Cleantech Solar

Environmental and Social Management System (ESMS)

[This is a supplementary ESMS, which includes the requirements applicable to Rooftop Solar Projects in India]

Revisions and Version History

This page is a record of all approvals and revisions of this document. All previous versions are superseded.

Document Title:	ESMS Manual_Rooftop Solar India	**Date of Issue**	1 July 2021
Document Ref:	ESMS Manual_Rev 4_ Rooftop Solar India	**Version No:**	V4

Revision No.	Date
0	15 July 2020
1	1 September 2020
2	30 September 2020
3	31 January 2021
4	1 July 2021

Confidentiality

Contents

Definitions and Glossary

Associated Facilities	Facilities that are not funded as part of the project (funding may be provided separately by a client or a third party including the government), and whose viability and existence depend exclusively on the project and whose goods or services are essential for the successful operation of the project.
CI1	Means Climate Investor One, a financing facility for renewable energy projects in emerging markets offering an integrated funding solution. "CI1 Funds" means the Development and the Construction Equity Fund.
Community Development	The implementation of needs-based programmes designed to deliver positive and sustainable impact to project communities throughout the investment lifecycle; add to the enabling environment in which the Fund seeks to invest; enhance the profile of the Fund, create goodwill for the Fund, the Funds' existing and future investments; lay the foundations for ongoing community engagement and development; and add to the resilience of the community to future climate and economic shocks.
Core Labour Standards	The requirements as applicable on child and forced labour, discrimination and freedom of association and collective bargaining, stemming from the ILO Declaration on Fundamental Principles and Rights at Work, adopted in 1998 and covering: (i) freedom of association and the right to collective bargaining, (ii) the elimination of forced and compulsory labour, (iii) the abolition of child labour and (iv) the elimination of discrimination in the workplace.
Health, Safety, Security, Environment (HSSE) and Social	An umbrella term covering environmental, social, labour and working conditions, occupational health and safety, security and community health and safety aspects. Referred to in this document as HSSE&SP (Health, Safety, Security, Environment and Social Performance Performance).
Environmental and Social Action Plan	The environmental and social action plan agreed upon between CI1 and Cleantech/Cleantech and its project company, defining actions, responsibilities, deliverables, compliance indicators, and a timeframe for the measures required to remedy the known non-compliances of the business activities of Cleantech/its project company with the Environmental and Social Requirements and for any other measure agreed upon, as amended from time to time.
Environmental and Social Impact Assessment	An assessment of potentially significant adverse environmental and social risks and impacts. The key process elements of an ESIA generally consist of (i) initial screening of the project and scoping of the assessment process; (ii) examination of alternatives; (iii) stakeholder identification (focusing on those directly affected) and gathering of environmental and social baseline data; (iv) impact identification, prediction, and analysis; (v) generation of mitigation or management measures and actions; (vi) significance of impacts (source: IFC PS 1).
Environmental and Social Management Plan	Means the document describing is the ESIA output document which sets out the mitigation and monitoring requirements which must be implemented during construction and operation.
Environmental and Social Requirements	The stricter of (i) Environmental Law, (ii) Social Law, (iii) statutory requirements; (iv) permits and licences, (v) ILO Core Labor Standards, ILO Basic Terms and Conditions of Employment and UN Guiding Principles on Business and Human Rights (UNGP), (vi) all applicable IFC Performance Standards, and (vii) all other requirements set by this ESMS.
Good International Industry Practice	The exercise of professional skill, diligence, prudence, and foresight that would reasonably be expected from skilled and experienced professionals engaged in the same type of undertaking under the same or similar circumstances globally or regionally. The outcome of such exercise should be that Cleantech/its project employs the most appropriate technologies in the project-specific circumstances (source: IFC).
Grievance	A concern, complaint or feedback raised by any stakeholder either affected or interested in company operations. Both concerns and complaints can result from either real or perceived impacts of a company's operations.
Grievance Mechanism	A mechanism for people to raise complaints and grievances and for these to be received and resolved appropriately and in accordance with Principle 31 of the UN Guiding Principles on Business and Human Rights.
ESMS	A system describing the governance, institutional, organisational and management arrangements for appropriately addressing the HSSE&SP impacts and risks of a project.
Human Rights	Human rights are inherent in all human beings, whatever their nationality, place of residence, sex, national or ethnic origin, colour, religion, language, or any other status. Every individual is entitled to enjoy human rights without discrimination. These rights are all interrelated, interdependent and indivisible. Human rights are often expressed and guaranteed by law, in

	the form of treaties, customary international law, general principles and other sources of international law. International human rights law sets out obligations on States to act in certain ways or to refrain from certain acts, so as to promote and protect the human rights and fundamental freedoms of individuals or groups. Business can impact all human rights both positively and negatively. Source: https://www.unglobalcompact.org/
International Finance Corporation	An international organisation established in Washington, DC, USA, by Articles of Agreement among its member countries.
International Labour Organisation	The tripartite United Nations agency which brings together governments, employers and workers of its member states in common action to promote decent work throughout the world.
IFC Performance Standards	The IFC Performance Standards on Social and Environmental Sustainability (including the technical reference documents known as IFC's Environmental, Health, and Safety Guidelines), as reflected on the IFC website.
Impact	An environmental or social impact is defined as any alteration of existing conditions, adverse or beneficial, caused directly or indirectly by a project that results in a specific consequence to a resource/receptor.
Incident	An event or chain of events which caused or could have caused injury, illness, loss of assets or potential or actual damage to relationships or reputation.
Monitoring	In the context of this document, an umbrella term that includes various methods for evaluating performance including inspections and visual observations and measuring and testing to confirm performance against key performance indicators.
Near Miss	An unplanned event that did not result in injury, illness, or damage – but had the potential to do so. Only a fortunate break in the chain of events prevented an injury, fatality or damage.
Permit to Work	An authorization, usually written and on prescribed forms for various reasons. This may include hazardous works, material handling and stowing, occupying a building or a sensitive area, access to certain confined and hazardous spaces that require special protection with an aim to safeguard and protect users, employees in a workplace, or considering the safety of the general public.
Project	Project (consisting of assets and activities) in which Cleantech is or is going to be invested.
Stakeholder	Persons or groups that are directly or indirectly affected by a project as well as those that may have interests in a project and/or the ability to influence its outcome, either positively or negatively. This can refer to shareholders, investors, employees, communities, governments, industries and (international) third parties.
Stakeholder engagement	An umbrella term encompassing a range of activities and interactions between CFM and stakeholders (two-way communication) over the life of a project that are designated to promote transparent, accountable, positive, and mutually beneficial working relationships
Subcontractor	A subcontractor, sub-supplier, vendor, materials provider or other representative contracted or employed by the EPC/O&M Contractor to support the project.
Toolbox Meeting	An informal safety meeting that is part of an organization's overall safety programme. Toolbox meetings are generally conducted at the job site prior to the commencement of a job or work shift and covers special topics on safety aspects related to the specific job.
UN Guiding Principles on Business and Human Rights	The United Nations Guiding Principles on Business and Human Rights were published in 2011 as the standard of responsibility for business with regard to human rights. The UNGP are founded on three pillars: (i) the State duty to protect human rights against abuse by third parties, including business, through appropriate policies, legislation, regulations and adjudication; (ii) the corporate responsibility to respect human rights, meaning to act with due diligence to avoid infringing on the rights of others and address adverse impacts with which they are involved; and (iii) the need for greater access to effective remedy, both judicial and non-judicial, for victims of business-related human rights abuse. The focus of the UNGP is on avoiding and addressing negative impacts. Source: https://www.unglobalcompact.org/
Vulnerable Groups	Individuals or groups within the project area of influence who could experience adverse impacts more severely than others based on their vulnerable or disadvantaged status. This vulnerability may be due to an individual's or group's race, sex, language, religion, political, opinion, national or social origin, property, birth or other status. Other factors should also be considered including gender, ethnicity, culture, sickness, physical or mental disability, poverty or economic disadvantage, and dependence on unique natural resources

