

ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY OF SUSTAINABLE ENERGY INFRA TRUST

1. PREAMBLE

Sustainable Energy Infra Investment Managers Private Limited (“**Investment Manager**”) has been appointed as the investment manager of Sustainable Energy Infra Trust (“**Trust**”), an infrastructure investment trust registered with the Securities and Exchange Board of India (“**SEBI**”) in accordance with the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended (“**InvIT Regulations**”).

Accordingly, the Trust and the special purpose vehicles and holding companies held by the Trust and their respective directors and employees shall at all times comply with this policy (the '**Policy**' or '**ESG Policy**'). This Policy provides for a framework for the Trust and its Portfolio Assets (*as defined below*) to conduct their business and operations in compliance with all environmental, social and labour laws. The Investment Manager has adopted this Policy. This Policy will be effective on, and from, the date on which the units of the Trust are listed on one or more recognized stock exchanges in India.

The expression ‘the Trust’ shall, unless followed by specific references, be deemed to refer to the Investment Manager acting on behalf of the Trust.

2. DEFINITIONS

“**Anti-Corruption Laws**” means any anti-bribery and anti-corruption laws (including laws that prohibit the corrupt payment, giving, offer, promise, or authorization of the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any Government Official, commercial entity, or any other Person to obtain a business advantage) applicable to the Person and their operations from time to time, including the Criminal Code of Canada (RSC, 1985, c. C-46), the Corruption of Foreign Public Officials Act (S.C. 1998, c. 34), the Indian Prevention of Corruption Act, 1988, as may be amended from time to time, the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the UK Bribery Act, 2010, as amended;

“**Anti-Money Laundering Laws**” means any anti-money laundering-related laws, regulations and codes of practice applicable to the members of the relevant Person and their operations from time to time, including the Indian Prevention of Money Laundering Act, 2002, the USA Patriot Act, 2001, the U.S. Bank Secrecy Act of 1970, and the U.S. Money Laundering Control Act of 1986, each as may be amended from time to time.

“**Applicable Law**” means, in respect of any Person, any applicable laws, constitution, treaties, statutes, enactments, acts of legislature, by-laws, rules, regulations, orders, ordinances, codes, permits, consents, authorizations, policies, decrees, judgments, notifications, directions, directives, awards, or other pronouncements of any Government or Governmental Authority, approval(s) or any judicial or administrative interpretation thereof, including any other pronouncements, in each case as aforesaid, having the force of law, and to the extent applicable to the Person;

“**BI Action Plan**” means a business integrity and governance action plan, which defines the actions, responsibilities, budgets, deliverables, compliance indicators, and provides a timeframe for the measures required to remedy any identified failure by the Trust and the Portfolio Assets. This plan may be amended with the approval of the IM Board from time to time;

“BI Management System” means the periodically reviewed management system of the Trust and the Portfolio Assets, consistent with their business profile, that enables each member of the Trust and the Portfolio Assets to identify and manage risks related to Business Integrity Laws, Financial Malpractice and Sanctions in respect of the Trust’s operations and incorporating the requirements of the BI Action Plan;

“Business Integrity Laws” means any Anti-Corruption Laws, Anti-Money Laundering Laws or Sanctions applicable to the Trust and the Portfolio Assets including, without limitation, the economic sanctions and regulations of a Sanctioning Body, any European Union restrictive measure that has been implemented pursuant to any European Council or Commission Regulation or decision adopted pursuant to a common position in furtherance of the European Union’s Common Foreign and Security Policy;

“Control” (including with its correlative meanings, the terms **“Controlling”** and **“Controlled”**), means, when used with respect to any specified Person (**“Subject Person”**): (a) ownership or control (whether directly or indirectly) of more than 50% (fifty per cent) of the total equity share capital or voting rights, securities or capital of the Subject Person; (b) or the right to control the management or policy decision or the like of the Subject Person, whether by shareholding or contract or otherwise; or (c) control of, or the power to control, the composition of the board of directors or equivalent or analogous body of the Subject Person. Where the Subject Person is a fund, means the right to manage, or direct the management of such fund, and for the avoidance of doubt, a general partner or managing member is deemed to Control a limited partnership or limited liability company (or equivalent entity type) and solely for the purposes of this Policy, a fund, pooled investment vehicle or managed account (including separately managed accounts) or other fund structures shall be deemed to be Controlled by the Person directly or indirectly managing it;

“E&S Action Plan” means an environmental, climate and social action plan in the agreed form defining actions, responsibilities, budgets, deliverables, compliance indicators, and a timeframe for the measures required to remedy any identified failure by the Trust and the Portfolio Assets to comply with the E&S Requirements, including the establishment of an appropriate E&S Management System, as set out in Annexure 1 of Schedule 1; this plan may be amended with the approval of the IM Board from time to time;

“E&S Laws” means Environmental Law and Social Law and the terms of any permits, licenses, consents, approvals or other authorisations held by the person concerned under Environmental Law or Social Law;

“E&S Matters” means Social Matters and the Environment, including the E&S Requirements, IFC Performance Standards and the ILO Conventions;

“E&S Management System” means the periodically reviewed management system, satisfactory to the Trust, that ensures a systematic approach to risk identification, assessment and management of E&S Matters (including the identification, assessment and management of climate-related and human rights risks) which is commensurate with the scale and significance of E&S Matters to the persons concerned; the management system should define policies and procedures which will apply to those persons and organisational arrangements to ensure effective implementation, monitoring and reporting;

“E&S Requirements” means the requirements set out in Part A of Schedule 1, to the extent applicable;

“Environment” means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, the climate, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water);

“**Environmental Law**” means any law, rule or regulation (including international treaty obligations) concerning the Environment, climate change and natural resource management applicable in each jurisdiction in which the Person concerned carries on business;

“**EHS Committee**” means the environmental, social, governance and health committee of the Trust constituted by the IM Board in accordance with Annexure 2 of Schedule 1;

“**ESG Breach**” means a breach of any ESG Requirement;

“**ESG Requirements**” means the requirements set out in Clause 3 and Schedule 1;

“**Excluded Activities**” means the activities listed in Part C of Schedule 1;

“**Financial Malpractice**” means:

- (a) any act or omission, including any misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a person to obtain a financial benefit or to avoid an obligation; or
- (b) materially impeding an investigation by a governmental or regulatory agency, lender, shareholder or third party into allegations of any violations or potential violations of any Business Integrity Laws or the matters referred to in Paragraph (a) of this definition, including deliberately destroying, falsifying, altering or concealing material evidence, making false statements, limiting access, or threatening, harassing or intimidating any person in order to stop them (i) disclosing their knowledge of matters relevant to such an investigation, or (ii) pursuing the investigation;

“**Forced Labour**” means any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty, including any kind of involuntary or compulsory labour;

“**Government**” or “**Governmental Authority**” means any relevant governmental or quasi-governmental authority, statutory authority or quasi-statutory or regulatory authority, administrative, or judicial body, department, commission, authority, tribunal, agency or stock exchange or taxing authority or anybody entitled to exercise executive power or power of any nature or body or other organisation to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body or other organisation have the force of Applicable Law;

“**Government Official**” means any officer, employee or other person acting in an official capacity on behalf of: (a) any Governmental Authority or any department or agency of a Government, including elected officials, judicial officials, civil servants and military personnel; (b) any public international organization, such as the World Bank; and (c) any political party;s

“**Holding Company(ies)**” shall have the meaning as ascribed to it under Regulation 2(1)(sa) of the InvIT Regulations.

