Zwartowo Photovoltaic Farm Project
Stakeholders Engagement Plan
Final

Prepared in cooperation with:

Multiconsult
POLSKA

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1 Introduction

Stigma Sp z o.o. (“Stigma”) is developing and constructing a Solar PV renewable energy project of up to 290MWp (the “Project”). Stigma is owned by Green Energy Services sp. z o.o., which is a joint venture between Solarnet Investment GmbH and the Polish company Energy Consult Sp. z .o.o. Solarnet Investment GmbH is the investment arm of GOLDBECK SOLAR Group (“Goldbeck Solar”) one of Germany’s largest project developers, EPC and O&M providers. ,

The Project will potentially be co-financed by consortium of Lenders, including European Bank for Reconstruction and Development (EBRD), Bank Pekao S.A. and PKO Bank Polski, therefore compliance with EBRD Performance Requirements and applicable Polish regulations was confirmed by independent consultants.

Stigma has employed the knowledge of the Goldbeck Solar team of experts to develop, construct and ultimately operate the Solar PV plant and the knowledge of Energy Consult Sp. z .o.o for local support inclusive of environmental, social and health & safety issues.

Goldbeck Solar was founded in 2001 and currently has 150 employees. Since then it has completed photovoltaic installations with a total capacity of ca. 2 GW.

Goldbeck Solar is a global company involved in design, construction and operation of solar plants, solar roofs and other large scale solar projects. The Company is following its green policy, based on commitment to the motto: "Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs". The Green Policy includes declarations to:

1. Promote the use of clean photovoltaic energy solutions and the efficient use of energy, thus helping to reduce CO2 emissions.

2. As part of the supply chain, Goldbeck promote solving environmental problems. The company is committed to ensuring that all stakeholders promote environmental protection and minimise logistical processes in sales, purchasing and contractual processes.

3. comply with the environmental regulations of the countries and regions in which it cooperates

4. strengthen the awareness of its employees for sustainability and environmental issues by motivating them to deal with environmental protection through training and

further education. Internally, Goldbeck promotes sustainable mobility for employees and reduced consumption of plastics.

5. develop products with a view to the efficient use of natural resources.

6. optimise internal processes and technologies to minimise and recycle the waste generated by business activities.

7. create safe and healthy workplaces and to ensure that the employees are trained for all safety equipment with which they come into contact.

8. Be committed to continuously review and improve the progress of environmental protection performance.

Goldbeck Solar has introduced also a Sustainability Policy. As an internationally operating company, Goldbeck Solar sees itself as responsible for actively participating in the achievement of the United Nations 17 sustainable development goals (SDG), notably goal number 7 – affordable and clean energy. Goldbeck business is solar energy and photovoltaic systems that enable consumers to cover their energy needs in a sustainable way. This contributes to CO2 emission reduction.

The company has not implemented any formal Environmental and Social Management System, but the policies implemented (including compliance policy) ensure proactive environmental actions. The standards are implemented throughout the entire Goldbeck Group and are discussed with employees, customers and suppliers. For Supply Chain, notably panels and inverters, Goldbeck requires the companies to commit to UN 17 SDGs and be Social Accountability certified (SA8000), thus ensuring fair and decent treatment of workers and adherence to the highest social standards.

The SA8000 Standard is based on internationally recognized standards of decent work, including the Universal Declaration of Human Rights, ILO conventions, and national laws. SA8000 applies a management-systems approach to social performance and emphasizes continual improvement.

Elements of the SA8000 Standard include child labour, forced or compulsory labour, health and safety, freedom of association & right to collective bargaining, discrimination, disciplinary practices, working hours, remuneration and management system.

EBRD requires, that the projects are subject to meaningful public consultations and stakeholders engagement process is properly conducted. In order to meet this requirement a set of documents which comprise:

- Environmental and Social Action Plan;
- Non-technical Summary,
- this Stakeholders Engagement Plan,

has been prepared in English as the Project Disclosure Package available on Goldbeck webpage as well as on EBRD pages.

2 Purpose and scope of this report

The European Bank for Reconstruction and Development (EBRD or the Bank) is committed to promoting “environmentally sound and sustainable development” in the full range of its activities pursuant to the Agreement Establishing the EBRD.