C&I	Commercial and Industrial
CEO	Chief Executive Officer
CFM	Climate Fund Managers

CI1	Climate Investor One
EHS	Environmental, Health and Safety
EPC	Engineering, Procurement and Construction
ESAP	Environmental and Social Action Plan
ESDD	Environmental and Social Due Diligence
ESG	Environmental and Social Governance
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
GRM	Grievance Redressal Mechanism
HSSE&SP	Health, Safety, Security, Environment and Social Performance
IFC	International Finance Corporation
IFC PS	International Finance Corporation Performance Standards
ILO	International Labour Organisation
KPI	Key Performance Indicator
O&M	Operations and Maintenance
PDCA	Plan, Do, Check, Act
PV	Photovoltaic
SEP	Stakeholder Engagement Plan
UN	United Nations
UNGP	United Nations Guiding Principles on Business and Human Rights

1. Introduction and Purpose

1.1. Introduction

This document is a manual that describes the Cleantech Solar Pte Ltd (Cleantech) Environmental and Social Management System (ESMS), and provides an overview of the policies, processes and guidelines to be implemented by Cleantech to manage the Health, Safety, Security, Environment and Social Performance (HSSE&SP) issues, risks and impacts associated with the development, construction and operation of rooftop solar photovoltaic (PV) projects in India (collectively, "the Projects").

1.2. Cleantech Commitments to HSSE&SP Management

Cleantech is committed to managing the HSSE&SP (including community health, safety and security) risks and impacts of the Projects in line with national regulatory requirements as well as international best practice standards, such as the IFC Performance Standards on Environmental and Social Sustainability (2012) (hereafter, IFC PS) and applicable World Bank Group Environmental, Health and Safety (EHS) Guidelines including relevant IFC sector-specific guidelines where available.

1.3. Purpose

This ESMS manual describes the arrangements and requirements for managing HSSE&SP impacts and risks associated with the rehabilitation, expansion and operation of the Projects. It describes the key actions required to be taken along with the responsible party.

Contractors are required to develop specific and detailed management plans and procedures to satisfactorily implement these requirements.

1.4. Scope

This ESMS manual applies to all activities to be undertaken during the development, construction and operational phases of the Projects. It applies to Cleantech, the EPC Contractors/O&M Contractors, who shall in turn ensure that the requirements are applied as relevant to all subcontractors.

The scope of application of the Cleantech ESMS as described in this document includes all health and safety, social and environmental aspects of the Projects, including the activities of Cleantech and all contractors, subcontractors, suppliers and service providers (i.e. third parties) conducting activities at the projects sites and/or on behalf of Cleantech. These third parties will implement the objectives of this ESMS through their own management systems. Whilst Cleantech may not be directly responsible for such activities, it remains ultimately accountable for the HSSE&SP aspects of any activities undertaken on its behalf.

1.5. Reference Standards

The ESMS is based on the core aspects of the ISO 9001:2015; ISO 14001:2015 and ISO 45001:2015 management standards which are developed on the basis of the of the Plan, Do, Check, Act (PDCA) management cycle (refer to Figure 1-1 below). This provides a structured approach to managing the HSSE&SP issues, risks and impacts associated with rooftop solar projects in a planned and controlled manner, and ensuring continuous improvement of the HSSE&SP performance as follows:

- Plan: Define policies and objectives, identify risks and opportunities, develop action plans and allocate financial and human resources for implementation.
- Do: Implement action plans with allocated resources.
- Check: Monitor and evaluate the adequacy of action plans and resources by measuring results against policies and objectives.

- Act: Implement corrective actions to improve performance.

Figure 1-1: Structure of ESMS

Source: IFC ESMS Implementation Handbook for Construction (2014)

1.6. Objectives of ESMS

Implementation of the ESMS enables Cleantech to comply with national legislative HSSE&SP requirements as well as international best practice and the requirements of key stakeholders (refer to Section 4 for the HSSE&SP Requirements). Specifically, the objective of the ESMS is to enable Cleantech to ensure that:

- Environmental, health, safety and security risks are adequately managed;
- HSSE&SP performance is monitored, the effectiveness of the ESMS is regularly reviewed, and management measures are continuously improved; and
- Roles and responsibilities with regard to ESMS management are clearly defined for Cleantech staff as well as those of key contractors and service providers.

1.7. Structure of This Document

The remainder of this ESMS manual is structured as follows:

Section	Title
Section 2	Solar Business Description
Section 3	Organisational Capacity, Roles and Responsibilities
Section 4	HSSE&SP Policy
Section 5	HSSE&SP Legal and Other Requirements
Section 6	HSSE&SP Risk and Impact Management in the Project Lifecycle
Section 7	HSSE&SP Operational Risk Management
Section 8	Monitoring, Reporting and Documentation
Section 9	External Communication and Disclosure

1.8. Exclusions

The scope of the ESMS and this manual excludes wind projects and ground mount solar projects, which may be separately developed by Cleantech.

1.9. Review

This ESMS manual and any associated documentation will be reviewed at least once annually and revised as required so that it remains relevant to site practices and activities and to reflect:

- Lessons learnt from accidents or incidents and continual improvements identified through periodic reviews.
- Changes to laws and regulations.
- Changes in project policies and reporting procedures.
- Changes in project activities.

2. Solar Business Description

2.1. Cleantech

Cleantech is a renewable energy developer that finances, constructs, owns and operates rooftop solar PV projects. Cleantech is headquartered in Singapore and operates across India and Southeast Asia.

Cleantech is fully committed to achieving the highest standards of HSSE&SP as an integral part of the business. Continuous improvement in HSSE&SP is regarded as one of Cleantech's key drivers for enhanced overall business performance.

The Cleantech website address is: https://cleantechsolar.com/

2.2. Investors

Cleantech receives funding from a range of investors including Climate Investor One (CI1). CI1 is a fund managed by Climate Fund Managers (CFM). For the purpose of this ESMS, the other investors in Cleantech are confidential and cannot be disclosed. Cleantech is obliged to manage its activities and operations in accordance with investor requirements which include, inter alia, adherence to the IFC PS. The requirements set out in this ESMS manual will apply for as long as CI1 is an investor in Cleantech.

2.3. Overview of Projects

The rooftop solar projects will be installed on brownfield commercial and industrial (C&I) buildings in India.

The offtakers are mainly in the manufacturing sector (e.g., automotive, aviation and aerospace, agricultural, building and construction, chemicals, food and beverage, textile, pharmaceuticals) as well as commercial, engineering, and education.

For each rooftop installation, Cleantech enters into a leasing contract with the facility owner for the roof area on which the solar panels will be installed. The project's transformers and inverter houses are also located within the facility's premises. There are no other associated facilities (i.e., transmission line, substation). Each project is typically <1 MWp, although larger projects (e.g., on multiple roofs at industrial parks) may be up to 5 MWp.

In India, the projects are referred to as "open access power projects", which is a legal provision that enables consumers to purchase electricity directly from Independent Power Producers (IPPs) like Cleantech. Introduced in India through the Electricity Act, 2003, which aimed to promote competition and create a more transparent electricity market, the Electricity Act mandates that consumers with a connected load of certain minimum capacity (which varies across states), can choose to purchase electricity from a generator of their choice.

- Open access power is a key driver of renewable energy in India, enabling large-scale C&I consumers with significant consumption to procure renewable energy directly from IPPs through the grid, thereby making significant strides towards their sustainability targets and reducing their carbon footprint.

- Open access solar solutions or off-site solar solutions allow businesses and organisations to access renewable energy generated by solar projects located off their premises.

