EKONAVA

ESG DUE DILIGENCE ASSISTANT

Comprehensive Risk Assessment Report

An Evaluation of Sustainability Performance & Strategic Innovation Opportunities

Prepared for: SAMPLE REPORTS

Institution Code: 27306January2026

Contact: samplereports@ekonavaimpactpartners.com

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DIGITAL ACCESS

POWERED BY **ESG GLOBAL STANDARDS**

Risk Assessment Results

Detailed sustainability evaluation

1 /5

Sustainability Rating

The Following Best Describes How We Identify And Assess Our Environmental Risks

Option: We look at inputs and outputs of all of our business processes to assess environmental risks. We have a risk evaluation and prioritization method. The risk assessment is reviewed for its adequacy on a periodic basis and whenever we have a change in processes and activities, or an expansion. (=4)

Justification: Reference standards require a structured approach to environmental risk identification and assessment that includes (i) assessing inputs and outputs across all business processes, (ii) applying a risk evaluation and prioritization method, and (iii) reviewing the risk assessment for adequacy on a periodic basis and/or when changes in processes/activities occur or expansions take place (as per the Good Practice frameworks for CIA/RCIA integration and related ESMS expectations). In the assessed ESMS documentation, Gridworks demonstrates a formal risk management process within its E&S risk management procedure. Evidence includes: a risk tracker that classifies risks as high/medium/low and tracks action status; defined responsibilities (business development team with ESG lead support) for monitoring; integration of E&S requirements into investment processes (DD, ESIA, ESAP development, and monitoring); a documented flow from risk identification through to corrective actions (ESAP) and monitoring framework; and explicit stages (Screening, Due Diligence, Development of ESAP, integration into project agreements, monitoring, and exit considerations). These elements collectively satisfy the requirement for assessing inputs/outputs to identify environmental risks and applying a risk evaluation/prioritization method, and they demonstrate ongoing monitoring and the linkage to corrective actions. However, there are gaps relative to the full extent of the referenced standards: - The RCIA/ CIA explicit emphasis on cumulative impacts on VECs and stakeholder-driven, six-step iterative process is not evidenced in the ESMS content provided. There is no explicit RCIA/CIA process description, scoping boundaries, or VEC-based cumulative impact analysis workflow documented. - The documentation does not clearly articulate a formal periodic review cadence for the risk assessment itself (e.g., defined periodicity, responsibilities for periodic adequacy reviews, or triggers beyond general monitoring and ESAP updates). While monitoring activities are described and linked to ESAP updates, the explicit requirement to review the risk assessment for adequacy on a periodic basis and upon material changes is not fully articulated as a standalone, formal review procedure with defined frequency. Recommendations to strengthen alignment to the reference standards: - Introduce an explicit periodic review timer for the risk assessment (e.g., annual or semi-annual) and specify triggers for re-assessment (material changes in projects, contracts, scope, or external conditions). Document who approves and signs off on the revised risk assessment. - Incorporate a cumulative impacts/appraisal component into the ESMS by adopting a RCIA/CIA-like workflow, even if at a pilot level. Include: scoping (VECs and boundaries), identification of other drivers/inductions, baseline VEC information collection, cumulative impact indicators, assessment of significance, and a plan for management/measures and monitoring. This should be aligned with IFC Good Practice Handbook on Cumulative Impact Assessment and Management. - Explicitly extend risk assessment to include contractor and supplier cumulative risk considerations (to

satisfy the broader scope of options that mention including contractors and primary suppliers in risk considerations). Document procedures for contractor risk identification, monitoring, and verification as part of the risk management lifecycle. - Formalize verification steps and indicators: define concrete input/output metrics for each process step, assign responsibilities for data collection, specify data sources, and set verification/validation frequencies (e.g., quarterly monitoring reports, biannual reviews). - Ensure documentation explicitly links risk findings to decision-making outcomes (investment approvals, ESAP priorities, and exit considerations) and records the fundamental reasoning behind risk prioritization decisions. In summary, the ESMS demonstrates a solid, procedural approach to identifying and prioritizing environmental risks and implementing action through ESAP and monitoring. It aligns well with the core requirement of risk evaluation/prioritization and periodic/triggered reviews in practice, but it should be enhanced with explicit periodic risk assessment reviews, a RCIA/CIA-like cumulative impacts process, and formalized contractor-inclusive cumulative risk procedures to fully meet the depth and procedural rigor of the reference standards.

