



# Environmental, Social & Governance Policy

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## ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

### 1. PREAMBLE

- 1.1 Vivriti Capital Limited (VCL) ('the Company') is a public limited company registered under Companies Act, 2013. VCL is also registered with the Reserve Bank of India as a Non-Deposit taking Systemically Important Non-Banking Finance Company (NBFCs-ND-SI) and its debt securities are listed with Bombay Stock Exchange.
- 1.2 Vivriti is cognizant of environmental and social risks in lending and hence has adopted the ESG Policy in its journey towards its commitment on attaining sustainability. The ESG philosophy aligns with Vivriti's core business strategy. The policy is built around the three pillars of ESG, outlining its purpose and Vivriti's responsibility to the environment, its customers, employees, and the community at large.
- 1.3 Unless otherwise defined, capitalized terms have the meanings given to them in the "legend" provided at the end of this document.

### 2. OBJECTIVES

- 2.1 To approve a framework for the environment, social and governance ("ESG") practice.
- 2.2 To integrate the ESG framework in the existing overall risk assessment.
- 2.3 To study, measure and monitor the impact on the performance of the investment.
- 2.4 To identify opportunities to promote environmental sustainability and equitable growth through our products.
- 2.5 To provide ESG disclosures to effectively demonstrate our ESG commitment to our stakeholders.

### 3. VIVRITI'S DO NO HARM STATEMENT

Vivriti is a socially and environmentally responsible organisation, encapsulating the principles of 'Do No Harm'. We ensure compliance with applicable environmental and labour laws, standards and regulations for our business, and that of our clients through our enhanced evaluation and due diligence process. Our stringent exclusion list reflects our commitment to ethical transactions, strictly prohibiting activities that have adverse impacts of the society, communities, and the environment.

### 4. FINANCIAL INCLUSION COMMITMENT

Financial inclusion has primarily been addressed by priority sector lending, and beyond banks NBFC's play a crucial role in bringing parity in the financial markets. As a purpose driven organization, we are committed to making a meaningful and tangible difference in the lives of our clients, shareholders and the community. Vivriti plays an integral role in promoting financial inclusion through its innovative and evolving range of financial instruments catering to the underserved & underbanked groups & offering support to strengthen their financial well-being. We engage with our co-lending partners to expand the reach of our inclusive financing services to the bottom of the pyramid. Establishing procedures to prevent aggressive selling and over-indebtedness, demonstrates our commitment to responsible business practices.

## 5. PRINCIPLES

- 5.1 Vivriti will conduct its business and operations in compliance with all environmental, social and labour laws (local and central).
- 5.2 Vivriti shall adhere to all the policies of the Government of India or any department thereof concerning any environmental, social or labour related issues applicable to Vivriti. Vivriti shall also require its clients to adhere to these policies to the extent applicable.
- 5.3 Vivriti will conduct ESG Due diligence on its prospective and existing clients basis the screening as per the exclusion list and a detailed assessment made on the Vivriti Sustainability Assessment Model.

## 6. VIVRITI'S ROLES AND RESPONSIBILITIES

### 6.1 Towards Environment

Vivriti shall conduct its business and operations in compliance with applicable environmental, health and safety laws or policy issued by Government of India or any department thereof.

- Developing financial solutions that generate other positive environmental impacts
- Minimizing the environmental impacts of our physical operations
- Partnering with organizations to advance sustainable development

#### Implemented Policies

Vivriti's Energy Policy
Vivriti's Sustainable Finance Framework

### 6.2 Towards social, labor and working conditions

Vivriti is committed to conduct its business and operations in compliance with applicable social and labor laws and policies issued by Government of India or any department thereof.

- Developing financial solutions that improve quality of life and generate other positive social impacts
- Expanding economic opportunity in the communities where we do business
- Investing in our human capital
- Promoting diversity, equity and inclusion
- Strengthening consumers' financial health
- Addressing human rights-related risks

#### Implemented Policies

Human Rights Policy
Health, Safety & Environmental (HSE) Policy
Diversity, Equity & Inclusion (DEI) Policy
Childcare Allowance Policy
Corporate Social Responsibility (CSR) Policy
Prevention of Sexual Harassment (POSH) Policy

Sustainable Stewardship Policy
IT Data Protection Policy
IT Audit Policy
IT Third Party Vendor Onboarding & Offboarding Policy
IT Data Privacy Policy
IT Risk Management Policy
IT Disciplinary Process Policy

