

Environmental and social due diligence summary

Issuer	Vietnam Electrical Equipment Joint Stock Corporation (Gelex)
Use of CGIF's guarantee	Return of capital, to refinance bank loan and transaction costs for the operational 50MW Ninh Thuan Solar Project (NT Project)
Countries of operations	Vietnam
Categorisation	Specific purpose Corporate Bond - High

Environmental and social management system	Gelex has developed an environmental and social management system (ESMS) applicable to the agreed use of proceeds which is aligned with CGIF's Environmental and Social Safeguards (ESS). The ESMS helps integrate environmental and social (E&S) objectives and procedures into Gelex's solar energy projects.
Screening and identification of risks	<p>The operational Ninh Thuan Solar Farm Project (the Project), which is the relevant business activity assessed against CGIF's ESS is classified as Category B for Environment; the Project has a Government-approved environmental impact assessment (EIA). The EIA adequately identified and proposed mitigation measures to manage operational impacts associated with air emission, dust generation, noise, waste and occupational health and safety for workers. A number of management plans considered good international industry practice for solar projects have been developed.</p> <p>The Project is classified as Category B for Involuntary Resettlement (IR). The land was acquired by expropriation based on eminent domain and is therefore considered involuntary, although no physical displacement occurred as a result of the Project. The Land Use Right Certificate (LURC) was issued in July 2019. Economic displacement impacts are being managed through a livelihood restoration plan (LRP).</p> <p>The Project is classified as Category C for Indigenous Peoples.</p>
Institutional capacity, commitment and development	To ensure that the ESMS is effectively implemented and maintained, Gelex appointed an ESMS Manager.
Stakeholder communication, participation and consultation	Consultation procedures have been established as part of the ESMS. In addition, the ESMS establishes and maintains a grievance mechanism to ensure that complaints received

	relating to environmental and social issues from internal or external sources are correctly documented and reported. E&S performance will be reported by the ESMS Manager to Gelex management on a regular basis and to CGIF on an annual basis for the tenor of the bond.
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