



Environmental and Social Management System (ESMS)

Akaia Green Fuels

Revisions and Version History

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Definitions and Glossary

Akaia Green Fuels Group	Entity receiving funds from CI2 and includes all subsidiaries and project companies.
Akaia Green Fuels Group Project	Project (consisting of assets and activities) in which Akaia Green Fuels Group funds (i.e. from CI2) are or will be invested.
Akaia Green Fuels Group Project Company(ies)	Any company, partnership or other entity in which Akaia Green Fuels Group funds (i.e. from CI2) are invested. These are usually special purpose vehicles or SPVs.
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.
Climate Investor Two	Means Climate Investor Two, a financing facility for renewable energy projects in emerging markets offering an integrated funding solution. "CI2 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.
Contract	The EPC/O&M Contract for the Project between the specific Akaia Green Fuels Group Company/SPV and the EPC Contractor
Contractor	A contractor working at the Site
Core Labour Standards	The requirements as applicable to the Borrower 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, Environmental and Social	An umbrella term covering environmental, social, labour and working conditions, occupational health and safety, and community health and safety aspects. Referred to in this document as HSSE (Health, Safety, Environmental and Social).
Environmental and Social Action Plan	The environmental and social action plan agreed upon between the Fund and any 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 the 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	Environmental and Social Management Plan is the consolidation of the Project specific ESIA output document which sets out the mitigation and monitoring requirements along with inputs from the ESG team which must be implemented during construction and operation.
Environmental and Social Management System	A system describing the governance, institutional, organisational and management arrangements for appropriately addressing the HSSE impacts and risks of a Project.

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 (UNGPR), (vi) all applicable IFC Performance Standards, and (vii) all other requirements set by this ESMS.
Environmental Law	Any law, rule or regulation (including international treaty obligations) applicable in the jurisdiction of the Country concerning environmental matters and natural resource management.
Gender-based violence and harassment	Violence and/or harassment directed at people because of their sex or gender or affecting persons of a particular sex or gender disproportionately and includes sexual harassment. GBVH encompasses violence and harassment against women, girls, men and boys; people who are lesbian, gay, bisexual, transgender or intersex (LGBTI); and other individuals who do not conform to dominant perceptions of gender. Source: ILO and Solidarity Centre.
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 the project employs the most appropriate technologies in the project-specific circumstances (Source: IFC PS3).
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 UNGP.
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/
Incident	An incident is an unplanned, undesired event that hinders completion of a task and may cause injury or other damage
International Finance Corporation	International Finance Corporation is an international organisation established in Washington, DC, USA, by Articles of Agreement among its member countries.
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.
International Labour Organisation (ILO)	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.
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	The CBG project. The project details would be provided in the Project specific ESMP.
Site	The land under ownership or lease where the Project shall be located in specific villages as mentioned in respective ESMP's
Social Law	Any law, rule or regulation (including international treaty obligations) applicable in the jurisdiction of the Country concerning (i) labour, (ii) social security, (iii) the regulation of industrial relations (between government, employers and employees), (iv) the protection of occupational as well as public health and safety, (v) the regulation of public participation, (vi) the protection and regulation of ownership of land rights (both formal and traditional), immovable goods and intellectual and cultural property rights, (vii) the protection and empowerment of indigenous peoples or ethnic groups, (viii) the protection, restoration and promotion of cultural heritage, (ix) all other laws, rules and regulations providing for the protection of employees and citizens.
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

Acronyms

AC	Affected Communities
CDP	Community Development Programme
C-ESMP	Construction Environmental and Social Management Plan
CBG	Compressed Biogas
CFM	Climate Fund Managers
CI2	Climate Investor Two
CLO	Community Liaison Officer
CO ₂	Carbon dioxide
COD	Commercial Operations Date
E&S	Environmental and Social
EPC	Engineering, Procurement and Construction
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
GBVH	Gender-based violence and harassment
GIAP	Gender integration analysis and action plan
GIIP	Good International Industry Practice
GM	Grievance Mechanism
HR	Human Resources
HSSE	Health, safety, social and environmental
IFC	International Finance Corporation
IFC PS	International Finance Corporation Performance Standards
ILO	International Labour Organisation
KPI	Key Performance Indicator
LOTO	Lock Out Tag Out
MRV	Measurement, reporting and verification
NTP	Notice to Proceed
O&M	Operation and Maintenance
OMCs	Oil Marketing Companies
PC	Project Company
PPE	Personal Protective Equipment
PPM	Planned Preventative Maintenance
PTW	Permit to Work
SCADA	Supervisory Control and Data Acquisition
SEP	Stakeholder Engagement Plan
UNGP	United Nations Guiding Principles on Business and Human Rights

1. Introduction and Purpose

1.1. Introduction

This document is a manual that describes Akaia Green Fuels' Environmental and Social Management System (ESMS), including health and safety (H&S), and provides an overview of the policies, processes and guidelines to be implemented by Akaia Green Fuels, its subsidiaries and project companies to manage the health, safety, social and environmental (HSSE) issues, risks and impacts associated with their operations and activities (including during development, construction and operation of compressed biogas (CBG) projects).

1.2. Akaia Green Fuels' Commitments to Environmental and Social Management

Akaia Green Fuels is committed to managing the HSSE (including community health, safety and security) risks and impacts of its activities and 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) and applicable World Bank Group Environmental, Health and Safety (EHS) Guidelines, including relevant IFC sector-specific guidelines where available.

1.3. Purpose

This ESMS describes the arrangements and requirements for managing HSSE impacts associated with the construction and operation of its activities. 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 applies to all activities to be undertaken during the development, construction and operation phases of projects funded by Akaia Green Fuels and its subsidiaries. It also applies to the contractors and third parties who are hired to work on the projects, who shall in turn ensure that the requirements are applied as relevant to all subcontractors.

The scope of application of the Akaia Green Fuels ESMS as described in this document includes all HSSE aspects of projects funded by Akaia Green Fuels and its subsidiaries, including the activities of Akaia Green Fuels, current and future subsidiaries, and current and future project companies (hereafter referred to as "Akaia Green Fuels Group") and all contractors, subcontractors, suppliers and service providers (i.e. third parties) conducting activities at the Project site and/or on behalf of the Akaia Green Fuels Group. These third parties will implement the objectives of this ESMS through their own management systems. Whilst the Akaia Green Fuels Group may not be directly responsible for such activities; it remains ultimately accountable for the HSSE aspects of any activities undertaken on its behalf.

The projects funded by the Akaia Green Fuels Group will include CBG projects located in India.

1.5. Objectives

The ESMS manual provides a structured approach to managing the HSSE issues, risks and impacts associated with projects funded by the Akaia Green Fuels Group in a planned and controlled manner, and ensuring continuous improvement of HSSE performance, by applying the established management cycle of:

- 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.

Implementation of the ESMS will enable the Akaia Green Fuels Group to comply with national legislative HSSE requirements as well as international best practice and the requirements of key stakeholders (refer to Section 6 for the HSSE Requirements). Specifically, the ESMS will enable the Akaia Green Fuels Group to ensure that:

- Environmental, health, safety and security risks are adequately managed.
- HSSE performance is monitored, the effectiveness of the ESMS is regularly reviewed, and management measures are continuously improved; and
- Roles and responsibilities regarding HSSE management are clearly defined for Akaia Green Fuels Group staff as well as those of key contractors and service providers.

1.6. Structure of This Document

The first section of this Manual sets out the business context and overarching management processes and structure of which the ESMS is part. The remainder of the Manual is structured as follows:

Section	Title
Section 1	Introduction
Section 2	Akaia Green Fuels Group Description
Section 3	Organisational Capacity, Roles and Responsibilities
Section 4	Overview of ESMS
Section 5	Policies
Section 6	Planning
Section 7	Implementation and Management
Section 8	Monitoring and Reporting
Appendix A	Akaia Green Fuels Investment Exclusion List
Appendix B	ESG Subcommittee Protocol
Appendix C	Details on approach to ESIA (C1); Resettlement, Economic Displacement and Livelihoods (C2); Indigenous Peoples (C4); Gender (C5); Community Development (C6); Labour and Working Conditions (C7); and OHS (C8).
Appendix D	Akaia Green Fuels Grievance Mechanism

1.7. Exclusions

Currently no specific exclusions.

1.8. Review

This ESMS 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.
- If the Akaia Green Fuels Group intends to fund projects/activities unrelated to CBG projects in India.
- Changes to laws and regulations.
- Changes in project policies and reporting procedures.
- Changes in project activities.

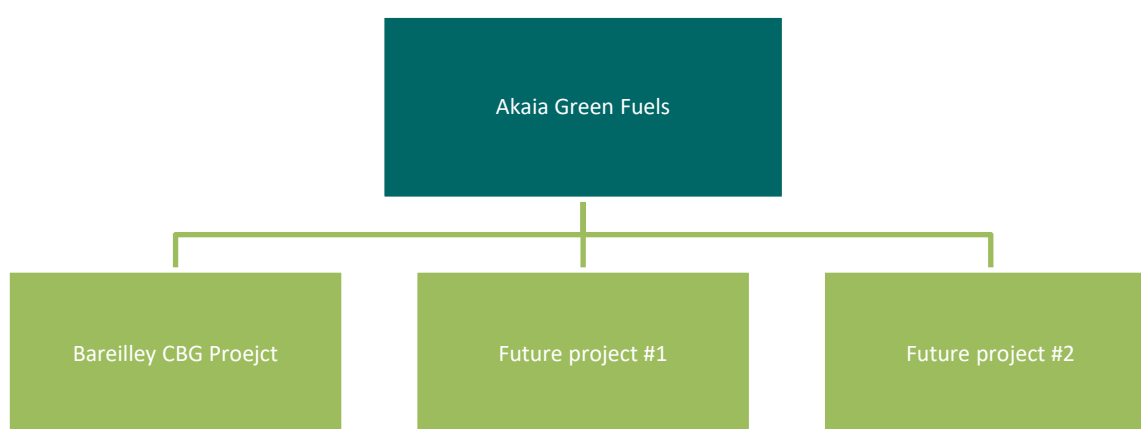
2. Akaia Green Fuels Group Description

2.1. Overview

Akaia Green Fuels is registered in India and has been operating since 2025. Through subsidiaries and special purpose vehicle (SPV) companies (i.e. project companies), Akaia Green Fuels invests in CBG projects located in India.

Akaia Green Fuels' business is in developing, constructing and operating CBG projects applying an anaerobic digestion process. The CBG produced is sold to Oil Marketing Companies (OMCs) under the CBG-CDG Synchronisation Scheme (also known as India's Green Fuel Policy).

Figure 2-1 Structure of Akaia Green Fuels Group



Akaia Green Fuels develops greenfield projects (i.e. does not undertake any brownfield projects or acquisitions).

The Akaia Green Fuels website available at: [to be updated]

Staff are hired by the project companies in India, and these include staff with experience in all required fields: HR, finance, legal, ESG, engineering, and project management.

2.2. Mission

Akaia Green Fuels' mission is to power a sustainable future by contributing to India's climate change mitigation and energy transition goals thereby displacing fossil fuel-derived energy sources with clean energy sourced from agri and food processing wastes, such as paddy straw and press mud from sugar cane processing. In addition to generating value from wastes and providing employment, the projects will offset open burning of this waste, thereby, contributing to clean air quality that will have positive impacts on human health in nearby communities.

2.3. Portfolio

2.3.1 Location

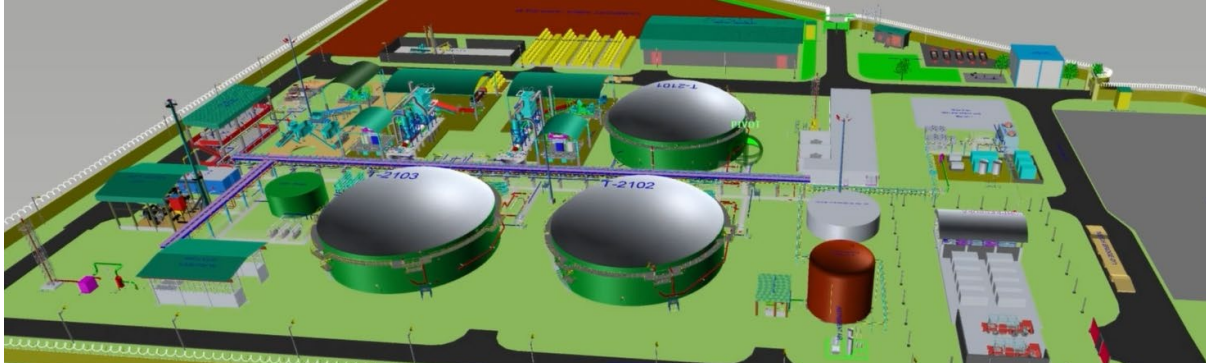
The projects and pipeline are currently located in the state of Uttar Pradesh in India. The pipeline may be developed in other states in India in the future.

2.3.2 Overview

The projects will utilize agri-waste feedstock to undergo an anaerobic digestion process, resulting in the production of biogas and leftover digestate, the latter of which can be used as fertiliser. This biogas will further

be purified to remove carbon dioxide, water vapour, and other compounds, resulting in CBG with a methane content of over 90%. CBG has a similar calorific value to compressed natural gas, making it a suitable renewable replacement.

Figure 2-2 Typical Components of a CBG Project



The CBG Plant consists of four main islands which are (1) Pre-treatment, (2) Anaerobic digestion, (3) Gas upgrade and (4) Fertilizer station. The carbon dioxide (CO₂) Plant is located within the project premise and will be operated and owned by the CO₂ offtaker.

The main process steps are:

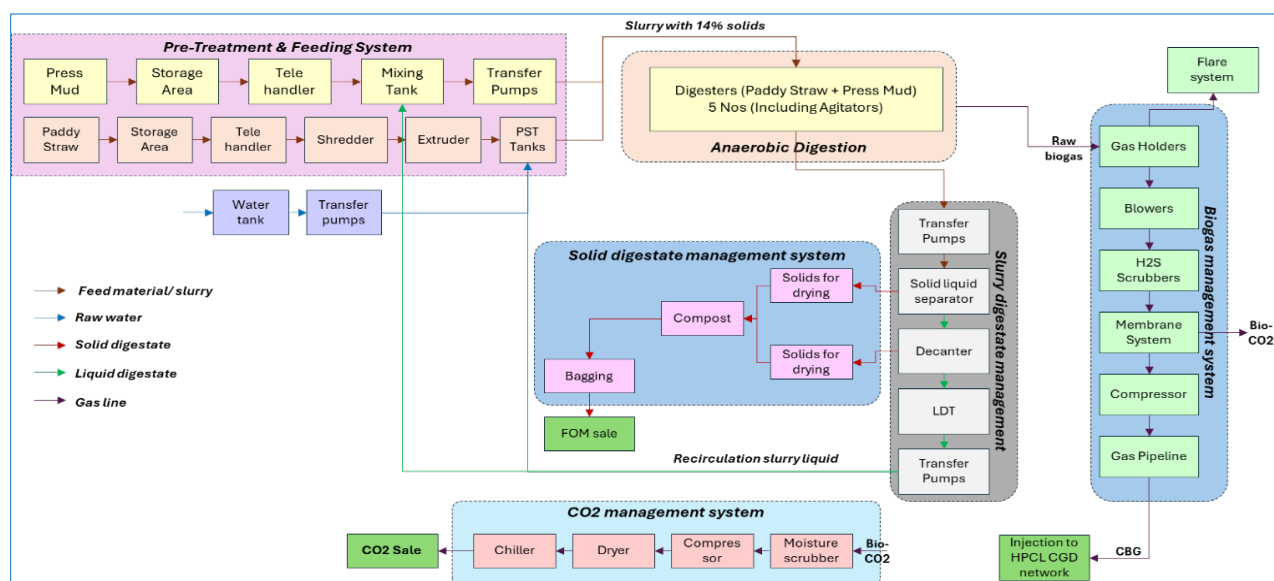
(1) Pre-treatment: the three types of feedstock, Press Mud (cake residue from sugar cane liquid filtration), Paddy Straw (rice straw) and Cow Dung are treated mechanically prior to mixing with liquid, creating a slurry form suitable for typical anaerobic digestion.

(2) Anaerobic digestion: typical anaerobic digestion of agricultural waste with cow-dung as adding agent for maintaining a balanced substrate. The digesters maintain suitable temperature, pH and hydraulic retention time to maximize the methane production. Within the process, liquid recirculation from the digestate helps achieve a zero liquid discharge from the CBG Plant.

(3) Gas Upgrade: Following Step 2, the biogas has a methane content of 55-65%. To meet the Gas grid standard requirement of 96% Methane, the gas stream undergoes a purification process. Gas purification consists of a moisture trap, scrubbing to remove contaminants, and then a multi-stage membrane system to bring the gas quality up to the offtaker's requirement by separating CO₂. The upgraded gas is then compressed prior to injection directly to the gas grid.

The separated CO₂ stream enters the CO₂ Island for further compression before producing liquified CO₂ ready for offtake transportation.

(4) Fertilizer stations: the typical fertilizer can be categorized into liquid and solid forms, digestate management is key to maintain zero liquid discharge. A multi-step solid liquid separation process maximizes the recirculation of liquid to digester to reduce freshwater consumption (with a ratio of 1:6.8 of makeup water to CBG process recirculation). The solid digestate is dried and cured before final packaging.

Figure 2-3 Simplified Plant Process Schematic

A project description will be provided in the project-specific ESMP for each project funded by the Akaia Green Fuels Group.

2.4. Impacts Associated with CBG Projects in India

CBG projects in India – including using biofuels derived from agricultural residues, organic waste, and manure - can deliver significant climate and development benefits. These projects, however, may also give rise to a range of HSSE risks and impacts across their development, construction, operation, and decommissioning phases. The ESMS is designed to provide the framework to identify, assess, and manage these risks in line with applicable national regulations and GIIP.

The current projects have been screened as B+ (in accordance with CFM's risk categorisation in the CFM ESMS) which is equivalent to International Finance Corporation (IFC) Category B. The following table provides a review against the applicable IFC Performance Standards Framework for Akaia Green Fuels' CBG projects and identifies potential HSSE risks and impacts.

IFC Standard	Performance	Description of Potential Risks	Applicability with CBG Projects in India
IFC Performance Standard 1: Assessment of Environmental and Social Risks and Impacts		HSSE risks and impacts associated with CBG projects in India are screened and assessed as part of project-level environmental and social due diligence and impact assessment. Where required, mitigation and management measures are defined in Environmental and Social Management Plans (ESMPs) and monitored throughout the project lifecycle. This ESMS provides the overarching framework to ensure that risks are systematically identified, mitigated, monitored, and reported, and that stakeholder engagement and grievance mechanisms are implemented to address community and worker concerns.	Applicable to Akaia Green Fuels' CBG projects
IFC Performance Standard 2: Labour and Working Conditions		CBG projects may employ a mix of direct workers, contractors, and informal or seasonal labour, particularly in feedstock collection and transport. Key risks may include occupational health and process safety hazards, inadequate working conditions, or the use of unregulated labour in supply chains. Policies and procedures for fair labour practices, worker health and safety, and contractor management are established to ensure compliance with national labour laws and GIIP.	Applicable to Akaia Green Fuels' CBG projects

IFC Performance Standard 3: Resource Efficiency and Pollution Prevention	Key risks associated with CBG projects in India may include air emissions (including odour and fugitive methane), wastewater generation, solid and hazardous waste management, and risks to soil and water resources. Improper handling and storage of feedstock and digestate may lead to localised pollution, vector attraction, or nutrient runoff. In biomass-based projects, there is also a risk that feedstock sourcing could contribute to unsustainable land use practices if not appropriately managed. These impacts are typically site-specific and manageable through the application of good engineering design, pollution prevention measures, and operational controls.	Applicable to Akaia Green Fuels' CBG projects
IFC Performance Standard 4: Community Health, Safety and Security	CBG projects often interact closely with local communities, particularly in rural and peri-urban areas where feedstock is sourced from farmers, aggregators, or municipalities. Potential social impacts may include increased traffic and road safety risks, nuisance impacts such as noise or odour, and occupational and community health and safety risks associated with transport, storage, and processing of organic materials and biogas. Projects may also generate positive social impacts, including local employment opportunities, additional income streams for farmers, and improved waste management practices.	Applicable to Akaia Green Fuels' CBG projects
IFC Performance Standard 5: Land Acquisition and Involuntary Resettlement	The ESMS requires that land acquisition and livelihood impacts will be avoided where possible, minimised through project design, and managed in accordance with applicable national laws and international standards where unavoidable. Akaia Green Fuels will generally develop its projects on private land and will target to avoid agricultural land, where possible. Land rights will be procured on a willing seller-willing buyer basis, or willing lessor-willing lessee basis. The presence of non-title holders (e.g. sharecroppers or labourers) and their dependence on the land will need to be reviewed on a case by case basis. Right of way for gas pipelines and transmission lines will need to be established and compensated in accordance with the law. Surveys will be undertaken to establish the presence for formal/informal land users. In addition, feedstock sourcing arrangements may affect local livelihoods if they alter existing agricultural or residue management practices.	Screened for all projects to assess applicability, but impacts can generally be avoided.
IFC Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	CBG projects typically have a limited physical footprint. Akaia Green Fuels' projects will use waste residues and therefore indirect land use change and impacts on natural habitat typically associated with biofuel projects (i.e. from growing feedstock) can be avoided. Risks to biodiversity may arise if feedstock sourcing leads to over-extraction of agricultural residues, impacts on soil health, or encroachment on sensitive habitats. The ESMS requires projects to assess biodiversity risks within their area of influence and to implement sustainable feedstock sourcing and resource management practices to avoid significant adverse impacts.	Screened for all projects to assess applicability, but impacts can generally be avoided.
IFC Performance Standard 7: Indigenous Peoples	Although India is home to many groups of IPs (Scheduled Tribes), impacts can likely be avoided through project siting. The ESMS requires projects to assess the presence of and risks associated with Indigenous Peoples/Scheduled Tribes within the project area of influence and to avoid significant adverse impacts.	Screened for all projects but are unlikely to be applicable/can be avoided.
IFC Performance Standard 8: Cultural Heritage	Impacts can likely be avoided through project siting. The ESMS requires projects to assess the presence of and risks associated with cultural heritage within the project area of influence and to avoid significant adverse impacts.	Screened for all projects but are unlikely to be applicable/can be avoided.

2.6. Investors

Akaia Green Fuels is owned by the Project Sponsor (an individual) and Climate Investor Two (“CI2”), which is a fund managed by Climate Fund Managers (“CFM”).

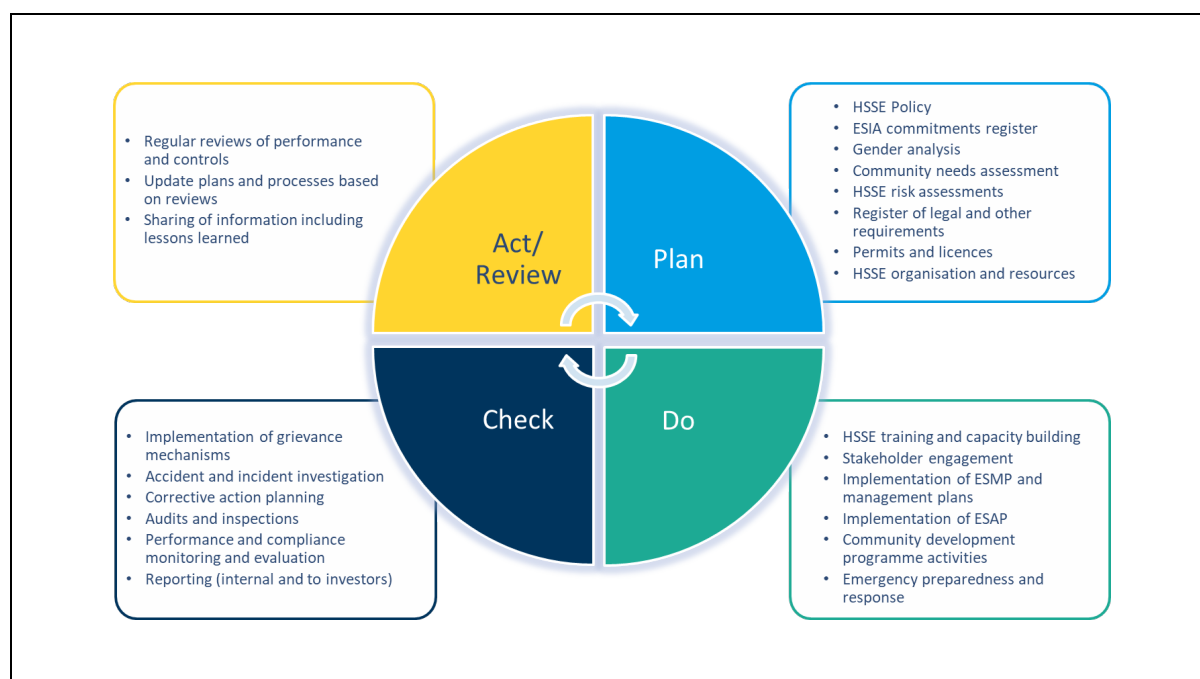
CI2 is focused on providing capital for water, sanitation and oceans sectors in developed, lower-middle income and upper-middle income countries in Africa, Asia and Latin America. As a general principle, CI2 seeks to do no harm through the projects in which it invests. This means that those projects with the most significant impacts will be considered only on the basis of rigorous assessment and clear evidence of positive impact that is aligned with a ‘do good’ philosophy. The CFM website is available at: www.climatefundmanagers.com/

3. Overview of ESMS

3.1. ESMS Structure

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 based on the of the Plan, Do, Check, Act (PDCA) management cycle. The core components of the ESMS for the construction of all Akaia Green Fuels Projects are shown in **Figure 3-1** below. All components are included in the scope of this ESMS.

Figure 3-1: Structure of ESMS



3.2. Supporting Documentation

In addition to this ESMS Manual, there are management plans, procedures and work instructions for specific activities associated with the development, construction and operation of the projects.