This mindset is reflected by a comprehensive set of specific Performance Requirements (PRs) for key areas of environmental and social sustainability that EBRD financed projects are required to meet. Central to the PRs is the application of the mitigation hierarchy and good international practice.

This report aims to cover aspects described by EBRD’s PR 10: Information Disclosure and Stakeholder Engagement, that emphasises the importance of an open and transparent engagement between the client, its workers, local communities directly affected by the project and other stakeholders as an essential element of good international practice and corporate citizenship.

Effective stakeholder engagement is needed to avoid and minimize the social risks and to ensure that the Project has a long term social license to operate.

This document is a Stakeholder Engagement Plan (SEP) describing the planned stakeholder consultation and engagement process for the Project. It outlines a systematic approach to stakeholder engagement that will help Stigma to develop and maintain constructive relationships with the stakeholders and to address their concerns about the Project as well as provide means for effective and inclusive engagement with project stakeholders throughout the Project cycle.

The SEP has been produced in accordance with the international standards required by the European Bank for Reconstruction and Development (EBRD) as well as with the requirements of local laws.

The SEP is a living document and will be regularly monitored, reviewed and updated by Stigma on as-needed basis.

3 Legal requirements & standards for public consultation

3.1 Polish requirements

The main acts of the Polish Legal system on public participation in decision making process are as follows:

- The Constitution of the Republic of Poland of 1997 (Journal of Laws No.78 item 483) states that a citizen has a right to obtain information on actions undertaken by public authorities, whilst article 74 points to the fact that "every person has a right to information concerning the state and protection of the environment".
- Environmental Protection Act of 2001 (Journal of Laws 2016, item 672 as amended) - regulating disclosure of information on the state of the environment and public involvement in environmental protection – up until entry into force of the Information Disclosure Act of October 3rd 2008.
- Environmental Information Disclosure, public participation and Environmental Impact Assessment Act of 2008 (Journal of Law 2016, item 353) – outlining regulations and approach to information disclosure and public participation in environmental protection.
- Spatial Planning Act of 2003 (Journal of Law 2016, item 778) – setting out the standard for disclosure of information related to establishment of development plans.

Above mentioned Polish legal acts point to requirements set for public authorities. Specific investor's obligations are not laid down. The main requirement for Investors is limited to compliance with the law and legal requirements set out by the authorities - particularly preparation and submission of adequate documentation.

Under the Polish Law, public consultations are an integral part of the investment process. If the planned investment can potentially have an adverse environmental impact, such consultations are part of the Environmental Impact Assessment carried out for the project.

3.2 International requirements

International requirements for public consultation have been outlined in the following documents:

- United Nations Economic Commission for Europe (UNECE) Aarhus Convention adopted on June 25th 1998 - Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters intended to grant NGO's easier access to decision making - ensuring compliance during consultation stages of plans, programmes and new legal acts preparation.
- Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment – imposing information sharing, access to documentation and justification of chosen solution in light of the reviewed alternatives.
- Directive 2003/35/EC of the European Parliament and of the Council of 26 May 2003 providing for public participation in respect of the drawing up of certain plans and programmes relating to the environment and amending with regard to public participation and access to justice Council Directives 85/337/EEC and 96/61/EC

3.3 Standards employed by Financial Institutions

Public consultation requirements of Financial Institutions (FI) cover a broader scope than that provided for by the Polish Law. Main differences can be summarised as follows:

- Stakeholder consultation is seen as an ongoing process throughout the duration of the entire project lifecycle. It is compulsory to ensure stakeholder's access to social and environmental impact analysis of the Project as well as possibility to obtain feedback on submitted claims or comments.
- Systematic stakeholders identification and ongoing anticipation of their expectations and concerns. Particular emphasis is placed on informing those social groups who will either be directly impacted by the project or are sensitive/unprivileged.
- It is imperative to put a grievances mechanism in place.

EBRD has adopted a comprehensive set of specific Performance Requirements (PRs) that projects are expected to meet. EBRD's PR 10: Information Disclosure and Stakeholder Engagement involves stakeholder identification and analysis, stakeholder engagement planning, disclosure of information, consultation and participation, grievance mechanism, and ongoing reporting to relevant stakeholders.

