

Public Information Summary

Host Country	India
Name of Borrower	Orb Energy Private Limited; incorporated in India.
Project Description	Finance the construction of a 25 MW ground-mounted solar array and a portfolio of rooftop-mounted arrays
Proposed DFC Loan	\$20 million; Tenor up to 10 years.
All-Source Funding Total	\$30.8 million
Policy Review	
Developmental Objectives	<p>The Project is expected to have a highly developmental impact in India by financing the purchase of solar photovoltaic panels by commercial and industrial firms, including rooftop and similar assets to be housed in a 25-megawatt solar park in Karnataka. India’s targets for renewable energy include reaching 450 gigawatts of installed capacity by 2030, up from approximately 87 gigawatts as of early 2020. The country generates around three percent of its power from solar, compared with 71 percent from coal, and remains far behind schedule on rooftop solar targets. Most Project clients are expected to be SMEs from among the over 160,000 Indian SMEs that report being financially constrained. These clients are expected to have substantial savings in power costs as a result of owning new solar assets through the Project. The Project also directly supports permanent employment as a result of expanding operations by the sponsor.</p>
Environment and Social Assessment	<p>SCREENING: The Project has been reviewed against DFC’s 2020 Environmental and Social Policy and Procedures (ESPP) and has been determined to be categorically eligible. The Project was screened as a Category B under DFC’s ESPP as solar power projects have low to moderate short-term environmental and social risks and impacts that can be readily mitigated during both the construction and operational phases. To ensure that the borrower’s investment is consistent with the DFC’s statutory and policy requirements, the DFC-guaranteed loan made to the borrower will be subject to conditions regarding the use of proceeds, and the borrower will be required to provide a healthy and safe work environment for its employees.</p> <p>The Project has also been reviewed against the findings of the 2019 U.S. Department of State Human Rights Report for India and 2019 Findings on the Worst Forms of Child Labor. Key environmental and social risks identified as relevant to the Project include forced and compulsory child labor, air quality impacts, the use of small quantities of hazardous materials, generation of small quantities of wastewaters and hazardous</p>

and non-hazardous wastes (such as spent batteries and panels), depletion of groundwater, occupational health and safety hazards, gender-based violence and sexual harassment, injury and fatality hazards for avian fauna, dust and fugitive emissions, and electronic, hazardous and solid waste generation during the construction phase of the Project.

APPLICABLE STANDARDS: Under DFC's ESPP, the borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance. DFC's environmental due diligence indicates the Project will have impacts which must be managed in a manner consistent with the following International Finance Corporation's (IFC) 2012 Performance Standards (PS):

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts;
- PS 2: Labor and Working Conditions;
- PS 3: Resource Efficiency and Pollution Prevention; and
- PS 4: Community Health, Safety and Security.

A desk-review based due diligence assessment of the Project's ESIA indicates that the land for the Project is private land acquired under Willing-Buyer and Willing-Seller (WBWS) managed by a land aggregator agency. The Project represents that no secondary land users were impacted by these WBWS agreements. As such significant adverse impacts with respect to land acquisition and resettlement are not anticipated. The desk-review further indicates that as the Project does not pose impacts to natural ecosystems, indigenous communities or cultural heritage sites, significant adverse impacts with respect to biodiversity, indigenous peoples and cultural heritage are not anticipated. Therefore, PS5, PS6, PS7 and PS8 are not triggered at this time.

Under IFC's PS 3, the Project is required to comply with the applicable provisions of the IFC's 2007 General Environmental Health and Safety (EHS) Guidelines and the IFC's EHS Guidelines on Electric Power Transmission and Distribution. The Project's greenhouse gas (carbon dioxide equivalent) emissions are estimated to be less than 1,000 tons per year.

Climate Resiliency: According to the World Bank Country Adaptation Profile (<http://sdwebx.worldbank.org/climateportal/>) for India, wildfires, drought and increase in temperature are the primary climate change related risks for the region of the Project based on past, current, and future trends. Since there are no forests or other sources of wildfires, the Project's operations are not vulnerable to wildfires. The Project has

minimal use of water and other resources and therefore, drought, or an increase in temperature are not expected to pose any significant risk. Therefore, no additional analysis is required.

Environmental and Social Risks and Mitigation Measures: The borrower has developed a Social and Environmental Management System to provide a comprehensive approach to managing its environmental and social risks and ensure compliance with the IFC's Performance Standards. The borrower's organization capacity, training, monitoring, and reporting are all designed to manage the identified environmental, social and safety risks to acceptable levels.

Solid waste management practices will include the recycling of metallic and other wastes to the extent feasible. Solid wastes that cannot be recycled will be sent to municipal landfills. Small quantities of oily wastes (such as spent lubricants) and hazardous wastes will also be properly managed in compliance with the local regulations. Similarly, small quantities of hazardous materials will be managed in accordance with their respective Material Safety Data Sheets and local regulations. Only a small quantity of water will be needed to wash solar panels as it rains a lot in the Project region. Adequate fire prevention and control and other safety measures will also be in place. The borrower will be required to update its human resources policies to ensure full alignment with the Applicable Standards. The borrower will be required to implement a security management plan to oversee Project-site logistics and mitigate risks related to emergency preparedness and response and Project-site security at major entry and exit points. The borrower will be required to implement a stakeholder engagement plan and public grievance mechanism to allow the effective participation of stakeholders in information dissemination and consultation activities, and establish a mechanism to address stakeholder concerns. Risks related to worker influx and sexual harassment will be mitigated through the development of off-site worker accommodations to manage worker movement and activity.

The Borrower is expected to implement its Social and Environmental Management System and monitor the environmental and social performance of its operations, including for risks posed to community, health and safety. The Borrower is also expected to manage its Project activities in accordance with IFC's 2012 Performance Standards and EHS General Guidelines and Guidelines for Electricity Transmission and Distribution.