- Open access solar solutions are beneficial for large-scale businesses that wish to incorporate a greater percentage of renewable energy in their energy mix, without being constrained by the space available at the factory site/s. Cleantech Solar has developed dedicated solar parks in different states that cater

to the energy needs of industry-leading corporates. Power is procured by C&I consumers from these solar parks on a captive basis.

2.4. Project Locations

The Projects included in the scope of this ESMS manual comprise solar PV installations on the roofs of various existing manufacturing and warehouse facilities, which are mainly located within industrial areas in/close to cities and urban areas in different states across India.

Figure 2-1 Project Locations

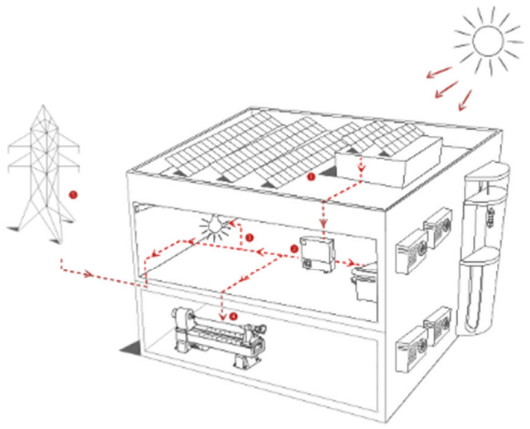
2.5. Solar Technology

The sun has produced energy for billions of years; this is called solar energy. Solar energy does not produce any pollutants and is one of the cleanest sources of renewable energy. It requires low maintenance and is easy to harness through solar photovoltaic technology (solar panels). As Asia typically receives abundant exposure to the sun, companies in Asia are in a unique position to positively reduce to their utility bills.

Solar photovoltaic (PV) technology was developed in the 1960s for space applications. This mature technology is now used in C&I rooftop and ground mount applications. The PV modules convert the sun's energy into usable electricity. The PV system is shown in Figure 2-2.

Figure 2-2 Solar Technology

- Solar PV modules are installed and positioned on the roof of buildings to get maximum solar radiation.
- The energy hitting the modules is converted into Direct Current (DC) electricity.
- The DC electricity flows through cables into inverters. These electrical devices convert DC electricity into Alternating Current (AC) electricity which is the same type used to power the majority of loads in buildings *eg. machines, computers, lighting, A/C, etc.*
- The AC electricity is then used throughout the facility and can in some cases be exported back to the grid.
- All generated AC electricity is tracked and easily accessible by the facility owner.



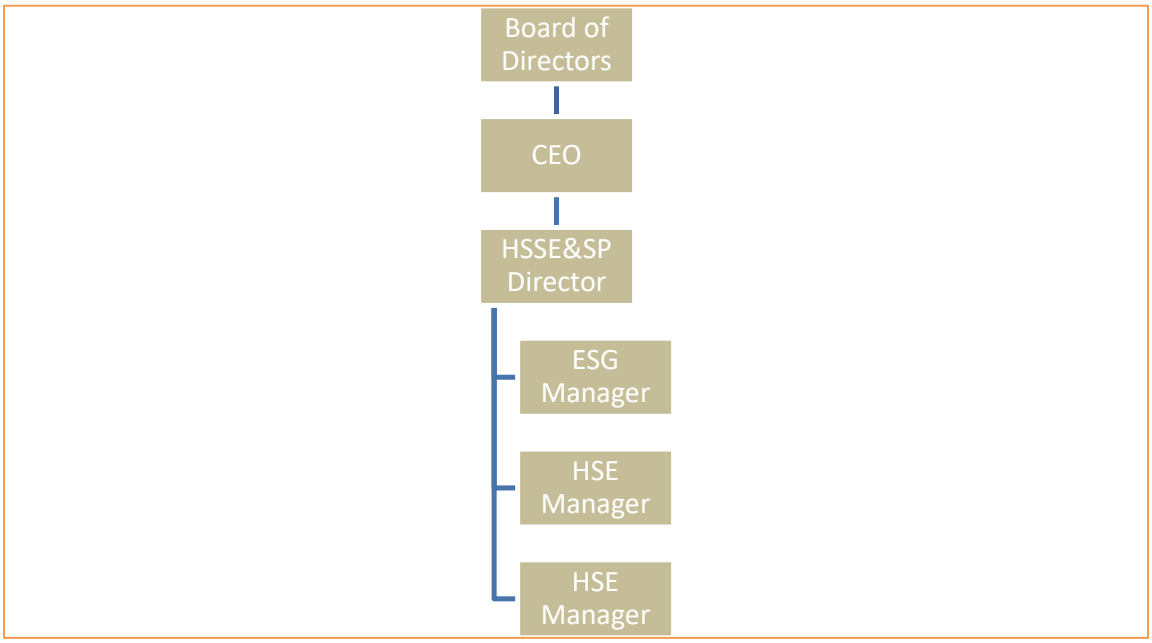
Source: Cleantech

3. Organisational Capacity, Roles and Responsibilities

3.1. Project HSSE&SP Management

Cleantech is ultimately responsible for the HSSE&SP performance of its projects and this responsibility is realised through implementation of this ESMS. HSSE&SP roles and responsibilities at Cleantech are integrated into the overall organisational structure, with clear linkages and lines of authority between the HSSE&SP staff of Cleantech as well as those of the key contractor(s) and service providers, as illustrated in **Figure 3-1**.

Figure 3-1: Organogram



3.2. HSSE&SP Roles and Responsibilities

The specific roles and responsibilities pertaining to HSSE&SP are summarised in **Error! Reference source not found.**.

Table 3-1: Roles and Responsibilities related to HSSE&SP Management

Role/Title	Responsibilities
Chief Executive Officer	The CEO is the designated management representative who has overall responsibility and accountability for the maintenance and implementation of the ESMS and is appointed into this role by the Cleantech Board of Directors.
Cleantech Board of Directors	Cleantech is governed by a Board of Directors. which reports to the Board of Directors. The Board has overall responsibility and accountability for HSSE&SP management and commitments including: • Regular (minimum on the annual basis) review and if required update of this ESMS. • Make key decisions including go / no-go decisions relating to potentially material sustainability issues, ahead of final review and investment decision by the OFC Investment Committee; Manage resources (budget and staff) for sustainability risk management procedures. • Review and approval of E&S performance reports.
HSSE&SP Director	The HSSE&SP Director reports to the Chief Executive Officer (CEO) and is responsible for: • Leading the HSSE&SP organization through planning, execution and implementation of HSSE&SP.

Role/Title	Responsibilities
	• Establishing and maintaining effective programmes, processes and procedures and to implement the ESMS. • Managing the HSSE&SP performance reporting and assurance process.
ESG Manager	The ESG Manager reports regularly to the HSSE&SP Director and is responsible for: • Implementing the programmes, processes and procedures required by the ESMS. • Co-ordinates with internal and externals stakeholder on E&S matters to ensure that the approach to HSSE&SP management is integrated and applied consistently across all project activities. This includes overseeing the E&S screening, due diligence and E&S assessment of projects.
HSE Managers	The HSE Managers report to the HSSE&SP Director and support the implementation and improvement of HSSE&SP requirements and processes, including those contained in the ESMS. This includes: • Overseeing the contractor's compliance with the HSSE&SP requirements by undertaking site visits and audits. • Ensuring that all HSSE&SP findings (including any incidents) are registered in the Cleantech database.
Cleantech Employees	All employees working for, or on behalf of Cleantech have a responsibility to ensure that they carry out their work in such a way that protects the environment. All employees should be aware of the ESMS and understand their role in implementing it.
Contractors	The Contractors are responsible for compliance with the requirements of Cleantech's ESMS relevant to the Contractor's scope of work. Every worker on Cleantech project sites is required to take responsibility in making sure the work carried out meets the HSSE&SP Requirements as set out in Section 7. The Contractor is responsible for making sure there is adequate and competent staffing, scope-specific management plans and procedures, and resources to effectively manage and implement all HSSE&SP requirements. The Contractor is wholly responsible for the implementation of an organisation that will ensure that works within the scope are adequately supervised and coordinated. The Contractor will coordinate and manage all work activities within the Site. The Contractor will appoint HSE Manager/Officer to act as a point of contact for the project construction activities and HSSE&SP-related issues. This site management team shall be identified in the contractor's project specific ESMS and their emergency contact information shall be clearly posted at the Site so that Site personnel and the surrounding community have visibility. The Contractor shall ensure that its HSE Manager/Officer is at the project site at all times during construction activity, except as reasonably required to complete the Contract scope (e.g., attending meetings or addressing social issues, and as documented in the daily report). Where the Contractor has engaged sub-contractors to carry out some of the scope of work, the Contractor is responsible for ensuring that the contractors comply with the HSSE&SP Requirements.