4 Environmental context of the project

In line with the European Climate Change Program, many European countries, including Poland, have adopted national programs aimed at reduction of greenhouse gases emissions. These cover various policies, adopted at the European level as well as national levels, includes among others:

• Planned increase in use of renewable energy (wind, solar, biomass)

• Improvements in energy efficiency in e.g. buildings, industry, household appliances;

The main regulations of EU countries to reduce emissions is the cost-effectively Emission Trading Scheme of carbon dioxide and legislation tackling with emissions of fluorinated greenhouse gases.

In March 2007, the EU approved an ambitious climate change and energy plan to limit greenhouse gas emissions by at least 20 % by 2020 (comparing to 1990 levels) and achieve, by 2020 a target of 20 % of total EU primary energy use through renewable energy and 32% in 2030.

Poland has already approved its energy policy until 2040 'Polityka energetyczna Polski do 2040 roku'. Based on this document Poland planned to achieve the renewable energy in total energy consumption of at least 15 % by 2020 with its further growth. According to the Policy, Poland declared achievement of 21 % renewable energy use in total energy consumption by 2030.

The development of solar energy is one of the measures to achieve the limitations of air emissions and increase of energy production from renewable sources. The main benefit is that photovoltaic plants convert solar energy to electricity, while generating no emissions to the air. Conventional energy sources, mainly based on various types of coal incineration, when producing energy generate emissions of greenhouse gases, SO_2, dust and others.

The project will allow for limiting the air emission from conventional energy sources (in Poland these are mainly coal fired power plants). Given the average electricity production of the Zwartowo farm in the region of 290 GWh per year, the cumulative emission reduction will amount to:

- Sulphur dioxide (SO_2) – 158 tonnes per year,
- Nitrogen oxides (NO_x) – 162 tonnes per year,
- Dust – 8 tonnes per year,
- Carbon dioxide (CO_2) – 216 000 tonnes per year.

As calculated above, the Project will allow for significant air emission reduction. Moreover, solar farms allow to advance local communities, providing financing to communal budgets.

5 Legislative context of the project and public consultations

According to environmental regulations on disclosure on environmental information, public participation in environment protection and on environmental impact assessments, an Environmental Impact Assessment (EIA) procedure must be performed for projects which can always significantly impact the environment (group I projects) or may be conducted upon discretion of the authorities in charge for particular investments, which

can potentially impact the environment (group II projects), or may impact area of 'Natura 2000'. EIA's are carried out to obtain a Decision on Environmental Conditions (environmental consent decision) for group I and group II projects.

In line with Polish regulations, the photovoltaic plants are investments, which could potentially impact the environment (mainly due to the area changed into industrial use).

For the Zwartowo development a Project Information Document (Pol. *Karta Informacyjna Projektu*) was prepared and issued to the local authorities for their assessment of the need for Environmental Impact Assessment Reports. The PID contained description of the location, setting and possible impacts of the project. The projects was considered by the authorities as not requiring the full EIA procedure, thus Environmental Consent Decision was issued based on documentation prepared by the developer.

The procedure included review by statutory bodies and public announcement of the intention to issue the decision. According to Polish EIA Act the statutory institutions involved in the procedure (providing opinion, requesting further data) included Regional Director of Environmental Protection (RDOS) and regional Sanitary and Epidemiology Station. In this case also Water Management Authority (Wody Polskie) was consulted regarding melioration issues.

Following the procedure and consultation periods, the competent authorities issued the environmental consent decisions. The Project has already obtained construction permits.