### 6.3 Towards Governance

Vivriti is committed to sound governance, a system of checks and balances and the highest standards of integrity with the following aspects:

- Cultivating a strong risk and control environment
- Fostering a culture of transparency and ethical behavior
- Maintaining effective Board leadership and management processes
- Safeguarding privacy and cybersecurity

#### Implemented Policies

Anti Bribery & Anti-Corruption Policy
Corporate Governance Policy
Nomination & Remuneration Policy
KYC & AML Policy
Grievance & Redressal Mechanism Policy
Whistle Blower Policy
Vendor Code of Conduct Policy
Vendor Management Policy
Violation of Code of Conduct & Action Policy
Related Party Transaction Policy
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Code of Conduct to Regulate, Monitor and Report Trading
IT Cyber Security Policy
IT Security Awareness Policy
IT Governance Framework Policy
Vivriti Group Tax Strategy

## 7. GOVERNANCE MATRIX

### 7.1 ESG Committee

The ESG Risk Assessment Committee is established by the Board of Directors of Vivriti Capital Limited for assisting the Board in oversight of the company's ESG and its portfolio's ESG risk profiles on an ongoing basis.

The committee will comprise of the Managing Director, the Chief Credit Officer and the Chief Risk Officer. The Committee will meet periodically to evaluate ESG risks of its borrowers, assign final ESG performance scores, and discuss all relevant matters.

The head of Sustainability and Impact (S & I team) shall be permanent invitee to all the committee meetings.

The Committee shall be governed by its charter and any instructions/decisions as may be mutually agreed at a meeting of committee, subject to its approval/ratification by the board of the company.

The Committee will also oversee and manage the environmental, social and management risks within Vivriti's lending portfolio and, by doing so, help implement the ESG Policy.

### 7.2 Governance Hierarchy



## 8. ESG RISK INTEGRATION

Vivriti has integrated ESG risks into its existing risk management framework by establishing a comprehensive structure to identify, evaluate, monitor and manage these risks through exclusion list, risk assessment structure and Vivriti's Sustainability assessment model.

### 8.1 Exclusion List

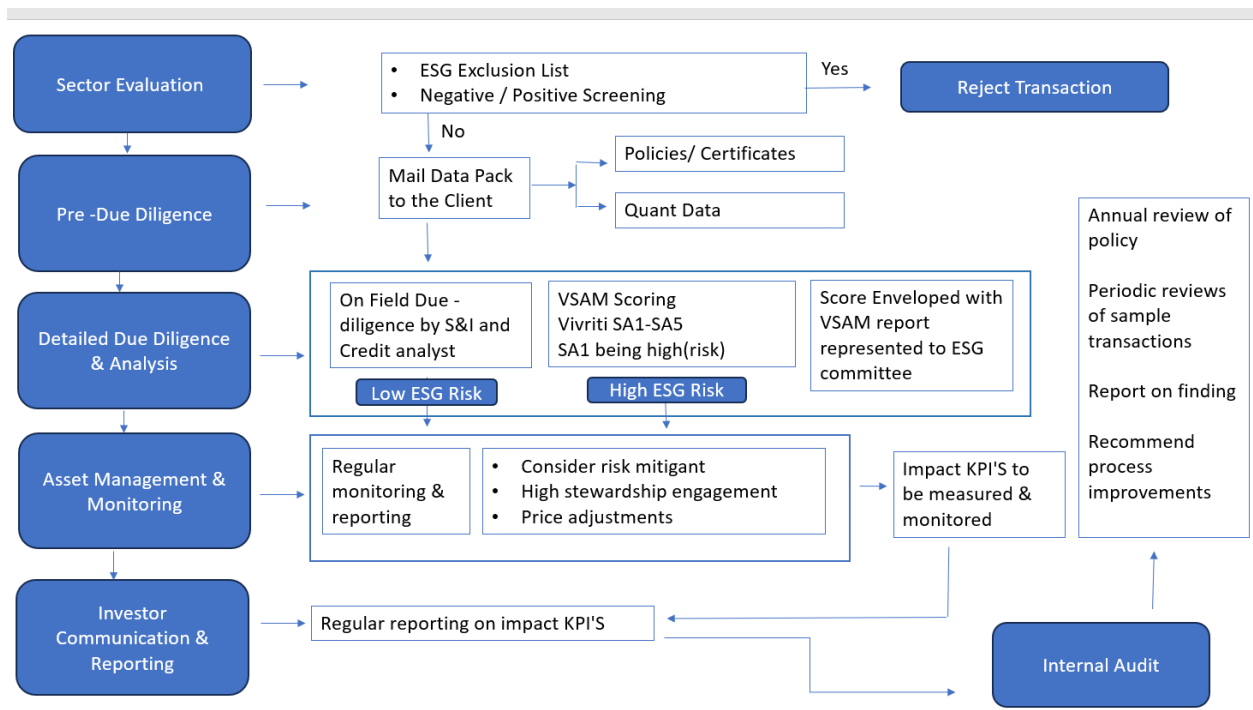
Vivriti will not enter arrangements/transactions with any institutions or persons that are engaged in any of the activities set out in Annexure I of this policy ("**Prohibited Activities**"). This list will be updated from time to time based on guidance provided by the Board and Vivriti's senior management.