“IFC Performance Standards” means the International Finance Corporation (IFC) 2012 Performance Standards on Social and Environmental Sustainability (including the technical reference documents known as World Bank Group Environmental, Health, and Safety (EHS) Guidelines) which may be downloaded from the IFC website:

- (a) IFC Performance Standards: <http://www.ifc.org/PerformanceStandards>; and
- (b) World Bank Group EHS Guidelines: <http://www.ifc.org/EHSGuidelines>;

“ILO Convention” means a convention of the International Labour Organisation (ILO), the tripartite United Nations agency, whose conventions may be downloaded from the ILO website (See:<https://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>);

“IM Board” means the board of directors of the Investment Manager;

“Person” means any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, Governmental Authority or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Laws;

“Portfolio Asset(s)” means the Holding Companies and SPVs held by the Trust;

“Prohibited Person” means:

- (a) any person or entity who at the relevant date is listed on any Sanctions List;
- (b) any person who appears, at the relevant date on the World Bank Listing of Ineligible Firms (see www.worldbank.org/debarr);
- (c) any person who has been convicted or, to the Trust’s knowledge, has been charged or is subject to an investigation in respect of an alleged breach of any Business Integrity Law;
- (d) any person controlled (directly or indirectly) by any person referred to in Paragraphs (a) to (c) of this definition;
- (e) any person who has (directly or indirectly) any interest in the person referred to in Paragraph (d) of this definition;

“Project Manager” means Green Energy Infra Project Managers Private Limited;

“Safeguarding Violation” means any action or series of actions undertaken by the person concerned, its directors, employees or other persons acting on that person’s behalf (or their respective directors, employees or agents) that:

- (f) involves Forced Labour;
- (g) contravenes ILO Convention 190 (Violence and Harassment) or otherwise involves the exploitation, abuse or harassment (being any form of unwanted verbal, non-verbal or physical conduct, whether by force or under unequal or coercive conditions) of any person that is directed at such person because of their perceived or real sex or gender, or that disproportionately affects people of a particular sex or gender; or
- (h) involves the exploitation or abuse of a child;

“Sanctioned Person” means a person that is:

- (a) listed on a Sanctions List, or directly or indirectly owned, or otherwise controlled, by any one or more persons listed on a Sanctions List;
- (b) located or resident in, or incorporated or organised under the laws of, a country, region or territory that is the subject of country-wide, region-wide or territory-wide Sanctions;
- (c) any Person who is majority-owned or controlled by any of the Persons covered in (b) above; or
- (d) otherwise a subject of Sanctions;

“Sanctioning Body” means any of the United Nations Security Council the United States (including the Office of Foreign Assets Control of the United States Department of the Treasury, the United States Department of Commerce, Bureau of Industry and Security, or the United States Department of State), OFAC, or any other relevant trade or economic sanctions imposed by any Governmental Authority to which the Trust and the Portfolio Assets are subject;

“Sanctions” means the economic, sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any Sanctioning Body or any other relevant trade or economic sanctions imposed by any Governmental Authority to which the Trust and the Portfolio Assets are subject;

“Sanctions List” means the 'Specially Designated Nationals and Blocked Persons' list maintained by OFAC, the Consolidated List of Financial Sanctions Targets maintained by Her Majesty’s Treasury and any similar list maintained by any Sanctioning Body;

“Social Law” means any law, rule or regulation (including international treaty obligations) applicable to the person concerned relating to Social Matters;

“Social Matters” means (i) labour, (ii) social security, (iii) the regulation of industrial relations (between government, employers and employees), (iv) the payment of wages which meet or exceed industry or legal national minima, (v) the protection of occupational as well as public health and safety, (vi) the prevention of Safeguarding Violations, (vii) the regulation of public participation, (viii) the protection and regulation of ownership of land rights (both formal and traditional), immovable goods and intellectual and cultural property rights, (ix) the protection and empowerment of indigenous peoples and ethnic groups, (x) the protection of cultural heritage, and (xi) all other laws, rules and regulations providing for the protection of employees and citizens;

“SPVs” shall have the meaning as defined under the Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014;

“Unitholders” means any person who owns any unit of the Trust;

All references to the Trust shall mean the Trustee or the Investment Manager acting on behalf of the Trust as applicable.

3. ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

a) ESG Requirements

The Trust must and must ensure that each of the Portfolio Asset (whether acquired before

or after the date of this Policy) will materially comply with the ESG Requirements, subject to any period permitted to achieve material compliance with an ESG Requirement set out in the E&S Action Plan or the BI Action Plan.

b) **Management of ESG breaches**

- i. Where, under Paragraph 24 of Part D of Schedule 1, it is notified by the Trust, that an ESG Breach has occurred, the Trust, shall endeavour to agree to the steps required to be undertaken by the Trust or the Portfolio Assets to remedy the ESG Breach, and the defined period in which such ESG Breach will be remedied.
- ii. If at any time an ESG Breach in relation to the ESG Requirements in Parts A, B or C of Schedule 1 occurs, which ESG Breach is not remedied pursuant to Clause (b)(i) above, then such ESG Breach shall be considered a “**Substantive ESG Breach**” and where such Substantive ESG Breach that is not remedied pursuant to Clause (b)(i) above has a Material ESG Impact (*as defined below*), such Substantive Breach shall be considered a “**Material ESG Breach**”.
- iii. A “**Material ESG Impact**” means a Substantive ESG Breach which is one of the following, or where any of the following arises in respect of that Substantive ESG Breach, where such Substantive ESG Breach has not been remedied pursuant to Clause (a) above (and the Material ESG Impact is deemed to occur at the time when the relevant limb below is satisfied and Substantive ESG Breach has not been remedied pursuant to Clause (b)(i) above):
 - (a) Financial Malpractice by the Trust where the Financial Malpractice or any payment in connection with the Financial Malpractice was authorised by one or more directors of the Portfolio Assets;
 - (b) the Trust or the Portfolio Assets being fined more than INR 5,00,00,000 (Indian Rupees Five Crores);
 - (c) any key employee or officer of the Trust or the Portfolio Assets being fined more than INR 5,00,000 (Indian Rupees Five lakhs) or imprisoned in relation to conduct in the course of their employment or office with the Trust or the Portfolio Assets and when acting within the scope of the terms of his/her employment for a continuous period of more than 4 (four) weeks;
 - (d) revocation of any concession or licence obtained by the Trust or the Portfolio Assets from a Governmental Authority required to carry out its business which results in a material adverse effect on the operations of the Trust;
 - (e) the death of, or serious permanent personal injury to, a natural person as a result of proved gross negligence of the Trust or the Portfolio Assets; or
 - (f) significant adverse impacts on the Environment which are diverse, irreversible or unprecedented directly attributable to the actions of the Trust or the Portfolio Assets in the course of their business;

provided that a Substantive ESG Breach shall not be considered to give rise to a Material ESG Impact (notwithstanding that it falls within any of the above limbs or any of the above consequences have occurred in respect of it) where:

- (A) the Material ESG Impact was caused by the actions of the Trust or the Portfolio Assets’ employees, contractors or agents; and

- (B) notwithstanding that a Substantive ESG Breach has occurred, the Trust and the Portfolio Assets had used all reasonable endeavours to procure compliance by those employees, contractors, and agents with the ESG Requirement, the breach of which constitutes the Substantive ESG Breach.
- iv. For the purposes of Clause 2(b)(iii)(f)(B) above, it is recognised and agreed by the Trust or the Portfolio Assets that what constitutes reasonable endeavours will vary depending on the subject matter of the Substantive ESG Breach concerned but, by way of example (but without limiting in any way what may otherwise constitute a failure to use reasonable endeavours), the following are non-exhaustive examples of what constitutes failure to use reasonable endeavours:
 - (a) the existence of inadequate procedures;
 - (b) the absence of contractual commitments from relevant parties (such as contractors or agents);
 - (c) non-existent or insufficient employee or contractor training; and/or
 - (d) non-existent, inadequate or irregular monitoring and auditing of compliance.