6 Scale of the Project and potential impact on protected areas

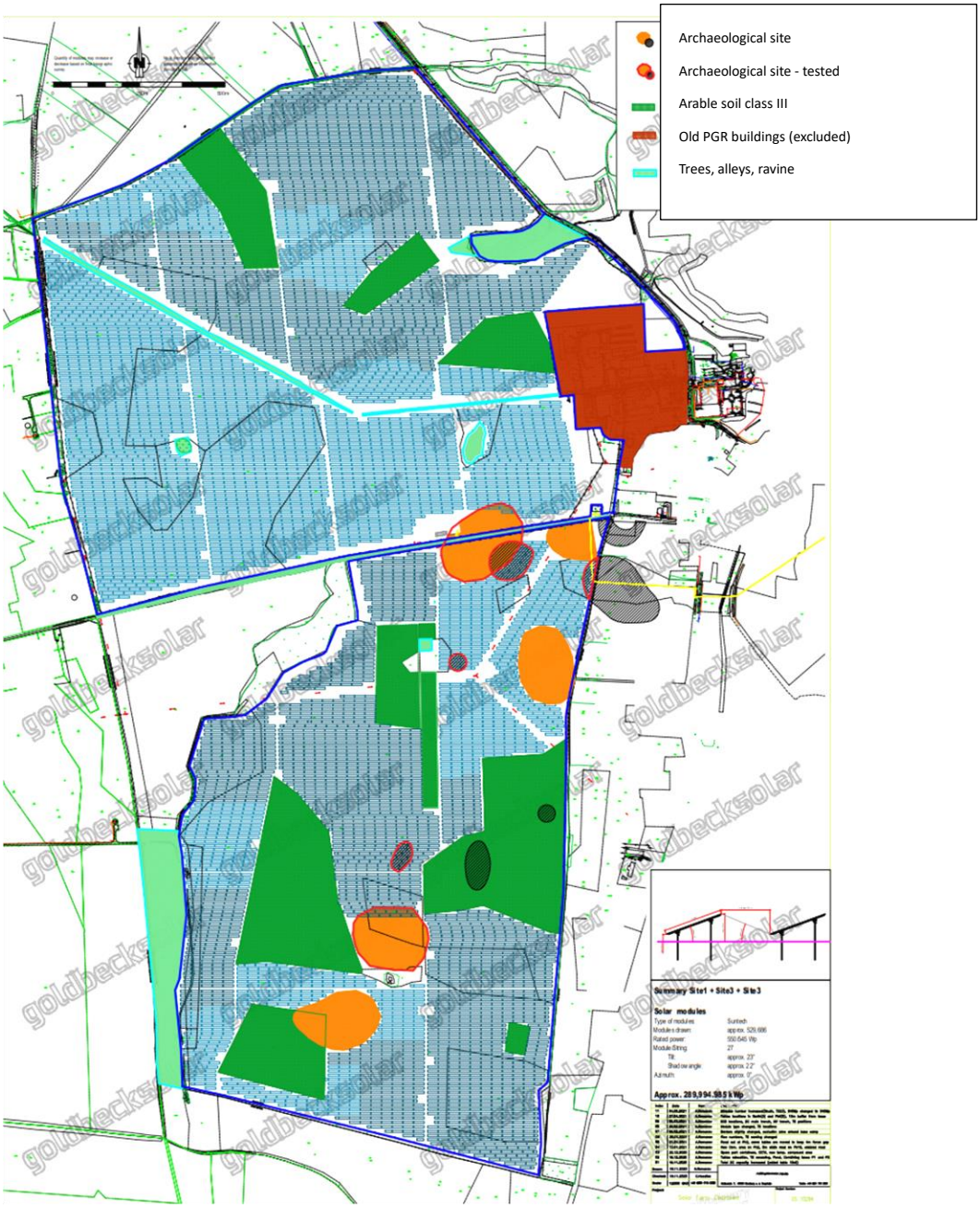
The Project consist of a photovoltaic farm covering an area of ca 380 ha. Part of the site is excluded from the development, as the class of arable ground does not allow for change of use. The area covered by the PV panels will account to ca 311 ha. The location was selected keeping in mind the site setting, access to public road and power station for power distribution.

The area of the investment is located outside significant and dense forest complexes, marshy areas, areas identified as valuable for scientific interest.

There are a number of archaeological sites that needed investigations and inventory before the construction was permitted. The studies included intrusive investigations involving excavations and resulted in identification of number of ancient artefacts, like remnants of treadmill and brick making.

The areas were investigated and the documentation of investigations was approved by Regional Heritage Protection authorities. Following the acceptance, the site was ready for construction.

The location of these sites is presented in the map below:



No valuable fauna or flora will be impacted by the construction of the farm. No protected areas will be destroyed or influenced during construction. Construction yard of Zwartowo photovoltaic farm transformer station is presented in the photograph below.

The main impacts associated with construction phase of the Projects relate to earth works (hammering the support construction for the panels). Construction works and increased heavy traffic include heavy machinery operations during earthworks, increased noise and vibration. The developer will be required to implement best practice solutions to minimise the nuisance caused by the construction works.