### 8.2 ESG Risk Assessment

- Preliminary diligence of prospective and existing enterprise borrower of VCL shall be carried out by the ESG/Credit analyst basis sector
- In the case of a new enterprise borrower to which VCL proposes to lend any money or on-balance sheet financing, the client's ESG risk/ opportunity is assessed on the Vivriti Sustainability Assessment model.
- Over a period of time, this allows us to understand the trend of the ESG practices of the borrower.

### 8.3 Model

VCL has developed its own ESG methodology through the Vivriti Sustainability Assessment Model (VSAM) to determine the ESG risks/opportunities of the borrower. Each borrower basis the due diligence and understanding of their E, S & G practices, policies and processes receives a proprietary overall ESG score (Vivriti SA1-SA5).



ESG Risk Integration Process

## 8.4 Climate Risk Management

Globally, climate action is gaining momentum across sectors and becoming a priority material topic. Vivriti considers the urgency of addressing the climate emergency problem and playing its part in fortifying its climate ambition.

Our ESG Committee has oversight of the organisation's climate risk management. The ESG Committee has formed the Sustainability & Impact function in Vivriti that is responsible for execution and implementation of the various processes & procedures related to ESG and climate action. Our Board members are also equipped with relevant climate-related knowledge, skills and expertise.

Our ESG processes & procedures are based on best practices and continuous improvement through alignment with relevant national & international standards and frameworks, that include climate risk management as a major addition. We continue to strengthen our climate commitments on an ongoing basis to gradually align with the Paris threshold pathways of 1.5 to 2 deg C.

**Approach:** Based on global (TCFD Guidelines & IFRS S2) & regional climate reporting requirements, our climate risk management process (applicable to our organization and clients/investees) entails:

Step 1 - Establishing a climate governance framework that lays out the Board's & Management's roles in assessing and managing climate-related risks & opportunities

Step 2 - Developing & implementing a climate strategy organization-wide: Identification of climate-related risks and opportunities over the short, medium and long term; depending on availability of data and relevant tools to conduct impact assessment that climate risks & opportunities have on business, strategy and financial planning

Step 3 - Setting up the climate risk management systems & processes for identification, assessment and management of climate-related risks & opportunities, along with its integration in the overall risk management process

Step 4 - Basic-level climate reporting

Step 5 - Target-setting: Setting intermediate and long-term science-based climate targets

Step 6 - Conducting a scenario analysis (depending on availability of data and relevant tools)

Step 7 - Advanced-level climate reporting

**Timeframe for completing Steps 1 to 7:** 3-4 years

**Supplementing our climate risk management practices, we have –**

- Developed policies like the ESG Policy, Energy Policy & the Green Finance Framework
- Built the client ESG assessment process & Vivriti Sustainability Assessment Model (VSAM) that covers climate parameters - environmental management, management of climate change risks and opportunities, GHG emissions, energy efficiency, waste management, and green products & services
- Created a transparent measuring, accounting & reporting system (including a GHG inventory) for managing climate related risks as part of ESG risks
- Adopted decarbonization initiatives in our offices to reduce carbon emissions
- Consciously expanding of our portfolio towards climate-centric sectors
- Our forward-looking climate & decarbonization strategy will align with the requirements of global climate reporting & target-setting frameworks (TCFD Guidelines, CDP, SBTi, etc)



## 9. REPORTING

### 9.1 Sustainability Reporting

Vivriti will publish its Sustainability Report based on the Global Reporting Initiative (GRI) standards that would demonstrate Vivriti's E, S and G practices along with the impact reporting created through its portfolio. We will also, continue to disclose our ESG information in relevant ESG forums to demonstrate our commitment to stakeholders.