Any costs arising in relation to this Policy, including but not limited to costs in relation to any consultants, advisors and specialists appointed in accordance with this Policy, the transactions contemplated under this Policy, including all external costs connected with the preparation and issuance of any report, audit, and any report prepared by any consultant and the costs incurred by the Unitholders and the costs incurred by the Trust will not be deducted from the management fees of the Investment Manager. Provided that any costs incurred by the Project Manager in relation to the any consultants, advisors and specialists appointed by the Project Manager in accordance with this Policy, shall be reimbursed by the Trust. Such external costs shall be separately borne by the Trust and shall be paid within 15 (fifteen) days of presentation of a bill.

4. MONITORING AND REVIEW

The compliance officer of the Trust shall monitor the effectiveness and review the implementation of this Policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified shall be made as soon as possible. Internal control systems and procedures shall be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

5. CONFLICT WITH APPLICABLE LAW

The Policy shall not contradict with the provisions of any Applicable Law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.

6. AMENDMENT

- (i). Any amendment or variation to this Policy shall be undertaken in compliance with the InvIT Regulations and other Applicable Law.
- (ii). Notwithstanding the above, this Policy will stand amended to the extent of any change in Applicable Law, including any amendment to the InvIT Regulations, without any action from the Investment Manager or approval of the unitholders of the Trust.

Adopted by Sustainable Energy Infra Investment Managers Private Limited on behalf of the Trust on December 14, 2023.

Certified True Copy

Authorised Signatory

Name: Devjeet Ghosh

Designation: General Counsel and Chief Compliance Officer

SCHEDULE 1

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Part A – E&S Requirements

1 Compliance with law

The Trust and the Portfolio Assets must comply with E&S Laws.

2 E&S Action Plan

The Trust and the Portfolio Assets must implement all actions set out in the E&S Action Plan by the dates specified for each action in that plan.

3 Working conditions and labour rights

3.1 Each Portfolio Asset must:

- (a) not employ or make use of Forced Labour, and must procure that none of the Portfolio Asset's directors, employees or agents does so;
- (b) not employ or make use of child labour in accordance with ILO Convention No. 138 (Minimum Age) and ILO Convention No. 182 (Worst Forms of Child Labour);
- (c) pay wages which meet or exceed industry or legal national minima;
- (d) not discriminate in terms of recruitment, progression, terms and conditions of work and representation, on the basis of personal characteristics unrelated to inherent job requirements, including gender, race, colour, caste, disability, political opinion, sexual orientation, age, religion, social or ethnic origin, marital status, membership of workers' organisations, legal migrants, or HIV status (unless positive discrimination is permitted by law and is intended to address a historical imbalance);
- (e) adopt an open attitude towards workers' organisations and respect the right of all workers to join or form workers' organisations of their own choosing, to bargain collectively and to carry out their representative functions in the workplace in accordance with ILO Convention No. 87 (Freedom of Association and Right to Organise) and ILO Convention No. 98 (Right to Organise and Collective Bargaining); and
- (f) provide reasonable working conditions including a safe and healthy work environment, working hours that are not excessive in accordance with Applicable Law and clearly documented terms of employment, respecting any collective bargaining agreements that are in place or (where these do not exist or do not address working conditions) or conditions established, by collective agreement or otherwise, for work in the trade or industry concerned in the area where the work is carried out.

3.2 Each Portfolio Asset must implement, in accordance with the timeline specified in the E&S Action Plan, and maintain a grievance mechanism that:

- (a) is developed as part of an E&S Management System;
- (b) is available to all workers and other third parties for the reporting of improper or illegal activities related to environmental, social, labour or health and safety matters;
- (c) ensures all complaints are treated confidentially and are investigated;

- (d) provides for investigations, including in relation to Safeguarding Violations, to be handled by appropriately trained employees or with guidance or support from appropriate external sources;
- (e) where appropriate, allows for anonymous complaints to be raised and addressed;
- (f) includes protection for, and appropriate disciplinary action for anyone found to harass, the reporter; and
- (g) is overseen by a senior operational officer who reports regularly to senior management on the operation and effectiveness of the mechanism.

4 Safeguarding

- 4.1 No Portfolio Asset shall engage in any Safeguarding Violation.
- 4.2 Each Portfolio Asset must instruct that each of its directors, employees and persons acting on its behalf (and their respective directors, employees and agents) that they shall, in respect of their activities carried out during their working hours for the Portfolio Assets, not engage in any Safeguarding Violation.
- 4.3 The Portfolio Assets must institute and maintain internal policies and procedures as required under Applicable Law and as may be decided by the IM Board:
 - (a) prevent each Portfolio Asset, its contactors, subcontractors and their respective directors, employees, and persons acting on their behalf from engaging in any Safeguarding Violation;
 - (b) ensure the confidentiality and safety of any victim of, or witness to, any Safeguarding Violation; and
 - (c) to ensure the confidentiality and safety of all persons involved, including any victim or survivor of, or witness to, any Safeguarding Violation.

5 Supply chains

- 5.1 The Trust must institute and maintain through its E&S Management System policies and procedures designed to ensure that no Portfolio Asset, its contractors or subcontractors, nor any of its directors, employees or agents:
 - (a) employs or makes use of Forced Labour or engages in any Safeguarding Violations; and
 - (b) acquires, uses or supplies any goods where there has been any Forced Labour or any other form of exploitation involved in the production or supply of such goods (including prior stages of manufacture and/or obtaining raw materials).

6. Exclusion list

- 6.1 The Trust must not (and the Trust must ensure that no Portfolio Assets will) carry on or finance any Excluded Activity.
- 6.2 The Trust must not (and the Trust must ensure that no Portfolio Asset will) carry on or finance the production or provision of goods, services or other outputs (including advice, financial services and power) where the sole or principal purpose of those goods, services or outputs is to support, facilitate or enable a person to carry on the Excluded Activities.

