number of full-time equivalent construction workers employed for the construction of the company or project's hard assets during the reporting period. Part-time jobs for construction are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job; a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
Direct Employment - Construction (Female)	Number of female full-time equivalent construction workers employed for the construction of the company or project's hard assets during the reporting period. Part-time jobs for construction are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job; a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
Direct Employment - Construction (Youth)	Number of youth full-time equivalent construction workers employed for the construction of the company or project's hard assets during the reporting period. Youth Employment (<25 ) is defined as people aged 15 to 24. Part-time jobs for construction are converted to full-time equivalent jobs on a pro rata basis, based on local definition (e.g., if working week equals 40 hours, a 24 hr/week job would be equal to 0.6 FTE job; a full-time position for three months would be equal to a 0.25 FTE job if the reporting period is one year). If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.
Senior Management (Total)	Number of senior managers, defined as employees at C-Suite level or equivalent (e.g. Managing Directors, Partners) as of the end of the reporting period



	Senior Management (Female)	Number of female senior managers, defined as employees at C-Suite level or equivalent (e.g. Managing Directors, Partners) as of the end of the reporting period
	Other Management (Total)	Number of other managers, defined as permanent employees in leading positions with people reporting directly to them, in the company at the end of last calendar year
	Other Management (Female)	Number of other female managers, defined as permanent employees in leading positions with people reporting directly to them, in the company at the end of last calendar year
	Board of Directors (Total)	Number of directors on the company's board.
	Board of Directors (Female)	Number of female directors on the company's board.
<b>Gender and 2X Challenge</b>	Is your Company founded by women?	
	What is the share of women ownership in the Company?	
	Does the Company have a policy or programme beyond compliance requirements that addresses barriers to women's quality employment? If yes, please specify.	
	Does the Company have a strategy for investing in women-owned businesses? If yes, please specify	
<b>Climate</b>	GHG emissions avoided during the reporting period (CO2 equivalent)	Number of Tons of GHG emissions (CO2 equivalent). For the Fund Manager, this is actual GHG emissions from the Fund Manager's own operations, including travel, transport, energy etc. during the reporting period. For portfolio companies, this is actual GHG emissions incurred in operations of project, including transport, energy etc. during the reporting period.
	Absolute GHG Emissions – Scope 1 (tCO2 equivalent)	
	Absolute GHG Emissions – Scope 2 (tCO2 equivalent)	Scope 2 GHG emissions are the GHG emissions from the production of all electricity, heat and steam purchased for all activities under the operational control of the project/company.
	Absolute GHG Emissions – Scope 3 (tCO2 equivalent)	Scope 3 GHG emissions are emissions related to the value chain (both upstream and downstream) of the project/company .

<b>Economic</b>	Total labour expense	Value of wages (including bonuses, excluding benefits) paid to all full-time and part-time employees of the organisation during the reporting period. These should be pre-tax wages/salaries paid to the organisation's employees and should not include benefits nor include payroll expenses.
	Total Purchases	Value of payments made to enterprises and individuals that sold goods or services to the organisation during the reporting period
	Domestic purchases	Value of payments made to local enterprises and individuals that sold goods or services to the organisation during the reporting period
	Corporate income taxes	Sum of corporate income taxes transferred to the government during last calendar year.
	Other taxes and governmental fees	Sum of all other taxes and fees transferred to the government during last calendar year. Any direct subsidies or other cash transfers from the government to the company should be deducted.
	Total sales	Gross value of sales over the reporting period.
	Net income	Value of the organisation's net profit, calculated as total income minus total expenses, taxes, and cost of goods sold during the reporting period. (FMO: Profit after Tax - will use Net Income indicator)
	Total Assets	Total (consolidated) assets at the latest financial year-end.
	Total Revenues	Revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants (definition in IAS 18.7). Revenues do not include the benefits of extraordinary activities.
	Total project size	In case of Project Finance: Total financial resources available for the project (i.e. including all financiers) in reporting currency, post financing.
<b>Grid (as relevant)</b>	Capacity, installed (MW)	Installed production capacity (MW)
	Capacity, under construction (MW)	Production capacity currently under construction (MW)
	Production last calendar year (GWh)	Actual electricity production last calendar year (GWh).
<b>Distributed (as relevant)</b>	Total - New Connections	Total number of new connections (captive systems, micro/mini-grid or stand-alone connections, excluding lanterns and Solar Home Systems (SHS)) provided last calendar year (if relevant).
	Households - New Connections	Number of new connections from households (captive systems, micro/mini-grid or stand-alone connections, excluding lanterns and Solar Home Systems (SHS)) provided last calendar year (if relevant).
	Enterprises - New Connections	Number of new connections from enterprises (captive systems, micro/mini-grid or stand-alone connections, excluding lanterns and Solar Home Systems (SHS)) provided last calendar year (if relevant).
	Total Units - Solar Home Systems	Total number of Solar Home System (SHS) units provided by the Company and its Subsidiaries last calendar year (if relevant).
	Households Units - Solar Home Systems	Number of Solar Home System (SHS) household units provided by the Company and its Subsidiaries last calendar year (if relevant).