Supporting Documentation		
Akaia Green Fuels HSSE Policy		
Land Policy		
Sustainable Procurement Policy (also covering feedstock procurement)		
Human Resources Policy		
Legal Register		
HSSE Requirements for Contractors / Project General HSSE Requirements		
Human Resources Plan		
HSSE Training Needs Assessment and Training Plan		
Community Development Document and Case Studies		
Project Level Documents (to be available for each project and to	E&S	Environmental and Social Impact Assessment (ESIA) – to meet IFC and CFM's requirements
		Environmental and Social Management Plan (ESMP)
		Stakeholder Engagement Plan and Grievance Redressal Mechanism
		Gender and Social Inclusion (GESI) Analysis and Action Plan

reflect the relevant project stage(s))		Chance Finds Procedure
		Traffic Management Plan
		Waste Management Plan
		Emergency Preparedness and Response Plan
		Project Climate Adaptation Plan
		Community Needs Assessment
		Community Development Programme
		Environmental and Social Action Plan (ESAP)
		Human Rights Action Plan (relevant to feedstock procurement)
	HSSE	HSSE Training Needs Assessment and Training Plan
		HSSE risk register
		HSSE Compliance (legal and other requirements) Register
		Incident and Accident Reporting log, reports and evidence of follow up actions
		HSSE, Impact and GHG Reporting (in CFM/CI2's template) as per Section 8.5 of this ESMS
		Records demonstrating compliance with ESAP, including evidence of close out of actions
		Internal HSSE inspection and audit records, and evidence of follow up actions where required
		External HSSE audit reports, and evidence of follow up actions where required
		Contractor Management Plan
	Health and Safety	Contractor records relevant to health and safety and to demonstrate compliance with Health and Safety Management Procedures Incl. High Risk Activities; Security Risk Assessment; Security Management Procedure; Traffic Management Procedure; Respiratory Protection Procedure; Noise Management Procedure; Emergency Preparedness and Response Procedure; Medical Fitness Procedure; JSA and HIRA , LOTO procedure; Fire management plan and Worker Accommodation management procedure.
	Labour and working conditions / HR	Monthly HR Reporting (in CFM/CI2's template)
		Records demonstrating compliance with gender action plan
		HR, induction and training records for Akaia Green Fuels and contractors
		Contractor records relevant to labour and working conditions and to demonstrate compliance with: HSSE Communication, Consultation and Participation Procedure; Labour and Working Conditions Procedure(s); Internal Grievance Mechanism; Worker Accommodation Management Procedure; and Worker daily wages records and ESIC/PF records.
	Environment	Records demonstrating compliance with EMP and ESMP and other management plans, including environmental and social monitoring records
		Contractor records relevant to environment and to demonstrate compliance with Hazardous Materials Management Procedure; Waste Management Procedure;; Erosion and Sediment Control Procedure; Water and Wastewater Management Procedure; Air Quality Management Procedure.
	Community	Stakeholder engagement log, and supporting documents such as MOM, photos, attendee lists

		Stakeholder grievance log, and evidence of follow up actions
		Contractor records relevant to community and to demonstrate compliance with: Community Risk Assessment; and Vehicles in the Community Traffic Procedure.
		Community development programme implementation records

Templates for Tools*

E&S Screening template

ESDD RFP template

ESIA RFP template

Stakeholder Engagement Log template

Construction/O&M ESMP template

Grievance Form template

Incident Report template

HSSE performance reporting templates

External HSSE Audit RFP template

HSSE Requirements for contracts (e.g. EPC, O&M, CDP partners, suppliers, etc)

Job descriptions for HSSE personnel

CDP Partnership Checklist

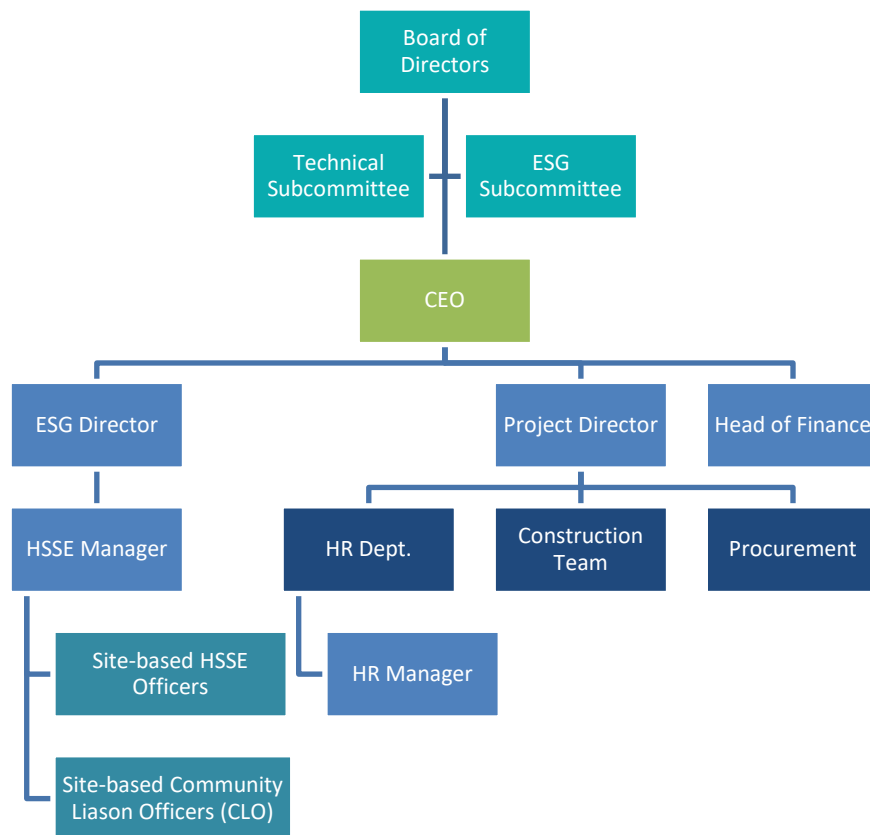
*These templates must be consistent with the CFM/CI2 templates

4. Organisational Capacity, Roles and Responsibilities

4.1. HSSE Management

Akaia Green Fuels is responsible for the HSSE performance of the projects and this responsibility is realised through implementation of this ESMS. HSSE roles and responsibilities are integrated into the overall organisational structure of the Akaia Green Fuels Group, with clear linkages and lines of authority between the HSSE staff of the Akaia Green Fuels Group as well as those of the key contractor(s) and service providers, as illustrated in **Figure 4-1**.

Figure 4-1: Akaia Green Fuels Group HSSE Organogram



4.2. HSSE Roles, Responsibilities and Authority

4.2.1 Project Governance

Akaia Green Fuels is governed by a Board of Directors. The CEO reports to the Akaia Green Fuels Board of Directors. The Akaia Green Fuels Board has delegated management and oversight of HSSE day to day matters to Akaia Green Fuels management team.

The Akaia Green Fuels Board is responsible for managing all HSSE aspects of each project, in accordance with the HSSE Requirements, including but not limited to the development of a comprehensive and effective ESMS and the implementation and on-going supervision of such ESMS. The Akaia Green Fuels Board is responsible for approving new projects for investment, subject to the projects meeting the requirements set out in the ESMS.

The ESG Subcommittee consists of four (4) members who are dedicated to ESG matters. The ESG Subcommittee shall have such ESG responsibilities as delegated to it by the Board. The ESG Subcommittee Protocol is set out in Appendix B. The ESG Subcommittee shall oversee and monitor HSSE performance of Akaia Green Fuels, including during construction and operation of projects.

4.2.2 Akaia Green Fuels Project HSSE Management Accountability

Overall responsibility for the ESMS lies with Akaia Green Fuels' Board of Directors, which establishes and maintains an organisational structure that defines further roles, responsibilities, and authority to implement the ESMS in all the stages/phases of the project lifecycle.

The Board of Directors has the following responsibilities for HSSE: -

- Regular (minimum on the annual basis) review and if required update of this ESMS;
- Ensure compliance with the HSSE Requirements, including implementation of the ESMS;
- Make key decisions (including go / no-go decisions) relating to potentially material HSSE issues;
- Ensure adequate resources (budget and staff) for HSSE risk management procedures; and
- Formal review of HSSE issues for each investment and incorporating this into the investment decision-making process.

Akaia Green Fuels CEO and Project Director have the designated management representative who has day-to-day responsibility and accountability for the maintenance and implementation of the ESMS and is appointed in this role by the Akaia Green Fuels Board.

The Akaia Green Fuels CEO has the following responsibilities for HSSE: -

- Lead and provide oversight to the HSSE, technical, HR and operational teams in their coverage over HSSE matters;
- Make day-to-day decisions as required to manage or resolve HSSE issues;
- Consider HSSE capacities (willingness, technical capacities, previous experience) during the selection of contractors, suppliers and partners;
- Ensure integration of HSSE management clauses (consistent with the HSSE Requirements set out in this ESMS and the Akaia Green Fuels HSSE Management Requirements for Contractors) in contractual documentation; and
- Raise awareness of HSSE topics by addressing these topics in all meetings and ensuring HSSE is on the agenda.
- Responsible for implementation of the External Grievance Mechanism (refer to Appendix D).

The CEO is the designated management representative who has overall responsibility and accountability for the maintenance and implementation of the ESMS and is appointed in this role by the Akaia Green Fuels Board of Directors.

A Project Director is appointed by the CEO to be responsible and accountable for HSSE.

4.2.3 ESG Director and HSSE Manager

The Akaia Green Fuels ESG Director is responsible for establishing and maintaining effective programmes, processes and procedures and to implement the ESMS. The Akaia Green Fuels ESG Director and HSSE Manager co-ordinates with the EPC/O&M contractors and other Akaia Green Fuels-hired contractors/service providers to ensure that the approach to HSSE management is integrated and applied consistently across all Akaia Green Fuels Project activities. The ESG Director reports regularly to the CEO.

The Akaia Green Fuels ESG Director has the following responsibilities: -

- Lead E&S screening and due diligence for each new project and identifying the preliminary E&S categorisation, with support from external consultants;
- Developing the terms of reference for E&S scopes of work and overseeing the work of consultants;
- Ensuring that consultants with adequate experience are engaged for specialised studies;
- Day-to-day responsibility for HSSE performance and oversight across Akaia Green Fuels and Akaia Green Fuels projects;
- Ensuring that stakeholder engagement is conducted, the grievance mechanism is implemented and records are maintained, including in relation to the feedstock supply chain;
- Ensuring timely disclosure of project and E&S information to stakeholders;
- Provide/facilitate HSSE training and HSSE support to Akaia Green Fuels teams and contractors;
- Ongoing maintenance and implementation of the ESMS, including overseeing implementation of the ESMS and all HSSE commitments at project level;
- Development/quality control of training materials for Akaia Green Fuels-internal staff and for contractors as well as delivery of training on HSSE to internal staff and contractors and maintaining training records;
- Provide oversight to help ensure that E&S issues are being effectively integrated at each stage of the investment lifecycle, and within each investment across the portfolio;
- Oversee HSSE monitoring and reporting across the portfolio, including internal reporting to the Board of Directors, and external reporting to investors and other stakeholders; and
- Integrating HSSE criteria in the project monitoring process and providing ad-hoc support on the ground for contractors.

The ESG Director shall be supported by the HSSE Manager(s).

4.2.4 Site-Based HSSE Manager

The Akaia Green Fuels HSSE Manager will oversee the site HSSE programs and initiatives to ensure compliance with HSSE regulations and deployment of good international practice standards, identify and mitigate HSSE risks, and promote a culture of health and safety within the Company.

The HSSE Manager has the following responsibilities: -

- Overseeing and monitoring HSSE aspects of Akaia Green Fuels projects and contractors' activities.
- Developing H&S awareness and building a strong safety culture at Akaia Green Fuels.
- Formulation of the necessary arrangements (including but not limited to HSSE policy, procedures, risk control framework); input into final project design (if required); selection of contractors.
- Active management, monitoring and evaluation of site HSSE performance.

The HSSE Manager shall be supported by the HSSE Officer(s).

4.2.5 Site-Based HSSE Officers for Construction of Projects

Each Akaia Green Fuels Project with construction activity will have at least one dedicated Akaia Green Fuels HSSE Officer for construction, who will be responsible for managing the HSSE aspects associated with each Akaia Green Fuels' project's activities during the construction phase. A competent and experienced owner's engineer may fill the Akaia Green Fuels HSSE Officer role providing sufficient training and oversight is provided by the HSSE Manager.

The HSSE Officer will ensure compliance with the HSSE Requirements, in particular the ESMP and HSSE Management Requirements for Contractors. The HSSE Officer will conduct ongoing monitoring and evaluation of HSSE performance of the Akaia Green Fuels project's contractors and subcontractors through workplace inspections and audits including maintaining audit records. The HSSE Officer will liaise with Akaia Green Fuels Project's personnel, contractor(s) and others working on site to make sure that HSSE is being managed in an integrated and collaborative manner across all disciplines and contracting parties. Other tasks will include:

- Conduct and supervise emergency preparedness training and practice drills.
- Manage HSSE permit requirements and make sure they are up to date and renewed as required.
- Collect, compile and report HSSE performance data and information to support reporting obligations under the ESMS.
- Implement training programme and deliver training materials to the Akaia Green Fuels staff and contractor workforce.
- Report any accidents or incidents, in accordance with a defined process, provide support or oversight in relation to the investigation process, and monitor the implementation of corrective actions.

If the HSSE Officer is unable to provide sufficient oversight on the implementation of the ESMP and/or there are specific environmental and social issues to consider during construction, a separate Environmental and Social Officer/ Manager will be appointed by Akaia Green Fuels.

4.2.6 Site-Based HSSE Officers for Projects During O&M

Each Akaia Green Fuels Project with O&M activity will have at least one dedicated Akaia Green Fuels HSSE Officer for construction, who will be responsible for managing the HSSE aspects associated with each Akaia Green Fuels' project's activities during the O&M phase. A competent and experienced owner's engineer may fill the Akaia Green Fuels HSSE Officer role providing sufficient training and oversight is provided by the HSSE Manager.

The HSSE Officer will ensure compliance with the HSSE Requirements, in particular the ESMP and HSSE Management Requirements for Contractors. The HSSE Officer will conduct ongoing monitoring and evaluation of HSSE performance of the Akaia Green Fuels project's contractors and subcontractors through workplace inspections and audits including maintaining audit records. The HSSE Officer will liaise with Akaia Green Fuels Project's personnel, contractor(s) and others working on site to make sure that HSSE is being managed in an integrated and collaborative manner across all disciplines and contracting parties. Other tasks will include:

- Conduct and supervise emergency preparedness training and practice drills.
- Manage HSSE permit requirements and make sure they are up to date and renewed as required.
- Collect, compile and report HSSE performance data and information to support reporting obligations under the ESMS.
- Implement training programme and deliver training materials to the Akaia Green Fuels staff and contractor workforce.
- Report any accidents or incidents, in accordance with a defined process, provide support or oversight in relation to the investigation process, and monitor the implementation of corrective actions.

If the HSSE Officer is unable to provide sufficient oversight on the implementation of the ESMP and/or there are specific environmental and social issues to consider during construction, a separate Environmental and Social Officer/Manager will be appointed by Akaia Green Fuels.

4.2.7 Site-Based Community Liaison Officer (CLO) for Projects During Construction and O&M

Each Akaia Green Fuels project will have at least one CLO, who will act as a key interface and point of contact for the communities neighbouring the Akaia Green Fuels Project. The CLO will provide information, referral, and support and will be responsible for supporting the implementation of the SEP and the Akaia Green Fuels Project grievance redressal mechanism (GRM). The CLO will also act as a representative of the Akaia Green Fuels Project and will be expected to be familiar with the project area, communities, sensitivities, culture, facilities available in the project area and socio-economic profile. The CLO will also oversee the community development programme.

The CLO may also be required during development if there are ongoing activities related to land acquisition, early works and/or community development.

4.2.8 Akaia Green Fuels Human Resources (HR) Manager

The HR Manager will ensure the implementation of an effective HR Management Plan and Code of Conduct to meet the requirements of the labour and working conditions aspects of the HSSE requirements.

The HR Manager has the following responsibilities: -

- Establish, update, communicate, and monitor compliance with company procedures, policies, and standards.
- Ensure and improve legal compliance in human resource management.
- Plan, do, act, check and reporting progress on Akaia Green Fuels' gender initiatives, including implementation of the gender action plan.
- Develop and manage internal and external relationships and communications within the company. This includes overseeing and implementing effective grievance mechanisms and whistleblowing channels.
- Provide guidance and support the development of tools for the ESG and technical departments to verify that Akaia Green Fuels suppliers and contractors are compliant with the requirements for labour and working conditions in Akaia Green Fuels' ESMS. This will include checking that the minimum requirements for management of labour and working conditions as per Annex 5 of the HSSE Management Requirements for Contractors are met, and retaining records of these checks.
- Develop and control the annual budget plan for human resource management activities and analyse and control labour costs.
- Implement and monitor HR metrics to assess the effectiveness of HR programs and initiatives
- Develop and implement an HR system that allows for data protection of personal information.
- Develop employee training plans to meet the department and company's training objectives.

4.2.9 All Akaia Green Fuels Group Employees

All employees working for, or on behalf of Akaia Green Fuels Group 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.

4.2.10 Feedstock Procurement Team and Aggregators

All persons responsible for feedstock procurement shall carry out supplier engagement, screening, and oversight in accordance with the human rights requirements for feedstock procurement.

4.2.11 External Advisors

External E&S advisors will be hired as required to support Akaia Green Fuels with E&S due diligence, specialist studies, and ongoing monitoring. This support will be defined, facilitated and monitored by the ESG Director/Manager in coordination with CFM. The advisors will be commissioned by Akaia Green Fuels through defined terms of reference outlining the scope of work and deliverables. Prior to hiring, the advisors shall be assessed as competent in their ability to deliver the scope the work.

4.2.12 Community Development Partners

Partnerships with third party organisations can enhance Akaia Green Fuels' ability to deliver meaningful and sustainable programmes of community development. Potential partners including development organisations, academic or research institutions, CSOs, and training institutes with experience in the development need or opportunity that has been identified will be hired to deliver the community development programmes. A partnership checklist will be completed by Akaia Green Fuels before hiring a community development partner.

4.3. Contractor HSSE Management

Each contractor is responsible for compliance with the requirements of the Akaia Green Fuels' ESMS relevant to the contractor's scope of work.

Every contractor worker on the Akaia Green Fuels project site is required to take responsibility in making sure the work carried out meets the HSSE Requirements as set out in Section 6.1 and in the HSSE Management Requirements for Contractors.

The contractors are 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 requirements. The contractors are wholly responsible for the implementation of a management system that will ensure that all works within the scope are adequately supervised and coordinated. The contractors will coordinate and manage HSSE in relation to their work activities on Akaia Green Fuels Group projects.

The contractors will appoint an onsite HSSE Manager and an H&S Officer(s) to act as a point of contact for the project construction activities and HSSE-related issues. This site management team shall be identified in the EPC/O&M 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 contractors shall ensure that its H&S 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 subcontractors to carry out some of the scope of work, the contractors are responsible for ensuring that the subcontractors comply with the HSSE Requirements.

Staffing, roles and responsibilities will be elaborated in the contract and ESMP for each project/phase.

4.4. Competency, Training and Awareness

4.4.1 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.

Akaia Green Fuels staff will have the required competency to oversee and to implement the ESMS and will implement a training programme on HSSE management for the staff responsible for implementing the ESMS. The training programme will cover at least the following topics:

- International standards, IFC PS, World Bank EHS Guidelines, and ILO Core Labour Standards.
- Akaia Green Fuels' ESMS process, including roles and responsibilities, HSSE management process phases; and
- Generally anticipated HSSE risks and impacts of the Akaia Green Fuels projects.

Akaia Green Fuels will determine the need for specific and complementary technical training on risks, impacts, management, or best practices regarding environmental, social, labour or cultural aspects for Akaia Green Fuels personnel. Akaia Green Fuels will determine the frequency of complementary trainings based on the capacities and needs.

Akaia Green Fuels' Board of Directors shall ensure that adequate funds and resources are available for Akaia Green Fuels activities and approve Akaia Green Fuels' training programme.

Akaia Green Fuels will work with the Investors to ensure that specific and relevant training on HSSE risks, impacts and management are provided to relevant partners and contractors as needed to ensure effective management of the Akaia Green Fuels Project. Any material gaps in training/competency at the contractors and/or project level will be identified prior to, and addressed as required throughout project implementation.

4.4.2 Training Needs Assessment

An assessment of employee training needs will be undertaken by the relevant Akaia Green Fuels Group Company (including project companies) and the EPC/O&M 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.

4.4.3 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.

4.4.4 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.
- Trainer Competency verification.
- Ability to respond to questions and misunderstandings.

The training and the training materials will be provided in the language that is understandable to the training attendees (i.e. likely to be English or Hindi or regional language, however, this will be reviewed for each training).

4.4.5 HSSE Awareness

The Akaia Green Fuels Group HSSE commitments and the requirements of this ESMS will be communicated to all Akaia Green Fuels Group 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 Akaia Green Fuels Group companies and contractor(s).

Akaia Green Fuels will ensure that the HSSE procedures are provided in the language that is understandable to the Akaia Green Fuels staff, contractors and subcontractors (i.e. likely to be English or Hindi or regional language, however, this shall be reviewed for each scope of work and project location).

5. Arrangements for Stakeholder Engagement and Communication

5.1. Akaia Green Fuels' Key Stakeholders

Akaia Green Fuels' key stakeholders are those for whom the activities and impacts associated with Akaia Green Fuels are important. Akaia Green Fuels' key stakeholders are summarised below.¹

Stakeholder	Description
Investors (e.g. CFM and the sponsor)	Financial institutions and equity partners investing in the Akaia Green Fuels /project and monitoring environmental, social and governance (ESG) performance and compliance
Lenders & Existing Creditors	Commercial banks and investors providing debt financing, guarantees or other financial support for specific project development, implementation, and monitoring compliance with financing conditions.
Offtakers (customers)	Oil Marketing Companies (OMCs)
Affected Communities	Communities residing in and around the project area who may be positively or negatively affected by project development, construction, and operations
National Agencies and Government	Central government ministries and authorities responsible for renewable energy policy, environmental regulation, grid regulations and statutory approvals. These may include: Ministry of New and Renewable Energy (MNRE), Ministry of Power (MoP); Central Electricity Authority (CEA), Solar Energy Corporation of India (SECI); Central Electricity Regulatory Commission (CERC); Ministry of Environment, Forest & Climate Change (MoEF&CC) (<i>if applicable</i>), Central Pollution Control Board (CPCB) (<i>if applicable</i>), Grid India/NLDC (for grid connectivity and scheduling).
State Agencies and Government	State-level departments and agencies responsible for project approvals, land, environment, energy regulation, and grid connectivity within the project state. These may include: State Energy Department: State Renewable/Nodal Agency (e.g., UPNEDA, RRECL, GEDA etc.); State Electricity Regulatory Commission (SERC), State DISCOM (power purchaser and connectivity), State Transmission Utility (STU); State Pollution Control Board (SPCB) (<i>if required</i>), Department of Industries, State Load Dispatch Centre (SLDC).
District Agencies and Government	District-level administrative authorities responsible for local permits, land records, construction support, and coordination with local People's Committee, infrastructure and services. These may include: District Magistrate (DM), Sub-Divisional Magistrate (SDM), Tehsildar/Revenue Department (land and conversion), District Industries Centre (DIC), Executive Engineer–DISCOM (local connectivity), District Forest Office (<i>if applicable</i>), District Pollution Office (<i>if applicable</i>).
Local Agencies and Government	Local governance bodies such as Village Panchayats, Municipal authorities, Police station, and Irrigation departments involved in local coordination, community engagement, community health centres, and grievance handling. These may include: Gram Panchayat/Village Panchayat, Block Development Office (BDO), Local Electricity Substation Office; Local Revenue Officials (Patwari/Lekhpal), Municipal Authority/Nagar Panchayat (<i>if project near urban area</i>).
Private sector bodies	Industry associations, transmission utilities, DISCOMs, EPC companies, and other private sector stakeholders engaged in project development, power evacuation, and operations
Non-governmental organizations (NGOs)/ Civil society organizations (CSOs),	Local or national organizations concerned with environmental protection, community welfare, sustainability, and social development in Akaia Green Fuels-funded Project activities or interested in the activities.
Media	Local and national media that may report/publish on Akaia Green Fuels project activities, sustainability initiatives, and stakeholder engagement.

¹ Project-specific stakeholders are included in the project stakeholder engagement plans

Akaia Green Fuels Staff	Direct employees engaged in Project development, engineering, construction, operations, ESG, and corporate works
Akaia Green Fuels Contractors	Entities hired to carry out activities on behalf of Akaia Green Fuels and its projects, including the EPC and O&M contractors, and subcontractors engaged for construction, installation, and maintenance of the CBG projects.
Suppliers	Potential suppliers and service providers- e.g. feedstock suppliers and vendors supplying equipment and services required for project construction and operations.
Consultants	Entities/individuals hired to carry out a specific scope of work on behalf of Akaia Green Fuels- e.g., Technical, Environmental & Social assessment and reports, legal, financial consultants engaged to support project development, compliance, and operations.

5.2. Stakeholder Engagement, Communication and Participation

Effective stakeholder engagement (through consultation and participation) ensures that stakeholders are appropriately engaged and informed of the environmental, social and other impacts which could affect them through a process of information disclosure and meaningful dialogue with the Akaia Green Fuels Group and its projects. It supports the maintenance of a constructive relationship with stakeholders on an ongoing basis. Stakeholder engagement requires both resources and investment; however, when undertaken successfully it will reduce financial and reputational risk, operational delay, increase operational value and enhance the social benefits for communities.

Arrangements for external communication are described in the project-specific Stakeholder Engagement Plans (“SEP”). The EPC/O&M contractors shall support the relevant Akaia Green Fuels Group project in the implementation of the SEP. The project-specific SEPs will be designed in accordance with IFC PS1 and provide for a programme of engagement activities to take place with external stakeholders during all project phases. Requirements for monitoring and reporting will also be included.

Akaia Green Fuels Group companies are also required to adopt measures for the effective communication and consultation with their staff and for their participation in matters that concern them. This includes engagement with workers’ representatives/committees as appropriate.

5.3. Grievance Redressal Mechanism (GRM)

5.3.1 Employee Grievances

The Human Resources Handbook includes a Worker GRM, which is to be followed by Akaia Green Fuels Group Companies for managing, handling responding and escalating any grievances received from workers. All contractors will be required to adopt this GRM as part of their ESMS.

5.3.2 External Stakeholders

Akaia Green Fuels seeks to build strong relationships with its external stakeholders and to conduct stakeholder engagement in a proactive manner in accordance with international best practice. Akaia Green Fuels recognises that stakeholders may from time to time have comments, queries or concerns about the activities of Akaia Green Fuels. Akaia Green Fuels will include the external GRM on its website and on a signboard at each project. In addition, it will be communicated to the communities nearby each project site.

The External Grievance Mechanism is described in Appendix D. The External Grievance Mechanism intended for use by external stakeholders (refer to Section 6.1) to submit feedback, complaints, and grievances including those pertaining to issues such as GBVH and SEAH. Akaia Green Fuels is committed to providing a fair, transparent and constructive process that is survivor-centred and gender-responsive. The External Grievance Mechanism is intended to address any comments, query or complaint, both formal and informal, to avoid escalation into serious grievances.

The External Grievance Mechanism is designed to manage complaints or grievances from local communities or other stakeholders affected by Akaia Green Fuels Projects. Akaia Green Fuels requires all Akaia Green Fuels Projects to implement separate, local grievance mechanisms which are intended for use by project-affected communities and other local stakeholders. Each Akaia Green Fuels Project SEP, will include a project-specific GRM, which is to be followed by Akaia Green Fuels Projects for (i) receiving and registering external grievances from stakeholders, including the affected community; (ii) screening and assessing the issues raised and determining how to address them; (iii) providing, tracking, and documenting responses, if any; and (iv) adjusting the GRM, as appropriate.

Any project-level grievances will be discussed during weekly meetings with Akaia Green Fuels and also with the ESG Subcommittee and Board of Directors at the regular meetings.

6. HSSE Requirements and Policy

6.1. HSSE Commitments

6.1.1 HSSE Policy

Akaia Green Fuels has documented a Health, Safety, Social and Environmental Policy (“HSSE Policy”) which describes the overarching commitments for managing environmental, health, safety and social aspects relating to its activities and projects. It also describes the arrangements in place to achieve these commitments. The Akaia Green Fuels HSSE Policy applies to all Akaia Green Fuels Group companies and project activities, including where undertaken by third parties (e.g. contractors, suppliers, etc.). Responsibility for implementation of the HSSE Policy rests with the CEO.

The HSSE Policy will be reviewed every twelve months to ensure that it remains current and applicable to the Akaia Green Fuels’ activities. It is communicated to all Akaia Green Fuels Group personnel and those working on its behalf through provision of training and inclusion in contractor Invitation to Tender (ITT) and start-up documentation. Copies of the HSSE Policy are displayed in Akaia Green Fuels Group offices and at project sites.

The following policy commitments will be applied throughout the Project. It is the responsibility of Akaia Green Fuels Group and contractors to adhere to these commitments. This policy shall be communicated to all Akaia Green Fuels Group project staff.