7. **Fossil fuels**

7.1 The Trust must not (and the Trust must ensure that no Portfolio Asset will) carry on or finance any of the following (each an “**Excluded Fossil Fuel Activity**”), provided however that, any payment or advances for procurement of any material in respect of construction, development, implementation, operation and maintenance of any project shall not be considered as carrying on or financing any Excluded Fossil Fuel Activity:

- (a) mining, prospecting or exploring for Fossil Fuels;
- (b) producing, processing or refining Fossil Fuels or using the waste heat from the burning of Fossil Fuels, whether by a Portfolio Asset or a third party;
- (c) refurbishing or rehabilitating power generation plants that use Fossil Fuels;
- (d) storing, transporting, distributing or trading in Fossil Fuels, or developing, acquiring, constructing, acquiring, operating or maintaining any infrastructure for the storage, transport, distribution or trading in Fossil Fuels;
- (e) CCUS;
- (f) Fossil Fuel Dependent Heavy Industry;
- (g) the production and provision of goods, services or other outputs (including advisory or financial services and utilities) for exclusive use in connection with any activity referred to in (a) to (f) above; and
- (h) the improvement of the efficiency, health and safety or environmental and social standards of any business engaged in any activity referred to in (a) to (f) above

but the activities listed in Paragraph 7.2 below are not Excluded Fossil Fuel Activities. For the purposes of this Paragraph 7:

“**CCUS**” means carbon capture and storage and carbon capture, use, transport and storage;

“**Fossil Fuel**” means any fossil fuel including coal, oil (including heavy fuel oil, light crude oil or diesel) or gas (including liquefied gas); and

“**Fossil Fuel-Dependent Heavy Industry**” means industrial processes that:

- (a) needs high temperatures that can only be achieved through burning Fossil Fuel (such as manufacturing cement, ceramics, glass and paper); or
- (b) use Fossil Fuel as feedstock but that do not produce fuels (such as manufacturing steel, detergents, waxes, lubricants, white oils and paint).

7.2 Nothing in Paragraph 7.1 shall prevent a Portfolio Asset or the Trust from procuring, using, carrying out or financing any of the following:

- (a) standalone fossil fuel generators (other than coal-burning generators) in the normal course of the Trusts’ business where renewable-powered generators have been proven not to offer sufficient reliability or cost feasibility for the proposed use
- (b) any material, machinery, or equipment for construction, development, implementation, operation and maintenance of any Project; and

(c) liquefied petroleum gas (LPG) for cooking or heating.

8. **E&S Management System**

8.1 The Trust must appoint senior operational officer(s) or other appropriate personnel to be responsible for the implementation, operation and maintenance of the E&S Management System (the “**E&S Coordinator**”) More than one E&S Coordinator may be appointed to be responsible for different aspects of the E&S Management System.

8.2 The Trust must implement, maintain and continuously improve the E&S Management System, including deploying employees of sufficient expertise and seniority as is necessary for this purpose.

8.3 The E&S Management System must be supervised by a named director who reports to the IM Board / the EHS Committee.

8.4 Supervision of the E&S Management System must include:

- (a) overseeing implementation of the E&S Action Plan;
- (b) quarterly reports to the IM Board on any material issue that has arisen as a result of the operation of the E&S Management System since the last meeting and an explanation as to how it is being dealt with;
- (c) ensuring that the Trust and the Portfolio Assets have the systems and resources (including employees of sufficient expertise and seniority) to understand and determine the applicability of the E&S Requirements to the Trust and the Portfolio Assets and monitor the underlying E&S Laws, IFC Performance Standards, ILO Convention and international treaties, conventions and local laws relating to climate change for applicable changes;
- (d) examining policies and procedures relating to the E&S Requirements and their implementation and making recommendations for their improvement to the IM Board;
- (e) considering quarterly reports from management on the implementation of the E&S Action Plan;
- (f) reviewing and approving the report to the IM Board or any required under Paragraph 23.1 of Part D of this Schedule 1;
- (g) considering E&S and climate change impact assessment reports on new projects or acquisitions; the EHS Committee may veto project, contract or bids where the reports advise that there is a material risk that the transaction, if consummated, would cause the Trust and the Portfolio Assets to be in breach of the E&S Requirements and/or could affect its financial, reputational or development impact performance; and
- (h) appointing consultants to investigate alleged breaches of the E&S Requirements or the related policies and procedures of the Trust and the Portfolio Asset.

9. **Activities with greater environmental or social impact**

9.1 If, in the Trust’s judgement, the activities of a Portfolio Asset involve or could be reasonably expected to involve any of the activities or matters listed in Paragraph 9.2, then:

- (a) the requirements of the relevant IFC Performance Standards should be met;

- (b) an appropriate stakeholder engagement plan may be developed in line with the applicable IFC Performance Standard (including, as appropriate, the application of Free Prior Informed Consent as part of the investment process), and
- (c) an effective and appropriate assessment of E&S Matters should be undertaken (depending on circumstances this may include an impact assessment, audit or other process) and an issue-specific action plan (e.g. a resettlement action plan) should be developed for the activities.

“Free Prior Informed Consent” means agreement, reached with affected communities of indigenous peoples established through good faith, which documents: (i) the mutually accepted process between the Portfolio Assets and the affected communities of indigenous peoples, and (ii) evidence of agreement between the parties as the outcome of the negotiations. This agreement does not necessarily require unanimity and may be achieved even when individuals or groups within the community explicitly disagree

9.2 The activities and matters to which Paragraph 9.1 applies are:

- (a) significant risks to the health and safety of workers;
- (b) significant air emissions (including of greenhouse gases), use of water or generation of liquid effluents, generation of hazardous or other solid wastes; or resource use inefficiencies;
- (c) adverse community health and safety impacts (including risks to health, welfare and economic opportunity);
- (d) the acquisition or use of land that could affect the livelihoods and well-being of local communities (including as a result of increased food insecurity, bring about loss of access to natural resources (especially water) or traditional rights and practices) or result in economic displacement or involuntary resettlement;
- (e) activities in conflict and post-conflict areas where the Trust and the Portfolio Assets’ presence or activities could exacerbate already sensitive local circumstances which might lead to further or renewed conflict;
- (f) negative impacts on biodiversity, habitats or ecosystem services;
- (g) impacts on indigenous peoples (or other marginalised and vulnerable groups);
- (h) restricted opportunities for women and girls or otherwise increased gender inequality;
- (i) impacts on cultural heritage notified by Archaeological Survey of India.

9.3 If, in the judgement of the Trust, the activities of any Portfolio Asset could reasonably be expected to involve human rights risks, then the Trust must make commercially reasonable efforts to assess and manage those risks in accordance with Part II of the UN Guiding Principles on Business and Human Rights.

10. **Compliance with E&S Action Plan**

Notwithstanding anything to the contrary contained in this Policy or elsewhere, in the event any Portfolio Asset complies with the provisions of the E&S Action Plan, it shall be deemed to have complied with the provisions of Clause 2 above.