### 9.2 VSAM Reporting

Vivriti Capital employs VSAM to generate comprehensive sustainability assessment/ ESG reports tailored to its clientele. Through this specialized approach, Vivriti Capital offers issuers an in-depth insight into their ESG (Environmental, Social, and Governance) scoring metrics. These reports are instrumental in assisting issuers to comprehend and evaluate their ESG portfolio effectively. By harnessing the capabilities of VSAM, Vivriti Capital ensures that its clients receive accurate and actionable data, enabling them to make informed decisions concerning their ESG initiatives.

## 10. RISK CATEGORISATION

The risks will be categorized based on the below criteria –

Score	Grading Scale	Significance
0-20	Vivriti SA1	A company that is impacted by ESG risks and requires immediate intervention to implement a systematic risk management framework
21-40	Vivriti SA2	A company that has just embarked on its sustainability journey but needs to establish a systematic risk management framework
41-60	Vivriti SA3	A company that has implemented sustainability initiatives to address ESG risks but needs to address the gaps to have a robust framework
61-80	Vivriti SA4	A company that has successfully navigated its sustainability journey but needs to fortify its practices
81-100	Vivriti SA5	A sustainability leader with a positive track record of implementing best practices in managing material ESG risks

## 11. MONITORING

11.1 The Sustainability & Impact Team, shall conduct a periodic ESG risk assessment on the enterprise borrower on the basis of the scoring derived from VSAM as under –

Score	Grading Scale	Monitoring
<b>0-20</b>	Vivriti SA1	Bi - annually
<b>21-40</b>	Vivriti SA2	Bi - annually
<b>41-60</b>	Vivriti SA3	Annually
<b>61-80</b>	Vivriti SA4	Annually
<b>81-100</b>	Vivriti SA5	Annually

11.2 For enterprise borrower in which Vivriti has on-balancing exposure, the Sustainability & Impact/Credit Teams, will also conduct site visits on the occurrence of any trigger events specified in Annexure II

11.3 Any non-compliance identified during the periodic assessment/diligence will be reported to the ESG Risk Assessment Committee, who will decide on any further action to be taken.

## 12. **ENGAGEMENT**

- 12.1 **Materiality Assessment** – In order to make it a meaningful sustainable journey, it is of prime importance to Vivriti to engage with all our stakeholders in the value chain on a periodic basis for a better alignment with broader business performance metrics and organizational impact. Our engagement channels would include – 1. External : Board Members, Investors, Regulators, Customers, Community, Suppliers, auditors, consultants, legal advisors and 2. Internal: Employees. This engagement allows Vivriti to prioritize material topics for long-term stakeholder value creation.
- 12.2 **Stewardship Engagement** - Vivriti's commitment to sustainability extends far beyond mere integration into our investment processes. Central to our ethos is the active engagement of stewardship responsibilities, underlining our proactive approach to driving positive ESG outcomes. Through rigorous ESG due diligence, we delve deep into understanding the intricacies of each client's operations, assessing potential risks, and identifying opportunities for sustainable transformation. Our ESG assessment model serves as a robust framework, generating insightful outputs and comprehensive reports that illuminate areas of improvement and strategic alignment with global sustainability benchmarks.

Furthermore, our stewardship and engagement processes are meticulously designed to empower our clients on their sustainability journey. By leveraging our ESG assessment model outputs, we provide tailored recommendations and actionable insights, enabling clients to refine their sustainability strategies effectively. This collaborative approach fosters a symbiotic relationship, wherein Vivriti acts as a catalyst for change, guiding clients in adopting sustainable practices, policies, and actions. Through continuous dialogue, monitoring, and support, we not only enhance our clients' ESG performance but also contribute to building resilient, responsible, and future-ready businesses. In essence, Vivriti's deep-rooted commitment to stewardship engagement transcends transactional interactions, fostering enduring partnerships committed to shaping a sustainable future.