3.3. Competency, Training and Awareness

3.3.1 Competency and Training

Training is intended to develop appropriate knowledge, skills and behaviours which will enable individuals to become competent in their roles, to fulfil their responsibilities and required activities in their role at work. In this way, training is a key risk mitigation method for the business. Training is based on the following principles:

- Training is provided to both employees and contractors based on role, risk, and responsibilities.
- The training programme seeks to ensure competency and quality outcomes rather than only training attendance.
- The training programme focuses on the needs of the audience and uses different learning methods to cater for differing needs.

- Training is an ongoing and iterative process.

3.3.2 Training Needs Assessment

An assessment of employee training needs will be undertaken by Cleantech and its contractors to identify the type and frequency of training required for all project workers. The same will be required of all subcontractors. A Training Needs Assessment will be completed for all new project workers. This must address the risks and responsibilities including appropriate induction and skills building.

High risk groups must be identified, such as those performing safety critical roles, who require additional and immediate mitigations such as additional supervision alongside a coaching and training plan to address competency gaps. The training needs must be documented in the form of a Training Plan. These plans should be reviewed on a periodic basis, and if identified as necessary due to a risk assessment, corrective actions arising from an audit, or following the investigation into the root cause of an accident or incident.

3.3.3 Training Delivery

Training delivery is a critical consideration to ensure the effectiveness of learning and competency. Training programmes must be developed and delivered based on the outcome of the Training Needs Assessment. Training can be delivered in-house and/or through external training providers, however the following shall be considered as a minimum:

- Consideration of the audience being trained, including language and literacy abilities.
- Setting objectives (goal, purpose and intent) of the training based on the required competencies.
- Use of the most appropriate (and varied) training methods for the required competencies.
- Ensure that the trainers or facilitators are experienced and/or qualified to deliver training. Checks must be made on external trainers, such as asking for copies of relevant training certificates and references.
- Where internal courses are deployed by internal staff, 'Train the Trainer' courses shall be provided to equip trainers with the skills necessary to train on internal project requirements and practices.
- Training for significant risks shall be repeated regularly for all employees and contractors.

3.3.4 Training Design & Content

In order to be effective, trainers must spend time planning training sessions to ensure that learning objectives are clear, achievable and that training is pitched at the appropriate level, speed and tone using the appropriate style for the audience and environment. The following elements shall be considered during training:

- Existing knowledge of the audience.
- Learning objectives.
- Appropriateness of training method(s).
- Variety of training methods.
- Communication style, both verbal and non-verbal.
- Cultural awareness.
- Energy level and engagement with the audience.
- Competency verification.
- Ability to respond to questions and misunderstandings.

3.3.5 HSSE&SP Awareness

Cleantech's HSSE&SP commitments and the requirements of this ESMS will be communicated to all Cleantech employees as well as to third parties (contractors, subcontractors and service providers), and all staff employed at the project sites will be required to adhere to the requirements and procedures of this ESMS.

Third parties will be responsible for communicating the same to their own staff, and to incorporate a commitment to staff awareness, participation and training in their own management systems. Effective training is a key requirement for successful ESMS implementation and contractor(s) will be required to identify staff training needs and provide appropriate training to all workers. Training records will be kept by both Cleantech and contractor(s).

4. HSSE&SP Policy

Cleantech has documented a Health, Safety, Social and Environmental Policy ("HSSE&SP Policy") which describes the overarching commitments for managing environmental, health, safety and social aspects relating to Cleantech's business. It also describes the arrangements in place to achieve these commitments. Responsibility for implementation of the HSSE&SP Policy rests with the CEO.

The HSSE&SP Policy will be reviewed every twelve months to ensure that it remains current and applicable to Cleantech's activities. It is communicated to all Cleantech personnel and those working on its behalf. Copies of the HSSE&SP Policy are displayed in the Cleantech offices.

The following policy commitments will be applied throughout Cleantech's business operations. It is the responsibility of Cleantech and its contractors to adhere to these commitments. This policy shall be communicated to all staff working on Cleantech's projects.

HSSE&SP Commitments

Cleantech commits to:

- Continuously improving HSSE&SP at the Cleantech workplaces and projects.
- Always protect and strive for continual improvement of the health, safety and security in line with international standards.
- Avoiding and otherwise minimizing and mitigating the impacts of its activities on local communities.
- Complying with all legislation and applicable environmental, health, safety and social requirements.
- Safeguarding the environment and sustainably using and managing natural resources.
- Managing its contribution to climate change through efforts to minimize use of fossil fuels, control of emissions to atmosphere, and through energy conservation.
- Maximizing opportunities for positive environmental and social benefits to be realized through the projects.
- Assigning adequate staffing and resources to the project in order to effectively manage and implement all HSSE&SP requirements.
- Adopting governance and management arrangements so that the project can be managed in an appropriate, accountable and transparent manner.
- Monitoring and reporting on HSSE&SP performance in an effort to strive for continuous improvement.

Cleantech integrates sustainability into its business in the following ways:

- Conducts business in a safe, environment-friendly and responsible manner doing no harm to people and the environment;
- Applies international standards to manage safety, the environment and the way Cleantech staff and contractors engage with communities;
- Contributes towards a more sustainable energy future; and
- Endeavours to support community projects with an aim to make a positive contribution to society.

5. HSSE&SP Legal and Other Requirements

Cleantech is subject to a range of legal and regulatory requirements relating to HSSE&SP Management. These requirements are enforced by law and are established through legislation, permits, licences, contracts and legislated standards. Regulatory requirements include those enshrined in Acts, Regulations, or Standards/Guidelines that are given regulatory status under the legislation and may be enacted at a local, regional, state, national or international level. All legal and other requirements relevant to Cleantech are included in a register along with information regarding all permits, licenses and conditions.

5.1.1 Legal Requirements

A summary of the main applicable laws is provided below:

- Government Resolution No. Misc. – 03/2015/C.N.34/A-2 on 12th May 2015 and 30th September 2015 (for direct purchase through private negotiation);
- Maharashtra's Comprehensive Policy for Grid connected Power Projects based on New and Renewable (Non-conventional) Energy Sources, 2015;
- Environment Protection Act, 1986 and as amended;
- The Water (Prevention and Control of Pollution) Act, 1974, as amended;
- The Air (Prevention and Control of Pollution) Act 1981, as amended;
- The Noise (Regulation & Control) Rules, 2000 and as amended up to 2010;
- Solid Waste Management Rules, 2016 as amended;
- Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 as amended;
- Construction and Demolition Waste Management Rules, 2016;
- Batteries (Management and Handling) Rules, 2001;
- E-waste (Management) Rules, 2016;
- Manufacture, storage and import of hazardous chemicals (MSIHC) Rules, 1989 and as amended;
- The Factories Act, 1948 and Maharashtra Factories Rules, 1963 as amended;
- The Contract Labour (Regulation and Abolition) Act, 1970 and Central Rules 1975;
- Inter-state Migrant Workmen (Regulation of Employment and Condition of Service) Act, 1979;
- Child Labour (Prohibition and Regulation) Act, 1986;
- Bonded Labour Systems (Abolition) Act, 1976;
- Minimum Wages Act, 1948;
- Equal Remuneration Act, 1976;
- Workmen's Compensation Act, 1923;
- Indian Maternity Benefit (Amendment Act), 2017;
- Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
- Employees State Insurance Act, 1948;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- Private Security Agencies (Regulation) Act, 2005; and
- Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act (BoCW), 1996; and payment of *cess* under the BoCW Act.