Akaia Green Fuels Group commits to:

- a) Adopting governance and management arrangements so that Akaia Green Fuels Group and the project activities can be managed in an appropriate, accountable and transparent manner.
- b) Provide leadership, oversight, and resources to implement this Policy, and assigning adequate staffing and resources to both Akaia Green Fuels Group and the projects in order to effectively manage and implement all HSSE requirements.
- c) Protecting the labour and working conditions of all those working on behalf of and for Akaia Green Fuels Group in line with good industry international practices (GIIP) and ensuring a safe and healthy workplace for its employees and contractors by integrating HSSE requirements into activities and contractor management.
- d) Avoiding and otherwise minimising and mitigating the impacts of its activities on local communities and protecting the health, safety and security of project-affected communities in line with GIIP.
- e) Avoiding and otherwise minimising and mitigating the impacts of its activities on the environment (including but not limited to land use, biodiversity, water, waste, noise, and resource consumption).
- f) Promoting efficient use of energy, water, and materials across the project lifecycle and ensuring responsible management of hazardous materials, waste, and end-of-life equipment.
- g) Managing Akaia Green Fuels Group’s contribution to climate change through efforts to minimize use of fossil fuels; control of emissions to atmosphere, and through energy conservation.
- h) Respecting at all times the human rights of all individuals including all those that work for or on behalf of the project and those who may be affected by the project including members of local communities.
- i) Mainstreaming gender equality in the Akaia Green Fuels Group and in all project activities.
- j) Maximising opportunities for positive environmental and social benefits to be realized through the projects.

- k) Monitoring and reporting on HSSE performance in an effort to strive for continuous improvement. Promoting a culture where incidents, near misses, and unsafe conditions are reported without fear of reprisal.
- l) Disclosing accurate and timely project information to its partners and stakeholders.

In order to achieve these outcomes, Akaia Green Fuels Group is committed to complying with all legislation and applicable HSSE requirements including GIIP and standards for HSSE management, including, but not limited to the International Finance Corporation (IFC) Performance Standards (PS) 2012 on Environmental and Social Sustainability and the United Nations Guiding Principles (“UNGP”) on Business and Human Rights.

These HSSE Policy Commitments shall be:

- Adhered to at all times by all persons working for or on behalf of Akaia Green Fuels Group.
- Communicated to all persons working for or on behalf of Akaia Green Fuels Group.
- Made available to relevant stakeholders.
- Reviewed periodically and updated as necessary by the Board of Directors.

6.1.2 Human Resources Handbook Policy

The Human Resources Handbook contains the principles governing labour and working conditions for Akaia Green Fuels and its projects. This also includes requirements on providing equal opportunities and presenting gender based violence and harassment (GBVH).

6.1.3 Land Policy

The policy establishes a framework for land procurement by providing clear guidance on the processes and standards to be followed, in-order to ensure that fair and transparent land procurement practices in accordance with IFC Performance Standard 5 (PS5) on Land Acquisition and Involuntary Resettlement.

6.1.4 Sustainable Procurement Policy

The Sustainable Procurement Policy sets out how Akaia Green Fuels Group integrates environmental, social, human rights, and governance considerations into all procurement and sourcing decisions, alongside cost, quality, and reliability.

The policy is consistent with the UN Guiding Principles on Business and Human Rights (UNGPs) and reflects the project’s commitment to:

- Respect internationally recognised human rights across its value chain,
- Avoid causing or contributing to adverse human rights impacts through procurement activities,
- Seek to prevent or mitigate human rights impacts directly linked to the project’s operations, products, or services by business relationships, even where the project has not contributed to those impacts.

The policy applies to all Akaia Green Fuels’-funded procurement activities, EPC contractors and subcontractors, feedstock suppliers, aggregators, and logistics providers, key service providers (e.g. plantation services, transport, waste handling, security).

6.2. HSSE Requirements

6.2.1 Legal Requirements

The Akaia Green Fuels Projects are subject to a range of legal and regulatory requirements relating to HSSE 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 the Akaia Green Fuels Projects are included in a compliance register along with information regarding all permits, licenses and conditions required during the development, construction and operation phases.

Akaia Green Fuels shall ensure all permits and licences are valid/renewed on an ongoing basis and compliance with all permit/licence conditions, including requirements for review/renewal.

A summary of applicable laws for HSSE 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.
- 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
- Waste Management Rules
- Plastic Waste Management Rules, 2016, as amended (Construction & Packaging Waste)
- 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
- Battery Waste Management Rules, 2022
- E-waste (Management) Rules, 2016, as amended 2022
- 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; and
- 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; and
- Private Security Agencies (Regulation) Act, 2005
- Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996; and payment of cess under the BoCW Act.
- Labour Codes (New Consolidated Laws) - The Code on Wages, 2019, The Occupational Safety, Health and Working Conditions Code, 2020, The Industrial Relations Code, 2020, The Code on Social Security, 2020
- The Electricity Act, 2003, as amended
- Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010, as amended
- Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations
- Grid Code Regulations (State / Central as applicable)

- Central Electricity Regulatory Commission (CERC) Regulations / State Electricity Regulatory Commission (SERC) Regulations
- Public Liability Insurance Act, 1991
- The Forest (Conservation) Act, 1980, as amended,
- The Wildlife (Protection) Act, 1972, as amended
- The Indian Telegraph Act, 1885 (for transmission lines)
- The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Land acquisition)

Where there were gaps between the applicable national/local laws and regulations, the applicable investor requirements and good international industry standards, the more stringent standards will apply.

All legal and other requirements relevant to the Akaia Green Fuels Group are included in a register along with information regarding all permits, licenses and conditions required.

Environmental Impact Assessment (EIA) in India is regulated under the Environment (Protection) Act, 1986 and implemented through the EIA Notification, 2006, as amended. The Notification requires prior Environmental Clearance (EC) for projects listed in its Schedule, based on sector and capacity thresholds, and approval is granted by the MoEF&CC or the respective State Environment Impact Assessment Authority (SEIAA).

Standalone CBG projects are not included in the Schedule to the EIA Notification, 2006, and therefore do not require prior Environmental Clearance under normal circumstances. However, EIA-related statutory approvals may become applicable where the project involves diversion of forest land, is located within or in proximity to protected areas or Eco-Sensitive Zones, falls under Coastal Regulation Zone (CRZ) areas, or where associated infrastructure (such as large transmission systems) independently falls under a scheduled category. Accordingly, while wind and solar projects generally do not trigger EIA requirements, site-specific environmental and land-use clearances must be assessed on a case-by-case basis.

6.2.2 Other Requirements

The Akaia Green Fuels Projects are also required to comply with “Other” HSSE Requirements relating to HSSE management. The HSSE Requirements required for compliance by the Akaia Green Fuels Projects include:

- Akaia Green Fuels and CFM policies, standards and guidelines.
- IFC Performance Standards.
- 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.
- International Bill of Human Rights (which includes the United Nations (“UN”) Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights).
- United Nations Guiding Principles (“UNGP”) on Business and Human Rights.
- Contractual obligations agreed with investors and CFM.
- Agreements with other external stakeholders e.g. community groups and non-governmental organizations.
- Agreements with government authorities.
- Voluntary principles, standards and code of practice.
- Industry-specific technical standards, international best practice.
- EU Taxonomy (to align with CFM’s requirements)
- The Environmental and Social Impact Assessment (ESIA) and the Project Environmental and Social Management Plan (ESMP) specific to each project, and other project management plans, as relevant.

6.3. Investment Exclusion List

Akaia Green Fuels will not provide funds to projects with activities that involve intentional degradation of the natural environment, or the production or trade in any product or activity deemed illegal under the host country laws or regulations or international conventions and agreements, or subject to international bans. Akaia Green Fuels will therefore not support any sector or any service subject to an embargo by the United Nations, European Union and/or its funders in a particular country.

The Akaia Green Fuels Exclusion List (**Appendix A**) provides a comprehensive list of activities that are not eligible for funding, or supporting via energy supply (i.e. off takers).

For new projects being considered for funding by Akaia Green Fuels, the screening against this Exclusion List will be performed as part of the initial stages of the project application. All existing Akaia Green Fuels-funded projects and off-takers will be periodically assessed against the Akaia Green Fuels Exclusion List during the monitoring.

7. Planning

7.1. HSSE Management in the Project Lifecycle and Project Approval Process

7.1.1 Process

HSSE impacts, risks and opportunities are identified, evaluated, and incorporated into each stage of the project process, starting from site selection and ending with decommissioning/exit stage. As shown in **Figure 7.1** approval of the Akaia Green Fuels Management Team is required prior to proceeding with due diligence/development. Akaia Green Fuels Board approval is also required to start construction.

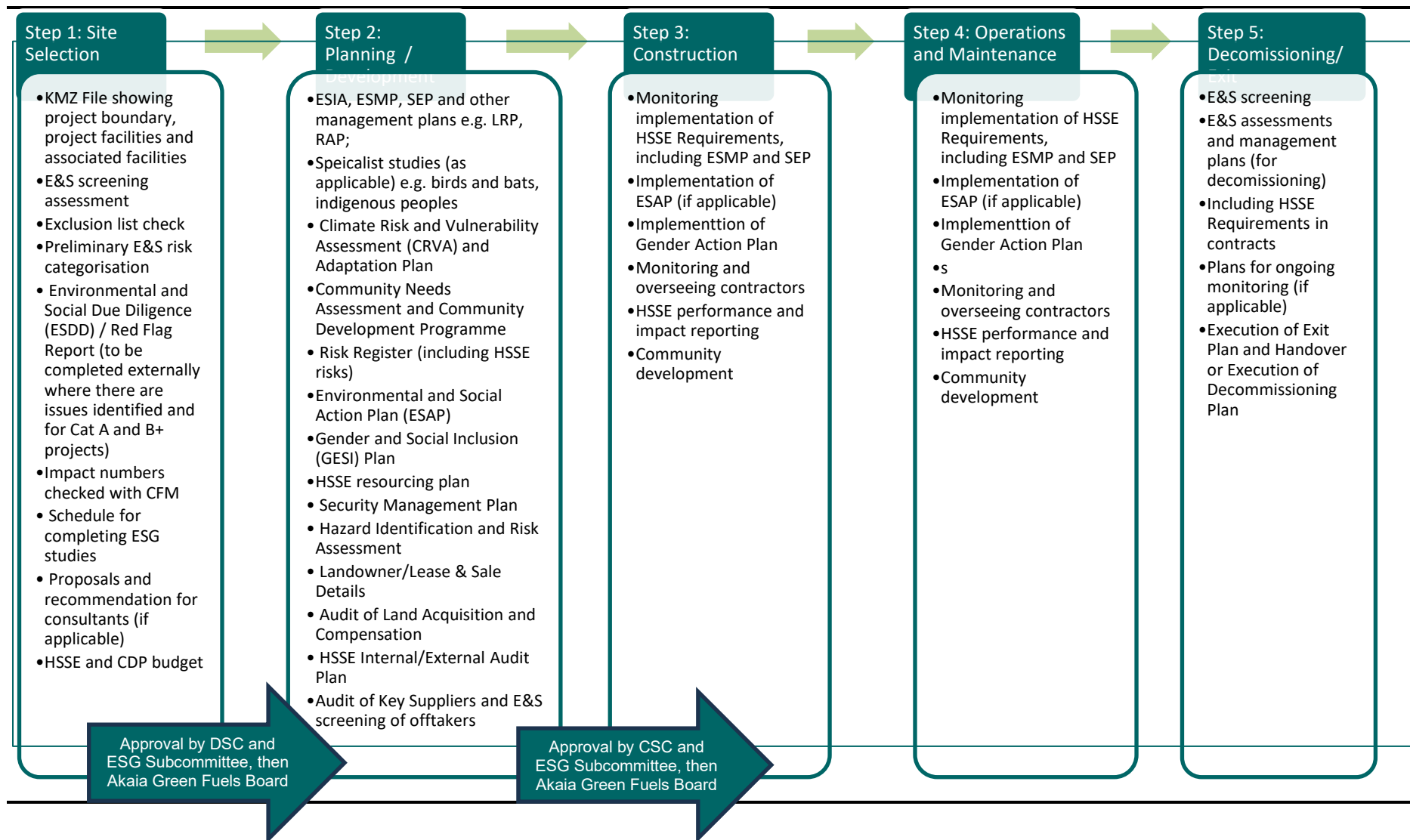
Separate approval may be required by the CFM's own investment committee before a project can be approved for investment using CI2-Funds (e.g. for development or construction financing).

Akaia Green Fuels shall provide regular updates on HSSE risks (including of pipeline and current projects) to CFM on a regular basis, including at the ESG Subcommittee meetings and at the development steering committee (DSC), construction steering committee (CSC), and operation steering committee (OSC) meetings. The ESG Subcommittee may be held at the same time as the DSC, CSC and OSC meetings, or separately.

7.1.2 Information to Present to the Investment Committee

As a minimum, the paper for new projects presented to the investment committee for approval to proceed with the development of new projects will include: E&S categorisation; summary of E&S screening results; key E&S risks; plan for next steps; budget for ESG studies; and budget for community development.

Figure 7-1: HSSE Management in the Project Lifecycle and Project Approval Process



7.2. Environmental & Social Impacts and Risks

7.2.1 Environmental and Social Risk Screening

Akaia Green Fuels will assess all potential investments (projects) for the Akaia Green Fuels Group in terms of the potential HSSE risks and the project will be assigned an E&S risk categorisation. There are four risk categories, and these are aligned with those used by CFM. They are presented in the following table. An E&S Screening Checklist will be completed.

Table 7-1 E&S Risk Categorisation

Risk Category	Description
Category A (High risk) <i>Equivalent to IFC E&S Category A</i>	Business activities with potential significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented. This category includes (but is not limited to) Projects that are a narrow highest risk subset of all Projects, which: (i) could adversely impact on critical habitat as defined in IFC PS 6, paragraphs 16-19; and/or (ii) could adversely impact on natural habitat as defined in IFC PS6, paragraphs 13-15; and/or (iii) incur complex resettlement (subset of PS5); and/or (iv) in relation to indigenous peoples, trigger the FPIC requirements of PS 7, as set out in IFC PS7, paragraphs 13-17; and/or (v) incur impacts on critical cultural heritage as defined in IFC PS8, paragraphs 13-15; and/or (vi) demonstrate a context of social and/or political conflict and/or severe security issues that pose a significant potential risk to the Project; and/or (vii) present potential significant adverse social or environmental impacts which are diverse, irreversible or unprecedented.
Category B+ (Medium high risk) <i>Equivalent to IFC E&S Category B</i>	Projects with potential adverse social or environmental impacts that are generally beyond the site boundaries, largely reversible and can be addressed through relevant mitigation measures.
Category B (Medium low risk) <i>Equivalent to IFC E&S Category B</i>	Projects with potential limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.
Category C (Low risk) <i>Equivalent to IFC E&S Category C</i>	Projects with minimal or no adverse social or environmental impact.

Where the E&S footprint of the proposed investment is not well enough understood or defined at the time of conducting the E&S risk screening, the E&S risk category will be determined on the basis of the inherent E&S risks associated with the Project type as well as the information available regarding the E&S characteristics of the planned project activities and the likely geographical setting.

Projects that are known to have significant impacts on either or both environmental and social receptors, and which are expected to be located in a sensitive environmental area or an area where significant social disruption is anticipated, will be categorised as A. Where the same Project type is to be located in a lower E&S risk setting, a risk category of B+ may be assigned but this will be determined on the basis of Project-specific information. This approach is aligned with that adopted by IFC, the World Bank, and other development finance institutions.

The screening and categorisation activities are summarised in Table 7 2.

Table 7 2 Screening and Categorisation Activities

Activity	Description
Desk-based E&S screening assessment	Completion of the E&S screening assessment (using the appropriate E&S Screening Assessment template) to determine the potential E&S risks associated with the Project and its Associated Facilities. The assessment shall also consider the E&S risks and impacts (including any potential reputational risks) associated with any other current or planned activities or developments of which the Project may form part, or be considered by external stakeholder groups (e.g. communities, NGOs, CSOs) to form part, even if they are separate from the Project².
Climate Change	All proposed Projects shall be assessed to determine their eligibility as economic activities under the EU Taxonomy Regulation ((EU) 2020/852).
Human Rights Assessment	- The <u>FMO Human Rights Toolkit</u> shall be used to conduct an evaluation of human rights contextual risks including those related to the supply chain. If required, based on the outcome of the evaluation, further specialist studies may be required as part of the due diligence process. - For all other investments, the Human Rights Toolkit shall be used when the E&S Screening Assessment indicates the risk to be Medium or High.
Indigenous Peoples Assessment	The screening phase should identify the existence of IPs in the Project's area of influence that may be potentially affected by the Project. If the screening identifies IPs, further analysis will be required both during due diligence and subsequently in the development phase.
Physical and Economic Resettlement	The screening phase should identify the presence of residential or other built structures on the Project site, and/or existing use of the land for livelihood purposes (e.g. agriculture). These may be indicative of a potential risk of resettlement impacts associated with the Project.
External Factors Review	- Review of information in the public domain to check if there is any negative social media, documentation or information in the public domain, showing unacceptable E&S management practices with the Project Developer, Sponsor or Counterparty, which could harm the reputation of the Investors or point towards the inability of a Project to obtain a 'social licence to operate'. This could include, but not be limited to, any reports of conflict, protest, serious incident, court cases etc., including negative media or other third party attention and relevant NGO agendas. - Specific concerns associated with the suppliers will also be assessed in order to determine the potential for supply chain risks to exist, in particular those relating to human rights. This review is conducted as part of the desk-based E&S screening assessment.
Exclusion List check	A review undertaken to identify any exposure to any activities that are included in the Exclusion List (Appendix A).

² Examples include the development of a project on greenfield site which may form part of a municipal master plan for development of a new port complex.

Activity	Description
Counter party E&S awareness, capacity and commitment	If there is a counterparty involved, there will be an interview with the counterparty to establish an initial understanding of their internal E&S resources, competence, and aptitude for managing E&S in accordance with Akaia Green Fuels' requirements.

All Category A (i.e. High risk) projects will be avoided as a general principle. Akaia Green Fuels would consider funding a Category A Project only if the conditions listed in **Table 7.4** can be met. If a possible Category A Project is identified, further discussion will be undertaken immediately with the ESG Subcommittee. Additional approval will be required from investors (CFM) for undertaking any Category A projects.

Table 7.4 Conditions to be met for Akaia Green Fuels to consider investment in a Category A Project

- None of the following exclusions are triggered in relation to Indigenous Peoples: (i) that would result in the involuntary physical displacement of indigenous peoples (i.e. relocation, including relocation needed as a result of loss of shelter), whether full or partial, permanent or temporary; or the economic or occupational displacement of indigenous peoples (i.e. loss of assets or access to assets that leads to loss of income sources or means of livelihood) as a result of the activities except in those exceptional cases where the requirements detailed in Appendix C3: Indigenous Peoples can be met. (ii) where there is a risk of significant impact on IP communities such that an FPIC process will be triggered (in compliance with IFC PS7). FPIC is required when any of the following would be expected to occur as a result of the Project: a) Impacts on lands and natural resources subject to traditional ownership or under customary use; b) Relocation of Indigenous Peoples from lands and natural resources subject to traditional ownership or under customary use; c) Significant impacts on critical cultural heritage that is essential to the identity and/or cultural, ceremonial, or spiritual aspects of Indigenous Peoples lives, including natural areas with cultural and/or spiritual value such as sacred groves, sacred bodies of water and waterways, sacred trees, and sacred rocks; or d) Use of cultural heritage, including knowledge, innovations or practices of Indigenous Peoples for commercial purposes. (iii) that require or may result in undesired contact with remote groups with limited external contact, also known as peoples "in voluntary isolation", "isolated peoples" or "in initial contact", including impacts to their lands, territories or ways of life. - The positive impacts of the Project would outweigh the potential adverse impacts of the Project and those associated with the no-project alternative scenario; - There is clear and convincing evidence that the Project will deliver a high development impact; - The involvement of CFM and Akaia Green Fuels during the Project development/design, ensuring adequate leverage to control the development/design of the Project in line with international standards. - The Project proponent and/or Local Project Partner has undertaken consultation and obtained the necessary input from affected communities in the line with IFC PS; - Expert capacity (to be identified by Akaia Green Fuels and CFM) will be dedicated to the mitigation and management of all identified adverse impacts of the Project; and - Impact and risk mitigation and control measures will be implemented in accordance with Akaia Green Fuels' requirements

The categorisation of the Project will be kept under review during the due diligence and amended as new information becomes available, as appropriate. Where the categorisation is revised, the plans for further due diligence, E&S Action Plan items, etc. should also be reviewed and revised, where appropriate.

7.2.2 Environmental and Social Due Diligence

Once the proposed investment (project) has been approved for due diligence by the DSC, ESG Sub-committee and the Akaia Green Fuels BOARD, due diligence activities will be undertaken. The nature of the due diligence will vary and is based on the risk categorization. A visit to the Project location(s) and interviews with relevant stakeholders will be undertaken for all Projects with the exception of Category C Projects for which a desk-based review of information is likely to be sufficient.

The purpose of conducting due diligence is to confirm the required activities that will need to be undertaken in the development of the Project along with the required budget to fund these development activities. The due diligence also provides the opportunity to gather additional information and if necessary, revise the risk categorization. External consultant(s) may be appointed to conduct the due diligence assessment (i.e. particularly where there are increased E&S risks that may trigger Category B+ or A). The reference against which all Projects will be assessed is the IFC Performance Standards, along with the requirements of this ESMS, and the relevant legal framework.

The due diligence activities are described in **Table 7-2**. The scope of the due diligence assessment will cover the aspects detailed in **Table 7-3**; additional topics may be added as considered necessary for each individual investment. The findings of the due diligence will be classified in accordance with the categories described in **Table 7-4**.

Table 7-1 Due Diligence Activities

Activity	Description
Document review	A review of available information. This may involve a review of any existing reports such as a 'red flags' report, an ESIA report, etc.
Site visit (Cat. A, B+ and B Projects)	- A site visit will be conducted by Akaia Green Fuels ESG team and/or an external consultant(s)³ to further assess the potential E&S risks and impacts of the project, its Associated Facilities, and any other current or planned activities or developments of which the Project may form part, and to identify 'red flag' issues of concern. - Category C Projects will not normally be subject to a site visit.
Assessment of Project Developer E&S awareness, capacity and commitment	Interviews with key stakeholders to ascertain their internal E&S resources, competence, and aptitude for managing E&S in accordance with Akaia Green Fuels Group and its investor requirements.
Review of E&S Categorisation	During the due diligence process the E&S risk categorization will be revisited to confirm that it remains appropriate or needs to be modified on the basis of new information that may be generated.
ESAP	- The output of the due diligence assessment will be an ESAP detailing the necessary actions required to be undertaken during the development phase to address areas of concern. - On the basis of the assessment, the provisional E&S risk rating shall be confirmed. Note that in the case of Projects rated as Category A or B+ (and potentially also B), the rating will be finally confirmed once any further necessary studies (e.g. ESIA) have been completed.

³ Only consultancies that have been pre-approved by Akaia Green Fuels and CFM will be invited to tender for the due diligence assessment.

Table 7-2 Due Diligence Assessment Scope of Work

Risk Category	Description
Overview of E&S legislation	Applicable E&S legislation with which the Project needs to comply with during the planning, installation and operation phases.
Overview of requirements for E&S permits/licences and the process to follow	Identification of the relevant E&S permits required to implement the project, including requirements and applicability of the regulatory environmental (and social if included) impact assessment (EIA) process to meet applicable regulations.
Compliance of completed land acquisition	- Compliance audit of past and present activities, including on-site assessment, to identify past or present concerns. Such audits will be undertaken by an independent external consultant approved by the ESG Subcommittee. - On land acquisition and involuntary resettlement, the audit will include but not be limited to review of the process by which the screening, selection and acquisition of lands was carried out any if there are legacy issues in relation to land acquisition, and process of avoiding environmentally pristine areas or undisturbed natural areas and lands with customary and traditional rights of the ethnic communities.
Associated facilities and activities	- Identification of associated facilities and activities (as defined by IFC PS1). - Potential impacts of the facilities that are/will be managed by developer/promoter/counterparty including those that would not fall within the IFC PS1 definition of Associated Facilities but with which an association may present a risk to reputation and/or is contrary to the investors.
Project stakeholders	Description of the key project stakeholders, including confirmation of the ethnicity of the people and potential presence of indigenous peoples, ethnic minorities, and vulnerable persons.
Gender and human rights	Overview of gender and human rights issues in the country/region including potential risks associated with the Project workforce and supply chain.
Indigenous Peoples	If the existence of IP communities in the Project area is determined during the E&S screening phase, a specialist assessment will be required as part of the due diligence to confirm the presence of IP communities and the potential risk of adverse impact.
Resettlement	The due diligence should seek to confirm the presence of residential or other structures on the Project site, and any ongoing livelihood activities, as well as any other uses of the land (including but not limited to: use of ecosystem services; spiritual or religious purposes).
Supply Chain	- The due diligence assessment shall involve an assessment of the potential risks associated with the primary supply chain with a specific focus on labour, working conditions and human rights. - The assessment shall - at a minimum - take into account the different type of workers, including full time, temporary, daily, contractor and supply chain workers as defined in IFC PS2. The key objectives will be to: - understand current and potential labor risks posed by the Project activities (including any high-risk contextual issues). - assess whether the human resources policies, practices and management systems applicable to the Project are in line with IFC PS 2 requirements. - assess how the human resources policies and management systems apply across the contracting chain i.e. all (sub-)contractors and core suppliers within Project scope. - opine on the capacity of the Client and of the main contractor to comply with IFC PS2 requirements. - identify mitigation, management and monitoring measures to address the root causes of actual or potential labor issues that (are likely to) prevent compliance with IFC PS2 requirements, including a timeframe for such measures.

Risk Category	Description
Climate change	Overview of the potential climate change risks and impacts. This will be supplemented by a climate risk and vulnerability assessment which will be conducted during the development phase.
Community development opportunities	A separate community needs assessment will be commissioned, however, any community needs and opportunities identified during the course of the due diligence will also be recorded.

Table 7-3 Description of the Individual Issue Categories

Category	Definition of the Category
Red Flag Issue / Fatal Flaw	- Issues that trigger aspects of the IFC Project Exclusion List/Prohibited Activities; - Issues that are not aligned to international standards and best practices and would have a significant financial implication (> US\$ 0.5 million) to mitigate; - Issues that can result in a significant regulatory non-compliance that may have repercussions for operational shut down, significant reputational damage and/or heavy fines/criminal proceedings; - Issues that would have irreversible impacts on ecological and/or social resources or receptors; and/or - Issues that could result in potential reputational and other impacts involving international media/watchdogs.
High Risk Issue	- Issues that are not aligned to international standards and best practices and would have a major financial implication (> US\$ 0.3 million) to mitigate; - Issues that may have reputational risks for CFM and/or its assets and could lead to conflict with communities/external stakeholders; - Issues that are not aligned to the IFC Performance Standards and would have long-term repercussions in management of E&S performance of the Project (e.g. may extend outside of the typical Project development timeframe); - Issues that are/may result in regulatory non-compliances leading to fines, significant business interruption and potential criminal proceedings in extreme scenarios; and/or - Issues that could result in reputational and other impacts involving national media/watchdogs.
Medium Risk Issue	- Issues that are not aligned to international standards and best practices and could have a moderate financial implication (> US\$ 0.1 million) to mitigate; - Issues that may result in business interruption in the short-term but will not result in long-term implications for the Project; - Issues that may result in a non-compliance and/or enforcement action but can be easily remedied and will not result in long-term implications for the Project; and/or - Issues that could result in reputational and other impacts involving local/regional media/watchdogs.
Low Risk Issue	Issues that are a non-alignment with IFC Performance Standards and/or good international industry practice (GIIP), but can be readily addressed at minimal cost and will not attract adverse stakeholder/media/NGO attention.