## 13. **DOCUMENTATION**

- (a) All on-balance sheet financing documentation must contain such environmental, social and labour standards related covenants as may be prescribed by the Committee.
- (b) All on-balance sheet financing documentation entered into by Vivriti must contain representations and covenants from the client in relation to compliance with all applicable laws (including all, local and central, environment, social and labour laws).
- (c) Any failure of the client to perform such covenant or representation should be classified as an event of default under the on-balance sheet financing documentation entered into with the client.

## 14. **TRAINING OF DESIGNATED PERSONNEL**

All Designated Personnel - Sustainability & Impact Team, Credit Teams, Investment Management Team and all members of the ESG Risk Assessment Committee concerned with this policy - will keep themselves updated with all ESG related developments. Periodic training and updates on ESG will be provided to all verticals at Vivriti by the Sustainability & Impact Team.

#### 15. APPLICATION TO EXISTING CLIENT

Vivriti will endeavor to ensure compliance of its existing clients with this policy, by obtaining appropriate declaration/representation from client in relation to compliance of applicable environment and labour laws and other applicable laws, to the extent data can be retrieved from existing clients.

#### 16. POLICY REVIEW

This policy shall be reviewed periodically on such basis and at such times as may be prescribed by the ESG Risk Assessment Committee.

#### 17. LEGEND

S. NO.	TERM	PARTICULARS
1.	ESG Risk Assessment Committee	Comprises of the Managing Director, Chief Credit Officer and Chief Risk Officer
2.	Sustainability & Impact	Members of the team tasked with the execution of the ESG policy
3.	Business Team	Means the business team of VCL
4.	Credit Teams	Means the respective credit teams of VCL
5.	Designated Personnel	Means the members of the Credit Teams, the Investment Management Teams and the Sustainability & Impact Team

## ANNEXURE I - PROHIBITED ACTIVITIES

Vivriti will not enter into arrangements/transactions with any institutions/persons that are engaged in any of the activities set out below:

1. Conversion or degradation of critical forest areas or forest-related critical natural habitats
2. Any company whose total revenue from prohibited alcoholic beverage (excluding beer and wine) is more than 25% and subject to the condition that the funds received from Vivriti shall not be utilized towards the activity relating to production of or trade in prohibited alcoholic beverage (excluding beer and wine)
3. Projects or companies where the primary business activities are in the following prohibited sectors such as gambling, casinos or equivalent enterprises, media communications of an adult or political nature, production of or trade in tobacco
4. Cannabis - Any company or corporate that directly, or through entities it controls, produces, or sells cannabis for non-medical or recreational purposes, which shall include production and sale of end products containing cannabis for the same purpose
5. Production of or trade in controversial (chemical, biological & nuclear), defence and other weapons and ammunitions, including any paramilitary materials
6. Companies found by a court or administrative body of competent jurisdiction engaging in unlawful practices
7. Engaged in any activities in relation to human trafficking, child labour or forced labour
8. Projects or companies identified by the Government to be in violation of local applicable law related to environment, health, safety, labor (including human rights), and public disclosure
9. Production or trade in any product or activity deemed illegal under the laws or regulations of India or international conventions and agreements or subject to international phaseouts or bans
10. Polluting industries unless the units have clearance from pollution control authorities and have installed effluent treatment plants
11. Setting up of new units consuming/producing Ozone Depleting Substances (ODS) such as chlorofluorocarbon (CFC), Halons and units manufacturing aerosol products using CFCs
12. Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%
13. Any company involved in the extraction of conventional and unconventional oil and gas whose extraction is greater than 25% of its total operations
14. Carbon intensive power generation – any company that derives  $\geq 20\%$  of power generation from coal fired power plants unless such clients are pursuing a low-carbon transition strategy
15. Coal mining – Any company who generates  $\geq 25\%$  of their revenue from thermal coal mining
16. Animal testing on Non-medical Grounds – Any company or corporation that practices animal testing on non-medical grounds

**ANNEXURE II  
TRIGGER EVENTS**

1. For any notice issued by regulatory authority to any client for non-compliance of provisions of applicable environment and labour laws (including human rights)
2. In case of labour unrest or dispute with the client
3. On levy of significant fines or penalties or any other liabilities under any applicable labour (including human rights), and environmental laws by any regulatory authority
4. Whether any notice issued or proceedings initiated against the company for any violation or non-compliance of any environment and labour laws (including human rights),
5. When there is any fraud and non-compliance of anti-money laundering laws