5.1.2 Other Requirements

Cleantech is also required to comply with "Other" HSSE&SP Requirements relating to HSSE&SP management. These include:

- Investor (including CFM/CI1) policies, standards and guidelines;
- IFC PS including in particular the following:
    - PS 1: Assessment of Environmental and Social Risks and Impacts.
    - PS 2: Labour and Working Conditions.
    - PS 3: Resource Efficiency and Pollution Prevention.
    - PS 4: Community Health, Safety and Security.
- World Bank Group EHS Guidelines;
- IFC Workers' Accommodation: Processes and Standards;

- Relevant international treaties applicable to the host country, including UN Declaration on the Rights of Indigenous Peoples, International Covenant on Economic, Cultural and Social Rights and ILO Core Conventions, and all other ILO Conventions ratified by the host country;
- Contractual obligations agreed with investors and CFM/CI1;
- Agreements with other external stakeholders e.g., community groups and non-governmental organizations;
- Agreements with government authorities;
- Voluntary principles, standards and code of practice; and
- Industry-specific technical standards and international best practice.

6. HSSE&SP Risk and Impact Management in the Project Lifecycle

6.1. Project Lifecycle Management

HSSE&SP is highly integrated in Cleantech's overall project lifecycle management. HSSE&SP impacts, risks and opportunities are identified, evaluated, and subject to ongoing mitigation and management during each stage of the project investment process, starting from project selection and ending with exit.

6.2. Risk and Impact Management During the Project Lifecycle

Although it is expected that the overall impacts of Cleantech's projects will be positive, potential HSSE&SP risks and adverse impacts are not to be neglected. Given the nature of the investment which comprises rooftop solar installations on existing office buildings and industrial complexes in urban areas, potential impacts will be minimal, site-specific, and readily managed/mitigated. environmental and social impact assessments (ESIAs) are not required given the nature of the Projects, and the limited potential adverse impacts. The typical risks and impacts anticipated in the vast majority of Cleantech's projects include *inter alia* the following:

- Occupational health and safety (OHS) risks and incidents (from minor injuries to fatal accidents);
- Risks related to labour and working conditions, particularly in cases of multiple levels of contractors and subcontractors:
- Environmental impacts are expected to be limited to use of water for washing of the panels and disposal of waste including end of life solar panels.

Operating in the C&I business, Cleantech has no direct control over the activities and the HSSE performance of the client facilities, but can be associated with violations or poor practices, especially if these relate to illegal or excluded activities, human rights violations or material environmental incidents.

Other potential risks and impacts are considered unlikely for rooftop solar projects however the full range of potential risks (including those covered by all eight of the IFC PS) will be considered and evaluated before proceeding with a Project. The Projects will not require land (an agreement is negotiated with the property owner for use of the roof) and therefore no physical and/or resettlement impacts are anticipated. Given the siting of panels on existing industrial and commercial buildings, impacts on biodiversity, indigenous peoples and cultural heritage are not anticipated from the Projects.

There are unlikely to be community concerns with the Projects, which involve rooftop solar in private facilities in commercial and industrial areas in India. Cleantech, however, will implement a grievance mechanism as per the ESMS.

The HSSE&SP risks and potential impacts are identified and evaluated according to the process described below.

6.2.1 Impacts Associated with Rooftop Solar Projects in India

The Projects will be managed according to the following IFC Performance Standards:

- IFC Performance Standard 1: Assessment of Environmental and Social Risks and Impacts
- IFC Performance Standard 2: Labour and Working Conditions
- IFC Performance Standard 3: Resource Efficiency and Pollution Prevention
- IFC Performance Standard 4: Community Health, Safety and Security

The remaining IFC Performance Standards are unlikely to be applicable for rooftop solar projects and Cleantech will confirm this before proceeding with a project. The Projects will not require land (an agreement is negotiated with the property owner for use of the roof) and therefore no physical and/or resettlement impacts are anticipated. Given the siting of panels on existing industrial and commercial buildings, impacts on biodiversity, indigenous peoples and cultural heritage are not anticipated from the Projects.

6.2.2 Risk Screening and Categorisation

An E&S risk screening is required to be undertaken at all stages of the lifecycle of every project to inform decision making and ongoing management of risks and adverse impacts in accordance with legal and other requirements. The risk screening will be conducted in accordance with the template included in **Annex A**.

This screening will be conducted for any existing rooftop solar projects that are already operational (and which Cleantech wishes to acquire) as well as for all new (greenfield) project opportunities. The E&S risks will be assessed according to Applicable Standards and Guidelines (see Chapter 5). The screening is not intended to be a detailed assessment, but rather limited to desktop review of information.

Based on the information obtained during the desk-based E&S screening assessment, a preliminary E&S risk category will be assigned to the Project. All projects are classified into one of the four categories described in **Table 6-1**.

Since the extent of E&S risks would not be fully clear at this stage, the precautionary principle will apply and the higher of the potential risk categories will be adopted (i.e. if unsure whether the project will be Category B or C, select B). The preliminary categorisation shall be documented with the respective justification/rationale. Generally, rooftop solar Projects are expected to be categorised as B.

The categorisation of the Project will be kept under review during the due diligence and amended as new information becomes available, as appropriate.

Table 6-1 E&S Risk Categorisation Criteria[1]

Category	Risk Level	Definition and Guidance
A	High risk	The Project has potential significant adverse impacts and risks on the environment and the social conditions of the affected population and/or impacts that are diverse, irreversible or unprecedented. Such impacts and risks may affect a larger area that is beyond the site of the facility under construction, the facility itself as well as any associated facilities or the Project area in a narrower sense[2].
B+	Medium high risk	The Project is expected to have *adverse* social or environmental impacts that are generally *less significant* than those of Category A projects, but may/could extend beyond the Project site boundaries, are largely reversible and can be addressed through relevant mitigation measures or standard solutions.
B	Medium low risk	The Project is expected to have *limited adverse* social or environmental risks and impacts. The impacts and risks are generally limited to the Project site, are in most cases reversible and can usually be mitigated through relevant mitigation measures or standard solutions.
C	Low risk	The Project is expected to have *no or only minor adverse* environmental and social impacts or risks and the implementation and operation of the Project does not require any particular protection, compensation, monitoring measures or management plans.

[1] Table adapted from IFC Environmental and Social Categorisation: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/es-categorization

[2] As a principle, Cleantech will not proceed with any Category A project and would further consult with Investors if any potential Category A project is identified.

6.3. Environmental and Social Action Plan (ESAP)

Identified gaps against the Cleantech's reference standards (Section 5) will be documented along with recommendations/actions to close those gaps in an E&S Action Plan (ESAP) for implementation by the project. Actions in the ESAP will be time-bound and must be met by the project. Subsequently, Cleantech will:

a. promptly provide the investors (including CFM/CI1) with all such further information and assistance as the investors (including CFM/CI1) require facilitating agreement of each ESAP;
b. procure that each ESAP (cleared by the investors (including CFM/CI1)) is implemented within the agreed timeframe and in accordance with the terms thereof;
c. not proceed with implementing the specific components for which involuntary resettlement impacts are identified until the ESAP has been cleared and discussed with CI1;
d. promptly provide the investors (including CFM/CI1) with such information and monitoring reports as may be specified in the ESAP or as requested by the investors (including CFM/CI1) from time to time to confirm the status of the implementation of any such ESAP; and
e. provide to the investors (including CFM/CI1) as soon as possible and in any event within 5 (five) business days after any date specified in an ESAP as being the date by which the relevant event, circumstance or occurrence will be remedied, a notice which either confirms that the relevant remedial action has been completed or which provides details of the reasons why such remedial action has not been completed and the proposed steps being taken to remedy the relevant event, circumstance or occurrence.