7.2.3 Environmental and Social Impact Assessment (ESIA)

The significance of the E&S risks and impacts associated with activities and operations will be identified through an IFC-compliant Environmental and Social Impact Assessment (ESIA) process for each project which is funded by Akaia Green Fuels.

Cumulative environmental and social impacts from other existing, planned or reasonably defined developments will be included in the assessment.

Specific Requirements on Water Sustainability

The ESIA shall include an assessment of the impact on water in accordance with EU Directive 2000/60/EC. This shall include identification of environmental degradation risks related to preserving water quality and avoiding water stress with the aim of achieving good water status and good ecological potential as defined in Article 2, points (22) and (23), of EU Regulation 2020/852, in accordance with Directive 2000/60/EC⁴.

In particular, the impact assessment shall assess the impact of the water abstraction:

- On biodiversity and habitats.
- In relation to resource consumption / efficiency (e.g., energy, water loss / leakage).
- On competing water uses, which must include consideration of water sustainability and environmental flow. This should consider the potential maximum abstraction, taking in to account any seasonal variations. The calculation of the required environmental flow shall be based on the following environmental and social objectives (as well as the Applicable Standards):
- Abstraction of water for drinking water supply.
- Equitable, sustainable and efficient use of water resources.
- Maintenance of environmental flows and water quality to support the long-term condition and viability of terrestrial, riverine, wetland, lacustrine, estuarine, coastal and marine ecosystems (as applicable).
- Maintenance of the stability of beds and banks of watercourses, and the shores of waterbodies, estuaries and the coast.
- Sustain groundwater flows, preserve groundwater dependent ecosystems and maintain good groundwater quality.
- Maintenance of supply to existing users of surface and groundwater resources.
- Sustain human livelihood and wellbeing that are dependent on the water source and ecosystem.

Specific Requirements on Climate Risk and Vulnerability Assessment

The EU Taxonomy Regulation came into force in 2020 establishing six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

A robust climate risk and vulnerability assessment is required to achieve alignment with any of the six objectives.

A climate risk and vulnerability assessment shall be undertaken in line with the EU Taxonomy to:

- Identify the physical climate risks that are material to the activity by performing a robust climate risk and vulnerability assessment.

⁴ In accordance with applicable national law or international standards which pursue equivalent objectives of good water status and good ecological potential, through equivalent procedural and substantive rules, i.e. a water use and protection management plan developed in consultation with relevant stakeholders which ensures that 1) the impact of the activities on the identified status or ecological potential of potentially affected water body or bodies is assessed and 2) deterioration or prevention of good status/ecological potential is avoided or, where this is not possible, 3) justified by the lack of better environmental alternatives which are not disproportionately costly/technically unfeasible, and all practicable steps are taken to mitigate the adverse impact on the status of the body of water

- Carry out an assessment of the adaptation solutions that can reduce the identified physical climate risk.
- Prepare an adaptation plan of the solutions to be implemented by the Project/those working on the Project.

The hazards to be taken into account as a minimum are presented in the table below.

Table 7-7 Screening and Categorisation Activities

	Temperature-related	Wind-related	Water-related	Solid mass-related
Chronic	Changing temperature (air, freshwater, marine water)	Changing wind patterns	Changing precipitation patterns and types (rain, hail, snow/ice)	Coastal erosion
	Heat stress		Precipitation or hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost thawing		Saline intrusion	Solifluction
			Sea level rise	
			Water stress	
Heat wave	Cyclone, hurricane, typhoon	Drought	Avalanche	
Acute	Cold wave/frost	Storm (including blizzards, dust and sandstorms)	Heavy precipitation (rain, hail, snow/ice)	Landslide
	Wildfire	Tornado	Flood (coastal, fluvial, pluvial, groundwater)	Subsidence
			Glacial lake outburst	

Only hazards that have the potential to affect the activity within its lifetime are required to be assessed.

To comply with the EU Taxonomy Regulation, it shall be ensured that the climate risk and vulnerability assessment is:

- Based on the highest available resolution, state-of-the-art climate projections across the existing range of future scenarios.
- Consistent with the expected lifetime of the activity/Project.
- Based on best practice and available guidance for vulnerability and risk analysis.
- In line with the most recent intergovernmental Panel on Climate Change reports, scientific peer-reviewed publications, and open source or paying models.

7.2.4 Environmental and Social Management Plan (ESMP)

An IFC-compliant ESMP will be prepared for each project as an output of the ESIA process. This ESMP will detail the project-specific actions required to manage and mitigate the E&S impacts as well as the arrangements required for compliance with legal and other requirements.

The standard content of the ESMP comprises the following:

- Introduction.
- Reference standards (including relevant legal requirements).
- Project description.
- Role, responsibilities and competencies.
- Overview of arrangements for stakeholder engagement and communication.
- Description of the grievance mechanisms in place for internal and external stakeholders.

- Overview of associated management plans for individual E&S aspects (e.g. waste management; hazardous materials; traffic safety, etc.).
- Management, monitoring and reporting obligations with assigned responsibilities, indicators for compliance, and the compliance timeframe.

7.2.5 Stakeholder Engagement Plan (SEP)

An IFC-compliant SEP and grievance mechanism will be prepared for each project. This will typically be completed as part of the ESIA process. Where indigenous peoples communities are present, the SEP and grievance mechanism shall include specific arrangements appropriate to their needs.

The grievance mechanism shall incorporate specific and survivor-centred measures for responding to and managing reported cases of GBVH, with such measures also providing for the appropriate safeguarding of any witnesses, and other stakeholders such as whistleblowers.

7.3. Climate Adaption and Mitigation

Akaia Green Fuels recognises that climate change poses serious, wide-ranging risks to economies, societies and ecosystems. All of Akaia Green Fuels' investments will be screened to confirm alignment with screening criteria for eligibility in terms of environmental and social sustainability. Reference will be made to the EU Taxonomy and associated Technical Screening Criteria. Akaia Green Fuels will ensure the implementation of adaptation measures identified in the Climate Risk and Vulnerability Assessment for each of Akaia Green Fuels' investments.

Akaia Green Fuels also commits to managing its own contribution to climate change and requires all Akaia Green Fuels Projects to monitor and report project-specific greenhouse gas emissions (including scope 1, 2 and 3 emissions) according to the GHG Protocol. Akaia Green Fuels seeks to minimise its own emissions of greenhouse gases where possible including by reducing the need to travel, conserving energy, using recyclable materials and contributing to a circular economy.

7.4. HSSE Risk Register

Key risks and impacts will be included in a Project HSSE Impact and Risk Register and will be managed and monitored through detailed management programmes.

The HSSE Risk Register is a live document and will be maintained on an ongoing basis. If new HSSE risks or impacts are identified (due to changes in project activities or identified management programme inefficiencies), these will need to be identified and evaluated. The methodology used to, identify, assess and analyse risks shall be defined with respect to their scope, nature and timing to ensure methods are proactive rather than reactive; and provide for the identification, prioritization and documentation of risks, and the application of controls. The methodologies that are used will align with international good practice e.g. ISO 31000.

All risks shall be added to the Risk Register and management programmes will be updated (or new management programmes identified and implemented) as required to address the new issues. All Project personnel must be made aware of the key risks identified as part of the risk assessment process and the measures that they are required to implement. The risk register, risk management procedures, and risk assessments must be available to Akaia Green Fuels Energy and CFM for review as required.

7.5. Contractors, Suppliers and Partners

Akaia Green Fuels will deal responsibly, honestly and fairly with project stakeholders, the customers, suppliers, authorities, competitors and other third parties. Akaia Green Fuels will not establish business relationships with companies or individuals that are not in compliance with ethical, H&S, and human rights standards compatible with those adopted by Akaia Green Fuels.

All new contractors, suppliers will be screened against the Exclusion List (Appendix A) and the HSSE requirements.

All new primary off-takers and suppliers will be screened against the Exclusion List (Appendix A) and compliance with applicable laws and regulations (including labour laws).

7.6. Impact Generation and Opportunities

7.6.1 Gender Equality and Women's Economic Empowerment

A gender equality and social inclusion (GESI) analysis and action plan will be prepared for each project and this will be implemented in all phases of each project. This may be incorporated into the scope of work for the ESIA and the ESIA team will be required to include a gender expert. The analysis will be required to consider risks associated with GBVH and the required control measures and ongoing monitoring activities. Specific requirements are provided below and in Appendix C5.

7.6.2 Host Community Development

The Akaia Green Fuels Group is committed to maximising the opportunities for E&S benefits particularly to local communities in the area of influence of its project investments. The objective is to ensure that all projects contribute to society in an impactful way and at the same time enjoy the ongoing support of the broader community of which the Project forms a part and serves. In line with CFM requirements, community development will be guided by the following set of principles.

- Sustainable – Community development programmes will be designed to contribute to the relevant UN SDGs and will promote self-reliance and avoid dependency whilst creating opportunities for government support and partnerships with other development actors; they will have a clear and sustainable exit strategy.
- Community-Led - Community development programmes will be gender-inclusive, will be designed, planned, implemented and managed in consultation with and participation of community members and beneficiaries, including those identified as vulnerable.
- Inclusive – the development and delivery of programmes will involve engagement with national, regional and local governments as relevant, NGOs and CSOs, development agencies and other local stakeholders active in community development. This will seek to achieve a good fit with existing development activities in the area, and to be replicable across other communities as needed.
- Transparent – The development, implementation and management of all community development programmes will be transparent, auditable and open to internal and external scrutiny.
- Measurable - Key Performance Indicators will be established to measure the value that community development programmes give to the intended beneficiaries using outcomes and impact indicators to measure change.

A community needs assessment will be commissioned, and a community development plan will be prepared. Budget and community development activities will be planned and delivered to meet CFM's requirements. Contractual agreements shall be implemented with the selected delivery partner(s) to deliver the identified community interventions. The allocated budget for the community development programme shall be managed and disbursed in accordance with the contractual agreement with the delivery partner. Community development interventions shall be submitted to the ESG Subcommittee for review and approval before signing contracts/spending budget.

Specific requirements are provided below and in Appendix C6: -

Topic	Description
Development Phase	• Akaia Green Fuels shall identify 'rapid interventions' that are designed to build goodwill among the host community/ies. • Suggested interventions shall be proposed to CFM for consideration and approval. • A ceiling budget shall be agreed with CFM which will comprise a proportion of the total budget allocated for DF-phase community development.

Topic	Description
Construction Phase	- A log of expenditure shall be maintained and submitted to CFM on a monthly basis. - During the construction phase, Akaia Green Fuels shall be tasked with the implementation of a community development programme designed by CFM during the development phase. Typically, the programme will be informed by a community needs assessment (completed during the DF phase of funding) and will comprise short-, medium- and long-term actions. - The community development programme will typically be delivered by one or more local implementation partners that are selected by CFM and Akaia Green Fuels. - CFM shall provide the necessary guidance to Akaia Green Fuels so that the programme is implemented as required. - Akaia Green Fuels will be required to submit reports to CFM on the progress of the programme interventions as required. - Akaia Green Fuels shall host visits conducted by and on behalf of CFM for the purpose of ongoing monitoring and evaluation.
Operating Phase	- During the operating phase of the asset, Akaia Green Fuels Project Company shall be responsible for the ongoing implementation of the community development programme, and for ensuring that the delivery partners provide performance reports as agreed. - Akaia Green Fuels Project Company will be required to submit reports to CFM on the progress of the programme interventions as required. - Akaia Green Fuels Project Company shall host visits conducted by and on behalf of CFM for the purpose of ongoing monitoring and evaluation.
Exit	- It is CFM's vision that the community development programmes will endure beyond the lifetime of the investment in order to deliver a lasting positive legacy. - The arrangements for continuing the implementation of the programme will be discussed and agreed by Akaia Green Fuels and CFM.

7.6.2 Signboards at Construction Projects/Branches/Community Development Projects

At the Project/construction site and on all community development projects, Akaia Green Fuels will display the logo for the Akaia Green Fuels and CFM. In addition, the European Union (EU) emblem will be displayed to acknowledge and advertise the EU's financial support. Immediately below or beside the EU emblem, the EU's financial contribution must be acknowledged with the words "Co-funded by the European Union" (spelling out the words 'European Union' in full).

The logos must be clear on the signage. High resolution logos can be provided on request. If a signboard is installed, it must contain contact name and number to obtain more information and for the community to lodge any grievances (refer to Section 5.3. Written approval must be obtained in advance for use of all material with company and investor logos (i.e. from CEO or ESG Subcommittee, Investor Asset Management or Board of Directors).



The signboard at the Project/construction site will also include the contact details in accordance with the grievance mechanism (refer to Section 5.3).

7.7. Emergency Preparedness and Response

An emergency preparedness and response plan will be developed for each project funded by Akaia Green Fuels Group. The plan will be designed to:

- Identify the types of emergencies and outline the requirements for response, this shall include natural disasters, explosions, fire, civil unrest, release of hazardous substances, OHS accidents, pandemics and security incidents.
- Indicate the roles and responsibilities, particularly for providing and ensuring the availability of the emergency equipment and other required materials such as the evacuation plan.
- Ensure that emergency incidents are suitably managed and mitigated in a safe and efficient manner, minimising the impact upon the development, its occupiers, its neighbours, the wider community and the environment.
- Identify the emergency equipment in line with risk assessments.
- Facilitate planning and liaison with emergency service providers, neighbours and other stakeholders.
- Provide guidance in terms of the classification, management, response to and reporting of incidents.
- Set out the requirements for emergency drills, including strengthening the interface between Akaia Green Fuels employees and contractors on-site by conducting joint emergency drills.

Akaia Green Fuels shall conduct training and emergency drills for all employees communicate the emergency preparedness and response plan to all employees, local communities and relevant government agencies.

Whilst actions can be delegated to the project companies, overall responsibility for emergency preparedness and response at its projects (including providing emergency equipment) will be with Akaia Green Fuels.

Akaia Green Fuels shall maintain records for emergency response competency, including personnel with relevant certifications (e.g. first-aid certified staff), first-aid kit and emergency equipment inspection records and medical facilities within branches (if any).

Environmental and social incidents shall be reported to Akaia Green Fuels and subsequently investigated in accordance with the requirements detailed in Section 9.6. Significant incidents shall be investigated and corrective actions and/or opportunities for improvement shall be implemented in a timely manner.

7.8. Environmental and Social Action Plan (ESAP)

If Akaia Green Fuels Group companies are required at any time to prepare an ESAP, the ESAP will be prepared and the Akaia Green Fuels Group company will (A) promptly provide ESG Subcommittee with all such further information and assistance as the Sponsors require to facilitate agreement of each ESAP; (B) make sure that each ESAP (cleared by the ESG Subcommittee) 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 the ESG Subcommittee; (D) promptly provide the investors with such information and monitoring reports as may be specified in the ESAP or as requested by the investors from time to time to confirm the status of the implementation of any such ESAP; and (E) provide to the investors 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.

7.9. Control of Documents

7.9.1 Documents of Internal Origin

All documents required by this ESMS are issued for general use once approved for release. All are made accessible to Akaia Green Fuels Group staff electronically on the Akaia Green Fuels Group network. The HR Manager is responsible for the master copy of all HR documents. The Project Director is responsible for the master copy of all formal project documents. All hard copies of documents are uncontrolled. In all cases, the electronic copies of all documents (held on company network drives) are considered the current version and should be used if there are any doubts as to the currency of hard copy documents.

7.9.2 Storage of Documents of Internal Origin

The network drive shall be used to store all ESMS-related documentation. No documents shall be held on personal hard drives/computers/laptops.

Any ESMS-related documents and information which, by their nature, cannot be maintained on company network drives for controlled access shall be stored securely at the Akaia Green Fuels project offices.

7.9.3 Documents of External Origin

Documents of external origin relevant to the ESMS include permits and licences, the ESIA (and EIA as relevant), and the Environmental and Social Management Plan. Other external documents include those available via the internet, such as legal codes. Wherever possible external documents and information will be accessed, as required, on external websites to ensure current versions are used.

7.9.4 Control of Records

Records are primarily held in hard copy or may be saved electronically on the Akaia Green Fuels Group network drive. Responsibility, retention period and location of a range of key records shall be detailed in a separate procedure.

Documents shall be stored electronically in such a way that they are protected against damage, deterioration or loss and so that they are fully identifiable and traceable. The Akaia Green Fuels Group network drive must be backed up regularly and paper documents archived so documents can always be retrieved.

All records must be kept for the minimum term specified by legal requirements and where no specification exists, for a period of 30 years. Confidential files including medical and personnel records shall be held securely and in confidential manner.

7.10. Management of Change

Changes in the organization, management, personnel, equipment, processes or procedures have the potential to affect the HSSE risks associated with the Project's activities. A management of change procedure shall be implemented that describes the process for planning for a change in managing potential HSSE impacts.

8. HSSE Management Plans

8.1. Akaia Green Fuels HSSE Management Plans

Akaia Green Fuels Group Companies will prepare and implement various management programmes (management/action plans and procedures) to meet the HSSE commitments and standards adopted for the projects. While this ESMS is the guiding document, every Akaia Green Fuels Project Companies (SPVs) are to specifically maintain the ESMP which would be an amalgamation of the ESIA output along with the detailed traffic management plan, emergency response plan. Security management plan, legal register, SEP and GRM, Community Development Plan, Gender Action Plan, Waste management Plan, Chance Finds Procedure, Natural Resource Management Plan and other plans as deemed necessary.

8.2. Occupational Health and Safety

Akaia Green Fuels shall implement an HSSE Risk Assessment/HSSE Survey Procedure for the assessment and management of environmental, health, safety, security and social risks associated with its operations and activities to ensure ESMS risks are proactively and systematically identified, assessed, evaluated and controlled. Risks shall be assessed, and the evaluation recorded in a HSSE risk register.

The identification of control measures shall be based on the hierarchy of controls. This will be followed with the focus being to seek opportunities to eliminate risks wherever possible. The hierarchy will be adhered to by all parties when devising appropriate controls and mitigation strategies and measures.

Each work activity must have a risk assessment supported by documentation in the form of a procedure, job hazard assessment (“JHA”) or equivalent.

Akaia Green Fuels will implement site procedures that incorporate the minimum requirements specified in HSSE Requirements for Contractors, including but not limited to the following High-Risk Activities: -

- Working at Heights
- Safe Mechanical Lifting
- Hot Work
- Driving
- Working On or Over Water (*unlikely to be relevant for most projects*)
- Work Authorization
- Energy Isolation
- Confined Spaces
- Excavations

Akaia Green Fuels will implement procedures to manage the remaining HSSE hazards identified in the risk assessment including employee fit for work medicals, ensure provision of good quality PPE through contractor/sub-contractor and safety induction of all new workers. Akaia Green Fuels will comply with the requirements in Appendix C7 and C8.

8.3. Accommodation/Labour Camp Management Plan

Where Akaia Green Fuels or its contractors provides accommodation (e.g. worker camps and housing facilities) for staff/workers, shall have a written management plan, including management policies or plans on health and safety, security, living conditions, workers’ rights and representation, relationships with the communities and grievance processes. Part of those policies and plans can take the form of codes of conduct. Reference shall be made to IFC Workers’ Accommodation: Processes and Standards.

If the facility is managed by a contractor, the expected housing and management standards shall be specified in the relevant contract, and mechanisms to ensure that those standards are implemented shall be set up. As part of this

process, the accommodation manager (or contractor) shall have a duty to monitor the application of the accommodation standards and to report frequently on their implementation to Akaia Green Fuels.

8.4. Contractor Management

Akaia Green Fuels project companies will manage contractor and other third-party HSSE performance through the Contractor Management Plan / HSSE Requirements for Contractors, which establishes minimum requirements for HSSE management and performance, including standards for HSSE management and monitoring, as well as key performance indicators arising from the project's HSSE commitments and standards.

The EPC/O&M Contractor is required to operate a system that is compatible with the ESMS and ESMP. Interfaces need to be managed effectively between the EPC/O&M Contractor, Akaia Green Fuels Project Company and sub-contractors so that HSSE risks are minimized and performance maintained.

Contractors are required to submit an HSSE Management Plan upon award of the Contract. The Contractors' HSSE Plan should describe the operational arrangements for ensuring that a good standard of HSSE performance is achieved.

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

8.4.1 Contractor Management Programmes

For supplier and contractor contracts, Akaia Green Fuels Group Companies will ensure that the contract states that the contractor/supplier will comply with the HSSE Requirements (as applicable). Prior to engaging contractors, the contractors should review the HSSE 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 the Akaia Green Fuels Group Companies, 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 aspects, risks and impacts of their activities. Contractor management programmes must ensure compliance with the requirements of this ESMS and associated HSSE commitments and objectives.

In accordance with the HSSE Requirements included in the contractor documentation, the following management plans and arrangements shall be implemented by the contractor for environmental and social management. Akaia Green Fuels Group Companies will monitor the implementation of these arrangements to confirm compliance.

The EPC/O&M Contractor is required to develop and implement an ESMS for the construction/operation phase and submit these to Akaia Green Fuels for review and approval. This is a contractual requirement (refer to HSSE Requirements for Contractors – which is to be included in the EPC/O&M Contract) and shall include, but not limited to:

- Plans setting out how they will comply with the HSSE requirements and project grievance mechanism, in relation to their scope of work.
- Register of Legal and other requirements relating to the HSSE requirements.
- Organization chart for works (including details of subcontractors and other parties).
- Name(s) of the personnel responsible for compliance with the HSSE requirements and their qualifications and experience ("HSSE Manager" – this may include one of more persons).

- Risk assessment for each work activity supported by documentation in the form of job hazard assessment (JHA) or equivalent.
- List of activities and roles which require qualified personnel (e.g. working at height, driving, operating machinery, electrical works, etc.) and names of personnel and copies of the certificates for these roles.
- Emergency response plan, to include the arrangement for first aid.
- EHSS induction plan for workers, to include PPE arrangement.
- List of any hazardous substances to be stored on site and storage/handling requirements (to include Material Safety Data Sheets (MSDS).
- Labour management policy and procedures.
- Alcohol and Other Drugs Policy, which shall be applicable for all workers (including those of subcontractors).
- Waste management plan.
- Chance find procedure.
- Arrangement for worker accommodation, work site toilet/sanitation facilities, drinking water (including for subcontractors).
- Program for audits and inspections during the works.

Akaia Green Fuels will monitor the implementation of these plans/arrangements to confirm compliance.

9. Monitoring and Reporting

9.1. Overview

Procedures for ongoing monitoring and reporting of the Akaia Green Fuels Group HSSE performance will be developed and implemented based on the HSSE Requirements as referenced in this ESMS. Akaia Green Fuels will prepare an audit plan, which shall include procedures and timing for visit(s).

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 Akaia Green Fuels Group Companies.

If off-takers/suppliers/contractors are involved in violations or poor practices related to illegal or excluded activities, human rights violations or material environmental incidents, this will be deemed an incident and the ESG Subcommittee will be notified. Actions will be discussed with the ESG Subcommittee.

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.

9.2. Evaluation of Compliance with ESMS

9.2.1. Monitoring Compliance with ESMS

Akaia Green Fuels shall conduct periodic internal audits to assess the extent to which the requirements of this ESMS are applied and adhered to in relation to all activities.

9.2.2. Monitoring Compliance of Projects

To meet the Akaia Green Fuels' commitment to compliance, internal and external audits shall be conducted to confirm ongoing compliance of the Project's activities against the applicable legal and other requirements. An audit schedule shall be prepared by the ESG Director on an annual basis in accordance with the requirements in **Table 9-1** and presented to the ESG Subcommittee for discussion and approval. Akaia Green Fuels shall ensure that there is sufficient budget available for conducting the audits.

Table 9-1 Monitoring of Projects

Topic	Description
Development Phase	- During the development phase, Akaia Green Fuels ESG Director/ESG Manager will conduct at least one visit to the project site. The purpose of the visit will be to form a comprehensive understanding of the E&S context of the Project and to engage with key stakeholders. - If considered by the ESG Director/Manager or the investors to be necessary, Akaia Green Fuels will be obliged to appoint an independent advisor to provide specialist monitoring expertise, including monitoring of the ongoing level of broad community support.
Construction Phase	- Post construction approval, the ESG Director/Manager shall conduct monthly reviews (or more frequent) with the project to monitor compliance with the HSSE Requirements and progress in addressing actions. Such reviews shall be conducted either in-person or virtually. Such monitoring shall continue until such time as all actions have been addressed to the satisfaction of the ESG Director/investors. - For all projects that are under construction, the ESG Director/Manager will conduct or otherwise commission at least monthly on-site HSSE audits during the construction phase of

Topic	Description
	the project to confirm compliance with this ESMS, and project-specific documentation (e.g. the ESAP, HSSE Requirements for Contractors, Gender Action Plan, etc.). An External Advisor shall be appointed to conduct at least one HSSE audit and ideally two HSSE audits during construction. As part of the HSSE audits, Akaia Green Fuels shall monitor and review the HSSE performance of its contractors and subcontractors employed at the project site(s). The outcomes of such activities shall be reported to the ESG Subcommittee and the Akaia Green Fuels Board.
Operation Phase	- For all Projects that are in operation, quarterly onsite HSSE audits of HSSE performance shall be conducted by Akaia Green Fuels, and more often if considered by the ESG Director/investors to be necessary on the basis of the E&S risk/impact of the Project. - An External Advisor shall be appointed to conduct external audits on a periodic basis as agreed with the ESG Subcommittee. - As part of the HSSE audits Akaia Green Fuels shall monitor and review the E&S performance of its contractors and subcontractors employed at the project site(s). The outcomes of such activities shall be reported to the ESG Subcommittee and the Akaia Green Fuels Board. - All assets shall participate in a Management Review held by the investors on an annual basis to review overall E&S performance.

9.3. 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 are recorded and tracked through to closure. Where required, verification of closure is provided via follow-up audits.

Non-conformities arising from external complaints are managed in accordance with the Project Grievance Mechanism included in the Stakeholder Engagement Plan.

Opportunities for improvement identified during inspections or as a result of employee or contractor suggestion that cannot be implemented immediately on site are tracked through to closure via the ESMS Inspection Programme.

9.4. HSSE Management Reviews

Project Management Review meetings will be held by on a periodic basis to review overall HSSE performance on each project (this can be done as part of the Board meeting). These reviews will be chaired by the Project Director. The representatives of the EPC/O&M contractor and all subcontractors will be required to attend.

9.5. HSSE Performance Reporting

9.5.1 Monthly Reporting on KPIs

Akaia Green Fuels will provide data on a monthly basis to CFM using the following key performance indicators (KPIs) in the template provided by CFM.

