

## Public Information Summary

<b>Host Country(ies)</b>	India
<b>Name(s) of Investee</b>	SAEL Industries Ltd. (“SAEL”)
<b>Project Description</b>	SAEL is a renewable energy company developing, owning and operating utility-scale solar and waste-to-energy (“WTE”) assets across India. The transaction will fund the development of new solar and WTE assets, increasing India’s renewable energy capacity, curbing emissions, mitigating air pollution, and generating rural employment opportunities.
<b>Proposed DFC Investment</b>	\$35 million
<b>All-Source Funding Total</b>	\$95 million in equity
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Project is expected to have a positive development impact in India by addressing the country’s expanding energy needs, helping to decarbonize its grid through solar and redirecting paddy straw waste from open burning to generate electricity. The current practice of open burning paddy straw is an acute problem in India. Using this paddy straw for energy in the WTE facilities, almost entirely eliminates the release of particulate matter and helps address a major health issue in India, while also generating income for local farmers. The Project will generate economic benefits for rural regions by supporting over 800 permanent jobs as well as payments to farmers for procurement of paddy straw.
<b>Environment and Social Assessment</b>	<p><b>Screening:</b> In accordance with DFC’s Environmental and Social Policy and Procedures (“ESPP”), the Project has been determined to be categorically eligible. The construction and operation of solar and waste to energy facilities are screened as a Category B for the purpose of environmental and social assessment because impacts are site specific and readily mitigated to acceptable levels by adopting good management practices. The major environmental and social issues associated with the Project are effective environmental and social management systems, labor management, supply chain management, land acquisition, stakeholder engagement, occupational health and safety measures, air emissions, and potential impacts to biodiversity.</p> <p><b>Applicable Standards:</b> DFC’s environmental and social due diligence indicates that the Project will have impacts that must be managed in a</p>

manner consistent with the following International Finance Corporation's (IFC) 2012 Performance Standards:

PS1: Assessment and Management of Environmental and Social Risks and Impacts;

PS2: Labor and Working Conditions;

PS3: Resource Efficiency and Pollution Prevention;

PS4: Community Health, Safety and Security;

PS5: Land Acquisition and Involuntary Resettlement; and

PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

A desktop-based due diligence assessment indicates the Project will acquire access to land that will be screened for potential risks and will not have significant impacts with respect to Indigenous Peoples, or cultural heritage. There are no indigenous people or cultural properties in or near the Project Facilities. Therefore, impacts related to PS 7 and 8 are also not anticipated at this time.

IFC's Guidelines applicable to the Project include: General Environmental, Health, and Safety ("EHS") Guidelines (2007) and the IFC Environmental Health and Safety Guidelines for Electric Power Transmission and Distribution lines (2007).

**Environmental and Social Risks and Mitigation Measures:** The Company has drafted and is implementing an Environmental and Social Management System ("ESMS"), which generally aligns with the IFC Performance Standards. The ESMS applies to all aspects of the Project, including operations, construction, and the supply chain. The ESMS includes the E&S Policy, land acquisition policy, stakeholder engagement and communication plan, and human resources policies. Additionally, the ESMS outlines organizational structure, implementation, training and capacity building, and performance monitoring.

However, the Environmental Health and Safety Plan ("EHS") Plan was found to be generic in nature and formalized risk assessment had not been undertaken and use of hierarchy of controls was not used to identify various occupational health and safety risks at the biomass sites. On the basis of the parental ESMS document, plant specific EHS shall be developed and implemented.

Occupational Health and Safety ("OHS") risks associated with the biomass cutting and baling activities, transportation of biomass, loading and unloading at the collection centers, and maintenance of the transmission line were not covered. Plant level EHS management systems and other EHS Standard Operating Procedures have not been developed. As part of DFC's investment, the Company will be required to develop

	<p>and implement necessary policies to address OHS risks and plant level EHS.</p> <p>Air emissions at the biomass sites is an environmental risk. SAEL has information in their ESMS to ensure that fly ash will be temporarily collected and stored in the plant premises to be later provided to facilities and factories utilizing fly ash. In addition, SAEL will water down the ash to avoid fugitive dust emissions. In order to ensure adequate dust extraction/suppression, SAEL will be required to develop and implement a plant-specific management plan and program that includes the storage and handling of hazardous materials, specifically fly ash to ensure adequate dust extraction/suppression.</p> <p>Some of the solar sites were located near Important Bird and Biodiversity Areas (“IBA”), including an area of the Great Indian Bustard Sanctuary, presenting potential risks to biodiversity. To address this, SAEL will conduct ecological surveys by third party consultants. Primary bird and bat surveys will be conducted during migratory and non-migratory seasons. A comprehensive baseline will be developed, to understand the avifaunal diversity, identify target species of conservation significance, restricted range species and migratory/congregator species present in globally significant numbers in the project area.</p> <p>SAEL’s land acquisition policy commits to engaging in willing buyer-willing seller transactions, that is based upon informed consent and fair compensation. The project has conducted assessments on project sites for its expansion to ensure that this policy is followed.</p> <p>SAEL is developing human resources policies that apply to employees, contractors, and sub-contractors that generally align with IFC Performance Standard 2. The project will be required to revise its internal grievance mechanism to ensure compliance with the Performance Standards. Additionally, the project is developing a supply management system that will apply to feedstock inputs and procurement for its plants.</p>
<b>Grants Assessment</b>	Not applicable