7. HSSE&SP Operational Management

7.1. Introduction

Cleantech will implement various management programmes to meet the HSSE&SP commitments and standards adopted by Cleantech.

7.2. Operational Risk Assessment and Management

A risk assessment must be prepared for each rooftop solar project and all project personnel must be made aware of the HSSE risks identified as part of the risk assessment process and the measures that they are required to implement. Changes in the organization, management, personnel, equipment, processes or procedures have the potential to affect the HSSE&SP risks associated with the project's activities. Cleantech requires the HSSE&SP risks associated with different types of change to be assessed and controls put in place to adequately manage them.

7.3. Emergency Preparedness and Response

An emergency preparedness and response management plan has been developed for Cleantech. It is designed to:

- Ensure that emergency incidents are suitably managed and mitigated in a safe and efficient manner;
- minimize the consequence of loss when an accident has taken place (including upon the development, its occupiers, its neighbours, the wider community and the environment); and
- Evaluate if site has developed and communicated the plans to all the workers, which allow effective management of emergency.

Environmental and social incidents shall be reported to Cleantech and subsequently investigated in accordance with the requirements detailed in Cleantech's incident investigation procedure. Significant incidents must be reported to CI1 in accordance with the arrangements detailed in Section 8.7. Significant incidents shall be investigated and corrective actions and/or opportunities for improvement shall be implemented in a timely manner.

7.4. Contractor Management

Cleantech will manage contractor and other third-party HSSE&SP performance through the Project General HSSE&SP Requirements, which establish minimum requirements for HSSE&SP management and performance, including standards for HSSE&SP management and monitoring, as well as key performance indicators arising from Cleantech's HSSE&SP commitments and standards.

The contractors working on Cleantech's projects are required to operate a system that is compatible with the project ESMS. Interfaces need to be managed effectively between the contractors, Cleantech and sub-contractors so that HSSE&SP risks are minimized and performance maintained.

The Contractors' HSSE&SP Plan should describe the operational arrangements for ensuring a good standard of HSSE&SP performance is achieved.

When appropriate the Contractor will prepare a bridging document between its ESMS and Cleantech ESMS to ensure clarity in relation to roles and responsibilities and consistency in approach during normal operations and in response to incidents.

7.2.1 Contractor Management Programmes

For supplier and contractor contracts, Cleantech will ensure that the contract states that that the contractor/supplier will comply with the HSSE&SP Requirements (as applicable). Prior to engaging contractors, the contractors should review the HSSE&SP Requirements and confirm that their programs and working practices can meet the requirements. The policies, procedures, and requirements identified should be considered contractual obligations and any non-compliance should be considered a breach of contract. While applying for any work with Cleantech, each contractor and supplier must demonstrate a history of safe operations and must be prepared to provide a copy of their environment, health and safety, waste disposal related documents and programs.

Contractor(s) will be required to develop and implement management programmes specific to their activities that detail the mitigation, management and monitoring measures that the contractor(s) will implement to manage the HSSE&SP aspects, risks and impacts of their activities. Contractor management programmes must ensure compliance with the requirements of this ESMS and associated HSSE&SP commitments and objectives.

7.5. Environmental Management

Cleantech is committed to managing its impacts on the environment and to the protection of natural resources. At a corporate level, Cleantech actively promotes initiatives to reduce water use and to contribute to industry-wide innovations in the recycling and reuse of end-of-life solar panels. Project-specific requirements include the following:

- Collection and reporting of data regarding the consumption of water and energy, and the amount of waste disposed of and recycled.
- Management and monitoring of energy consumed during the construction and operating phases and implementation of an energy efficiency management plan.
- Management, monitoring and reporting of emissions to the environment (air, land and water) including both planned and unplanned (accidental) releases.
- Implementation of pollution prevention controls in accordance with an overarching emergency response plan.
- Depending on the context of the Project and any specific legal or other requirements, the Project Company shall adopt measures to protect biodiversity and natural resources.

7.6. Labour and Working Conditions

Cleantech implements a Human Resources Management Plan which describes minimum requirements for managing all aspects of labour and working conditions in accordance with IFC PS2 (Labour and Working Conditions). These requirements apply at a corporate level across all Cleantech regions, and to all projects, including contractors and subcontractors. The minimum requirements are summarised below:

- Employment contracts must set out employee rights and entitlements, including hours of work, salary, overtime, compensation, benefits, leave allowance etc.
- All employees receive compensation meeting or exceeding the amount for basic living needs, above the legal minimum and living wages in the project specific host countries in which it operates.
- A diversity and inclusion policy and supporting initiatives are in place and implemented for each project.
- All workplaces must be free from any harassment or discrimination.
- All projects must comply with all applicable laws and regulations on forced and child labour and the rights of employees to organize a union.
- All projects must implement a project-specific Occupational Health and Safety Policy.

- All workers must have options for reporting concerns and grievances. Cleantech has an online grievance redressal mechanism[3] in place named Ethicspoint where any employee can file a grievance anonymously. In addition, all projects must make a local and project-specific grievance mechanism available. All grievances and any follow-up investigation will be treated confidentially (recognizing that some disclosure may be necessary to effectively investigate the complaint). All contractors will be required to adopt the GRM.

7.7. Occupational Health, Safety and Security Management

All projects must have system in place to protect the safety, security and health of the project personnel in the work environment. To do so, the system requires programs and procedures be developed and implemented to:

- Identify and assess potential safety, health, environmental and security hazards in the work environment.
- Reduce unsafe behaviours and conditions.
- Ensure personnel suffering and occupational injury or illness is managed with the appropriate medical examination and follow-up.
- Ensure personnel are provided with the appropriate equipment, training and work environment to perform their duties in a safe, healthy and environmentally acceptable manner.

If the project requires the involvement of the security personnel, Cleantech as well as its contractors must ensure that security personnel works have been procured, contracted, trained, equipped, managed and monitored in line with local, national and international laws and that their actions comply with international standards on security and human rights.

7.8. Community Health, Safety and Security

Cleantech requires all projects to identify, evaluate and manage the potential health, safety and security risks and impacts to local communities. This requirement applies even to rooftop solar projects, in recognition of the fact that communities may be impacted during transportation of goods, materials and personnel on public roads, and the use of security guards that may interface with local communities. The following arrangements must be adopted as a minimum across all projects:

- Ensure appropriate design and construction of any off-site project infrastructure that take account of community health and safety risks, if applicable.
- Implement traffic management controls including vehicle and driver safety and movement of abnormal loads on public roads.
- Ensure emergency management planning includes consideration of community-related risk scenarios.
- Minimise risk of exposure to health and safety hazards during the off-site transportation, storage and disposal of hazardous substances and waste materials.
- Assess and manage potential gender-related risks associated with access to (including waiting areas) and use of transport provided by the project to travel to and from the project site, in particular for those working shifts during abnormal hours (i.e. not during standard or daylight hours), if applicable.
- Assess and manage potential gender-related risks associated with the temporary presence in local communities of transient (transportation) workers, if applicable.
- Select and manage security personnel on the basis of the principles of proportionality and in accordance with international guidance4 as applicable.

[3] https://cleantechsolar.com/who-we-are/sustainability/grievances/
[4] UN Code of Conduct for Law Enforcement Officials, and UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.

7.9. Human Rights

Cleantech is committed to taking all reasonable measures to assess and avoid, minimise or otherwise mitigate any adverse changes in environmental and social conditions including disproportionate impacts on any group of people as a result of their gender, age, ethnicity, disability, socio-economic status and/or other personal characteristic. Human rights must be considered as part of the project screening process (refer to the checklist included in Annex 1) and must be safeguarded in accordance with relevant human rights principles[5].