Table 9-2 Monthly KPIs

Indicator	Description
HSSE Incidents	
Number of H&S Incidents	Total number of health and safety incidents that occurred during the reporting period including first aid cases, medical treatment cases, lost time incidents, fatalities.
Number of Security Incidents	Total number of security incidents that occurred during the reporting period including damage to plant and equipment, theft, trespass.
Number of Contractor Labour-Related incidents	Total number of labour-related incidents that occurred during the reporting period including underage workers, disciplinary cases, discrimination cases, protest, strike, other disruption.
Number and nature of environmental incidents	Refers to any incidents that may result in harm to the environment including but not limited to spills of hazardous liquids, unplanned releases of emissions into the atmosphere; harm or injury to wildlife (flora and fauna).
Outcomes of HSSE Incidents	
Number of fatalities	Number of work-related fatalities in the reporting period comprising any member of the Project Workforce and third parties including members of the public.
Number of High Potential Incidents (HPIs)	An incident or near miss where under different, plausible circumstances the most serious credible outcome could have been a Significant Incident (refer to CFM ESMS Manual Glossary for definition).
Number and nature of injuries	The injuries to be reported comprise first aid cases, medical treatment cases, lost time incidents; occupational illness or disease. The Project Company is required to report any incident which involves the Project Workforce, and third parties including members of the public.
Number and nature of incidents involving damage to plant or property	Incidents that result in damage to plant or property owned or leased by the Project Company and any third-party property damage.
Number of lost time injuries	This refers to the total number of non-fatal work-related injuries resulting in one or more consecutive (working and non-working) days away from work (not counting the day on which the accident happened). It could be as little as one day or shift.
Number of days lost to injuries	The total number of days lost as a result of non-fatal work-related injuries.
Lost time injury frequency, incidence, and severity rates	These will be calculated automatically by the reporting template: Lost time injury Frequency Rate (LTIFR) is calculated as the number of injuries per 1 million hours worked = $([\text{Number of lost time injuries in the reporting period}] \times 1,000,000) / (\text{Total hours worked in the reporting period})$. Lost time injury Severity Rate is calculated injury severity rate represents the number of lost workdays experienced per 100 workers = $([\text{no. of workdays lost in reporting period}] \times 200,000) / (\text{total hours worked in one year})$
Leading Health and Safety Indicators	
Number of safe person hours worked	Number of hours worked without an incident.
Number and nature of near misses	An event that, while not causing harm, has the potential to cause injury or ill health to any member of the Project Workforce and/or a third-party including members of the public.
Number of hazardous situations/safety observations	A set of conditions that have the potential to cause harm, including ill health and injury; damage to property, plant, products or the environment, production losses or increased liabilities.

Indicator	Description
Number of hazardous situations/safety observations resolved	Number of situations/observations that are satisfactorily resolved during the reporting period. This may involve an investigation and formal close-out of a corrective action plan.
Leading Training and Audit Indicators	
Number of people inducted for HSSE – Contractors (gender disaggregated)	Number of Contractor workers who attended induction training during the reporting period.
Number of people inducted for HSSE - Project Company (gender disaggregated)	Number of Project Company workers who attended HSSE induction training during the reporting period.
Number of people receiving HSSE training sessions – Contractors (gender disaggregated)	Number of Contractor workers who attended training sessions containing HSSE content during the reporting period.
Number of people receiving HSSE training sessions – Project Company (gender disaggregated)	Project Company workers who attended training sessions containing HSSE content.
Number of HSSE Audits on Projects or on Contractors working on the Project	Number of audits conducted either internally (by the Project Company) or by third parties to assess Project Company and/or Contractor compliance with CFM's HSSE requirements.
Environmental Performance	
Energy consumption (kwh)	Energy used in Office, Construction and O&M activities and generated by any fuel source. Where possible, energy use shall be metered to provide accurate data.
Commercial and industrial water consumption (m ³)	Water used in any phase of the Project comprising water used by the Project for office-based activities; construction activities (e.g. cement making); operating and maintenance activities; and decommissioning activities. Where possible, water use shall be metered to provide accurate data.
Volume of solid non-hazardous waste disposal (kg)	Solid non-hazardous wastes generated by the Project Company and disposed of rather than recycled and includes wastes such as office waste, paper, cardboard arising from offices, construction and O&M activities.
Volume of solid hazardous waste disposal (kg)	Solid hazardous wastes generated by the Project Company and includes hazardous wastes such as industrial wastes, medical, sanitary arising from offices, construction and O&M activities.
Volume of solid non-hazardous waste recycled (kg)	Solid wastes generated by the Project Company and taken away for recycling and/or reuse. E.g. packaging wastes, wood arising from offices, construction and O&M activities.
Liquid effluents discharge (m ³)	Industrial effluents arising from the project and discharged to a receiving water (sewer, direct to environment (ocean, river), other).
Emissions to air	For Projects that are expected to or currently produce more than 25,000 tonnes of CO ₂ equivalent annually, the Project Company must quantify direct emissions from the facilities owned or controlled within the physical Project boundary, as well as indirect emissions associated with the off-site production of energy used by the Project. Quantification of GHG emissions shall be conducted annually in accordance with internationally recognized methodologies and good practice. Refer to IFC PS3.
Social Performance	
Cases of underaged workers (gender disaggregated)	Includes any incidence of underage workers on site (i.e. <18 years old).

Indicator	Description
Numbers of complaints and grievances received from external stakeholders (gender disaggregated)	Refers to the number of complaints and grievances received by the Project Company via the external grievance mechanism. Information describing the nature of each grievance and the status of it shall also be provided. The data shall be disaggregated to report separately the number of grievances received from males and females.
Number of complaints and grievances from external stakeholders resolved (gender disaggregated)	The number of grievances satisfactorily resolved during the reporting period.
Number of complaints and grievances from external stakeholders not yet closed (gender disaggregated)	The number of grievances that remain unresolved during the reporting period.
HR and Labour (Contractors)	
Numbers of complaints and grievances received from internal stakeholders (disaggregated by gender)	Refers to the number of complaints and grievances received by the Project Company from the Project Workforce via the internal grievance mechanism.
Number of complaints relating to discrimination or to the disciplinary process	Refers to any complaints received from the Project Workforce relating to discrimination or to the Project's disciplinary process.
Total number of workers engaged (new jobs created)	New positions created and filled/new hire in place during the reporting period (excludes where a new hire filled a position to replace personnel which left). May also be referred to as new jobs created.
Number of hours worked (gender disaggregated)	Number of hours worked by full-time equivalent employees working a five-day working week (excludes overtime) for the reporting period, disaggregated by gender.
HR and Labour (Project Company)	
Numbers of complaints and grievances received from internal stakeholders	Refers to the number of complaints and grievances received by the Project Company from the Project Workforce via the internal grievance mechanism.
Number of complaints relating to discrimination or to the disciplinary process	Refers to any complaints received from the Project Workforce relating to discrimination or to the Project's disciplinary process.
Total employee headcount (disaggregated by gender)	Comprises permanent, part-time and temporary members of the Project Workforce and shall be reported as full-time equivalents (FTEs) disaggregated by gender. The headcount shall be disaggregated to present the total FTEs employed in construction phase activities and operation/maintenance phase activities.
Number of staff disaggregated by gender and grade (Project Company only)	The number of staff for each phase of the Project shall be further disaggregated by grade and gender as follows: - Senior Manager Staff: includes the Project Director and/or those with >20 years of experience. - Number of Manager Staff: staff in team manager positions and/or those with specialist skills/discipline and generally with >10 years of experience. - Number of Junior Staff: staff in professional positions with <5 years of experience. - Number of Support Staff: staff in positions requiring limited or no skills.
Total number of new jobs created (number of workers engaged)	New positions created and filled/new hire in place during the reporting period (excludes where a new hire filled a position to replace personnel which left).

Indicator	Description
Average working hours	Average working hours for full-time equivalent employees working a five-day working week (excludes overtime) for the reporting period, disaggregated by gender.
Total and average wages paid (gender disaggregated)	Average wages paid in the reporting period, disaggregated by management level and gender.
Number of employees affected by retrenchment in the reporting period	Number of Project Company workers who lose their employment due to retrenchment e.g. as a result of completion of a phase of work; change in Project activities, etc.
Narrative on New Appointment/Leavers	Brief summary of new appointments and explanation for leavers holding key positions (e.g. Project Director, ESG Director/Manager, H&S Officer).

9.5.2 Quarterly HSSE Report

Akaia Green Fuels shall prepare a quarterly report to submit to CFM that outlines the HSSE performance of each project. A template for the report shall be provided by CFM. These reports will be sent to CFM 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:

Table 9-3 Quarterly Report

Quarterly HSSE Performance Report
- Overview of HSSE performance to accompany the HSSE data which is reported monthly against the KPIs in Section 8.5.1.1, including the outcome of any trend analysis and actions being taken regarding any incidents that have occurred (to be reported quarterly). - Project progress (summary of HSSE highlights and achievements, summary of recruitment and filling of key roles, a 3-month look-ahead and associated timeline, and associated HSSE concerns and risks (to be reported quarterly). - Summary of external E&S assessments (e.g. IFC-compliant ESIA's, external audits, etc.) and the details of the organisation appointed to conduct the assessment. - Employment data (to be reported quarterly), as follows: - Total number and breakdown of staff employed: - Direct Employment (total number). - Permanent number of males and skill level. - Permanent number of females and skill level. - 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). - Water quality monitoring data from the raw and product water. - Person hours worked (including for contractors, subcontractors, where applicable) - Compliance with the HSSE Requirements (including the ESMP). - Proposed corrective actions for any non-compliances. - Community development programme activities, and any other initiatives with an environmental or social benefit. - Any improvements in performance with a clear environmental benefit. - Progress in the implementation of the actions described in the Gender Action Plan. - Progress in the implementation of the actions described in the ESAP (if applicable).

9.5.3 Monthly Impact Report

Akaia Green Fuels shall provide the following:

- Input data as required by the measurement, reporting and verification (hereafter “MRV” or “MRV process”) to calculate the climate mitigation impact associated with the projects (i.e. the GHG emissions avoided in tonnes CO₂eq/year)
- People reached: Beneficiaries gaining access to improved, clean, or more reliable energy services
- Jobs created/support: Employment generated directly during construction and operations
- Private Sector Financing Catalysed (USD)

9.5.4 Quarterly Greenhouse Gas Emissions Report

The measurement, monitoring, and reporting of Akaia Green Fuels’ greenhouse gas (GHG) emission inventory is crucial for responsible management of its climate impact and for identifying options that can reduce emissions, resulting in energy efficiency improvements and potential cost savings.

Akaia Green Fuels will consolidate and provide data on a quarterly basis to CFM, via a GHG Data Collection Tool provided by CFM. The GHG Data will be shared with CFM no later than 30 calendar days after the last day of a quarterly reporting period. The data will include but not be limited to: - consumption of fuels, consumption of fluorinated gases and sulphur hexafluoride gas, use of fire suppressant, consumption of electricity, office spend, operations spend, construction spend, transport and distribution, water, waste, business travel and commuting.

9.5.5 Annual HSSE Report

HSSE performance of Akaia Green Fuels and the projects will be evaluated by CFM on an annual basis. The benchmark for performance will be ongoing compliance against all applicable HSSE Requirements. A template for the report will be provided by CFM. Akaia Green Fuels will be required to prepare and submit an annual HSSE monitoring report with the following detail:

Table 9-4 Annual Report

Annual HSSE Performance Report	
	• Summary assessment of significant HSSE risks identified across the company activities. • Details of key ESG/HSSE personnel. • Status of HSSE performance (including performance against the KPIs listed in Section 8.5.1.1), implementation of ESMS, gender action plan, ESMP and agreed ESAP (if applicable). • Employment data as per 8.5.1.2. • Date of the last site visit for HSSE auditing/assessment purposes. • Compliance with the HSSE Requirements. • Proposed corrective actions for any non-compliances. • Any improvements in performance with a clear environmental benefit. • Community development programme activities, and any other initiatives with an environmental or 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).

9.6. Contractor Reporting

Akaia Green Fuels will require its contractors to provide the same information so that information can be consolidated at the project level. In addition, Akaia Green Fuels will require the contractors to confirm 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.

9.7. Incident / Accident Reporting

Should an incident or accident occur at any project site or related to project activities (this shall include transport to and from the project site), Akaia Green Fuels is required to submit a notification report followed by a comprehensive investigation report in accordance with the requirements described below. Akaia Green Fuels will subsequently inform CFM as soon as possible after becoming aware of the incident or accident. The reporting requirements applies to the following types of accidents and incidents: -

Significant Incident	An environmental and/or social incident that occurs at site, off-site or in the portfolio but that is directly linked to Asset development, construction and/or operation activities that typically results in one or more of the following or similar: • A person, or persons, fatally injured or who suffers life changing injuries (this includes the project Workforce; visitors, and members of the public); • Incident requiring admission to hospital for treatment (i.e. the occupational injury or illness requires hospital intervention beyond admission for observation); • Health pandemic among workforce; • Actual or potential human rights violation; • Severe environmental damage or extended breach of statutory requirement; • Significant financial losses and/or non-compliance with regulations and/or non-adoption to best international E&S practices; and/or • Major regional, national or international impact to company reputation (e.g. relating to community unrest or opposition)
High Potential Incident (including High Potential Near Misses) (HPI)	Some incidents and near misses may occur at site, at the project or related to project activities that, under different, plausible circumstances, the most serious credible outcome could have been a Significant Incident.
Reportable Incident	Any environmental and/or social Incident that must be reported by CFM to its investors and donors, including Significant Incidents and High Potential Incidents. In making the determination as to whether an incident is reportable, 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 the Project Company's operations in compliance with the E&S Requirements. These could include for example any environmental and/or social claim, accidents, loss of life, material breach of law, or material effect on the social or natural environment.

Other types of accidents and incidents can be reported through the monthly reporting described in Section 9.5.1.1.

9.7.1 Notification Report

Akaia Green Fuels shall notify the ESG Subcommittee and the Board of Directors of any social, labour, health and safety, security or environmental incident or accident to a Akaia Green Fuels 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 Akaia Green Fuels' operations in compliance all applicable HSSE 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.

Due to the specialist nature of the issues involved and the responses required, any case of a gender-related complaint, grievance or incident, including cases or near misses of GBVH and/or SEAH, shall also be notified as soon as reasonably practicable and in any event within three (3) days of becoming aware of the event.

9.7.2 Incident / Accident Detailed Report

As soon as reasonably practicable thereafter, but ultimately within thirty (30) days of the first notification report, Akaia Green Fuels shall complete an accident investigation report and share this with the ESG Subcommittee and the Board of Directors. 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.

9.7.3 Incident / Accident Progress report

In severe cases, Akaia Green Fuels will keep the ESG Subcommittee informed on a regular basis (timing to be agreed, but no less than monthly) of the ongoing implementation and success of the CAP measures, until such time as it is agreed that all CAP measures have been successfully implemented and the incident is considered closed. The Board of Directors will be updated on at least quarterly basis, unless otherwise agreed.

10. Disclosure

In addition to the project information disclosed in the monitoring reports and through the stakeholder engagement activity as set out in the SEP, the following should be disclosed on the Akaia Green Fuels website:

- Impact of each Akaia Green Fuels Project (clean energy installed and generated, CO₂ emissions avoided, jobs created, people reached and other impact, etc.) these numbers must match those included on the CFM website and must be reported and confirmed with investors in advance.
- Description of the Akaia Green Fuels Project and HSSE context.
- Outline of Akaia Green Fuels Project ESMP/HSSE management system.
- Grievance mechanism.
- An overview of activities linked to the community development programme.

Prior to posting of any impact or ESG/HSSE-related information on the Akaia Green Fuels website in relation to the Akaia Green Fuels Projects, approval shall be sought and granted in writing by the Akaia Green Fuels ESG Subcommittee.

Appendix A: Exclusion List

Akaia Green Fuels will not finance any, production, use of, trade in, distribution of, or activity involving:

- Forced labor⁵ or child labor⁶.
- 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, PCBs (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).
- shipment of oil or other hazardous substances in tankers which do not comply with IMO requirements.
- Cross-border trade in waste and waste products, unless compliant to the Basel Convention and the underlying regulations.
- Destruction⁷, significant degradation or modification of “High Conservation Value” areas⁸.
- Radioactive materials⁹ and unbounded asbestos fibres.
- Pornography and/or prostitution.
- Racist and/or anti-democratic media.
- Investments into large-scale search, extraction, production, distribution, processing and promotion of fossil fuels (coal, oil, natural gas and peat).
- Activities that directly increase use of fossil fuels and/or prolong the technical or economic lifetime of heat and power production using fossil fuels, except for back-up in power generation plants, for household cooking purposes and for processes where feasible alternatives do not exist.
- Biofuel projects if they are:
 - Based on feedstock grown on land with high carbon content or biodiversity value, such as rainforests, wetlands, peat lands and grasslands, in reserves or on protected lands, or on lands with a high conservation value;
 - Large-scale projects focusing only on export of feedstock or biofuels;

⁵ 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.

⁶ Persons may only be employed if they are at least 15 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art.2), unless local legislation specifies compulsory school attendances or the minimum age for working. In such cases the higher age shall apply.

⁷ 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.

⁸ 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>).

⁹ 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.

- Using a feedstock for production of liquid biofuels, where the overall climate and development benefits would be higher by using the same feedstock unprocessed for e.g. direct combustion in a co-generation plant.
- Financing of production and distribution of weapons, munitions and weapon carriers.
- As a substantial part of a project company's primary financed business activities:
 - alcohol beverages (except beer and wine);
 - tobacco;
 - weapons and munitions; or
 - gambling, casinos and equivalent enterprises,where for companies, "substantial" means more than ten per cent (10%) of their consolidated balance sheets or earnings and for financial institutions and investment funds, "substantial" means more than ten per cent (10%) of their underlying portfolio.
- Companies, activities or individuals subject to UN, EU or US sanctions.
- Companies found or suspected to have been involved or are involved in corruption, gross violations of fundamental ethical norms or other ethical business principles.
- Any companies on the KLP exclusion list: <https://www.klp.no/en/corporate-responsibility-and-responsible-investments/exclusion-and-dialogue>

Appendix B: ESG Subcommittee Protocol

Main objective	Each Group Company will constitute an ESG Committee to serve as an advisory committee for environmental and social matters to the Board. The ESG Committee will have oversight over the environmental and social performance of the relevant Group Company during the construction and operation and maintenance phases and will advise the Board on matters pertaining to the implementation of Good International Industry Practices, including the IFC Performance Standards, and associated risks in accordance with the ESG Requirements. This oversight and supervisory role will also extend to the relevant Project HSSE management system including the HSSE management system framework document, underlying action plans, and the ESAP.
Key responsibilities	As the ESG Committee is tasked with monitoring the relevant project's ESG performances in the light of GIIP, the key responsibility of the ESG Committee is to advise the Board on material E&S risk and impact management matters, including matters that require allocation of capital (budget planning), require changes to or could affect the relevant project's schedule and operational plans, or potentially adversely affect the relevant Project and/or one or more of the Shareholders (incl. reputationally). Through their monitoring the ESG Committee possibly through delegation to a member of the ESG Committee, is thereby expected to maintain appropriate contact with the relevant Group Company project management team, incl. the director, technical director, HSSE Manager and community liaison officer, as well as the owners engineer and E&S representatives of the EPC and O&M contractor, all as per need to fulfil its duties as ESG Committee.
Specific responsibility	In addition to the above, each ESG Committee is tasked with closely monitoring the relevant Project's compliance to the HSSE management system requirements, detailed in the HSSE management system framework document, specific HSSE management and action plans (detailing specific project responsibilities outside contractors' scope) as well as the HSSE contractor requirements document. Actual operational responsibility lies with the HSSE Manager, who will prepare E&S reports for ESG Committee review, however the ESG Committee is expected to be available for guidance and advise.
ESG Subcommittee members	To be appointed.
Other participants:	The ESG Director and/or each Project director and technical director of the relevant Group Company will present the matters to the ESG Committee for review and discussion. The ESG Committee shall be entitled to invite appropriate individuals to join ESG Committee meetings as observers or advisors.
Fiduciary obligation:	The members of the ESG Committee shall not have any fiduciary or similar obligation to the members of the Board or any Shareholder.
Chairman/woman:	The chairman/woman of the committee shall be a committee member and nominated by the committee members, and approved by the Board. This position might rotate upon ESG Committee preferences.
Agendas:	An agenda will be prepared by the Chairman/woman (or delegated authority) and circulated to all ESG Committee members prior to each meeting. Each ESG Committee member will have the opportunity to suggest additions or deletions to the agenda. ESG Committee members are expected to seek input from the Shareholders prior to each meeting based on the proposed agenda, so they will be prepared to discuss and take actions on the various agenda items.
Meeting Frequency:	The ESG Committee shall meet on monthly or such other intervals to accomplish its duties set forth in this Agreement. At each meeting, the members shall determine the date for the next meeting. In addition, meetings of the ESG Committee may be called upon the agreement of the Board.
Meeting Locations:	The ESG Committee meetings shall be held at locations convenient for the members. At each meeting, the members shall determine the meeting location for the next meeting. Meetings may also be held by teleconference or by video conference.

Minutes:	A nominated committee member (or delegated authority) shall take minutes at each meeting. A draft of the minutes shall be circulated to the members for comments within seven (7) days of the end of the meeting. Each member will reply with any comments within seven (7) days of receipt of the draft minutes; otherwise, the Chairman/woman (or delegated authority) may assume that there are no comments. The Chairman/woman (or delegated authority) shall finalise the minutes based on input from the members and distribute the final version to all members within twenty-one (21) days of the end of each meeting.
Quorum:	For a quorum to be present at a meeting of the ESG Committee, at least one (1) member from each Shareholder must be present at the meeting.
Voting:	Decision making of the ESG Committee will be consensus based. If no consensus is achieved, the decisions/matter shall be escalated to the Board. Members may appoint proxies for meetings.

Updated as per SHA

Appendix C1: ESIA and Other Specialist Studies

1. Introduction

An IFC-compliant Environmental & Social Impact Assessment (ESIA) will be completed for all Category A and B+ projects. An ESIA may also be required for Category B projects and this will be determined on a case-by-case basis – if a full ESIA is not required, these projects will still require an E&S assessment tailored to the scale and risks and an ESMP.

Where relevant, based on the project context, additional specialist assessments and/or management plans will also be required (e.g. critical habitat assessment, biodiversity offsets assessments, biodiversity management plans, gender analysis, indigenous peoples and/or cultural heritage). Akaia Green Fuels will appoint external advisors with the appropriate expertise and experience to conduct the IFC-compliant ESIA and/or, where relevant, other specialist studies.

Note: This guidance should be viewed within the context of the ESIA or similar assessments that may be required for the Project per the local/national legislation as relevant for the Project location. In some jurisdictions, the content and format of such ESIA studies are prescribed in detail and are obligatory. As such, the Project must as a first priority comply with the local/national requirements; the guidance provided in this document (including the other recommended publications) should be utilised to determine which additional studies are needed to supplement the national EIA to be aligned with international good practice.

2. Guidance

Reference should be made to the following publications (or their more recent version of the publications) for further guidance.

Guidance on how to prepare an ESIA:

- IFC guidance notes and manuals, especially:
 - IFC Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts (IFC, 2012);
 - IFC Guidance Note 1 Assessment and Management of Environmental and Social Risks and Impacts (IFC, 2021);
 - IFC Good Practice Handbook on Cumulative Impact Assessment and Management: Guidance for the Private Sector in Emerging Markets (IFC, 2013);

Guidance on how to prepare other specialist studies:

- Biodiversity-related (e.g. ecosystem services, biodiversity offsets assessments):
 - IFC Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources (IFC, 2012);
 - IFC Guidance Note 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources (IFC, 2019);

- World Bank's Biodiversity Offsets: A User Guide (Ledec and Reay Johnson, 2016)¹⁰;
- Climate change risk assessment:
- Equator principles 4: Guidance note on Climate Risk Assessment (EP, 2020)¹¹;
- Social studies (e.g. human rights, gender responsive analysis, resettlement, indigenous peoples and cultural heritage):
- The Danish Institute for Human Rights: "Human rights impact assessment guidance and toolbox (2020)¹²;
- Framework for Conducting Gender Responsive Analysis (IUCN, 2013)¹³;
- Gender Analysis Guide: A technical tool to inform gender-responsive environmental programming for IUCN, its members, partners and peers (IUCN, 2021)¹⁴;
- United Nations High Commissioner for Refugees (UNHCR): Resettlement Handbook (UNHCR, 2011)¹⁵
- United Nations: The Business Reference Guide to the UN Declaration on the Rights of Indigenous Peoples (UN, 2013)¹⁶.

3. General Principles and Requirements for ESIA

General principles and requirements for ESIA are set out in Table C1-1 below.

Table C1-1 General Requirements for ESIA.

Topic	Description
Commissioning and ESIA	• A specialised team of experts with the necessary qualifications and experience in ESIA processes and relevant fields of study will be appointed to undertake ESIA and related specialist studies. See Section 4 below for further details.
Baseline studies	• The specialised team of experts will conduct baseline studies, including stakeholder engagement, as relevant to the environmental and social aspects of the Project and its setting. • An inventory and assessment will be prepared of the physical and biological environment; natural resources; cultural heritage; and socio-economic baseline of the study area. • At least one visit to the Project area will be required for the collection of primary baseline data. Further data collection will be conducted for a period that adequately represents seasonal variations. Secondary data will be used

¹⁰ <http://documents.worldbank.org/curated/en/344901481176051661/Biodiversity-offsets-a-user-guide>

¹¹ https://equator-principles.com/app/uploads/CCRA_Guidance_Note_Sept2020.pdf

¹² <https://www.humanrights.dk/tools/human-rights-impact-assessment-guidance-toolbox>

¹³ <https://genderandenvironment.org/framework-for-conducting-gender-responsive-analysis/>

¹⁴ <https://genderandenvironment.org/iucn-gender-analysis-guide/>

¹⁵ <https://www.unhcr.org/46f7c0ee2.pdf>

¹⁶ https://d306pr3pise04h.cloudfront.net/docs/issues_doc%2Fhuman_rights%2FIndigenousPeoples%2FBusinessGuide.pdf

Topic	Description
	in the assessment as long as it is representative and relevant. The source of all data (existing or collected for the studies) will be disclosed. All limitations and assumption made will be clearly stated.
Stakeholder engagement	The ESIA team shall consider the national and international requirements and standards regarding stakeholder engagement, public consultation and disclosure, and will conduct the following as part of the ESIA and development of a Stakeholder Engagement Plan (SEP) for the Project: stakeholder identification and characterization; stakeholder mapping and analysis; stakeholder engagement process; arrangements for scoping and baseline engagement; post ESIA engagement, and ongoing monitoring and reporting.
Evaluation of Project Alternatives	The ESIA will identify and evaluate Project alternative, (e.g. alternatives to the site location, Project design, scale, conditions of operation and technology, including the “no-action” alternative to the proposed Project). For each of the alternatives the environmental and social impacts shall be assessed to the extent possible referencing existing information and knowledge. The basis and evaluation for selecting the Project over other alternatives shall be stated.
Impact Assessment	- The ESIA will identify and assess the significance of potential environmental and social impacts of all Project activities during all Project phases (e.g. detailed design, construction, operation and/or decommissioning, as relevant). - Management (mitigation and monitoring) measures will be identified that the Project can implement to avoid or mitigate the significance of the potential impacts. - The ESIA will include an assessment of the residual impacts (i.e. significance of impacts with implementation of the required management measures).
Cumulative Impacts	Where relevant for the specific Project context, the ESIA will also consider an assessment and evaluation of cumulative impacts¹⁷ and associated facilities of the project in accordance with the requirements and guidance of IFC PS1.
Indigenous Peoples (IP)	- Should the existence of IPs in the Project area be confirmed, the Project Company shall establish the arrangements necessary to comply with the requirements described in <i>Annex C3 – Ethnic Groups and Indigenous Peoples</i>. - The ESIA team shall arrange for the necessary expertise in relation to IP impact assessment, including local knowledge where required. - The scope of the ESIA shall include a specific focus on the IP community and, if considered necessary on the basis of the ESIA, an IPP will be developed for implementation by the Project.
Involuntary Land Acquisition and Resettlement	An assessment of the impacts of any potential economic and or physical resettlement will be included in the ESIA. Should resettlement be required, it shall be managed in accordance with <i>Appendix C2: Resettlement, Economic Displacement and Livelihood Restoration</i>.

¹⁷ Cumulative impacts are those that result from the incremental impact, on areas or resources used or directly impacted by the project, from other existing, planned or reasonably defined developments at the time the risks and impacts identification process is conducted.