Score: 4/5

The Following Best Describes Who Participates In The Identification And Assessment Of Risks:

Option: A committee involving multiple departments jointly conducts the identification of environmental and social risks. Supervisors and worker representatives participate in the identification of risks. External experts are engaged as necessary. (=3)

Justification: Reference standards require a collaborative, multi-stakeholder process for identifying and assessing E&S risks, typically involving a cross-department committee, participation by supervisors and worker representatives, and the proactive engagement of external experts as necessary. Specifically, the best-match option (per the scale) describes a committee with multiple departments jointly conducting risk identification, with supervisors and worker representatives participating, and external experts engaged as needed. In addition, the standard emphasis on ongoing risk identification throughout project life cycles and involvement of diverse stakeholders is inherent in robust ESMS practices. Evaluating the assessed ESMS documentation against these requirements shows partial alignment but notable gaps. The Gridworks documentation outlines a structured E&S risk management process (Screening, ESMS risk tools, ESMS DD, ESPI/ESIA steps, RAP updates, monitoring, and exit assessments) and assigns responsibilities to the business development team with support from an ESG lead. It also states that external experts are commissioned for ESIA and RAP processes, which aligns with the “external experts engaged as necessary” component. However, there is no explicit reference to a standing cross-department committee that jointly conducts all E&S risk identification, nor explicit inclusion of supervisors and worker representatives in the risk identification process. The materials emphasize procedural steps, tools, and roles for information gathering and risk screening, but they do not demonstrate a formal, multi-department risk identification committee, nor documented participatory mechanisms with worker representatives in the risk identification phase. The documentation also lacks explicit frequency, escalation pathways, or verification steps tied to joint committee risk identification as described in option 3. Gaps relative to the standard invoked by option 3 include: - Absence of a clearly constituted multi-department risk identification committee with defined mandate and meeting cadence. - No explicit, documented participation of supervisors and worker representatives in the risk identification activity. - Insufficient detail on how external experts, contractors, primary suppliers, or other external stakeholders are integrated into the risk identification process beyond specific ESIA/RAP engagements. - Lack of explicit procedures, roles, and indicators showing how the committee would transparently identify, aggregate, review, and verify risks across E&S domains. Recommendations to improve toward the reference standard (per option 3 and broader best practices): - Establish a formal E&S Risk Identification Committee comprising representatives from key departments (e.g., development/investment, operations, HSE, legal/compliance, community relations, procurement) with a clearly defined charter, roles, responsibilities, and a documented meeting cadence (e.g., quarterly with ad-hoc sessions for material events). - Mandate the participation of supervisors and worker representatives in risk identification sessions or provide documented evidence of their involvement (e.g., attendance records, minutes noting worker

representative input, and signed contribution logs). - Develop a formal process for external engagement during risk identification (criteria for when external experts are engaged, documentation of inputs received, and how those inputs influence risk ratings and mitigation planning). - Integrate explicit procedures for data collection, risk scoring, verification, and management response, including key performance indicators (KPIs) and verification steps (e.g., quarterly reviews of risk registers, independent validation of critical risks). - Link the risk identification outputs to ESAP development with traceable actions, owners, due dates, and verification milestones, ensuring that the committee's findings directly drive monitoring and mitigation planning. - Document cross-referencing between the committee outputs and external standards/tools (e.g., IFC PSs, WHO GBV/SEA-SEA SH guidance) to ensure alignment with referenced standards and evidence-based practices. In sum, while the ESMS documentation demonstrates formal risk screening processes and the use of external specialists when needed, it does not fully demonstrate a formalized, multi-department risk identification committee with documented participation by supervisors and worker representatives. Adopting the recommendations above would move the ESMS closer to the standard represented by option 3 and strengthen procedural evidence for risk identification and ongoing governance.