7.10. Gender equality and women's empowerment

Cleantech is committed to gender equality and has committed to mainstream gender, address local gender inequalities and challenges and empower women during its implementation. Cleantech completes the United Nations Women's Empowerment Principles Gender Gap Analysis Tool on an annual basis. The results of the tool are used by Cleantech to identify actions to advance gender equality at Cleantech, identify strengths and track progress.

7.11. Resettlement, Economic Displacement and Livelihood Restoration

Cleantech seeks to avoid physical and/or economic resettlement, however, where this is not possible, measures are required to mitigate the impact. Given the nature of the investment which comprises rooftop solar installations on existing office buildings and industrial complexes in urban areas, there is unlikely to be any physical and/or economic resettlement. If the ESDD identifies the potential for physical and/or economic resettlement additional studies have to be performed in order to identify, avoid or mitigate any potential risks.[6]

7.12. Ethnic groups and indigenous peoples

Ethnic groups and indigenous peoples are not always explicitly identified or defined in the constitution or in other regulations of a country. This is often reflected in national context where similarly a population is categorized as vulnerable and marginalized. Given the nature of the investment which comprises rooftop solar installations on existing office buildings and industrial complexes in urban areas, there is unlikely to be impacts related to ethnic groups and indigenous peoples. If the ESDD identifies issues related to ethnic groups and/or indigenous peoples, a social assessment needs to be made to classify a population as marginalized and vulnerable as a result of screening in accordance with IFC PS 1 and 7 (as applicable). If the ESDD reveals that ethnic groups and/or indigenous peoples are or may be affected by the development of a project, including potential physical and/or economic displacement, additional studies have to be performed in order to identify, avoid or mitigate any potential risks.

7.13. Community Development Programme

Cleantech is committed to delivering local community benefits and does this through its Community Development Programme. The purpose of the programme is to ensure that each project contributes to society

[5] As described in the UN guidance on the Voluntary Principles for Security and Human Rights

[6] The additional studies will include an ESIA and if the project will result in physical displacement, a Resettlement Action Plan (RAP). Where economic displacement cannot be avoided, a Livelihood Restoration Plan (LRP) must be prepared. The development of such plans requires a process of informed consultation and participation to be followed. This will involve Project-affected individuals, households and communities in the planning and implementation of the resettlement process.

in an impactful way and at the same time enjoy the ongoing support of the broader community. These programmes have to be developed on a needs-based approach involving engagement with local stakeholders.

8. Monitoring, Reporting and Documentation

8.1. Overview

Procedures for ongoing monitoring and reporting of Cleantech HSSE&SP performance will be developed and implemented based on the HSSE&SP Requirements as referenced in this ESMS.

Auditing and inspection of project activities will take place on a regular, planned basis and will consist of both internal inspections/audits (by the relevant party of their own performance) as well as by Cleantech. All contractors and third parties will define an audit process within their own ESMS that specifies: frequency, methods, how the results will be analysed/evaluated and reported, and who the results will be reported to. Procedures will also be defined for responding to instances where monitoring results indicate non-compliance with standards or key performance indicators.

8.2. Evaluation of Compliance

To meet Cleantech's commitment to compliance, audits shall be conducted to confirm ongoing compliance of the Cleantech's projects and activities against the applicable legal and other requirements.

8.3. Non-Conformity, Corrective Action & Preventive Action

A non-conformance can be identified via a number of mechanisms including audits and inspections, external complaints, environmental monitoring or employee or contractor suggestions.

Non-conformities, observations and agreed corrective actions identified shall be recorded and tracked through to closure. Where required, verification of closure is provided via follow-up audits.

Non-conformities arising from external complaints shall be managed in accordance with the project Grievance Mechanism included in the Stakeholder Engagement Plan.

8.4. HSSE&SP Management Reviews

Management Review meetings will be held by on a periodic basis to review overall HSSE&SP performance.

8.5. Environmental and Social Performance Reporting

8.5.1 Contractor Monthly Report

Cleantech will require that the contractors provide monthly data in its report to Cleantech.

Contractor Monthly Report

- Performance against the KPIs listed in Section 8.6.
- Project progress (summary of highlights and achievements, summary of recruitment and filling of key roles, a 3-month look-ahead and associated timeline, and associated HSSE&SP concerns and risks.
- Employment data disaggregated by gender (including for direct and indirect hired labour) and number of hours worked:
    - Direct Employment (total number and disaggregated by gender, skill level and migrant and local labour).
    - Indirect Employment (total number and disaggregated by gender, skill level and migrant and local labour).
    - Total number of workers living on site and details of accommodation provided onsite/offsite.
    - Details of lowest hourly wage paid.
- Person hours worked (including for contractors, subcontractors, where applicable)
- Details of stakeholder engagement activity.
- Details of community development

- Compliance with the HSSE&SP Requirements.
- Proposed corrective actions for any non-compliances.
- Confirmation that (i) all workers aware of the project grievance mechanism (ii) the workers are allowed to form and join workers organizations and bargain collectively; and (iii) all workers are insured against loss of earnings and medical in the event of an accident.

8.5.2 Quarterly HSSE&SP Report

Cleantech shall prepare a quarterly report to submit to CI1 that outlines the HSSE&SP performance of the project. A template for the report shall be provided by CI1. These reports will be sent to CI1 within 10 days of the end of each calendar quarter (i.e., 31 March, 30 June, 30 September and 31 December). The report shall present the following information:

Quarterly HSSE&SP Performance Report

- Performance against the KPIs listed in Section 8.6.
- Project progress (summary of highlights and achievements, summary of recruitment and filling of key roles, a 3-month look-ahead and associated timeline, and associated HSSE&SP concerns and risks.
- Employment data, as follows:
    - Total number and breakdown of staff employed:
        - Direct Employment (total number).
        - Permanent number of males.
        - Permanent number of females.
- Person hours worked (including for contractors, subcontractors, where applicable)
- Compliance with the HSSE&SP Requirements.
- Proposed corrective actions for any non-compliances.
- Any improvements in performance with a clear environmental benefit.
- Any improvements in performance with a clear social benefit.
- Compliance with the ESAP (if applicable).

8.5.3 Annual HSSE&SP Report

HSSE&SP performance of Cleantech will be evaluated by the investors (including CFM/CI1) on an annual basis. The benchmark for performance will be ongoing compliance against all applicable HSSE&SP Requirements. The report shall present the following information:

Annual HSSE&SP Performance Report

- Summary assessment of significant HSSE&SP risks.
- Details of key personnel (including the HSSE&SP Team).
- Status of HSSE&SP performance (including performance against the KPIs listed in Section 8.6), implementation of ESMS and agreed HSSE&SP Action Plan (if applicable).
- Annual CO_2 equivalent emissions.
- Employment data, as follows:
    - Total number and breakdown of staff employed:
        - Direct Employment (total number):
        - Permanent number of males:
        - Permanent number of females:
    - Person hours worked (including for contractors, subcontractors, where applicable)
    - Details of any retrenchment of employees in the reporting period in terms of number of employees affected and retrenchment plan (copy to be provided with report).
- Date of the last site visit for HSSE&SP auditing/assessment purposes.
- Compliance with the HSSE&SP Requirements.

- Proposed corrective actions for any non-compliances.
- Any improvements in performance with a clear environmental benefit.
- Any improvements in performance with a clear social benefit.
- Compliance with the ESAP (if applicable).
- Details of any revisions to the ESMS (provide the copy of the latest ESMS as an attachment).