No significant environmental impacts are associated with the operation of the photovoltaic farms. The photovoltaic plants are constructed to the maximum level of 4 metres above

the ground and will not influence the landscape of the agricultural areas. The plants may be regarded as visually intrusive to current rural landscape. Nevertheless, it should be stressed that the evaluation of the influence of the photovoltaic farm on the landscape is difficult and depends on the individual approach.

7 Project affected societies

Development of the Project does not require any displacement of the people or business - no physical or economical resettlement had taken place or will need to take place. The land for the farms was acquired based on long term lease contracts signed with the land owners.

The project has direct socio-economic impacts on development of communes and local inhabitants. The following direct impacts have been identified:

- increased income of the commune by taxes paid by the operator for commercial activities in the area;
- increase of the annual income of land owners leasing their land for the plant and the underground cabling;

The potential negative social impact is related to decrease of the land area used for agricultural purposes; however, this is compensated by the land lease fees paid to the landlords. It should be underlined that only low quality farmlands (class IV and above) are used for the photovoltaic farms. The footprint of the photovoltaic panels and infrastructure is limited, and farming can be continued around the sites.

Moreover, some negative social impacts can be expected during construction phase of the farms, due to nuisance associated with increased road traffic.

In summary, the Project stakeholders include only the local communities and direct neighbours of the farms, as well as local authorities and regional level institutions involved in environmental consent decisions approval process. Contact information for Stigma will be provided on information boards at the farm entrance and on company webpage.

8 Overall Project monitoring

As the project will be potentially financed by EBRD, the overall Project performance will be continuously monitored during construction and then operational phases. As part of the agreement with the lenders, the Company has committed among others to:

- Implement and maintain environmental and social management system tailored to the character of the Project and size of the company. The management system will be based on the Policies developed by Goldbeck and the procedures and instructions will address all operational aspects of the farm. By the Company management commitment relevant resources will be allocated for environmental and social management of the Project. Non-discrimination and equal opportunity principles will be secured by the system and full compliance with the national standards with respect to child labour and forced labour will be followed for both, own and supply chain resources.

- As part of the environmental and social management system the Company will develop procedures to monitor the key performance indicators which, apart from purely

operational factors, will include also monitoring of accidents and other than normal operations, submitted grievances and others.

- Develop and adopt the H&S policy and implement and maintain a H&S management system, which by procedures and instructions will secure that all internationally recognized H&S standards and national legal requirements are followed. In particular the system will secure that all own and outsourced staff will be properly trained, will pass medical examination and will be provided with the personal protective equipment adequate for the performed tasks. Certain procedures will constitute the H&S plans for various operations at the photovoltaic farms, such as working in the confined spaces, working at heights, working with electrical equipment etc.
- Develop and maintain stakeholders engagement plan (SEP) which will define rules of communication with all Project stakeholders as well as the grievance mechanism for both own and outsourced workers and external stakeholders.
- Report on Project performance on annual basis.
- Maintain a Project website on which all major documents related to the Project, including possessed permits, annual reports and other Project related information will be posted and regularly updated. The Project website will also allow to submit grievances.

9 Additional information availability

Environmental consent decisions can be obtained in respective Commune offices. A hard copy can be requested from Stigma. All requests for additional information related to the Project should be addressed to Stigma on a phone number or email indicated below.

The mechanism for the claim procedure will be implemented by the company as part of the project management system. The procedure assigns a coordinator of the system, who will be responsible for reacting in case of complaints. A typical procedure for processing information requests and grievances is presented below together with a proposed grievance form.

Any comments or concerns can be brought to the attention of the company in writing (by post or e-mail) or by filling in a grievance form (see example at the end of the document).