Topic	Description
	If considered necessary on the basis of the ESIA, a resettlement action plan (RAP) will be developed for implementation by the Project.
Gender Inclusiveness	- The ESIA team should include a gender expert and must incorporate gender into the ESIA studies. - Local Gender Analysis and Action Plan: A local gender analysis and site-specific action plan must be prepared, for implementation throughout the Project lifecycle. The report will provide an overview of relevant gender issues in the local area in which the project is located. - Stakeholder Engagement Activities: gender considerations must be clearly incorporated into multi-stakeholder and community dialogue as a distinct activity. - Stakeholder Engagement Plan: Potential gender impacts (positive and negative) must be clearly identified and incorporated into the development of the stakeholder engagement plan. - Gender inclusive management and monitoring actions: the development of the management and monitoring activities in the ESMP must be gender-inclusive, with gender-specific actions and gender-focused Key Performance Indicators
Community development	Community needs assessment and preparation of a community development plan. Typically, the needs assessment will be incorporated into the ESIA process.
Human Rights	In circumstances where Human Rights have been identified as a potential concern either during deal screen, detailed due diligence or during the scoping of the ESIA, a specific focus on human rights will be integrated into the ESIA.
Review of E&S Categorisation	During the ESIA process the Project's E&S risk categorization will be revisited to confirm that it remains appropriate on the basis of new information that may be generated during the scoping phase, baseline evaluation phase, and/or while conducting stakeholder engagement activities.
Environmental and Social Management Plan	An ESMP will be developed based on the identified environmental and social impacts of the Project. The ESMP shall set out the mitigation and monitoring measures for each identified impact along with assignment of responsibilities, an estimation of costs where appropriate and a description of institutional and training requirements to implement them, along with a detailed timeline for implementation.

4. Commissioning an ESIA

The requirements described below shall be followed by Akaia Green Fuels with regard to the commissioning and management of ESIA's.

- An external consultant with a team of qualified and competent ESIA and subject matter experts shall be appointed to manage the overall ESIA process with full involvement and contribution by Akaia Green Fuels project planning, subject matter experts, engineering staff and others throughout the process as appropriate. The purpose of appointing an external expert is to ensure not only expertise but impartiality throughout the assessment process.
- Qualified external experts are typically required in certain defined circumstances, on issues concerning resettlement (as provided in IFC Performance Standard 5), Biodiversity (as provided in IFC Performance Standard 6), Indigenous Peoples (as provided in IFC Performance Standard 7) and Cultural Heritage (as provided in IFC Performance Standard 8).
- ESIA experts shall be appointed at the pre-feasibility stage and shall be included on the project study team as the project moves from screening through to pre-feasibility, feasibility and planning.
- Akaia Green Fuels shall maintain a list of approved external experts.

5. ESIA Structure

Table C1-2 sets out the required structure and content of an ESIA report that complies with the requirements of the IFC Performance Standards. The sections below discuss the content of the main ESIA report in more detail.

The structure and content can be modified as necessary to address the identified risks as deemed suitable by best professional judgement and therefore should not be seen as fixed. The need for other specialist studies will be determined on a project-specific basis and will be subject to evaluation as part of the ESIA. In such situations, specialist management plans will be also developed as part of the development process for implementation by the project.

Table C1-2 Structure and Content of ESIA Report.

Section	Description
Non-Technical Summary	Overview of the Project, the main environmental and social receptors and key findings of the impact assessment.
Introduction	Introduction to the Project, the ESIA process, the ESIA team of experts, the Project proponent, etc.
Policy, Legal and Administrative Framework	The ESIA shall describe the administrative framework for the project that includes the following: • All applicable local/national/regional legislation, regulations, policies and standards relevant to the Project. • Other laws and regulations governing relevant tasks in the ESIA. • Relevant international standards including the World Bank Environmental and Social Safeguards (ESS); the International Finance Corporation (IFC) performance standards, and the associated guidelines including the general EHS guidelines. • Relevant international conventions, protocols and treaties. • Relevant industry standards and EHS policies and standards that the Project has adopted, or plans to adopt. • Required development permits. Traditional or customary land ownership use and access rights.

Section	Description
Project Description	A concise description of the proposed Project and its geographic, physical, ecological, social and temporal contexts, temporary and permanent land uses, also including any off-site investments that may be required (e.g. improvement of roads, etc.), according to the following aspects: Project and Associated Facilities: Detailed description of the location and layout of all Project sites/facilities and any Associated Facilities as defined by IFC PS1. Project Activities, Infrastructure and Resources: Overview of the anticipated Project activities, infrastructure and structural components of the Project (including but not limited to the conceptual/preliminary design for supply of utilities and infrastructure, etc.), as well as anticipated Project resource requirements (including labour requirements).
Area of Influence	The ESIA must describe the Project area that will be directly and indirectly affected by the different components of the Project in accordance with the definition and approach described in IFC PS1. The process defining the project's environmental and social areas of influence (AoI) shall be defined on the basis of the baseline conditions, with the minimum level of division of the AoI as follows: Direct Impact Zone: The area where the project will be located; the area surrounding the main components of the project such as temporary site buildings during construction; laydown area, and access roads; areas affected by construction of the transmission line and any required access roads. Indirect Impact Zone: Areas where direct, secondary and tertiary socio- economic impacts might occur. These are areas where no components of the Project are developed, but where certain activities related to them are carried out, and where the environmental and social impacts may arise.
Evaluation of Alternatives	Alternatives to the Project location, design, scale, conditions of operation and technology will be analysed including the "no-action" alternative to the proposed Project. For each of the alternatives the environmental and social impacts shall be assessed to the extent possible according to existing information and knowledge. The basis and evaluation for selecting the Project over other alternatives shall be stated.
Stakeholder Engagement	The ESIA shall describe the national and international requirements and standards regarding stakeholder engagement as well as stakeholder identification and characterization; stakeholder mapping and analysis; pre-ESIA engagement and key outcomes; stakeholder engagement process; arrangements for scoping and baseline engagement; post ESIA engagement, and ongoing monitoring and reporting.
Environmental and Social Baseline	The ESIA report shall present a description of the physical, environmental, social and cultural heritage baseline and shall cover (as a minimum) the following aspects: - Environmental: meteorological conditions; topography; geology and soils; noise; air quality; hydrology and hydrogeology; biodiversity; protected sites (including local as well as national and international designations). - Social: geography and socio-political context; demographics; vulnerable groups; livelihoods and economy; land tenure, land use and ownership; education and literacy; community health, safety and security arrangements; public services and infrastructure; cultural heritage/sacred sites. Infrastructure: road network/access roads, military areas; airports/airspace; electricity transmission; water supply and wastewater infrastructure; waste management facilities; tourism facilities, etc.

Section	Description
Impact Assessment	The ESIA shall include a detailed identification and assessment of the potential positive and negative environmental and social impacts at all stages of the Project. The identified impacts will be profiled to assess the magnitude and importance of the impacts. The extent and quality of the available data shall be characterized, explaining significant information deficiencies and any uncertainties associated with the predictions of impacts. The impact will take into account the number and magnitude of mitigation strategies which need to be employed to reduce the risk(s) introduced to the environment. Where possible, impacts will be quantified. Each Project activity or impact is to be assessed for both the magnitude and importance of the impact for all the phases of the Project (i.e. construction, operation and decommissioning).
Water Sustainability	Identify environmental degradation risks related to preserving water quality and avoiding water stress with the aim of achieving good water status and good ecological potential as defined in Article 2, points (22) and (23), of EU Regulation 2020/852, in accordance with Directive 2000/60/EC¹⁸. In particular, the impact assessment shall assess the impact of the water abstraction: • On biodiversity and habitats. • In relation to resource consumption / efficiency (e.g., energy, water loss / leakage). • On competing water uses, which must include consideration of water sustainability and environmental flow. This should consider the potential maximum abstraction, taking in to account any seasonal variations. The calculation of the required environmental flow shall be based on the following environmental and social objectives: - Abstraction of water for drinking water supply. - Equitable, sustainable and efficient use of water resources. - Maintenance of environmental flows and water quality to support the long-term condition and viability of terrestrial, riverine, wetland, lacustrine, estuarine, coastal and marine ecosystems (as applicable). - Maintenance of the stability of beds and banks of watercourses, and the shores of waterbodies, estuaries and the coast. - Sustain groundwater flows, preserve groundwater dependent ecosystems and maintain good groundwater quality. - Maintenance of supply to existing users of surface and groundwater resources. - Sustain human livelihood and wellbeing that are dependent on the water source and ecosystem.

¹⁸ In accordance with applicable national law or international standards which pursue equivalent objectives of good water status and good ecological potential, through equivalent procedural and substantive rules, i.e. a water use and protection management plan developed in consultation with relevant stakeholders which ensures that 1) the impact of the activities on the identified status or ecological potential of potentially affected water body or bodies is assessed and 2) deterioration or prevention of good status/ecological potential is avoided or, where this is not possible, 3) justified by the lack of better environmental alternatives which are not disproportionately costly/technically unfeasible, and all practicable steps are taken to mitigate the adverse impact on the status of the body of water

Section	Description
Unplanned Events	The potential adverse environmental and social impacts associated with the risk of unplanned events occurring in relation to the project during construction, operation, maintenance and decommissioning shall be assessed and, wherever possible, a risk-based qualitative approach shall be adopted.
Assessment of Cumulative Impacts	Cumulative environmental and social impacts from other existing, planned or reasonably defined developments will be included in the assessment. Reference shall be made to World Bank guidance in conducting this assessment.
ESMP	The ESMP shall set out the mitigation and monitoring measures for each identified impact along with assignment of responsibilities, an estimation of costs where appropriate and a description of institutional and training requirements to implement them, along with a detailed timeline for implementation. Management and mitigation measures will be described for each potential negative impact identified. This will also include recommendations for the maximization and enhancement of beneficial impacts. The identification of management measures shall be aligned with the hierarchy of control (ref. IFC PS1). The residual negative impacts will also be identified. Monitoring measures will also be proposed to monitor impacts and the effectiveness of management and mitigation measures throughout the lifetime of the project. This will also include any relevant technical details, parameters to be measured, sampling locations, frequency of measurements, detection limits, and definitions of thresholds that will signal the need for corrective actions. At a minimum, the ESMP will include the following: • Introduction outlining the need for a management and monitoring programme. • Recommended management actions to address identified gaps, with associated responsibilities. • Monitoring requirements, including the activity being monitored; required data to be collected; monitoring parameters and benchmarks; the methodology to be employed, and the frequency of monitoring. • Key Performance Indicators for all mitigation and monitoring measures. • Frequency of reporting, if required, to regulatory authorities.
Gender Analysis and Action Plan	The analysis and action plan will cover the following: • Overview of local access to energy and gender-related issues. • Gender diversity in the renewable energy sector. • Key challenges and opportunities for women in the energy sector. • Action plan for project-level gender integration. • Monitoring and evaluation plan for gender integration including gender-responsive targets and performance indicators.
Annexes	• As relevant: • Scoping Report • Stakeholder Engagement Plan (SEP) • Gender integration and Action Plan (GIAP) • Technical specialist baseline and impact assessment reports (e.g. biodiversity, cultural heritage, social, etc.)

Appendix C2: Resettlement, Economic Displacement and Livelihood Restoration

1. Introduction

Akaia Green Fuels Projects must seek to avoid physical and/or economic resettlement, however, where this is not possible, measures are required to mitigate the impact. An assessment of the impacts of any potential economic and or physical resettlement will be conducted. Where relevant/appropriate, this assessment will be included in the Environmental and Social Impact Assessment (ESIA) (see Annex C1). If considered necessary on the basis of the assessment/ESIA, a Livelihood Restoration Plan (LRP) will be developed for Projects where economic displacement is required, and a Resettlement Action Plan (RAP) will be developed for Projects where physical resettlement cannot be avoided.

2. Key References

Reference should be made to the following publications (or their more recent version of the publications) for further guidance:

- IFC Performance Standard 5 (and associated guidance note): Land Acquisition and Involuntary Resettlement (IFC, 2012)¹⁹;
- IFC guidance notes and manuals, especially:
 - Strategic Community Investment: A Good Practice Handbook for Companies Doing Business in Emerging Markets (IFC, 2010)²⁰;
 - Good Practice Note: Addressing the Social Dimensions of Private Sector Projects (IFC, 2003)²¹;
 - Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets (IFC, 2007)²².

3. General Requirements for LRP/RAP

Table C2-1 provides an outline of the required contents of an LRP/RAP.

Table C2-2 General Requirements for LRP/RAP

Section	Description
Description of the Project and potential impacts	• General description of the project and identification of the project area. • Description of the potential impacts including: - the project component or activities that give rise to resettlement; the zone of impact of such component or activities; - the alternatives considered to avoid or minimise resettlement; and - the mechanisms established to minimise resettlement, to the extent possible, during project implementation.
Purpose and Objectives	• Outline the purpose and main objectives of the resettlement programme.
Supporting Studies	• Summary of studies undertaken in support of resettlement planning / implementation, e.g. census surveys, socio-economic studies, meetings, site selection studies.

¹⁹ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-5>

²⁰ <https://ppp.worldbank.org/public-private-partnership/library/strategic-community-investment-good-practice-handbook-companies-doing-business-emerging-markets>

²¹ <https://www.ifc.org/en/insights-reports/2000/publications-gpn-socialdimensions--wci--1319578072859>

²² <https://www.ifc.org/en/insights-reports/2000/publications-handbook-stakeholderengagement--wci--1319577185063>

Section	Description
Regulatory and Institutional Framework	• Description of the relevant laws of the host country, client policies and procedures, performance standards. • Overview of the national, regional and local political and institutional structures; civil society and non-governmental organisations that may have an interest in the Project.
Stakeholder Engagement	• Summary of the public consultation and disclosure associated with resettlement planning, including engagement with affected households, local and/or national authorities, relevant CSOs and NGOs and other identified stakeholders, including host communities. • The RAP should include, at a minimum, a list of key stakeholders identified, the process followed (e.g. meetings, focus groups), issues raised, responses provided, significant grievances (if any) and plan for ongoing engagement throughout the resettlement implementation process.
Socio-economic Characteristics	• Description of the findings of socioeconomic studies conducted as part of the ESIA including results of household and census survey, information on vulnerable groups, information on livelihoods and standards of living, land tenure and transfer systems, use of natural resources, patterns of social interaction, social services and public infrastructure.
Eligibility	• Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.
Valuation of and Compensation for Losses	• Definition of the methodology to be used in valuing losses to determine their replacement cost. • Description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.
Magnitude of Displacement	• Summary of the number of persons, households, structures, public buildings, businesses, croplands, religious or spiritual structures, etc., that will be affected.
Entitlement Framework	• Develop framework showing all categories of affected persons and what options they were/are being offered, preferably summarised in tabular form.
Livelihood Restoration Measures	• Define the various measures to be used to improve or restore livelihoods of displaced people.
Resettlement Sites	• Include details of site selection, site preparation, and relocation, alternative relocation sites considered and explanation of those selected, impacts on host communities.
Housing Infrastructure and Social Services	• Detail plans to provide (or to finance resettlers' provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services); plans to ensure comparable services to host populations; any necessary site development, engineering, and architectural designs for these facilities.
Grievance Procedure	• Develop an affordable and accessible procedure for third-party settlement of disputes arising from resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.
Organisational Responsibilities	• Develop an organisational framework for implementing resettlement, including identification of agencies responsible for delivery of resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; and any

Section	Description
	measures (including technical assistance) needed to strengthen the implementing agencies' capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.
Implementation Schedule	• Develop an implementation schedule covering all resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts, and implementing the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.
Costs and Budget	• Create tables showing itemised cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.
Monitoring, Evaluation and Reporting	• Arrange monitoring of resettlement activities by the implementing agency, supplemented by independent monitors to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

Appendix C3: Indigenous Peoples

1. Introduction

Indigenous Peoples (IPs) are not always explicitly identified or defined in the constitution or in other regulations of a country. There is no universally accepted definition of “Indigenous Peoples.” These groups may be referred to in different countries by such terms as “Indigenous ethnic minorities,” “aboriginals,” “hill tribes”, “minority nationalities”, “scheduled tribes,” “first nations”, or “tribal groups”. However, the description included in IFC Performance Standard (PS) 7 is adopted for use by Akaia Green Fuels.

According to IFC PS7, the term “Indigenous Peoples” is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political institutions that are separate from those of the mainstream society or culture; or
- A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.

The potential for IP communities to occur in the project area of influence shall identified during project appraisal (due diligence assessment), but a social assessment (e.g. as part of an ESIA) is likely to be required to confirm the classification of a community as IP, or to identify any other groups considered marginalized and/or vulnerable in accordance with the IFC Performance Standards (PS), and to assess the potential impacts of a Project on such communities.

It is recognised that because of their unique circumstances, IP communities may be more vulnerable to the impacts of a Project, and may be differently impacted when compared with other members of a local community. For this reason, the vulnerabilities of IPs will be considered as a specific aspect of an assessment when IPs are determined as being present. The impacts on IPs, and all other members of the community, will be considered in relation to all stages of the project lifecycle.

Note: This guidance should be viewed within the context of the rights of IP that the Project may need to comply with per the local/national legislation as relevant for the Project location. In some jurisdictions, the rights of IP and the content and format of any engagement with or assessments involving IP are prescribed in detail and are obligatory. As such, the Project must as a first priority comply with the local/national requirements; the guidance provided in this document (including the other recommended publications) should be utilised to determine how to align the project with international good practice.

2. Guidance

Reference should be made to the following publications (or their more recent version) for further detailed guidance on IP:

- IFC Performance Standard 7: Indigenous Peoples (IFC, 2012)²³;
- IFC Guidance Note 7: Indigenous Peoples (IFC, 2021)²⁴
- International Work Group for Indigenous Affairs IWGIA²⁵
- United Nations Guiding Principles (UNGP, 2011)²⁶
- Addressing Security and Human Rights Challenges in Complex Environments, 3rd edition (DCAF/ICRC, 2016)²⁷:

3. General Principles and Requirements for Projects involving IP Communities

Akaia Green Fuels will not fund any Projects where there is a risk of significant impact on IP communities, unless it is able to demonstrate that the requirements set out in Table C3-1 can be met. Where potential adverse impacts on IP communities are expected, Projects will be required to put in place all necessary measures to avoid such adverse impacts. When avoidance is not feasible, the Project shall minimize, mitigate or compensate for these impacts in a culturally appropriate manner. The proposed actions will be developed with the informed participation of affected IP communities, and included in a time-bound Indigenous Peoples Plan (IPP) (refer to Section 5 below).

Table C3-1 General Principles and Requirements for Projects involving IP Communities

Section	Description
Impact Assessment	• If IPs have been identified during due diligence, further assessment will be undertaken during the ESIA. • Refer to Table D-2 for IP-specific requirements to be factored into the ESIA process.
Participation and Consent	• The Project shall establish a continuing relationship with the affected IP group(s) as well as with the broader project-affected communities as early as possible in the project planning and throughout the life of the Project. • Engagement with all stakeholder groups (including IP communities) will typically commence formally during the early stage of the ESIA²⁸. • Projects shall engage with the affected IP community through a process of information disclosure and informed consultation and participation. In some specific cases, it will be necessary to obtain Free, Prior and Informed Consent

²³ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-7>

²⁴ <https://www.ifc.org/en/insights-reports/2021/ifc-guidance-note-7>

²⁵ http://iwgia.org/images/yearbook/2020/IWGIA_The_Indigenous_World_2020.pdf

²⁶ https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf

²⁷ http://www.securityhumanrightshub.org/sites/default/files/publications/ASHRC_Toolkit_V3.pdf

²⁸ In some cases, in particular where legal requirements dictate, the engagement process may commence earlier than the start of the ESIA. In this situation, the ESIA will need to review and confirm that the process has followed the requirements of IFC PS7 and address any shortcomings in this regard.

Section	Description
	(FPIC) as per IFC PS7 requirements.
Institutional Arrangements	- The following institutional arrangements shall be established by the Project Company where IP communities are confirmed to exist in the Project area: - Grievance mechanism and management process that is culturally appropriate and accessible for IP communities; - Access to IP experts to support with ongoing management of IP-related commitments; - Repository of plans and project documents that is made available to the affected IP community in an appropriate form, manner and language; - An Indigenous Peoples Plan (IPP) specific to the Project and proportionate to potential risks and impacts (refer to Table D-2 below).
Impacts on traditional or customary lands ²⁹	- Projects shall consider alternative designs to avoid being located on, and/or causing adverse impacts to the livelihoods or cultural, ceremonial, or spiritual uses of traditional or customary lands that define the identity and community of the IPs. - If this is not possible, and adverse impacts are expected, the Project shall ensure that a process of FPIC is followed as part of the ESIA. - As part of the FPIC process the Project shall: - Document efforts to avoid or at least minimize the proposed project footprint; - Document land uses in collaboration with the affected IP communities without prejudicing their land claim; - Inform affected IP communities of their rights with respect to their land under national laws, particularly those recognizing customary rights or use; - Offer affected IP communities fair compensation and due process such as benefit-sharing mechanisms; and/or land based and/or in-kind compensation in lieu of cash compensation where feasible; and - Enter into good faith negotiations with the affected IP communities and document their informed participation and outcomes of consultations.
Relocation of IP communities	- Projects shall consider alternative Project designs to avoid relocation of IP communities from their communally held traditional or customary land. - If relocation is unavoidable, Projects will not proceed unless there has been good faith negotiation with the affected IP communities, and documented evidence of FPIC as an outcome of the negotiation. - Any relocation of IP communities will need to be consistent with IFC PS 5 (Land Acquisition and Involuntary Resettlement). The option for relocated IPs to return to their traditional or customary land, should the reason for their relocation cease to exist, should remain throughout the project cycle.

²⁹ Indigenous peoples have association with their customary lands and the natural and cultural resources on the land. The use of the land, including seasonal or cyclical uses, by the indigenous peoples and communities for their livelihoods, or cultural, ceremonial, or spiritual purposes that define their identity and community, must be substantiated and documented as part of the ESIA.

Section	Description
Cultural resources	- Where a project proposes to use the cultural resources, knowledge, or practices of IPs for commercial purposes, the Project shall document and inform the IP and other affected communities of: - their rights under national laws; - the scope and nature of the proposed commercial development; and - the potential consequences of such development.
Development Benefits	- Through the ESIA process and subsequently as part of ongoing engagement, opportunities shall be identified for culturally appropriate development benefits. Such opportunities should be commensurate with the degree of project impacts, aimed at improving their living standards and livelihoods in a culturally appropriate manner, and to foster the long-term sustainability of the natural resources on which they depend. - The benefits and the agreed process for sharing benefits will be documented in the IPP (and in the Project's Community Development Programme, where relevant) and be provided to the IP communities as part of an ongoing process of transparent inclusion, engagement and decision-making.

4. Assessment of Impacts on IP Communities

If IPs are identified in the Project area during due diligence, the scope of the ESIA shall be adapted to include IPs as a specific stakeholder group. The breadth, depth, and type of assessment should be proportional to the nature and scale of the Project's potential impacts on the IP communities, and the vulnerability of the IPs. The consultancy appointed to conduct the ESIA will be required to include an IP specialist and specialist knowledge and expertise pertaining to the specific IP group(s) will be sought.

The scope of the ESIA as it specifically relates to IPs shall include the elements detailed in Table C3-2 below.

Table C3-2 ESIA Scope for Projects Involving IP Communities

Topic	Description
Scope for IP Impact Assessment (component of ESIA)	- Description of the Project and potential issues or impacts to IP communities, including an indication of any potential impacts that are expected to affect IPs differently to other groups within the affected community. - Baseline information on the demographic, social, cultural, and economic characteristics of the IP community including consideration of any specific vulnerabilities (see below) within the IP community. - Assessment of the potential adverse impacts on IPs and benefits to IPs that are likely to be associated with the project. - Summary of preferences and concerns of the IP community in relation to project objectives, access and cultural appropriateness of project benefits, mitigation of any adverse impacts, and project implementation arrangements.
Participation and Consent	- Engagement with IP communities shall be undertaken in accordance with the standard requirements IFC PS1 and in addition will: - Involve IP representative bodies and organisations (e.g. councils of elders or village councils) as well as members of the affected communities of IPs; - Be inclusive of both women and men and of various age groups in a culturally appropriate manner; - Respect and provide sufficient time for the decision-making processes followed by the IP community; and

Topic	Description
	- Facilitate the expression of views, concerns, and proposals in the language of the IP community's choice, without external manipulation, interference, or coercion, and without intimidation. • Projects with IP communities in the project area will facilitate the communities' informed participation on matters that affect them, such as proposed impact mitigation measures, sharing of development benefits and opportunities, and implementation issues.
Free Prior and Informed Consent (FPIC)	• In some specific cases, it will be necessary to obtain Free, Prior and Informed Consent (FPIC) from the IP community. • The circumstances in which FPIC is required are where: - The project may lead to impacts on lands and natural resources subject to traditional ownership or under customary use (IFC PS7 paragraphs 13-14); - IP communities will need to be relocated from lands and natural resources subject to traditional ownership or under customary use (IFC PS7 paragraph 15); and/or - Critical cultural heritage may be significantly impacted by the Project and or the Project proposes to use the cultural heritage for commercial purposes (IFC PS7 paragraphs 16-17). • The aim is to obtain and maintain free, prior and informed consent for the projects. This determination generally is based upon collective and evidenced expression of supportive views regarding subproject purposes, plans, and implementation arrangements. This determination does not require unanimity as support may exist even when there is internal disagreement within the community or when there is limited opposition to subproject purposes or proposed arrangements. - The IPP will describe the basis of the determination as well as the consultation process undertaken.
Assessment of Vulnerabilities	• A key aspect of the assessment is understanding the relative vulnerabilities of the affected IP communities, how the project may affect them and how the project may enhance their role in contributing to transformative climate action. • The ESIA shall include participatory process to define vulnerability and its criteria, such as a questionnaire or other tools developed in such a way that is understood and usable by communities. • The analysis of vulnerability will include consideration of IP's: - Economic, social and legal status; - Status, including under national and customary law, of the lands, territories and resources to which they have collective attachment (see below); - Institutions, customs, culture and/or language; - Dependence on natural resources, including through customary and traditional livelihoods; and - Past and ongoing relationship to dominant groups and the mainstream economy.
Collective Attachment	• The ESIA shall determine the level and type of collective attachment that may exist among the IP community. • When determining and evaluating collective attachment, consideration shall be given to the fact that IP groups live under many different circumstances with

Topic	Description
	varying levels of attachment to the areas in which they live. • <i>IFC PS7 Guidance Note (2012): Collective attachment signifies that the groups generally consider their lands and resources to be collective assets interlinked with their culture and identity. It also signifies that these groups' livelihoods, economies, modes of production, social organization and cultural and spiritual circumstances are generally linked to particular territories and natural resources. Collective attachment may be held over geographically distinct habitats, ancestral territories, areas of seasonal use or occupation and the natural resources therein, and, therefore, groups with collective attachment may include:</i> - <i>IP communities resident upon the lands or waters affected by the project. This could also include those who are nomadic or who seasonally migrate, and whose attachment to the area affected by the project may be periodic or seasonal in nature;</i> - <i>IP communities that do not live on the lands affected by the project but who retain ties to those lands through traditional ownership and/or customary usage, including seasonal or cyclical use, and cultural or spiritual attachment;</i> - <i>IP communities that have lost collective attachment to lands and territories affected by the project because of forced severance, conflict, involuntary resettlement programmes by governments, dispossession from their lands, natural calamities or incorporation into an urban area;</i> - <i>IP groups that reside in mixed settlements in the area affected by the project, such that they only form one part of the broader community; or</i> - <i>IP communities with collective attachment to project-affected ancestral lands located in urban areas</i>
Consideration of Unintended Consequences	• In certain circumstances, Projects can have unintended adverse impacts on IP due to their particular circumstances or vulnerabilities. The ESIA shall consider such potential impacts, which may include loss of language and cultural norms, undermining of traditional governance structures, the creation of internal conflict, increased pressures and encroachment on lands, and pressures on or contamination of natural resources. • The ESIA shall include the use of participatory methodologies to identify the potential for, and scale of, such adverse impacts, and the ways to avoid, mitigate or compensate for them.
Consideration of Differential Impacts	• IP communities may be heterogeneous and may comprise multiple groups and different social units within these groups (such as individuals, clans, communities, and ethnic groups). Issues of cultural identity, geographic access, language, governance structures, cohesion and priorities may differ greatly between groups. • Projects also may have different impacts on different subgroups within a community. For example, land for a project may be acquired from one clan, but such acquisition could impact other clans' traditional access to and use of such land and the resources located on it. • The social assessment carried out as part of the ESIA shall form the basis for identifying the different groups and understanding the nature and significance of potential impacts on each of them.
Natural Resources and Ecosystem Services	• Projects can adversely impact IP identity, natural resource-based livelihoods, food security, and cultural survival. The ESIA shall consider the extent to which

Topic	Description
	such impacts may arise. • The advice of competent experts shall be sought in an effort to avoid such impacts.