8.6. Key Performance Indicators (KPIs)

Cleantech will report on a monthly basis to CI1 using the following key performance indicators (KPIs):

Health & Safety	Environment	Social/labour
- Number of fatalities - Number and severity of injuries - Number and nature of incidents involving damage to plant or property - Number and nature of near misses - Number of hazardous situations/safety observations - Number of persons inducted - Number of HSSE&SP training sessions - Lost time injury frequency, incidence, and severity rates - Number of safe person hours worked	- Number and nature of environmental incidents - Energy and water consumption - Volume of solid waste disposal - Liquid effluents discharge - Emissions to air - Improvements in performance with a clear environmental benefit	- Numbers of complaints and grievances received by internal and external stakeholders - Improvements in performance with a clear social benefit - Average working hours and wages paid (disaggregated by gender) - Cases of underage workers - Incidences of disciplinary and discrimination complaints - Employee demographics matching access to training, jobs, and wages

8.7. Incident / Accident Reporting

Should an incident or accident occur at a project site, the contractor is required to submit a notification report followed by a comprehensive investigation report in accordance with the requirements described below. Cleantech will subsequently inform the investors (including CFM/CI1) as soon as possible after becoming aware of the incident or accident.

8.7.1 Notification Report

The contractor shall notify Cleantech of any social, labour, health and safety, security or environmental incident or accident at the project. The circumstance with respect to the incident/accident should reasonably be expected to have a material adverse effect or a material adverse impact on the implementation or operation of Cleantech's operations in compliance all applicable HSSE&SP requirements. These could include for example any Environmental and Social Claim, accidents, loss of life, material breach of law, or material effect on the social or natural environment. This notification shall be made as soon as reasonably practicable and in any event within three (3) days of becoming aware of the event. The initial notification shall be made by completing a notification report [template to be provided].

8.7.2 Incident / Accident Detailed Report

As soon as reasonably practicable thereafter, but ultimately within thirty (30) days of the first notification report, the contractor shall complete an accident investigation report and share this with Cleantech. This shall specify in each case the nature of the incident/accident/occurrence and the impact or effect arising or likely to arise, and the measures being taken, or plans to be taken, to address them and prevent any future similar event.

8.7.3 Incident / Accident Progress Report

In severe cases, the contractor will keep Cleantech informed on a monthly basis of the on-going implementation of the measures as defined in the Incident / Accident Detailed Report.

8.8. Documentation and Record Control

All documentation and records including monitoring data shall be managed in line with the requirements of ISO 9001 (Quality Management System) and/or other international standards as appropriate (i.e. ISO 14001 and OHSAS 18001 (to be renamed ISO 45001)).

9. External Communication and Disclosure

9.1. Communication

As the rooftop solar projects are developed on the rooftop of existing C&I buildings, there are no communities in the direct area of influence, however, this is reviewed on a case-by-case basis in line with the project E&S screening (Section 6.2). Communication would be undertaken for specific issues/emergency situations/other matters as required (e.g. access), and this would be done in coordination with the facility operator on which the solar is installed. Cleantech discloses information about its business and activities on its website and through social media (e.g. LinkedIn).

9.2. Feedback, Complaints and Grievances

Cleantech requires a mechanism for communicating feedback, complaints and grievances. This mechanism (the 'grievance redressal mechanism' or 'GRM') must be implemented by each project for use by local stakeholders including any local communities. The grievance mechanism must provide unimpeded access to judicial or administrative remedies if available. In addition, for the purpose of CI1 funded projects, the project must also share details regarding the FMO independent complaints mechanism[7] and the Green Climate Fund (GCF) Independent Redress Mechanism (IRM)[8].

9.3. Information Disclosure

Where disclosure of information within Project communities is an ongoing process that starts in the development phase and continues throughout construction, operations, and exit.

All Cleantech projects are required to observe local legal requirements when making official public disclosures of information relating to its projects.

[7] Available online at fmo.nl/complaints
[8] Available online at irm.greenclimatefund.com

Annex A: E&S Screening Assessment Template

EHSS Risk Theme	Key Considerations	Response based on current knowledge and data available	Action Plan to Manage Potential Risk	Preliminary Risk Rating
1. Resource Availability	Is there a risk that the level or type of natural resources (e.g. water, food, and energy) could be impacted by the project and its activities?			
2. Natural Hazards	Is the project site in an area or location that could be affected by flooding, seismic activity, cyclones, or other naturally occurring hazards?			
3. Soil and Groundwater Contamination	Is the project site in an area or location that has known contamination issues and/or is there a potential for soil and groundwater issues or other serious environmental damage harming the project?			
4. Water Management	Is there an existing supply of water to the site? Is water available for panel cleaning?			
5. Protected Areas	Is the project location in an area of environmental, cultural or social sensitivity, e.g. UNESCO World Heritage Site, RAMSAR designated wetland. Is there a potential for the project to harm any protected areas?			
6. Land Acquisition	Is there a potential need for land acquisition as part of the project (whether temporary or permanent?) If yes, what planning or work has been undertaken in this regard. Has there been any recent land acquisition and are there records available?			
7. Resettlement	Is there a potential need for physical displacement of households as a result of project activities? Is there a potential need for economic displacement (e.g. loss of land for farming, inability to access place of work either temporarily or permanently)?			
8. Indigenous Peoples	Are there indigenous peoples in the proposed project area of influence? Is there a risk that the Project could affect Indigenous Peoples? Is there a potential for the project to interact with or cause an impact on indigenous peoples e.g. direct and indirect economic, social, cultural (including cultural heritage), and environmental impacts?			
9. Cultural Heritage and Knowledge	Is there any known cultural heritage in the vicinity of the project site(s) that may be impacted by the project?			
10. Human Rights	Are there any known or potential human rights issues in India? Does the government respect human rights? Is there an effective legal regime in place? Are there any known or potential human rights issues associated with the offtaker and their other operations (e.g. gross or systemic human rights or labour rights violations, deprivation of liberty, child labour)?			

EHSS Risk Theme	Key Considerations	Response based on current knowledge and data available	Action Plan to Manage Potential Risk	Preliminary Risk Rating
11. Local communities	Are there local communities near to the proposed project location? Could they be impacted during the construction and operation of the project? How could they be impacted? E.g. noise, vibration, dust, air emissions and other nuisance.			
12. Migrant Workers	Are there likely to be any migrant workers? Could the presence of migrant workers pose a risk to the health, safety and wellbeing of local community members?			
13. Traffic and Access Routes	Could local communities be affected if traffic levels were to increase and additional vehicle movements were required in order to construction, commission and ultimately operate the new facility?			
14. Communicable Diseases	Is there a risk that the disease profile of the area could be impacted by the project? Could the project and the influx of workers to the area introduce new diseases? Is there a risk of a disease pandemic that could affect the workforce?			
15. Healthcare Services	What is the current state of healthcare provision in the local area? Are services at risk of being overburdened by an increase in population resulting from the project development?			
16. Resource Availability	Does the project have the potential to impact on the availability of public services for example due to increases in population (e.g. homes, schools, food supply)?			
17. Asset Protection	Are there security risks in the project location? Will security protection be required for protection of assets and personnel? Are there any issues in relation to security and human rights associated with the security protection options that are available?			
18. Governance	Are there issues of bribery and corruption in the governance of the host country? Does this present a risk to the project and to Cleantech's anti-corruption policies? Is there any risk of any gross corruption or gross violations of business ethical principles?			
19. Regulatory Requirements	Is the project located in a jurisdiction with extensive regulations for environment, health and safety management? Are there laws in the project location that may present challenges to the project?			
20. Permitting and Licences	Are the requirements for permits and licences understood along with the statutory timelines for obtaining them?			
21. Reputation	Are there known reputational issues associated with the project partners, contractors, project sponsors or investors? Have they been responsible for or complicit in any serious environmental damage?			

EHSS Risk Theme	Key Considerations	Response based on current knowledge and data available	Action Plan to Manage Potential Risk	Preliminary Risk Rating
22. Local EHSS Resources	Is there a readily employable labour pool in the local area for the management of E&S issues? What is the standard of education and training? Will capacity building be required?			