11. **Continuous Compliance**

11.1 The Investment Manager, on behalf of the Trust shall ensure that the Trust shall, and the Investment Manager, in relation to the activities undertaken by it in respect of the Trust, shall:

- 11.1.1 ensure the continuing implementation, maintenance, operation and improvement of the E&S Action Plan, to assess, manage and improve the social and environmental performance of the Trust, in accordance with the E&S Laws;
- 11.1.2 ensure that an '*Environmental Manager*' and a '*Social Manager*' are appointed, and maintained at all times, by the Investment Manager, to be shared with the Project Manager;
- 11.1.3 ensure that sufficient E&S specialists are appointed, and maintained at all times, to be shared amongst the Portfolio Assets, as may be required;
- 11.1.4 ensure that the Investment Manager undergoes an audit in line with ISO standards, and implements such corrective E&S Action Plan;
- 11.1.5 ensure implementation of the mitigation measures and management plans including those detailed in the E&S Action Plan and BI Action Plan within the timelines mentioned therein;
- 11.1.6 periodically review the reports in relation to E&S compliance and advise as to whether revision of the reports is necessary or appropriate in light of changes to the Trust's business or operations, sites and equipment, or in light of the environment or social risks identified and revise the form of the E&S report, if applicable;
- 11.1.7 undertake the Trust's operations, sites and equipment are operated and maintained in compliance with the E&S Laws and in a safe, efficient and business-like manner;
- 11.1.8 ensure than the Investment Manager maintains an appropriate environmental and social organization as defined in this Policy at all times;
- 11.1.9 ensure that, if necessary, an E&S advisor is appointed to act as the environmental, health and safety and social advisor for a Project Entity, on the terms of reference to be agreed with the Unitholders to: (i) undertake audit on a quarterly basis or with a periodicity to be agreed with the Unitholders and defined in the terms of reference of the E&S advisor; (ii) monitor implementation of corrective actions based on the findings of such audit; and (iii) within 30 days of completion of an audit, report to the Investment Manager, the findings of the audit and the progress in implementation of the corrective actions; and
- 11.1.10 ensure that upon receipt of any report prepared by, or information provided by the Project Manager, or the Portfolio Assets, in accordance with the Policy adopted by each of the Project Manager, and the Portfolio Assets, respectively or becoming aware of any activities undertaken or information provided by the Project Manager, or the Portfolio Assets, which is in a breach of, or which could reasonably be expected to result in breach of the Policy adopted by each of the Project Manager, and the Portfolio Assets, respectively.

12. **Acquisitions:**

- 12.1 The Investment Manager, on behalf of the Trust shall ensure that the Trust shall, and the Investment Manager, in relation to the activities undertaken by it in respect of the Trust, shall:
- 12.1.1 ensure that, the Trust shall: (i) arrange site visits, meetings with the relevant staff from the Project Entity proposed to be acquired and other key stakeholders, and (ii) enable the staff and any authorized representatives of the Trust to participate together with the consultant in the process to engage in discussions or request for any information;
 - 12.1.2 ensure that, where the findings in relation to the Project Entity proposed to be acquired by the Trust recommend appointment of an E&S advisor, the Trust shall if the E&S advisor resigns, or its appointment otherwise ceases or is terminated, appoint a new E&S advisor or consultant acceptable to the Investment Manager to perform such role;
 - 12.1.3 ensure that environmental and social due diligence of the Project Entity is conducted by a consultant on such terms of reference, as may be acceptable to the Investment Manager, and that the report prepared by such consultant in relation to the Project Entity proposed to be acquired, is provided to the Trust prior to the proposed acquisition of such Project Entity and seek inputs on the environmental and social due diligence report, from the Investment Manager, prior to consideration by the Trust; and
 - 12.1.4 ensure that, based on the report prepared by the environmental and social due diligence consultant on the Project Entity proposed to be acquired by the Trust, (i) an action plan is prepared, based on the observations in the report prepared by such consultant; and (ii) the action plan is implemented by the Project Entity proposed to be acquired, either before or after the acquisition.

Part B – Business integrity requirements

13. **Compliance with law**

Each Portfolio Asset must comply with Business Integrity Laws.

14. **BI Action Plan**

The Trust must implement all actions set out in the BI Action Plan.

15. **Avoiding Financial Malpractice**

- 15.1 The Trust must not commit (and the Trust must ensure that no Portfolio Asset or any agent or delegate commits) any Financial Malpractice or direct or knowingly permit any person to commit any Financial Malpractice on its behalf.
- 15.2 No Portfolio Asset or the Trust may donate money or any other thing of value to any politician or political party in violation of any Business Integrity Law.

16. **BI management system**

- 16.1 The Trust must (and the Trust must ensure that each Portfolio Asset must) implement and maintain the BI Management System.
- 16.2 The Trust must procure that the Portfolio Assets, to the extent not already implemented:

- (a) adopts and implements policies and practical procedures to prevent extortion, fraud, bribery, corruption and financial crime in accordance with Business Integrity Laws and relevant internationally recognised practices, including:
 - (i) the adoption and periodic review of an anti-bribery and corruption policy (including explanations and procedures) in the agreed form; and
 - (ii) employee training programmes on the operation of the policies and procedures; and
- (b) properly records, reports and reviews financial and tax information.

16.3 At least once every three years, the Trust must undertake a review (by internal or external auditors) of the following:

- (a) the assessment of the financial crime risks, including bribery, faced by the Trust or the Portfolio Assets,
- (b) the systems, policies and procedures for managing such risks, and
- (c) the implementation and effectiveness of those policies and procedures.

17. **Whistleblowing**

The Trust must procure that the Portfolio Assets implement and maintains a whistleblowing mechanism that:

- (a) is developed as part of the BI Management System;
- (b) is available to all workers and other third parties for the reporting of improper or illegal activities relating to Financial Malpractice, Sanctions or any other form of financial crime;
- (c) ensures all complaints are treated confidentially and are investigated;
- (d) provides for investigations, including in relation to Safeguarding Violations, to be handled by appropriately trained employees or with guidance or support from appropriate external sources;
- (e) where appropriate, allows for anonymous complaints to be raised and addressed;
- (f) includes protection for, and appropriate disciplinary action for anyone found to harass, the reporter; and
- (g) is overseen by a senior operational officer of the Trust who reports regularly to senior management on the operation and effectiveness of the mechanism.

18. **Integrity requirements for new shareholders and directors**

Notwithstanding any other provision of this Policy, no Prohibited Person may, in relation to any Portfolio Assets, be:

- (a) registered as a shareholder or member; or.
- (b) appointed as director or officer (if applicable).

18.1 The Trust must carry out KYC checks on any proposed shareholder, member, director or officer of a Portfolio Asset.

19. **Compliance with the BI Action Plan**

Notwithstanding anything to the contrary contained in this Policy or elsewhere, the Portfolio Assets must comply with the provisions of the BI Action Plan.

20. **Sanctions**

20.1 No Portfolio Asset or the Trust may:

- (a) enter into any transaction (i) with, or for the benefit of, any Sanctioned Person; or (ii) related to any activity prohibited by any Sanctioning Body;
- (b) use, lend or otherwise make available, all or any part of the proceeds of any future investments:
 - (i) to fund, directly or indirectly, any trade, business or other activities involving or for the benefit of any Sanctioned Person; or
 - (ii) in any other manner that could reasonably be expected to result in any Portfolio Asset, or the Trust being in breach of any Sanctions or becoming a Sanctioned Person.
- (c) use any revenue or benefit derived from any activity or dealing with any Sanctioned Person to make any dividend, distribution or other payments.

20.2 The Trust must procure that no Sanctioned Person will have any legal or beneficial interest in any funds paid by any Portfolio Asset.

21. **Data protection and privacy**

The Trust must comply with Applicable Law to protect the security of IT systems, personal data and the rights of individuals to privacy.