5. Content of an Indigenous Peoples Plan

Where IPs are present in a Project area, and adverse impacts cannot be avoided, a time-bound Indigenous Peoples Plan (IPP) shall be established in accordance with IFC P7 (and accompanying guidance note). The IPP will include defined actions to be adopted by the Project to mitigate and manage adverse impacts. The actions will be developed with the informed participation of affected IPs. The scope of the IPP will include as a minimum the content specified in Table C3-3 below.

Table C3-3 ESIA Scope for Projects involving IP Communities

Topic	Description
Baseline Information	• Summary of relevant baseline information that clearly profiles IP communities, including indigenous women, their circumstances and livelihoods, with descriptions and quantifications of the natural resources upon which IP communities depend. • Description of the methodology and references that describe how the baseline information was obtained (i.e. through the ESIA and associated participatory process).
Key findings and analysis of impacts, risks and opportunities	• Summary of key findings, analysis of impacts, risks and opportunities • Overview of the recommended possible measures to (i) avert or mitigate adverse impacts; (ii) enhance positive impacts, (iii) conserve and manage the IP's natural resource base on a sustainable basis; and (iv) achieve sustainable community development in line with the IP's own plans.
Measures to avoid, minimize and mitigate negative impacts and enhance positive impacts and opportunities	• Description of the measures agreed to in the process of information disclosure, consultation and informed participation to avoid, minimize and mitigate potential adverse effects on IP, and to enhance positive impacts. • Inclusion of an action plan that details the measures to be taken, the responsibilities and agreed schedules, including for implementation (who, how, where and when). Avoidance or preventative measures will be given primacy over mitigatory or compensatory measures.
Community-based natural resource management (where applicable)	• Description of the arrangements to be adopted that ensure the continuation of livelihood activities (e.g. grazing, hunting, gathering or artisanal fishing) key to the survival of the affect IP communities and their traditional and cultural practices. • Description of the measures to be adopted for the conservation, management and sustainable utilisation of the natural resources upon which IPs depend, and the geographically distinct areas and habitats in which they are located.
Result of consultations, the FPIC and future engagement plans	• Description of the process of information disclosure, consultation and informed participation and where relevant the FPIC process, including good faith negotiations and documented agreements with IP communities, and how issues raised have been addressed. • The consultation framework for future engagement shall clearly describe the process for ongoing consultations with, and participation by IPs (including women and men), in the process of implementing and operating the project
Benefit sharing plans	• Description of the measures to enable IPs to take advantage of culturally appropriate opportunities brought about by the project, and to conserve and

Topic	Description
	manage on a sustainable basis the utilization of the unique natural resource base upon which they depend.
Tenure arrangements	• Description of who has rights over the targeted project land, both in State laws and under customary law, and how the legal status of the land will change under the project and what effect this has on rights-holders
Grievance redressal mechanism	• Description of the appropriate procedures to address grievances by IPs arising from project implementation and operation. • When designing the grievance redress mechanism and procedures, the availability of judicial recourse and customary dispute settlement mechanisms within IP communities will be taken into account. • Indigenous women and men must be informed of their rights and the possibilities of administrative and legal recourse or remedies, and any legal aid available to assist them as part of the process of consultation and informed participation. • The grievance mechanism shall be readily accessible to IPs, including being able to engage with IPs in a language and mode most comfortable to them. • The grievance redress mechanism should ensure anonymity; provide for fair, transparent and timely redress of grievances without costs to those who raise grievances; and, if necessary, provide for special accommodations for women, youth and the elderly, and other vulnerable groups within the community, to make their complaints
Costs, budget, timetable, organizational responsibilities	• Inclusion of a summary of the costs of implementation, budget and responsibility for funding as well as the timing of expenditure and organizational responsibilities in managing and administering project funds and expenditures.
Monitoring, evaluation and reporting.	• Description of the monitoring, evaluation and reporting mechanisms, including responsibilities, frequencies, feedback and corrective action processes. • Monitoring and evaluation mechanisms shall include arrangements for ongoing information disclosure, consultation and informed participation with IPs (both women and men) and for the implementation and funding of any corrective actions identified in the evaluation process. • Participatory monitoring such as community-based monitoring and information systems shall be considered and supported.

Appendix C4: Stakeholder Engagement and Grievance Mechanisms

1. Introduction

For each Akaia Green Fuels Project, an IFC-compliant Stakeholder Engagement Plan (SEP) and grievance mechanism must be established that is tailored to the Project (typically this is done as part of an ESIA).

The SEP is a living document and should thus be updated as required during the various stages of the Project. The SEP shall be written in an easy-to-understand and culturally appropriate language for disclosure to the public, as required.

Note: This guidance should be viewed within the context of the ESIA or similar assessments that may be required for the Project per the local/national legislation as relevant for the Project location. In some jurisdictions, the content and format of such ESIA studies are prescribed in detail and are obligatory. As such, the Project must as a first priority comply with the local/national requirements; the guidance provided in this document (including the other recommended publications) should be utilised to determine which additional studies are needed to supplement the national EIA to be aligned with international good practice.

2. Key References

Further guidance on the preparation of a SEP and stakeholder engagement and grievance management can be found in the following publications (or their more recent version):

- IFC guidance notes and manuals, especially:
 - Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets (IFC, 2007)³⁰;
 - Good Practice Note: Addressing Grievances from Project-Affected Communities (IFC, 2009)³¹;
 - Strategic Community Investment: A Good Practice Handbook for Companies Doing Business in Emerging Markets (IFC, 2010)³²;
 - Good Practice Note: Addressing the Social Dimensions of Private Sector Projects (IFC, 2003)
- United Nations Guiding Principles (UNGP, 2011)³³;
- Guidance Note: UNDP Social and Environmental Standards (SES), Stakeholder Engagement (UNGP, 2020)³⁴;
- Good Practice Note: Addressing Gender Based Violence in Investment Project Financing involving Major Civil Works (WB, 2018)³⁵;

3. General Stakeholder Engagement and Grievance Mechanism Requirements

The Project is required to identify the range of stakeholders that may be interested in the Project, and establish a plan for ongoing communications with them. Stakeholder engagement shall be aligned with IFC PS1 as well as all applicable legal requirements. Projects shall commit to respecting the human rights of local communities and other external stakeholders including vulnerable groups such as women, children and Indigenous Peoples. Where the risk to human rights is identified, provisions shall be made to provide affected persons with access to remedy. The key requirements are detailed in Table C4-1 below.

³⁰ <https://www.ifc.org/en/insights-reports/2000/publications-handbook-stakeholderengagement-wci--1319577185063>

³¹ <https://www.ifc.org/en/insights-reports/2000/publications-gpn-grievances>

³² <https://ppp.worldbank.org/public-private-partnership/sites/ppp.worldbank.org/files/2022-02/12014complete-web.pdf>

³³ www.ohchr.org/sites/default/files/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

³⁴ www.undp.org/publications/undp-social-and-environmental-standards

³⁵ <https://documents1.worldbank.org/curated/en/399881538336159607/Environment-and-Social-Framework-ESF-Good-Practice-Note-on-Gender-based-Violence-English.pdf>

Table C4-1 General Principles and Requirements for Stakeholder Engagement and Grievance Mechanisms

Topic	Description
Stakeholder Engagement Plan (SEP)	- Where the need is identified, an SEP will be implemented for external communications with all key stakeholder groups. This shall include: - Summary of international and national regulations and best practice governing stakeholder engagement. - Identification and analysis of stakeholders relevant to the Project. - Methodology and programme of engagement activities during each phase of the Project. - Requirements for monitoring and reporting. - A procedure for the periodic disclosure of Project-related information to local communities will be developed and implemented. This procedure may be included and/or developed as part of the SEP.
External Communications	For Projects that have limited/no adverse E&S impacts on local communities, it may not be necessary to implement a formal SEP. In these cases, the Project shall identify the relevant stakeholders, and establish a plan for periodic and ongoing external communications e.g. to provide updates on the Project. This is beneficial for maintaining positive relations and protecting the Project's reputation.
Broad Community Support	- The Project must strive at all times to maintain broad community support. This requires the ongoing implementation of the stakeholder engagement plan and local grievance mechanism, as well as implementation of measures for monitoring the extent to which such support exists and continues to be maintained. - The Project is required to gauge the extent to which broad community support is maintained through routine requests for feedback as part of the ongoing stakeholder engagement activities, as well as through ongoing monitoring of the grievances that are raised.
Local Grievance Mechanism	- The Project must develop and implement a grievance mechanism for Project-affected communities and other local stakeholders to raise complaints, concerns and grievances about the Project. - The grievance mechanism must be compliant with all applicable local, regional and national legislation as well as international best practice standards. - The grievance mechanism must be managed in accordance with the Effectiveness Criteria detailed in Principle 31 of the UNGP. - The grievance mechanism must be easy to understand and involve a transparent consultative process that is culturally appropriate and readily accessible. - There must be no cost associated with using it and it must be available for use without fear of retribution to the party that originated the issue or concern. The mechanism must not impede access to or substitute judicial or administrative remedies or seek to replace these. - The Project affected communities must be informed about the mechanism and how to access it and use it. - The mechanism must incorporate specific and survivor-centred measures for reporting and managing reported cases of gender-based violence and harassment (GBVH), with such measures also providing for the appropriate safeguarding of any witnesses and other stakeholders such as whistleblowers and family members. All Project workers responsible for receiving, responding

Topic	Description
	to, and addressing cases of GBVH must receive appropriate training in line with international best practice.
Grievance Management Procedure	- The local Grievance Mechanism must include a procedure for managing grievances, which shall describe the process for: - Receiving and registering external communications from the public. - Screening and assessing the issues raised and determining how to address them. - Promptly responding to the grievance to confirm it has been received. - Providing, tracking, and documenting any responses. - Conducting trend analysis on grievances received to identify potential systemic issues. - Projects will designate one or more person(s) with responsibility for responding to grievances and ensure they are sufficiently competent and have received necessary training to resolve day-to-day grievances. - Specific arrangements will be implemented for reported cases of GBVH. These will need to be tailored to reflect the local Project context, but as a minimum will need to provide for a safe, confidential and child-friendly mechanism which may involve working with a local women's and or youth organisation. - The Project's local Grievance Mechanism must be published in writing, disclosed and accessible to all local stakeholders. - A register will be kept of all grievances and how they were addressed
Community Liaison Officer (CLO)	- In some cases, when a Project is likely to have significant impacts on or interest from local communities, Projects may be required to appoint a CLO role is to engage with the local communities, act as their primary point of contact, and maintain good relations. - The CLO may be tasked with logging the grievances that are received and reporting these to the Project management team. The specific aspects of the role of the CLO will need to be determined by the Project. - The CLO shall be tasked with monitoring the grievance log and conducting routine analysis to identify trends that may be indicative of a broader issue including potential deterioration or loss of broad community support.

4. Content and Structure of an SEP

Table C4-2 presents the recommended structure for the SEP and provide a general overview of the content that needs to be included in each section.

Table C4-2 Content and Structure of an SEP

Topic	Description
Introduction	- Brief description of the Project and its context, as well as an overview of the potential environmental and social impacts. - If possible, include a map showing the Project Area of Influence.
Regulatory Overview	Summarise the applicable local/national/regional legislation and international best practice standards regarding stakeholder engagement. This may include public consultation and disclosure requirements related to the ESIA process
Project Stakeholder Identification and	List the key stakeholders/stakeholders' groups who will need to be informed and consulted about the Project, including (but not necessarily limited to) stakeholders/stakeholder groups that:

Topic	Description
Analysis	- are directly and/or indirectly affected by the Project; - have an institutional interest in the Project; and/or - have the potential to influence Project outcomes. • Conduct an analysis of the identified stakeholder/stakeholder groups in order to identify the key stakeholders/stakeholder groups and determine the level of engagement required for each stakeholder/stakeholder group
Summary of any Previous Stakeholder Engagement Activities	• If previous stakeholder engagement activities have been undertaken pertaining to the Project, summarise the stakeholders/stakeholder groups involved; the information that was disclosed and how this was disclosed; the locations, dates and attendance lists of any public/stakeholder meetings held; as well as the key issues/concerns raised and the Project's responses to these issues/concerns.
Stakeholder Engagement Programme	• Develop a programme of stakeholder engagement for the Project, based on the results of the stakeholder analysis and previous stakeholder engagement activities. • The programme should describe: - The information to be disclosed and the method of disclosure for each stakeholder/stakeholder group (e.g. newspaper advertisements, information brochures/posters, published reports, etc.); - The methods to be used for consulting with each stakeholder/stakeholder groups (e.g. interviews, surveys/questionnaires, focus group meetings, public meetings, workshops, etc.), including any traditional mechanisms needed for engagement with local communities; • How the views of women, minorities, the elderly, the youth and other vulnerable groups (including communities of Indigenous Peoples) will be taken into account; • Describe any other engagement or participatory processes and/or partnerships to be undertaken with local communities, NGOs or other project stakeholders (e.g. benefit-sharing programmes, resettlement programmes, community development programmes, etc.); and • A schedule for engagement activities, with dates/timeframes and locations for the activities.
Roles, Responsibilities and Management Arrangements	• Identify Project role players and key staff members that will be devoted to and/or responsible for managing and implementing the SEP and grievance mechanism. • Describe how the SEP integrates with the Project's environmental and social / integrated management system and other core business functions.
Project Grievance Mechanism	• Describe the Project's grievance management procedure and provisions for how grievances can be raised for consideration and redress, and by whom.
Monitoring and Reporting	• Describe any plans to involve project stakeholders (including affected communities) or third-party monitors in the monitoring of Project impacts and the implementation of the Project's ESMP. • Describe how and when the results of stakeholder engagement activities will be reported back to stakeholders.

Appendix C5: Gender

1. Introduction

Akaia Green Fuels recognises that for Akaia Green Fuels-funded to be successful, they must be gender-sensitive. The use of the term 'gender' refers to the social relations between women and men; thereby the need to work with women and men to ensure both equitably benefit. Akaia Green Fuels considers women as Project employees, beneficiaries and affected stakeholders, both directly and indirectly.

Gender considerations will be incorporated into all aspects of the assessment and development of the Project. An analysis of the local gender context must be undertaken for each Akaia Green Fuels Project, along with the preparation of an action plan that will seek to address the challenges and opportunities for women and girls. Akaia Green Fuels requires this action plan to be implemented during all stages of the Project lifecycle.

Akaia Green Fuels also recognises the issue of gender-based violence and harassment (GBVH) and sexual exploitation, abuse and harassment (SEAH), which are often experienced by women and girls more so than male members of the workforce and society at large. Akaia Green Fuels requires all Akaia Green Fuels-funded Projects to implement measures to safeguard female members of its workforce as well as in the broader communities it serves. This includes consideration of the risks associated with GBVH and SEAH in all aspects of the Project, adoption of controls to avoid cases of GBVH and SEAH, and measures to respond to and address reported or suspected cases. The worker grievance mechanism adopted by the Project will make specific provision for a survivor-centred approach in responding to such cases as well as providing the necessary support to witnesses and others-such as whistleblowers, with those involved in managing the case receiving appropriate training in line with international guidance. Ongoing monitoring of the risks and associated control measures will be required throughout the lifetime of the Project.

2. Key References

Reference should be made to the following publications (or their more recent version of the publications) for further guidance:

- IFC Performance Standard 1 (and associated guidance note): Assessment and Management of Environmental and Social Risks and Impacts (IFC, 2012)³⁶
- IFC Performance Standard 2 (and associated guidance note): Labour and Working Conditions (IFC, 2012)³⁷;
- IFC Performance Standard 4 (and associated guidance note): Community Health, Safety and Security (IFC, 2012)³⁸;
- IFC Performance Standard 5 (and associated guidance note): Land Acquisition and Involuntary Resettlement (IFC, 2012)³⁹;
- IFC Performance Standard 7 (and associated guidance note): Indigenous Peoples (IFC, 2012)⁴⁰;
- Addressing Gender-Based Violence and Harassment: Emerging Good Practice for the Private Sector (IFC, EBRD and CDC, 2020)⁴¹.

³⁶ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-1>

³⁷ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-2>

³⁸ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-4>

³⁹ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-5>

⁴⁰ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-7>

⁴¹ <https://www.ifc.org/en/insights-reports/2020/publications-gpn-addressinggbvh>

3. Project-Specific Gender Analysis and Action Plan

The purpose of the Project-specific gender integration and action plan (GIAP) is to present an overview of the gender-related issues in the area in which the Project is located, along with a set of Project-specific gender mainstreaming actions and targets. The GIAP will cover the following:

- Overview of the local gender context and gender-related issues.
- Gender diversity in the sector(s) applicable to the Project.
- Key challenges and opportunities for women in the Project sector(s).
- An action plan for Project-level gender integration and mainstreaming actions.
- Monitoring and evaluation plan for gender integration, including gender-responsive targets and performance indicators.

Appendix C6: Community Development

1. Introduction

Akaia Green Fuels is committed to ensuring that all Akaia Green Fuels-funded projects contribute to society in an impactful way and enjoy the ongoing support of the broader community that the project forms part of. In this regard, Akaia Green Fuels requires all projects to develop and implement a needs-based community development programme. The objectives of such a community development programme for all Akaia Green Fuels-funded projects are to:

- Make a contribution to the United Nations (UN) Sustainable Development Goals (SDGs);
- Achieve the highest standards on environmental sustainability;
- Build long-term, successful relations with stakeholders;
- Maintain and enhance Akaia Green Fuels' reputation locally and internationally; and
- Achieve paradigm shift and market transformation.

2. Key References

Reference should be made to the following publications (or their more recent version of the publications) for further guidance:

- IFC guidance notes and manuals, especially:
 - Strategic Community Investment: A Good Practice Handbook for Companies Doing Business in Emerging Markets (IFC, 2010)⁴²;
 - Good Practice Note: Addressing the Social Dimensions of Private Sector Projects (IFC, 2003)
 - Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets (IFC, 2007)⁴³;
- McKinsey Organisation Capacity Assessment Tool⁴⁴;
- UN SDGs: <https://sdgs.un.org/goals>; and
- UNGP, 2011⁴⁵.

3. General Principles and Requirements for Community Development

The design and implementation of community development programmes by Akaia Green Fuels-funded projects must be guided by and align with the guiding principles and general requirements set out in Table C6-1.

Table C6-1 General Principles and Requirements for Community Development

Topic	Description
Guiding Principles	• Sustainable – Community development programmes will be designed to contribute to the UN SDGs and will promote self-reliance and avoid dependency whilst creating opportunities for government support and partnerships with other development actors; that will have a clear sustainable exit strategy. In recognition of the importance of the United Nations Sustainable Development Goals (UN SDGs) and CFM's role in supporting them, the community development programme shall focus on several priority areas where CFM is well-placed to achieve positive impact, including:

⁴² <https://ppp.worldbank.org/public-private-partnership/library/strategic-community-investment-good-practice-handbook-companies-doing-business-emerging-markets>

⁴³ <https://www.ifc.org/en/insights-reports/2000/publications-handbook-stakeholderengagement--wci-1319577185063>

⁴⁴ www.issuelab.org/resources/27379/27379.pdf

⁴⁵ https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf

Topic	Description
	• SDG 5: Gender quality • SDG 6: Clean Water and Sanitation (included as this is an important area SDG 7: Affordable and Clean Energy for development in India) • SDG 8: Decent Work and Economic Growth • SDG 9: Industry, Innovation and Infrastructure • SDG 13: Climate Action • SDG 17: Partnerships for the Goals • Community-Led – Community development programmes will be gender-inclusive, will be designed, planned, implemented and managed in consultation with and participation of community members and beneficiaries, including those identified as vulnerable. • Inclusive – The development and delivery of programmes will involve engagement with national, regional and local governments as relevant, Civil Society Organisations (CSOs), development agencies and other local stakeholders active in community development. This will seek to achieve a good fit with existing development activities in the area, and to be replicable across other communities as needed. • Transparent – The development, implementation and management of all community development programmes shall be transparent, auditable and open to internal and external scrutiny. • Measurable – Key Performance Indicators (KPIs) will be established to measure the value that community development programmes give to the intended beneficiaries using outcomes and impact indicators to measure change.
Beneficiary Eligibility Criteria	• It is essential that the community development programme has clear criteria for identifying the intended beneficiaries of the programme. The determination of those members of a community that are eligible to benefit, and the allocation of resources for the programme, will be based on the following criteria: • Presence within the project's Area of Influence (AoI) – All individuals living within the boundaries of the AoI should be considered eligible to benefit. All those who are not in the AoI will generally not be eligible. Typically the AoI is determined by the Environmental and Social Impact Assessment (ESIA) undertaken for the project and encompasses both the direct and indirect areas of influence. In those cases where an ESIA is not needed on the basis of the project's risks and impacts (e.g. Category C projects), the AoI should be determined in order to establish the boundaries of eligibility. • Potential for Social Issues – Although the use of boundaries of the AoI will work in some cases, in others it may be too narrow and lead to politicized social concerns or perceptions. In those cases, it may be necessary to consider cultural, economic or administrative/municipal boundaries (ref. IFC, 2010). Such situations will need to be managed on a case-specific basis and with the input of experienced experts.
Development Options Screening Criteria	• Although specific criteria for identification of community development options will vary for each project, all proposed community development interventions must be screened against (and be aligned with) with the following parameters: • High priority needs and opportunities as identified by the intended beneficiaries; • Alignment with selected UN SDGs and the above guiding principles;

Topic	Description
	• Support gender inclusiveness and provide opportunities for women; • Alignment with existing government development priorities and plans; • Opportunities to add value in line with Akaia Green Fuels' core business competencies; • Availability and capacity of local partners to support implementation; and • Achieve high impact and are within the allocated budget.
Sustainability, Capacity Building and Exit Strategy	• The long-term success of the community development programme depends on its ability to become self-sustaining over time and avoid the creation of dependencies, so that Akaia Green Fuels/Akaia Green Fuels-funded project can reduce or withdraw support in due course without negative consequences. Capacity building should be an essential component of the programme's exit and sustainability strategy, as strengthening local partner organisations and promoting self-reliance will greatly improve the likelihood of a positive legacy remaining. For each project, the following aspects will need to be incorporated: - The need for capacity building or skills training both internally and externally shall be considered to provide ongoing support to the programme, including within communities, CSOs, local government and the project. These should focus on both technical and behavioural capacities. - Clarity regarding the intended duration of the community development programme and communication of this to the beneficiaries and other stakeholders at the outset. - An exit or handover strategy that enables the community to continue with the programme/initiative and any actions required to achieve this.
Stakeholder Engagement	• Engagement with communities and other stakeholders is core to the development and implementation of community development programmes and is as vital to the success of the programme as it is to the success of the project. • Engaging early on will enable the identification of local development priorities and lead to a more targeted and successful community development programmes where benefits distribution is more likely to be accepted and understood by local stakeholders. This transparency builds confidence and is one of the most effective ways of establishing trust and creating a positive image of company behaviour. • Stakeholder engagement facilitates participation in programme (and project) decision-making processes and provides a platform for views to be expressed which inform the identification of impacts and associated mitigation measures. • The process involves sharing information and knowledge, understanding the concerns of others and relationship building, thereby allowing stakeholders to understand the risks, impacts and opportunities of the project to achieve positive outcomes. It is an ongoing 'two way' process of information sharing between the project and those that may influence or be affected by the project from the early stages. • Stakeholder engagement will be conducted throughout the development and implementation of the community development programme. The process and techniques for engagement are elaborated on in Annex C3. It may be necessary to appoint experts with the required experience, language and cultural insights to conduct the engagement.

Topic	Description
Gender Inclusiveness	- Akaia Green Fuels recognises that for Akaia Green Fuels-funded projects to be successful, they must be gender-sensitive. The use of the term 'gender' refers to the social relations between women and men; thereby the need to work with women and men to ensure both equitably benefit. - Community development programmes will be designed to respond to gender and social inclusion opportunities. All community development programmes will consider women as stakeholders, workers, and end-users (or 'beneficiaries'). Standalone initiatives will be considered that target women in governance, as workers and entrepreneurs. These initiatives may include: women's enterprise development, women's professional and skills development in vocational activities relevant to the sector (e.g., engineers, maintenance and services), and community dialogue in support of women's empowerment initiatives. The specific nature of the initiative will be formed on the basis of stakeholder engagement and the assessment of community needs and opportunities.

4. Community Development Budgets

There will be the following allocations and Akaia Green Fuels shall ensure that one hundred percent (100%) of this budget is disbursed for the intended purpose of community development per the approved community development programme and shall not be used for any other purpose in any circumstance:

- Four percent (4%) of development funding to be allocated for community development programs during the relevant Development Phase.
- Allocate budget for the community development programme for the construction phase (i.e. from construction phase to COD) of each project in line with the following:

CapEx	Community Development Budget
< US\$ 50 million	0.5%
US\$ 50 to US\$ 100 million	0.45%
> US\$ 100 million	0.35%

- Allocate budget from the operations period (i.e. post-COD) of each Akaia Green Fuels project, which is at least equal to 1 percent (1%) of the Project SPV's annual EBITDA.

Any unspent budget from one period/Financial Year shall be carried over to the next and shall be used only for the purpose of community development per the CDP. Any unspent budget shall be carried over to all subsequent financial periods until such time as it is fully disbursed.

Appendix C7: Labour and Working Conditions

1. Introduction

All Akaia Green Fuels Projects are required to put arrangements in place for labour and working conditions that are aligned with international good practice and ensures respect for human rights, gender mainstreaming and the well-being of workers.

Note: This guidance should be viewed within the context of the requirements for labour and working conditions applicable to the Project per the local/national legislation as relevant for the Project location. In some jurisdictions, requirements for labour and working conditions are prescribed in detail and are obligatory. As such, the Project must as a first priority comply with the local/national requirements; the guidance provided in this document (including the other recommended publications) should be utilised to determine how to align the project with international good practice.