**ANNEXURE III**  
**Rapid Environmental Assessment (REA) Checklist**

**Location:**

**Subproject Title:**

**Preparer/Date:**

SCREENING QUESTIONS	Yes	No	REMARKS
A. Subproject Siting			
Is the Subproject area adjacent to or within any of the following environmentally sensitive areas?			
• Cultural heritage site	<input type="checkbox"/>	<input type="checkbox"/>	
• Legally protected area (core zone or buffer zone)	<input type="checkbox"/>	<input type="checkbox"/>	
• Wetland	<input type="checkbox"/>	<input type="checkbox"/>	
• Mangrove	<input type="checkbox"/>	<input type="checkbox"/>	
• Estuarine	<input type="checkbox"/>	<input type="checkbox"/>	
• Special area for protecting biodiversity	<input type="checkbox"/>	<input type="checkbox"/>	
B. Potential Environmental Impacts			
Will the Subproject cause...			
• impairment of historical/cultural areas; disfiguration of landscape or potential loss/damage to physical cultural resources?	<input type="checkbox"/>	<input type="checkbox"/>	
• disturbance to precious ecology (e.g. sensitive or protected areas)?	<input type="checkbox"/>	<input type="checkbox"/>	
• alteration of surface water hydrology of waterways resulting in increased sediment in streams affected by increased soil erosion at construction site?	<input type="checkbox"/>	<input type="checkbox"/>	
• deterioration of surface water quality due to silt runoff and sanitary wastes from worker-based camps and chemicals used in construction?	<input type="checkbox"/>	<input type="checkbox"/>	
• increased air pollution due to subproject construction and operation?	<input type="checkbox"/>	<input type="checkbox"/>	
• noise and vibration due to subproject construction or operation?	<input type="checkbox"/>	<input type="checkbox"/>	

SCREENING QUESTIONS	Yes	No	REMARKS
• involuntary resettlement of people? (physical displacement and/or economic displacement)	<input type="checkbox"/>	<input type="checkbox"/>	
• disproportionate impacts on the poor, women and children, Indigenous People, or other vulnerable groups?	<input type="checkbox"/>	<input type="checkbox"/>	
• poor sanitation and solid waste disposal in construction camps and work sites, and possible transmission of communicable diseases (such as STI's and HIV/AIDS) from workers to local populations?	<input type="checkbox"/>	<input type="checkbox"/>	
• creation of temporary breeding habitats for diseases such as those transmitted by mosquitoes and rodents?	<input type="checkbox"/>	<input type="checkbox"/>	
• social conflicts if workers from other regions or countries are hired?	<input type="checkbox"/>	<input type="checkbox"/>	
• large population influx during subproject construction and operation that causes increased burden on social infrastructure and services (such as water supply and sanitation systems)?	<input type="checkbox"/>	<input type="checkbox"/>	
• risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during subproject construction and operation?	<input type="checkbox"/>	<input type="checkbox"/>	
• risks to community health and safety due to the transport, storage, and use and/or disposal of materials such as explosives, fuel and other chemicals during construction and operation?	<input type="checkbox"/>	<input type="checkbox"/>	
• community safety risks due to both accidental and natural causes, especially where the structural elements or components of the subproject are accessible to members of the affected community or where their failure could result in injury to the community throughout subproject construction, operation, and decommissioning?	<input type="checkbox"/>	<input type="checkbox"/>	
• generation of solid waste and/or hazardous waste?	<input type="checkbox"/>	<input type="checkbox"/>	
• use of chemicals or hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	
• generation of wastewater during construction or operation?	<input type="checkbox"/>	<input type="checkbox"/>	