Part C – Excluded Activities

22. Excluded Activities means:

- (a) the production of, or buying or selling:
 - (i) other than in the ordinary course of business, hazardous chemicals, pharmaceuticals, pesticides and wastes, as specified in the 2004 Stockholm Convention on Persistent Organic Pollutants; the 2004 Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade; the 1992 Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and WHO Recommended Classification of Pesticides by Hazard Class 1a (extremely hazardous); or 1b (highly hazardous);
 - (ii) other than in the ordinary course of business, ozone depleting substances, as specified in the 1999 Montreal Protocol on Substances that Deplete the Ozone Layer;
 - (iii) endangered or protected wildlife or wildlife products, as specified in the 1975 Convention on International Trade in Endangered Species or Wild Flora and Fauna;
 - (iv) any other product or activity deemed illegal under applicable local or national laws or regulations or subject to internationally agreed phase-outs or bans as defined in global conventions and agreements;
 - (v) arms (i.e., weapons, munitions or nuclear products, primarily designated for military purposes); or
 - (vi) radioactive materials (excluding medical equipment, quality control (measurement) equipment, civilian power generation and any equipment in which the radioactive source could reasonably be considered to be trivial or adequately shielded);
- (b) the production of, use of, or trade in unbonded asbestos fibres;
- (c) unsustainable fishing methods such as blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 kilometres in length;
- (d) prostitution; or
- (e) Cross-border trade in waste and waste products;
- (f) Destruction of high conservation value areas;
- (g) Racist and/or anti-democratic media;
- (h) any of the following:
 - (i) gambling, gaming casinos and equivalent enterprises;
 - (ii) tobacco or tobacco related products;
 - (iii) production or trade in alcoholic beverages; or

(iv) pornography.

Part D – Reporting of ESG issues

23. ESG and development impact reporting

- 23.1 all reports prepared, in accordance with this Policy shall be prepared in the English language;
- 23.2 The Portfolio Assets must, ensure that within 30 (thirty) days after the end of each half yearly period of a Financial Year, deliver to the Trust one or more monitoring reports in the agreed form which address environmental, climate, social, business integrity and development impact matters. The corresponding report shall confirm compliance with the E&S Action Plan, the BI Action Plan, the social and environmental covenants set forth in this Policy.
- 23.3 Without prejudice to Paragraph 21.1 and 12.2, the Portfolio Assets must provide the Trust with such assistance, access and information as they may reasonably require in order to monitor and evaluate the development impact of their investment.
- 23.4 As soon as reasonably practicable, the Investment Manager shall notify the Trust of any material social, labour, health and safety, security or environmental incident, accident, or circumstances (including, without limitation, any explosion, spill, workplace or road accident which results in death, serious or multiple injuries (if the Investment Manager, acting on behalf of the Trust or the Portfolio Assets or workers, contractors or workers (including contract workers) of the Investment Manager, acting on behalf of the Trust or the Portfolio Assets are either the victim(s) of the accident or are responsible for causing such accidents) or material environmental contamination, any violent labour unrest or dispute with local communities) occurring on or nearby any operations, sites and equipment of the Trust that (i) has, or which could reasonably be expected to have, any material adverse social and/or environmental impact or any material adverse impact on the operations, sites and equipment of the Trust or (ii) involves or causes, or is reasonably likely to involve or cause, any material breach of the E&S Requirements, specifying in each case the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom (including the impact or effect arising or likely to arise on the business of the Trust, or a material negative impact on the environment, the health, safety and security situation, or the social and cultural context), and the measures the Trust is taking or plans to take to address them and to prevent any future similar event; and keep the Unitholders and the lenders to the Trust (until such lender is the International Finance Corporation) informed of the on-going implementation of those measures. The Investment Manager, acting on behalf of the Trust shall set up adequate systems and processes to monitor and notify the Unitholders and the lenders to the Trust (until such lender is the International Finance Corporation), of the events described in this section;
- 23.5 the Investment Manager shall inform the Trust, in writing, as soon as reasonably practicable, upon becoming aware of (i) any Environmental and Social Claim being initiated against the Investment Manager, on behalf of the Trust and (ii) any facts or circumstances which will or are reasonably likely to result in any Environmental and Social Claim being initiated or threatened against the Investment Manager, on behalf of the Trust;
- 23.6 the Investment Manager shall provide the Trust, as soon as reasonably practicable, such information which confirms that the Trust is in compliance with the E&S Laws;
- 23.7 any additional environmental and social information and reports, including any reports prepared in accordance with this Policy, is promptly provided to the Trust by the Investment Manager;
- 23.8 in the event any report is not provided by the Investment Manager, then the Trust (acting through the Trustee) agree that within 20 (twenty) days of the Investment Manager providing notice to the Trust, or the Trust becoming aware of the failure to take any measures to make

available such reports, then such reports may be issued by an external environmental and social advisor.

24. **ESG breaches and claims**

24.1 The Portfolio Assets must notify the Trust in writing as soon as reasonably practicable upon becoming aware of:

- (a) any claim, proceeding or investigation by a person in respect of any E&S Laws or Business Integrity Laws being commenced against any Portfolio Asset;
- (b) any breach by any Portfolio Asset of an ESG Requirement, including any written notice or other allegation received by, or brought to the attention of, any Portfolio Asset to that effect; and
- (c) (without prejudice to the preceding two paragraphs) any enquires from government enforcement authorities concerning any act that may constitute a Financial Malpractice by or on behalf of any Portfolio Assets.

24.2 If the Portfolio Assets notify the Trust that it believes that there may have been a breach of the ESG Requirements by a Portfolio Asset or a director, employee or other person acting on behalf of a Portfolio Asset, the Trust must cooperate in good faith with the Portfolio Assets in determining whether a breach has occurred. The Portfolio Assets must respond promptly and in reasonable detail to any request for information from the Trust and provide documentary support for the response, if requested.

25. **E&S incident reporting**

25.1 The Portfolio Assets or the management of the Investment Manager must notify the compliance officer of the Trust of Serious Incidents promptly and in any event within 3 (three) days after becoming aware of their occurrence. The Portfolio Assets must supply to the Trust within 14 (fourteen) days of occurrence of the Serious Incident, a report in a mutually agreed format, in each case, details of (1) the nature of the event and the on-site and off-site effects, and (2) any action the Portfolio Asset proposes to take in order to remedy the effect of the Serious Incident. The Portfolio Assets must keep the Trust informed about the progress of any remedial action and respond promptly to any request for further information.

25.2 A “**Serious Incident**” is one of the following which affects any employee, customer or supplier who has dealings with, or is affected by the activities of, a Portfolio Asset or the Trust or which occur on any site, plant, equipment or facility of any Portfolio Asset:

- (a) an incident resulting in death or permanent injury to any person;
- (b) any other incident which has a material negative impact on the environment or the health, safety and security situation (including without limitation any explosion, spill or workplace accident which results in death, serious or multiple injuries or material environmental contamination);
- (c) any incident of a social nature (including without limitation any strike, labour unrest or dispute with local communities);
- (d) a Safeguarding Violation; or
- (e) the occurrence of any indicator set out in the publication *ILO Indicators of Forced Labour* dated 1 October 2012, available at https://www.ilo.org/global/topics/forced-labour/publications/WCMS_203832/lang--en/index.htm.