2. Key References

Akaia Green Fuels Projects must strive to meet the international benchmark standards for labour and working conditions, not limited to the following publications (or their more recent version), as applicable to the nature of Project activities:

- IFC Performance Standard 2 (and associated guidance note): Labour and Working Conditions (IFC, 2012)⁴⁶;
- International Labour Organisation (ILO) Core Labour Standards⁴⁷;
- ILO Basic Terms and Conditions of Employment, i.e. the requirements as applicable on wage, working hours, labour contracts and occupational health & safety issues, stemming from ILO conventions 26 and 131 (on remuneration), 1 (on working hours) and 155 (on health & safety);
- : Performance Standard 2 Handbook for Labor and Working Conditions, IFC and Social Accountability International (SAI)⁴⁸;
- IFC Good Practice Note: Non-Discrimination and Equal Opportunity⁴⁹;
- IFC Good Practice Note: Managing Retrenchment⁵⁰;
- IFC Good Practice Note: Addressing the Social Dimensions of Private Sector Projects⁵¹;
- IFC Good Practice Note: Addressing Child Labour in the Workplace and Supply Chain⁵²;
- Workers' Accommodation: Processes and Standards, IFC and European Bank for Reconstruction and Development (EBRD)⁵³; and
- United Nations Guiding Principles on Business and Human Rights⁵⁴.

3. General Principles

⁴⁶ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-2>

⁴⁷ <https://www.ilo.org/declaration/lang-en/index.htm#:~:text=the%20elimination%20of%20all%20forms, safe%20and%20healthy%20working%20environment.>

⁴⁸ www.ifc.org/content/dam/ifc/doc/mgrt/sai-ifc-laborhandbook.pdf

⁴⁹ <https://www.ifc.org/en/insights-reports/2000/publications-gpn-nondiscrimination>

⁵⁰ www.ifc.org/content/dam/ifc/doc/mgrt/retrenchment.pdf

⁵¹ <https://www.ifc.org/en/insights-reports/2000/publications-gpn-socialdimensions--wci--1319578072859>

⁵² <https://www.ifc.org/en/insights-reports/2000/publications-gpn-childlabor>

⁵³ <https://www.ifc.org/en/insights-reports/2000/publications-gpn-workersaccommodation>

⁵⁴ https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf

Akaia Green Fuels Projects, including all Akaia Green Fuels Project contractors and primary suppliers⁵⁵ over which Akaia Green Fuels has control or influence, are required to adhere to international good practice standards regarding labour and working conditions.

Furthermore, in recognition of the growing awareness of the risk of human rights violations in the supply chain, all contractors and suppliers will be required to provide information as part of Akaia Green Fuels' due diligence assessment. The focus will be mainly on civil and political rights concerning working conditions; terms of employment; protecting the workforce; worker's grievance mechanism; the right to form unions; potential for child/forced/trafficked labour; and policies for non-discrimination and equal opportunity. Akaia Green Fuels acknowledges that this is an emerging global issue and is committed to adopting guidance and best practices as they are developed as part of its overall approach to sustainability.

General principles and key requirements for management of labour and working conditions are set out in Table C7-1 below.

Table C7-1 General Requirements for Management of Labour and Working Conditions

Topic	Description
Legal Compliance	A register of all relevant national labour and employment laws must be established and ongoing compliance monitored.
Local Content	Projects must implement a recruitment strategy, policy and process for locally sourced staff as well as foreign workers. Suppliers of local goods and services must be prioritised where possible, and Project must ensure that these (i) promote gender equality in hiring and training (policy and practice); and (ii) improve working conditions for women i.e., facilities; child-care; sexual harassment policies and remedy etc. and prioritize and support suppliers of local goods and services where possible. Projects must prioritize and support businesses and contractors that are owned by women and/or invest in and value women.
Human Resources Policy and Procedures	- Projects must implement and communicate to all workers a Human Resources Policy and develop procedures (which could be included in an 'Employee Manual') that cover all aspects regarding labour and working conditions such as: - Working hours, overtime (if relevant) and rest periods. - Procedure for working overtime and rules governing overtime and holiday work. - Remuneration for normal working hours and overtime (if relevant). - Procedure for payment (i.e. the date and place of payment for wages, overtime pay, holiday pay and holiday overtime pay, and payment). - Annual leave policy (including maternity leave, sick leave, etc). - Employee benefits (e.g. social security, travelling expense for work, etc.). - Rules regarding collective bargaining and association. - Promotion, probation and performance appraisals. - Training programmes. - Disciplinary process. - Dismissal, termination of employment, severance pay and special severance pay.

⁵⁵ Primary suppliers are those suppliers who, on an ongoing basis, provide goods or materials essential for the core business processes of the Project (source: IFC PS2).

Topic	Description
Vulnerable Workers	Projects must implement documented arrangements prohibiting the employment of children below the age of 18 years; and of bonded or forced labour. This requirement must be extended to all contractors and third parties. Projects must regularly monitor the workforce including those in the supply chain (see below) to detect any new risks or incidents of child and/or forced or bonded labour and take appropriate steps to remedy them.
Supply Chain	- As part of the overall environmental and social management systems, Projects must establish the following arrangements for managing supply chain human rights risks: - A policy or position statement regarding the Project's commitments in relation to supply chain and human rights risks. - Defined requirements with which suppliers must comply. - Human rights due diligence prior to entering into an agreement with a new primary supplier. - Monitoring suppliers' ongoing compliance with these policies.
Non-Discrimination	- Projects must commit to: - Fair treatment, non-discrimination and equal opportunity including gender sensitivity in the workplace and with respect to recruitment, compensation, termination, upgrading, promotions, and other working conditions or terms of employment. - Raise awareness among all workers (including contractors and other workers engaged by third parties) of different forms of discrimination, sexual harassment, equal opportunities, and the approach to how workers raise any concerns or grievances.
Employee Consultation, Participation and Communication	Projects must have in place arrangements for managing worker relationships, including collective bargaining and worker organisation, and employee consultation, communication and participation. Where collective bargaining and freedom of association is restricted by law, projects must provide opportunities for workers to freely elect their own representatives to engage on their behalf with the employer on matters relating to their labour and working conditions.
Worker Grievance Mechanism	Projects must implement a worker grievance mechanism for workers to raise feedback, complaints and grievances. This mechanism must be designed and managed in accordance with the Effectiveness Criteria detailed in Principle 31 of the UNGP⁵⁶. Gender concerns must be integrated in the grievance mechanism to ensure that all gender-related complaints and grievances are processed and addressed appropriately. Specific provisions must also be made for dealing with cases of gender-based violence and harassment, including arrangements for anonymous reporting. Other provisions may include allocation of a trained, female point of contact who will respond to such reports, independent experts, and specialist protection and support.
Gender Equality	Projects must implement a gender action plan, provide Project staff (including contractors) with gender equality awareness training and ensure that the needs of female workers are adequately addressed, e.g. in relation to sanitation

⁵⁶ UN Human Rights Office of the High Commissioner, HR/PUB/11/04, 2011

Topic	Description
	facilities, rest areas and facilities for pregnant and nursing mothers, separate accommodation and ablution facilities (where provided), etc. Gender-disaggregated performance and impact data must be collected and reported.

Appendix C8: Occupational Health, Safety and Security Management

1. Introduction

All Akaia Green Fuels Projects are required to put in place arrangements for a safe and healthy work environment that reduce the exposure of workers employed by or on behalf of the Project to risks associated with physical, biological or chemical hazards.

The approach to mitigating risks to occupational health and safety (OHS) must be based on an understanding of the Project risk landscape and managing Project activities in a way that eliminates incidents, minimises risk and promotes excellence in the performance. All workplace hazards shall be subject to risk assessments and controls must be put in place to reduce this in accordance with the control hierarchy. These controls will entail procedures developed and implemented under OHS management system 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 attention 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.

Note: This guidance should be viewed within the context of the requirements for OHS management applicable to the Project per the local/national legislation as relevant for the Project location. In some jurisdictions the content and format of an OHS management system are prescribed in detail and are obligatory. As such, the Project must as a first priority comply with the local/national requirements; the guidance provided in this document (including the other recommended publications) should be utilised to determine which additional preparations/settings are needed to supplement the national OHS requirement to be aligned with international good practice.

2. Key References

Akaia Green Fuels Projects must strive to meet the international benchmark standards for OHS, not limited to the following publications (or their more recent version), as applicable to the nature of Project activities:

- IFC Performance Standard 2 (and associated guidance note): Labour and Working Conditions (IFC, 2012)⁵⁷;
- IFC Performance Standard 4 (and associated guidance note): Community Health, Safety and Security (IFC, 2012)⁵⁸;
- World Bank Group General Environmental, Health and Safety (EHS) Guidelines (IFC, 2007) and applicable Industry Sector EHS Guidelines⁵⁹;
- International Labour Organisation (ILO) Occupational Safety and Health Convention, 1981 and other relevant ILO instruments pertaining to OHS⁶⁰;
- ISO 45001:2018 Occupational Health and Safety Management Systems⁶¹;

⁵⁷ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-2>

⁵⁸ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-4>

⁵⁹ <https://www.ifc.org/en/insights-reports/2000/general-environmental-health-and-safety-guidelines>

⁶⁰ <https://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/occupational-safety-and-health/lang-en/index.htm>

⁶¹ <https://www.iso.org/standard/63787.html>

- IFC Good Practice Handbook: Use of Security Forces: Assessing and Managing Risks and Impacts (IFC, 2017)⁶².

3. General Principles and Requirements for OHS Management

Akaia Green Fuels Projects are required to develop and implement an OHS management system that covers all Project activities and related emergencies throughout the Project lifecycle. General principles and requirements for OHS management systems are set out in Table C8-1 below.

Table C8-1 General Requirements for OHS Management Systems

Topic	Description
Hazard Identification and Risk Assessment	• The OHS management system must allow for the identification of all hazards and associated risks. Hazards could be physical, chemical or biological in nature. Some Project activities may present specific hazards, e.g. working on or over water. Risk assessment must consider both probability of occurrence and consequences.
Hazard/Risk Control	• For all identified hazards, preventive and protective controls must be identified and implemented using the mitigation hierarchy: - Eliminate the hazard (avoid, replace, etc.) - Control the hazard at its source with engineering/design; - Minimise the hazard through administrative controls and procedures (safe system of work, supervision, etc.); - Provide appropriate personal protective equipment (PPE).
Incident Reporting and Investigation	• All incidents must be reported (to authorities, investors and/or other stakeholders) and significant incidents must be thoroughly investigated to determine the root cause and identify corrective actions. Incident investigations allow sharing of the experience as lessons learnt and avoid re-occurrence. • The management system must have clear guidelines and requirements for incident reporting and investigation by trained professionals. Reporting process will identify responsibilities/ accountabilities with escalation routes based on the seriousness of the incident.
Training	• Projects must ensure that all workers are trained in the OHS risks and controls applicable to their assigned responsibility. Training must cover normal working responsibilities, as well as emergency response procedures. • Induction training as well as regular refresher training (toolbox talks) are required for all workers employed by or on behalf of the Project
Performance Indicators	• Projects must track at least minimum key performance indicators that will reduce incidents and promote a culture of “zero harm”. Projects must establish procedures for collecting data and trends analysis for parameters like accident and incident rates. In addition to such lagging indicators, Projects must include a series of leading indicators (hazardous observations, near misses, etc.) to actively track performance, systems lacunae and make course corrections where necessary to avoid incidents.
Safety Culture	• Project must enforce a culture where everyone is actively looking for unsafe behaviours/conditions and reporting them for mitigation and control. This

⁶² <https://www.ifc.org/en/insights-reports/2017/publications-handbook-securityforces>

Topic	Description
	should focus on behavioural and psychological components driven by leadership commitment for creating an environment of motivation and willingness to work safely. The culture should avoid assigning blame and encourage positive dialogue among all stakeholders on how to make workplace safe, secure and healthy.
OHS Communication	- Projects must design and adopt communication systems that complement the planning process and effectively share knowledge among all Project parties including workers, contractors, suppliers, the local community and other stakeholders as necessary. - The communication must detail the Project's commitment to health and safety and "zero harm". Communication must cover areas like visitor orientation, area signage, labelling, and hazard codes, emergency and security.
OHS Monitoring	OHS monitoring is necessary to verify effectiveness of the control strategies and consistently keeping workplace safe. The project should include accident and disease monitoring through procedure and systems to understand the failures for early warning to workers and leadership to take mitigation measures. The other components for OHS monitoring that need to be considered are inspection safety and calibration of equipment in projects, workers medical surveillance, training record monitoring and workplace surveillance for safety and security breaches.
Security	- Projects must consider voluntary and national guidelines to develop security procedures that respect local cultural and human rights responsibilities. - The selection and management of security personnel must be done on the basis of the principles of proportionality and in accordance with international guidance.
Emergency Preparedness and Response	- Emergency preparedness and response planning is required to identify foreseeable potential emergency situations and implement arrangements and emergency plans, in order to prevent and/or respond, rapidly and efficiently, to emergency situations in a manner appropriate to prevent and mitigate any harm to people and/ or the environment. Emergency preparedness and response planning should entail: - Identification of all reasonably foreseeable emergency scenarios during all stages of the Project, including natural, work-related and civil emergencies. - Assigning roles and responsibilities for communicating and responding to emergency situations. - Specific response procedures based on the emergency level classification (emergency tiers) of each emergency scenario. - Training and practice requirements, including periodic drills based on assigned emergency levels or tiers. - Emergency contacts and communication systems/protocols (including communication with affected communities when necessary). - Procedures for interaction with government authorities and emergency services. - Equipment requirements for employees responsible for rescue operations, medical duties, threat and incident responses (e.g. hazardous material spill response), firefighting and other responses. - Permanently stationed emergency equipment and facilities requirements (e.g. first aid stations, firefighting equipment, spill response equipment,

Topic	Description
	personal protection equipment for the emergency response teams). - Identification of evacuation routes and muster points. - Decontamination procedures and means to proceed with urgent remedial measures to contain, limit and reduce pollution within the physical boundaries of the project property and assets to the extent possible.

Appendix C9: Process Safety

1. Introduction

Process safety focuses on the prevention of major accident hazards associated with the loss of containment of hazardous materials, energy, or process conditions that could result in serious harm to people, the environment, assets, or the surrounding community. For CBG projects, key process safety risks include uncontrolled release of biogas or methane, fire and explosion, over-pressure events, failure of gas upgrading or compression systems, and loss of control during start-up, shutdown, or maintenance activities.

Akaia Green Fuels recognises that effective process safety management is critical to the safe design, construction, commissioning, operation and decommissioning of its facilities. Accordingly, all Akaia Green Fuels' projects shall implement a systematic, risk-based approach to process safety that is integrated into the overall ESMS and aligned with GIIP.

2. Key References

Process safety management shall be aligned with the following standards and guidance, as applicable to the nature and scale of project activities:

- International Finance Corporation (IFC) Performance Standard 2: Labour and Working Conditions, and associated Guidance Note (IFC, 2012)⁶³;
- World Bank Group General Environmental, Health and Safety (EHS) Guidelines (IFC, 2007) and applicable industry-specific EHS Guidelines.
- Applicable legislation on manufacture, storage and handling of hazardous chemicals and factory safety.

3. General Principles and Requirements for Process Safety

Akaia Green Fuels shall adopt a lifecycle approach to process safety, ensuring that hazards are identified, risks are assessed, and controls are implemented from early design through to decommissioning. General principles and requirements for process safety are set out in Table C9-1 below.

Table C9-1 General Requirements for Process Safety

Topic	Description
Hazard Identification and Risk Assessment	• Prior to detailed design, Akaia Green Fuels shall ensure that a formal Hazard Identification (HAZID) study is undertaken by competent and experienced personnel. Where required based on project complexity and risk profile, more detailed studies such as Hazard and Operability Studies (HAZOP), quantitative risk assessments, or equivalent analyses shall be conducted. Hazard identification shall address, at a minimum: - Feedstock pre-treatment and handling systems; - Anaerobic digestion processes; - Biogas capture, storage, upgrading, compression and transfer systems; - CO₂ separation and handling systems (where applicable); - Digestate handling and storage; - Utilities, control systems, and interfaces with associated facilities. The findings of these studies shall be documented, and all material risks shall be recorded in the Project HSSE Risk Register, with clear assignment of responsibilities for implementation and tracking of risk control measures.

⁶³ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standard-2>

Topic	Description
Process Safety in Design and Engineering	- Process safety considerations shall be integrated into plant layout, equipment selection, and engineering design. This includes: - Designing systems to recognised codes and standards suitable for flammable gas service; - Incorporating inherently safer design principles, including minimisation of hazardous inventories and avoidance of unnecessary complexity; - Provision of appropriate safeguards such as pressure relief devices, emergency shutdown systems, gas detection and alarm systems, ventilation, and fire protection systems; - Clear definition of safe operating limits for key process parameters (e.g. pressure, temperature, gas composition). All critical process safety recommendations arising from HAZID, HAZOP or equivalent studies shall be addressed prior to commissioning.
Operational Controls and Procedures	- Projects shall establish and maintain documented operating procedures that address normal operations, start-up, shutdown, emergency conditions, and maintenance activities. Procedures shall be written in a clear and understandable manner and communicated to all relevant personnel. - A formal Permit to Work (PTW) system shall be implemented for high-risk activities, including but not limited to hot work, confined space entry, electrical isolation, and maintenance on gas systems. Lock-out/Tag-out (LOTO) procedures shall be applied to prevent inadvertent energisation or release of hazardous energy.
Asset Integrity and Maintenance	- A preventive maintenance and inspection programme shall be established to ensure the ongoing integrity of safety-critical equipment and systems. This shall include: - Regular inspection and testing of pressure vessels, pipelines, valves, compressors, and safety devices; - Calibration and functional testing of instrumentation and alarms; - Management of corrosion, wear, and fatigue; - Documentation of inspection findings and corrective actions. - Defects affecting process safety shall be prioritised and addressed in a timely manner.
Management of Change	- All changes to process design, equipment, operating conditions, feedstock characteristics, control systems, or organisational arrangements that could affect process safety shall be subject to a formal Management of Change procedure. The Management of Change process shall ensure that: - Process safety risks associated with the change are identified and assessed; - Required approvals are obtained prior to implementation; and - Operating procedures, training, and documentation are updated as necessary.
Competency and Training	- Personnel involved in operating, maintaining, or supervising process equipment shall be appropriately trained and competent for their roles. Training shall cover: - Process hazards and associated risks; - Safe operating limits and procedures; - Emergency response related to process safety incidents; - Lessons learned from incidents and near misses.

Topic	Description
	Training requirements shall be identified through the Training Needs Assessment and refreshed periodically.
Incident Reporting, Investigation and Learning	All process safety incidents, near misses, and loss-of-containment events shall be reported and investigated in accordance with the ESMS incident management procedures. Investigations shall focus on identifying root causes and systemic weaknesses, rather than assigning blame. Lessons learned shall be communicated across Projects and used to strengthen process safety controls and practices.
Emergency Preparedness and Response	Process safety scenarios, including gas releases, fire, explosion, and over-pressure events, shall be incorporated into the Project Emergency Preparedness and Response Plan. Emergency drills shall be conducted periodically to test preparedness and coordination between Project personnel, contractors, and local emergency services where relevant.

Appendix C10: Protecting Human Rights in Feedstock Sourcing and Procurement

1. Introduction

Feedstock sourcing for CBG projects may involve dispersed, multi-tier supply chains with limited formal oversight. Key potential human rights risks include:

- Child labour or forced labour in agricultural activities or informal feedstock collection;
- Unsafe or unhealthy working conditions for farmers, labourers, drivers, and loaders;
- Inadequate wages, unfair payment practices, or lack of transparency in weighing and pricing of feedstock;
- Discrimination against women, migrant workers, or other vulnerable groups;
- Restrictions on freedom of association or access to grievance mechanisms; and/or
- Livelihood impacts where feedstock sourcing changes traditional residue use practices.

These risks are recognised as potentially heightened where sourcing relies on smallholder farmers or informal labour arrangements.

Akaia Green Fuels commits to:

- Respect internationally recognised human rights in its operations and supply chains;
- Prohibit the use of child labour, forced labour, and any form of human trafficking in feedstock sourcing;
- Promote safe and healthy working conditions for all workers involved in feedstock collection, transport, and handling;
- Ensure non-discrimination, equal opportunity, and respect for freedom of association; and
- To the extent possible, to engage suppliers and aggregators in upholding these commitments through contractual and operational controls.

These commitments are reflected in the Akaia Green Fuels' HSE Policy and Human Rights Action Plan.

2. Key References

Feedstock procurement shall be aligned with the following standards and guidance, as applicable:

- The UN Guiding Principles on Business and Human Rights (UNGPs);
- IFC Performance Standards, in particular PS1, PS2 and PS4;
- ILO Core Labour Standards; and
- Applicable national labour and human rights legislation.

3. General Principles and Requirements for Protecting Human Rights in Feedstock Sourcing and Procurement

General principles and requirements for feedstock procurement are set out in Table C10-1 below.

Table C10-1 General Requirements for Protecting Human Rights in Feedstock Sourcing and Procurement

Topic	Description
Humans Rights Due Diligence	• Consistent with the UNGPs, Akaia Green Fuels shall implement an ongoing human rights due diligence process for feedstock sourcing, which includes: • Mapping of feedstock supply chains to identify key suppliers, aggregators, transporters, and geographic risk areas; • Identification and assessment of actual and potential human rights impacts associated with feedstock sourcing; • Integration of findings into procurement, supplier engagement, and operational decision-making;

Topic	Description
	Periodic review and updating of risk assessments to reflect changes in sourcing arrangements or local context. Due diligence activities shall be proportionate to the level of risk and the Akaia Green Fuels' degree of leverage.
Prevention and Mitigation Measures	- To prevent and mitigate adverse human rights impacts in feedstock sourcing, the Project Company shall: - Include human rights and labour requirements in contracts with feedstock suppliers and aggregators; - Require compliance with applicable labour laws, ILO standards, and Project HSSE requirements; - Communicate human rights expectations clearly to suppliers and aggregators; - Promote safe working practices, including the use of appropriate PPE and safety training; and - Implement corrective action plans where non-compliance is identified. Where Akaia Green Fuels lacks direct control over upstream actors (e.g. smallholder farmers), it shall seek to use available leverage, including engagement, capacity-building, and collaboration with suppliers and local stakeholders.
Remedy and Grievance Mechanism	- In line with the UNGPs, Akaia Green Fuels shall provide or cooperate in legitimate processes to enable the remediation of adverse human rights impacts. The project's grievance mechanism shall: - Be accessible to workers, suppliers, and community members involved in or affected by feedstock sourcing; - Allow grievances to be raised confidentially and without fear of retaliation; - Be aligned with the effectiveness criteria set out in UNGP Principle 31; - Include procedures for investigation, response, and resolution; and - Make specific provision for sensitive grievances, including those related to labour exploitation or gender-based violence. Information on grievance mechanisms shall be communicated to suppliers, aggregators, and local communities in an appropriate and culturally accessible manner.
Monitoring, Reporting, and Continuous Improvement	- Akaia Green Fuels shall monitor the effectiveness of its human rights management approach through: - Periodic supplier reviews and, where appropriate, audits; - Tracking of grievances, incidents, and corrective actions; - Inclusion of relevant indicators in internal HSSE and E&S reporting; and - Review of this Appendix and related procedures as part of ESMS audits and management reviews. Material human rights incidents shall be reported and managed in accordance with the project's incident reporting procedures and ESMS requirements.

Appendix D: External Grievance Mechanism

1. Introduction

Akaia Green Fuels seeks to build strong relationships with its external stakeholders and to conduct stakeholder engagement in a proactive manner in accordance with international best practices. Akaia Green Fuels recognises that stakeholders may from time to time have comments, queries or concerns about the activities of Akaia Green Fuels.

The External Grievance Mechanism intended for use by external stakeholders (refer to Section 5.3.) to submit feedback, complaints, and grievances including those pertaining to issues such as GBVH and SEAH. Akaia Green Fuels is committed to providing a fair, transparent and constructive process that is survivor-centred and gender-responsive. The External Grievance Mechanism is intended to address any comments, query or complaint, both formal and informal, to avoid escalation into serious grievances.

The External Grievance Mechanism is not designed to manage complaints or grievances from local communities or other stakeholders affected by Akaia Green Fuels Projects, which are managed under the project-specific grievance redressal mechanism in the Akaia Green Fuels Project SEP.

2. General Principles

Akaia Green Fuels' External Grievance Mechanism is based on the following principles:

- Transparency and fairness: The mechanism is easy to understand, transparent and available at no cost and without retribution.
- Accessibility and cultural appropriateness: Access to the grievance mechanism is provided via the Akaia Green Fuels website and through information disseminated at the project sites.
- Proportionality: The mechanism is appropriate to the scale of Akaia Green Fuels and its activities.
- Recording: All grievances are logged in the grievance register and monitored through to resolution and close out.
- Dialogue and site visits: All grievances warrant discussions with the complainant, and, in some cases, a site visit may be required to gain a first-hand understanding of the nature, validity and severity of the grievance.
- Timely resolution: Akaia Green Fuels aims to respond to all messages received by its grievance mechanism within three working days and to provide a full response within 20 working days. The complainant will be informed if there are any delays.

3. Purpose

This External Grievance Mechanism establishes the process for addressing complaints or concerns raised in connection with Akaia Green Fuels activities. It describes the scope and procedural steps for the grievance handling process and specifies roles and responsibilities of the parties involved. It will be revised and updated periodically based on experience and feedback from stakeholders.

This mechanism is designed as a predictable, transparent and credible process for the handling of grievances raised by external stakeholders such as NGOs and civil society organizations, government, investors, general public, etc. Akaia Green Fuels aims to address all complaints received, regardless of whether they stem from real or perceived issues and whether the complainant is named or anonymous. Any stakeholder who considers themselves to be affected by Akaia Green Fuels's activities and/or Akaia Green Fuels Projects will have access to this External Grievance Mechanism at no cost. The statutory rights of the complainant to undertake legal proceedings remain unaffected by participation in this process.

4. Akaia Green Fuels' External Grievance Mechanism Procedure

Akaia Green Fuels' grievance management procedure can be summarised as follows:

1. Grievance is received and within 1 day of receipt the grievance is recorded in the Grievance Register.

2. Receipt of the grievance is acknowledged in writing to the complainant (if known) within 3 days of receipt of the grievance.
3. Akaia Green Fuels' Grievance Officer⁶⁴ assesses the grievance for eligibility and significance. If the grievance is considered ineligible for redress by Akaia Green Fuels, the complainant (if known) is notified in writing of the decision and the reasons for it.
4. Akaia Green Fuels' Grievance Officer, in liaison with the appropriate members of the Akaia Green Fuels team, agrees on the appropriate corrective actions/response and this is signed off internally and recorded in the Grievance Register.
5. A written response is sent to the complainant (if known) outlining the corrective actions and timeframes for addressing the grievances raised, within 7 days of receipt of the grievance. The complainant will be notified of their right to appeal if the response is not satisfactory, in which case the Akaia Green Fuels Grievance Officer will review and if necessary, revise the corrective actions/response to the complainant.
6. Responsibility for implementing the corrective actions is assigned to the relevant team/individual(s) within Akaia Green Fuels.
7. All corrective actions will be implemented (closed out) within **20 days** of receipt of the grievance. The complainant will be notified of this in writing, as well as of their right to appeal to an independent panel / authorities if they are (still) unsatisfied with the resolution.
8. Alternatively, if the corrective actions could not be implemented within 20 days, the complainant will be informed that more time is required and provided with a new deadline for implementation.
9. The Grievance Register is updated with the resolution/close out actions undertaken.

Where information about the GRM is provided for CFM-Funded Projects, Akaia Green Fuels will ensure that there is a link to the Green Climate Fund Independent Redress Mechanism⁶⁵ embedded in the information dissemination to key stakeholders. This independent redressal mechanism provides the ability to lodge complaints through an independent GRM. Evidence on this inclusion will be provided to CFM.

⁶⁴ The Grievance Officer is the President, unless responsibility is delegated to another Akaia Green Fuels employee

⁶⁵ Green Climate Fund Independent Redress Mechanism: <https://irm.greenclimate.fund/>