**Overall conclusion on Environment Category (circle one):**

**A**

**B**

**C**

**Reason for conclusion:**

**ANNEXURE IV**  
**Involuntary Resettlement Screening Questions**

Involuntary Resettlement Screening Questions	Yes	No	Not Known	Remarks
<b>Involuntary Acquisition of Land</b>				
1. Will there be land acquisition?				
3. Is the ownership status and current usage of land to be acquired known?				
4. Will easement be utilized within an existing Right of Way (ROW)?				
5. Will there be loss of shelter and residential land due to land and/or building purchase or lease?				
6. Will there be loss of agricultural and other productive assets due to land acquisition?				
7. Will there be losses of crops, trees, and fixed assets due to land acquisition?				
8. Will there be loss of businesses or enterprises due to land and/or building purchase or lease?				
9. Will there be loss of income sources and means of livelihoods due to land and/or building purchase or lease?				
10. Are there any pending court cases, claims or grievances related to the land to be acquired or leased?				
11. Are there unsettled compensation to previous landowners, informal land users and affected persons?				
12. Will people lose access to natural resources, communal facilities and services?				
13. If land use is changed, will it have an adverse impact on social and economic activities?				
14. Will access to land and resources owned communally or by the state be restricted?				
<b>Information on Displaced Persons:</b>				
Any estimate of the likely number of persons that will be displaced by the Project?		[ ] No [ ] Yes		
If yes, approximately how many? _____				
Are any of them poor, female-heads of households, or vulnerable to poverty risks?		[ ] No [ ] Yes		
Are any displaced persons from indigenous or ethnic minority groups?		[ ] No [ ] Yes		

Indigenous People Screening Questions	Yes	No	Not Known	Remarks
<b>A. Indigenous People Identification</b>				



<b>Indigenous People Screening Questions</b>	<b>Yes</b>	<b>No</b>	<b>Not Known</b>	<b>Remarks</b>
1. Are there socio-cultural groups present in or use the project area who may be considered as "tribes" (hill tribes, schedules tribes, tribal People), "minorities" (ethnic or national minorities), or "indigenous communities" in the project area?				
2. Are there national or local laws or policies as well as anthropological researches/studies that consider these groups present in or using the project area as belonging to "ethnic minorities", scheduled tribes, tribal People, national minorities, or cultural communities?				
3. Do such groups self-identify as being part of a distinct social and cultural group?				
4. Do such groups maintain collective attachments to distinct habitats or ancestral territories and/or to the natural resources in these habitats and territories?				
5. Do such groups maintain cultural, economic, social, and political institutions distinct from the dominant society and culture?				
6. Do such groups speak a distinct language or dialect?				
7. Has such groups been historically, socially and economically marginalized, disempowered, excluded, and/or discriminated against?				
8. Are such groups represented as "Indigenous People" or as "ethnic minorities" or "scheduled tribes" or "tribal populations" in any formal decision-making bodies at the national or local levels?				
<b>B. Identification of Potential Impacts</b>				
9. Will the project directly or indirectly benefit or target Indigenous People?				
10. Will the project directly or indirectly affect Indigenous People' traditional socio-cultural and belief practices? (e.g. child-rearing, health, education, arts, and governance)				
11. Will the project affect the livelihood systems of Indigenous People? (e.g., food production system, natural resource management, crafts and trade, employment status)				
12. Will the project be in an area (land or territory) occupied, owned, or used by Indigenous People, and/or claimed as ancestral domain?				
<b>C. Identification of Special Requirements</b>				
<i>Will the project activities include:</i>				
13. Commercial development of the cultural resources and knowledge of Indigenous People?				
14. Physical displacement from traditional or customary lands?				

Indigenous People Screening Questions	Yes	No	Not Known	Remarks
15. Commercial development of natural resources (such as minerals, hydrocarbons, forests, water, hunting or fishing grounds) within customary lands under use that would impact the livelihoods or the cultural, ceremonial, spiritual uses that define the identity and community of Indigenous People?				
16. Establishing legal recognition of rights to lands and territories that are traditionally owned or customarily used, occupied or claimed by indigenous People?				
17. Acquisition of lands that are traditionally owned or customarily used, occupied or claimed by indigenous People?				