26. **Retrenchment plans**

The Portfolio Assets must notify the Trust of any proposed termination, for economic or operational reasons, by any Portfolio Asset of the employment of more than 10% (ten per cent) of the total permanent workforce of the Portfolio Assets (taken as a whole) or more than 50 (fifty) full time equivalent positions of the Portfolio Assets (taken as a whole) within a period of 6 (six) months. It is hereby clarified that individual dismissals on grounds of capability or conduct shall be excluded. The notification must be made before the proposed terminations are implemented and must be accompanied by a draft retrenchment plan which sets out how the IFC Performance Standards will be complied with.

27. **Information and inspection**

- 27.1 Each Portfolio Asset must, promptly upon receipt of a request from the Trust, provide such information as required to be provided by it under the E&S Action Plan or BI Action Plan to demonstrate compliance with the ESG Requirements.
- 27.2 The Trust must permit the Portfolio Assets, their accountants and other advisers reasonable access to each Portfolio Asset at all reasonable times and on reasonable prior notice to:
- (a) meet with senior management of the Trust to discuss any questions or issues in relation to ESG Requirements;
 - (b) investigate any failure to comply with or implement the ESG Requirements (including failure to implement any steps in a E&S Action Plan or BI Action Plan);
 - (c) inspect and to take copies and extracts from the books, accounts and records of each Portfolio Asset to verify compliance with the ESG Requirements; and
 - (d) view the premises of each Portfolio Asset to verify compliance with the ESG Requirements.
- 27.3 All costs and expenses (including consultancy costs and any travel expenses) incurred in connection with any meetings, investigations or inspections made under Paragraph 24.2 shall be borne solely by the Trust, as the case may be.

Annexure 1 - E&S Action Plan

Part A – Trust’s E&S Action Plan

#	Topic	Recommendation	Monitoring deliverable
1.	EHS Committee	Establishing an EHS committee as a management committee to address environment, social, health and safety issues and best practices that arise. The committee shall meet on a quarterly basis and meetings will be held ahead of the next IM Board meeting, in line with good practices and all minutes will be circulated to the IM Board	i) TOR for the committee. ii) Committee meeting held
2.	EHS Capacity	a) Appoint an external consultant to support with the development/ update of the IMS in line with IFC Performance Standards to the extent feasible and practical and to undertake training for the Trust and the Portfolio Assets on the changes and implementation requirement b) Appoint an additional full-time resource, as may be required as part of the corporate team with background and experience managing environment, health, safety and social risks within the renewable energy sector in India. The new hire (Lead E&S) will have good understanding of the IFC Performance Standard, local legislation requirements and experience developing, implementing and monitoring management plans/procedures on-site. The new hire will also be required to engage with other teams within the Trust and Portfolio Assets as applicable (such as the land team), to ensure elements of the ESMF are implemented during project selection and development.	i) Agreed scope of work ii) Appointment of external consultant/expert i) Agreed job description ii) Share the CV of final candidate for approval by the Trust or the IM Board iii) Appointment of the new resource

#	Topic	Recommendation	Monitoring deliverable
3.	E&S Management Framework	<p>Strengthening the existing IMS, to clearly articulate Trust's approach to manage EHSS risk in their operations, responsibilities across the organization and commitment on ensuring compliance with local legislation and GIIP such as the IFC Performance Standards.</p> <p>The updated IMS (or E&S Management Framework) should include the following and see relevant actions (3.1 - 3.10) below:</p> <ul style="list-style-type: none"> - Trust's commitment on strong EHS performance - Approach to EHSS risk identification - Legal register - Contractor management procedure - Supply chain risk assessment procedure - Management plans - Monitoring and reporting: - Training - Review 	i) Copy of updated IMS/ESMF with associated plans
3.1.	Site screening procedure	<p>a) Update the current site screening procedure to include clear articulation of responsibilities within the Trust to undertake the screening for potential sites. The procedure may also include risks associated with:</p> <ul style="list-style-type: none"> - Extreme climate risk events; - Groundwater availability; - Cultural heritage and indigenous people impact - impact on formal and informal land users; - Compliance with the exclusion list and list of excluded fossil fuel activities - Community unrest/social concerns in the area. - Concerns around associated infrastructure that could impact project (eg: access road use) 	Copy of updated site screening procedure

#	Topic	Recommendation	Monitoring deliverable
		The procedure will also outline documentation to be maintained to support this process and escalation procedure if any red flags have been identified	
3.2.	EHSS risk identification	a) Develop a procedure that will outlines E&S project categorization and relevant studies that will need to be undertaken (either in-house or external) depending on the project type, stage and risks identified at site screening. This procedure should outline when an ESDD is required, responsibility within Trust, TOR for the ESDD (in line with IFC PS requirements) and timelines within the project development for when these studies will need to be undertaken.	Copy of updated procedure
3.3.	Contractor management and onboarding	Outline existing contractor management procedure including EHS selection criteria, responsible team at the Trust for monitoring compliance and EHS legal requirements to be included in contractor agreements (including reference to code of conduct and permits/licenses required). As a minimum, EHS legal requirements to be included in the contractor agreement should be around - minimum wage payment, overtime work and payment, maintaining applicable legal permits, development (and implementation) of site-specific management plans, undertaking regular H&S training and regular reporting to the Trust on H&S incidents and grievances raised.	Copy of update procedure and example contractor agreements with EHS legal clauses
3.4.	Supply chain policy	List of preferred suppliers should be updated on a regular basis (annually, as a minimum) to ensure emerging areas of risks/concerns are identified	Copy of supplier list to be shared on an annual basis at the EHS committee

#	Topic	Recommendation	Monitoring deliverable
3.5.	Management plans	<p>The updated ESMF should outline Trust's commitment to develop site-specific management plans, in line with the recommendations made in the ESIA (and other associated specialist studies) to implement measures to mitigate/reduce impact. These management plans can include OHS plan, biodiversity management plan, stakeholder engagement, water/waste/air/noise management plans etc. Each management plan will outline:</p> <ul style="list-style-type: none"> - Scope and objective of the plan; - Reference framework to be followed (local legislation but also international GIIP such as IFC Performance Standards); - Procedure to manage the impacts - Type and frequency of training to be provided - Responsibilities at the site level and at the corporate level for implementation and supervision (including workers, contractors, sub-contractors etc.) - Records to be maintained 	Copy of framework proposed for site-specific management plans/procedures
3.6.	Training	<p>a) Develop an annual training calendar for ESMF/updated IMS implementation, including training topic, frequency, training material and responsible team/person at the Trust. This will also outline training needed to be undertaken by contractors on-site</p> <p>b) Annual training updates will be provided at the EHS Committee meeting</p>	Copy of annual training calendar
3.7.	Monitoring and reporting	a) Update monitoring mechanism to include monitoring of ESMF/updated IMS implementation across all existing and new project sites to ensure compliance with EHS policy	Copy of monitoring and reporting requirements