	Enterprises Units - Solar Home Systems	Number of Solar Home System (SHS) enterprise units provided by the Company and its Subsidiaries last calendar year (if relevant).
	Total Units - Other	Total number of other units of goods or services provided by the Company and its Subsidiaries last calendar year (if relevant), excluding Solar Home Systems (SHS).
	Households Units - Other	Number of other household units of goods or services provided by the Company and its Subsidiaries last calendar year (if relevant), excluding Solar Home Systems (SHS).
	Enterprises Units - Other	Number of other enterprise units of goods or services provided by the Company and its Subsidiaries last calendar year (if relevant), excluding Solar Home Systems (SHS).
	Number of people that could potentially benefit from the power distribution of the intervention	The number of people that could potentially benefit from the distribution of the intervention. Estimated as residential connections x Average household size. (FMO: Number of people reached - will use this indicator)
<b>Captive (as relevant)</b>		
<b>Energy efficiency (as relevant)</b>	Please choose whichever is applicable: Energy saved (GWh) through energy delivery to the grid	Energy saved during the reporting period. When available include Energy Loss Factor % - mostly applicable to T&D investments.
	Please choose whichever is applicable: Energy saved (GWh) through product sold	Energy Savings from Products Sold: Amount of energy savings over the lifetime of the product for those products that were sold by the organization during the reporting period.
	Please choose whichever is applicable: Energy saved (GWh) through service sold	Energy Savings from Services Sold: Amount of energy savings due to the organization's services that were sold during the reporting period.
<b>Other</b>	Fatalities	Number of work-related deaths, i.e. deaths occurring: a) on company premises; and b) outside of premises when work-related (i.e. occurring while doing work, or because of work being done for the company).
	Other serious accidents	Number of serious, occupational accidents during the last calendar year. A serious accident is an unexpected and unplanned occurrence, that results in more than 3 lost working days / permanent injury.

## Annex R Incident Report

E&S INCIDENT REPORT	
<b>General information</b>	
Company Name	
City and Country	
Short description of incident	
Date and time of incident	
Date SUSI notified	
Date investors notified	
Name and contact details of person reporting	
Is this/will it be publicly reported?	
<b>Incident information</b>	
Incident Classification	<input type="checkbox"/> Environmental <input type="checkbox"/> Social/Community <input type="checkbox"/> Security <input type="checkbox"/> Labour <input type="checkbox"/> Health and Safety
Incident Title	
Location of incident	
Personnel involved	
Employment status	
Alcohol/drug test	
Police investigation/inquest	
Detailed description of incident, how it happened, where and cause of incident	

Nature and extent of injury/damage/loss (on people, environment and property)	
Immediate action taken	
<b>Pertinent conditions (workplace, weather, political, etc)</b>	
<b>Details of persons involved</b>	
<b>Staff</b>	
Name	
Position	
Age	
Date of joining	
Status	
Date last attended site safety training	
Injuries/disabilities	
Dependent contacted to report incident/accident	
<b>Plant/Equipment</b>	
Description of equipment involved	
Details of any serious preventable incidents and serious infringements on this equipment in last 3 years	
Nature and extent of damage	
Last maintenance and inspection records	
<b>Events leading up to the event</b>	
<b>Consequences and mitigation</b>	
Immediate consequences	
Potential consequences	

Business interruption	
Is the activity causing the incident controlled?	
Was a risk assessment conducted before this task?	
Does a site standard or procedure exist to control this risk?	
Any recommended preventative measures for the future?	
What is the finding of the root cause analysis?	
<b>Next steps and recommendations</b>	
<b>Reporting</b>	
Reported by (SUSI): Contact at the Company: Signed by:	
Circulated to:	

## Annex S Commercial and Industrial (C&I) RE/EE Service Companies E&S Risk Management and Value Proposition on Host Companies

*[to be referenced in investment agreement]*

[C&I RE/EE service company name] is committed to sustainable development and intends to stimulate the growth of clean energy through its [renewable energy / energy efficiency] delivery to C&I businesses. Doing so [C&I RE/EE service company name] supports local and international businesses to reduce climate impacts by providing renewable energy (RE) and/or energy efficiency (EE) solutions.

[C&I RE/EE service company name] integrates in its deal sourcing and contracting activities material efforts to identify (at client side) –to the extent possible– potential corporate misconduct in terms of fraudulent practices and money laundering, corruption, indecent work (incl. child labour, modern slavery), health and safety hazards, human rights infringements, environmental pollution etc. [C&I RE/EE service company name] has the ambition to exclude engagements with clients who show such misconduct and cannot present plausible improvement plans.

Furthermore, [C&I RE/EE service company name] will respect the Exclusion List, reflected in Schedule [...] in its business development and investment strategies by focusing most of its deal sourcing activities outside the sectors and businesses mentioned on that list, ensuring not to engage with businesses formulated in the Exclusions List, either entirely (for those activities fully prohibited), or beyond the thresholds specific in the list. Regarding the latter, whenever these thresholds cannot be respected [C&I RE/EE service company name] will implement a plan to dilute its affiliations with these companies within one year time to meet the threshold criterium again, or prepare an asset exit plan to be executed within two years' time, counting from the date of contracting. In all scenarios [C&I RE/EE service company name] will not exceed 15% of net asset value per country to businesses mentioned on the [Fund name] exclusion list.

[C&I RE/EE service company name] will develop a procedure in order to (i) assess the main environmental, social and reputational risk of the host company before engaging; and (ii) ensure that whenever [C&I RE/EE service company name] foresees to engage with clients whose businesses have high E&S or reputational risk, the [C&I RE/EE service company name] will identify the major E&S and reputation risks, and reasonably consider engagement with the host company, based on the risk profile of the company, their commitment and ability to manage the identified risks and length of engagement.

The [C&I RE/EE service company name] will secure that in case of an exit, open E&S risks and impacts related to the RE/EE installations are addressed to prevent E&S legacy risks and to ensure that the new owner(s) can continue to adequately manage E&S risks associated with the RE/EE installation.