Artur Schilhabel, Member of the Management Board

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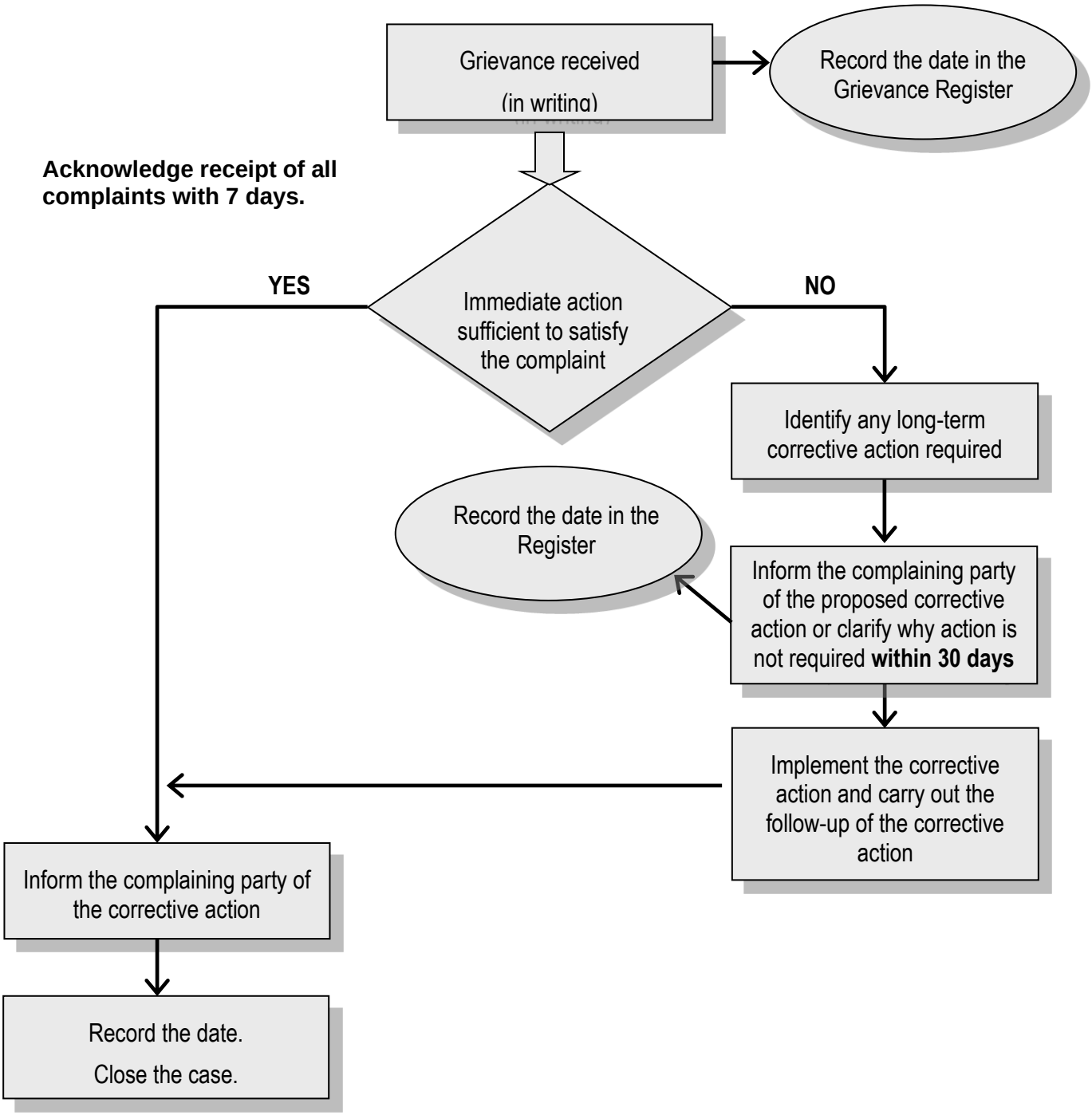
e-mail: artur.schilhabel@goldbecksolar.com

Flowchart for Processing Grievances



Public Grievance Form

Reference No:	
Full Name	
Contact Information **Please mark how you wish to be contacted (mail, telephone, e-mail).**	☐ **By Post: Please provide mailing address:** _____ _____ _____ ☐ **By Telephone:** _____ ☐ **By E-mail** _____
Description of Incident or Grievance:	What happened? Where did it happen? Whom did it happen to? What is the outcome/consequence?
Date of Incident/Grievance	
	☐ **One time incident/grievance (date _____)** ☐ **Happened more than once (how many times? _____)** ☐ **On-going (currently experiencing problem)**
What action would you like to see taken to resolve the problem?	

Signature: _____

Date: _____

Please return this form to:

Artur Schilhabel, Member of the Management Board

Telephone number + 49 174 6174241

e-mail: artur.schilhabel@goldbecksolar.com