#	Topic	Recommendation	Monitoring deliverable
		b) Outline various reporting requirements (from site to corporate, corporate to shareholders and any public reporting, reporting to committee or IM Board) on EHS aspects, including templates/KPIs to be included, responsibility within the Trust and frequency of reporting	
3.8.	Review	All relevant findings and recommendations to update the ESMF should be presented to EHS Committee after the end of each half yearly period of a Financial Year.	Copy of recommendations
4.	HR policies	Comply with Applicable laws.	Copy of HR manual/policies
5.	Grievance mechanism	<p>a) Update the existing grievance mechanism to include the following:</p> <ul style="list-style-type: none"> - Clearly outline steps and timelines for grievance addressal, including members of the grievance addressal committee; - Channel for reporting grievances anonymously; - Provide training to employees, contractors and sub-contractors on-site; - Raise awareness regarding external grievance mechanism to communities in the nearby areas; - Process to regularly review grievance register to proactively identify areas of risk. <p>b) Monitoring implementation and awareness of internal and external grievance mechanism across all project sites</p>	Copy of internal and external grievance mechanism
6.	Gender-based violence and harassment	<p>Update an existing policy governing POSH to develop an approach for receiving complaints related to all forms of gender-based violence and harassment, in line with the guidance on addressing GBVH. This may include:</p> <ul style="list-style-type: none"> - Scope should include a gender neutral approach; - Survivor-centric approach to investigations and follow-up; - Ensuring confidentiality is maintained through out the 	Copy of updated policy as required

#	Topic	Recommendation	Monitoring deliverable
		process; - Channel to report complaints anonymously - Outlining annual training plan for corporate and project sites	

Annexure 2 – EHS Committee Terms of Reference

The overall function of this Committee is to ensure that the Trust and the Portfolio Assets adopt, implement and manage environment, health, safety, climate and social (EHS) practices in accordance with the Environmental and Social Action Plan (ESAP) developed.

The Committee scope of responsibility shall include:

- Providing strategic advice and guidance to the senior management team in relation to systemic and strategic EHS issues which affect the Trust's and the Portfolio Assets' operations, including but not limited to significant changes in the political, security, regulatory, and operational environment of the Trust and the Portfolio Assets.
- Ensuring that the Trust and the Portfolio Assets has in place adequate and robust systems for monitoring the EHS management and performance, in accordance with applicable legislation and Good International Industry Practice (GIIP). Good International Industry Practice has the meaning ascribed to in the IFC Performance Standards and means 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.
- Reviewing and monitoring the implementation of recommendations from the ESAP and any other specialist studies undertaken by the Trust in the future, including any reviews or independent audits of the Trust's performance in regards to its EHS strategy.
- Making recommendations to, and assisting the senior management team in the updating of the EHS policies, standards and management plans of the Trust in order to ensure continuous improvement in performance, on an annual basis as a minimum.
- Assisting the senior management team with general and, if requested, specific guidance on interpretation of EHS principles.
- Monitoring and reviewing the Trust's compliance with any legal, regulatory and contractual provisions, to ensure compliance with the ESAP.
- Overseeing any Trust investigations relating to breaches of laws, regulations and standards and/or the Trust's policies, management systems and plans related to EHS aspects with the intent to guide and advise on possible improvements and mitigations.
- Reporting to the IM Board on the risks facing the Trust and the Portfolio Assets, including whether there are any changes to the Trust's and the Portfolio Assets' risk profile and assess the likelihood and potential impact of these risks.
- Review and advise on initiatives planned to raise awareness on EHS at all levels of the organisations and with relevant (internal and external) stakeholders.
- Agree a set of EHS reporting metrics to show progress and ensure these metrics are in line with international leading practices.

The composition of the EHS Committee

EHS Committee will be a management committee as approved by the IM Board and will give its reports to the IM Board.

Should a member not be able to attend a meeting of the EHS Committee, they may appoint a proxy to attend in their place.

Each member (and any proxy they appoint) of the EHS Committee shall be sufficiently familiar with EHS related issues and key standards / GIIP to enable them to competently perform their duties in relation to the EHS Committee.

Proceedings

- General – The EHS Committee shall determine the form and manner of its own proceedings.
- Convening meetings. Any member of the EHS Committee can request the Chairman to convene a meeting.
- Notice of meetings of the EHS Committee shall, in addition to being given to the members of the committee, be given to the Chief Executive Officer of the Investment Manager at least 7 (seven) days prior to the meeting taking place.
- The EHS Committee shall meet as necessary and, in any event, no less than four times per year and at least 1 day prior to the IM Board meeting or as may be deemed appropriate.
- The quorum for a meeting of the EHS Committee shall be four members of the EHS Committee.
- Each member of the EHS Committee shall be entitled to one vote and in the event that votes are still equal the chairperson of the meeting shall have a second, or casting, vote. ‘Observers’ are not entitled to any voting rights.
- The EHS Committee members may invite persons other than the members of the EHS Committee to be present at any of its meetings, but no such person shall be entitled to vote.
- The EHS Committee chairperson shall normally finalise the meeting agenda and location of meeting prior to the meeting taking place.
- The EHS Committee may hold its meetings via teleconference and videoconference.
- Minutes from the EHS Committee must be circulated to the IM Board, along with updates against the agreed EHS metrics/Key Performance Indicators (KPIs).

Liaison with stakeholders

- To liaise with key stakeholders regarding the Trust’s record of compliance with the EHS policies and relay any concerns of those stakeholders to the compliance officer of the Trust.

Access to Information and Support

- The Trust shall compile all data, reports and other relevant information on EHS matters in line with the EHS Requirements in order to fully inform the agenda of the meeting. Such information is to be provided to all listed attendees prior to the meeting taking place.
- The Trust shall provide such reasonable administrative and other support to the EHS Committee as it may be required from time to time.
- The EHS Committee shall be entitled to advise engagement of such professional advisers, to the extent that it is provided for in the Policy, to assist it in fulfilling its duties under its scope of responsibilities and the costs of such advisers shall be contracted with the Trust in accordance with its procurement policies and paid by the Trust.

Authority

- The EHS Committee, represented by its chairperson, is entitled and empowered to require any information or explanation necessary for the performance of its functions from the Trust and the Portfolio Assets in relation to any of the EHS aspects.
- The EHS Committee may delegate authority to any member, or a sub-committee of members, of the EHS Committee to assist it in carrying out any of its functions.
- The EHS Committee is authorised, subject to the Trust's approval and procurement procedures, to advise obtaining of legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, if deemed necessary.
- The Trust shall meet all expenses, as reasonably incurred by the EHS Committee in fulfilling its functions, including the costs and fees of any consultant or specialist engaged by the EHS Committee in the performance of its functions.

Reports

The EHS Committee shall send a report of its proceedings to the Trust within 30 days of those proceedings taking place. Draft and final versions of the reports shall first be sent to all EHS Committee members for their comments and confirmation, prior to sending the reports to the Trust. No decision or resolution taken by the EHS Committee shall be acted upon by the Trust and the Portfolio Assets, unless the same has been duly approved by the IM Board.

The company secretary or their nominee shall act as secretary of the EHS Committee.

The company secretary shall minute the proceedings and resolutions of all EHS Committee meetings, including the names of those present and in attendance within 7 days following the relevant meeting. The minutes will be formally approved at the next EHS Committee. This duty may be delegated by the company secretary to a member of the EHS Committee nominated by the members.

Review and Assessment

The EHS Committee shall perform an annual self-evaluation of the effectiveness of the committee and report the results to the Trust.

The EHS Committee shall be responsible for assessing the consequences, implications and actions resulting from an EHS claim or breach as detailed in the Policy.

The proposed budget required for the proper functioning of this committee

Any budget for audits/investigations/specialists studies as recommended by the EHS Committee (if required) will be presented by the chairperson of the EHS Committee to the Trust for its approval.