## ANNEXURE V

### Supply Chain Due Diligence

Aspect	Question
Policy and Legal Knowledge	Does the Company have a Procurement Policy, and does it clearly define E&S commitments/standards? Does this include commitments related to child and forced labor etc.
	Do you have a code of conduct for suppliers covering supply chain risks (CL, FL, harm to workers)? Does this the CoC form part of vendors contractual obligations?
	Do procurement policies define any of the following for suppliers (please provide details): <ul style="list-style-type: none"> <li>• What is the minimum age for employment in suppliers?</li> <li>• What is the age for hazardous work?</li> <li>• A list of hazardous tasks for underage workers you share with suppliers?</li> </ul>
Capacity	Please describe the human resources responsible for administering the supply chain management at a corporate level.
	Please describe the human resources responsible for administering the supply chain management at a Project level.
	Who is involved in vendor/supplier evaluations? Are E&S staff involved? If so, what is their role?
Quality of Supplier Mapping	What are the most important product lines, and who are the main suppliers? Have there been any significant changes in key suppliers in the last 12 months?
	What proportion of goods and materials comes from second-tier suppliers or agents? Do you know who these second-tier suppliers are?
	Do you have the same policies and same level of due diligence undertaken for tier one and two suppliers? If no, what is the difference?
	Please detail the company's material traceability & sourcing processes.
	Has your supply chain been mapped and how are risks related to suppliers be evaluated?
	How many tiers of suppliers does this process cover?
Communication	Does your supplier pre-qualification / bidding process include E&S and considerations with respect to child and forced labor?
	How do you communicate to primary suppliers your requirements on child and forced labor, and health and safety?
Monitoring and Due Diligence	Do you place any contractual obligations on suppliers to cascade these requirements down the supply chain, and if so, how?
	How do you go about assessing suppliers' processes and policies for avoiding child and forced labor?
	Do you look at any suppliers' age records, or recruitment processes? Do you look at third party workers or workers contracted via an employment agency as well?
	At what point in the process of supplier engagement is this assessment undertaken?
	Who is responsible for undertaking the assessment process (e.g., own resources, auditors etc.) and what training and qualification do they have on these issues?
Monitoring and Due Diligence	How and at what frequency do you monitor supplier's performance against your requirements on child and forced labor and health and safety?
	Who is responsible for undertaking the monitoring process (e.g., auditors)? What training and qualification do they have on these issues?

	How is information compiled and recorded e.g., paper records, database, shared platform?
	Has the due diligence or monitoring process uncovered any risks of child labor or forced labor in particular countries or products?
	How did you address issues of non-compliance with corporate E&S policies, child labor and forced labor that was uncovered during the audit? Have you ever changed suppliers because of repeated non-compliances?
	Do you collaborate with government labor inspections with regard to suppliers?
	Do you collaborate with any other retailers in terms of sharing information about risks or addressing labor standards challenges in your supply chain?
	Do you require your suppliers to undertake monitoring of their supply chain and if so, through which mechanism?
	How are the results of such monitoring reported to you?
	Do you carry out any verification of such activities and if so, how?
	Do any suppliers retain identification documents for their workers? Do suppliers use recruitment agencies and charge recruit fees to recruit non-national workers?
	Documentation for Review
Please provide your procurement policy and plan	
Please provide client policy / Code of Conduct on child / forced labor and health and safety for suppliers	
Please provide standard supplier contract for clauses addressing child / forced labor and health and safety	
Please provide any database or supplier records that might include level of risk or results of monitoring	

## Solar Power Specific Supply Chain Management

Please provide specific information on the primary and secondary supply chain extending to raw material supply for the project for ADB to understand and mitigate potential risk with regard to forced labor.

### **Initial Questions:**

1. Please describe the procurement approach for the solar panels for this Project e.g., direct, open procurement; single source, use of long-term frameworks to directly select the supplier etc? Please specify a contractual arrangement for procurement and maintenance of solar modules (i.e., direct or via EPC and O&M contractor etc.)?
2. Please confirm if a solar module supplier is yet to be selected or has already been selected?
3. Please confirm that the solar power supply chain management process follows the above-described corporate supply chain management system?
4. Please provide a description of any specific aspects of the system which apply to the solar power supply chain only.

### **When Becomes Available, please provide the Bill of Materials.**

5. For each supplier where there is a risk of child or forced labor, has the client mapped further stages of the solar panel supply chain and if so to which level?

Module Supplier Name	Secondary supply chain mapping		
	Cell	Wafer	Please add as appropriate

Supplier Name	Country (of origin of the products supplied) and Location of production sites	Products Supplied	Monetary Value or Volume of Goods Supplied	Duration of Trading Relationship	No. of workers (Male/Female)	Child Labor Risk Identified and Explanation?		Forced Labor risk Identified and Explanation?		Occupational Safety and Health Risk Identified?
						In the primary supplier	In secondary (lower tiers) of the supply chain	In the primary supplier	In secondary (lower tiers) of the supply chain	
			<i>(Use whichever measure is most appropriate)</i>							