Score: 3/5

The Following Best Describes How We Identify And Assess Our Occupational Health And Safety Risks:

Option: We look at all of our business processes to assess occupational health and safety risks. We have a risk evaluation and prioritization method. (=3)

Justification: Reference standards require a comprehensive approach to identifying and assessing occupational health and safety (OHS) risks across all business processes, with a defined risk evaluation and prioritization method, periodic review of the risk assessment, and consideration of changes in processes or activities (IFC Performance Standard 2 and ILO-OSH 2001 as applicable guidance). They also expect clear procedures, responsibilities, indicators, and verification steps, including coverage of contractors where relevant. Assessment against these requirements shows the ESMS documentation commits to OHS risk assessment and management, and it establishes governance structures (Board approval, ESG Lead accountability) and a dedicated Health & Safety Policy. It also references a tracker that classifies risk as high/medium/low and tracks action status, and it describes incident management and escalation. These elements demonstrate a procedural approach and assign responsibilities, which aligns with a level 2–3 construct. However, the documentation does not provide explicit evidence of a formal, formalized risk evaluation and prioritization method, nor does it show a defined periodic review process for the OHS risk assessment, or explicit coverage of contractors and primary suppliers within the risk assessment scope. There is mention of an OHS risk management procedure within Gridworks' risk management framework, but the material provided does not document how often the risk assessment is reviewed for adequacy, the triggers for re-assessment (beyond general "changes in processes"), or the specific methodologies (e.g., job hazard analysis) used to identify and prioritize risks. Gaps relative to the reference standards include: - Absence of explicit methodology details for OHS risk identification (e.g., job hazard analysis, hazard identification workshops) and a formal risk evaluation method. - No clearly documented periodic review schedule or criteria for adequacy re-assessment of the OHS risk assessment. - Incomplete coverage details for contractor and supplier OHS risk integration within the risk assessment scope. - Lack of defined indicators, verification steps, and documented review/approval cycles specific to OHS risk assessments. Recommendations to reach higher scores (toward 4 or 5): - Adopt and publish a formal OHS risk assessment method aligned with IFC PS2 and ILO-OSH 2001, including: - Use of job hazard analyses or equivalent methods across all core processes, with documented steps, data sources, and acceptance criteria. - A clear risk evaluation and prioritization framework (e.g., risk matrices, severity/frequency thresholds) with assigned owners and target timelines. - Implement a defined periodic review cadence (e.g., annually or triggered upon material changes) with documented criteria for re-assessment, along with evidence of reviews (meeting minutes, updated risk registers, sign-offs). - Ensure contractor and supplier OHS risks are identified and integrated into the OHS risk assessment (scope, responsibilities, and verification of contractor adherence to H&S policies). - Establish measurable indicators (leading and lagging) for OHS risk management, and implement verification steps (internal audits, independent reviews, data reconciliation from incidents and near-misses). - Document roles and responsibilities in a formal OHS

risk management procedure, including data collection methods, frequency of monitoring, and reporting lines to senior management. By incorporating these elements, Gridworks' ESMS would demonstrate explicit, repeatable, and auditable OHS risk identification and assessment processes, fully aligned with the referenced standards.

Score: 3/5

The Following Best Describes How We Identify And Assess Our Risks Related To Labor And Working Conditions:

Option: We do not conduct a labor risk assessment. (=0)

Justification: Reference standards require a formal, comprehensive approach to identifying and managing labor and working conditions risks. Specifically, ESS2 (Occupational Health and Safety) and ESS7/Good Practice Notes on labor influx emphasize: (a) formal labor risk assessments covering all workers (including contractors and suppliers where relevant), (b) explicit procedures for data collection (employment records, contracts, demographics as applicable) and ongoing monitoring, (c) defined responsibilities, (d) periodic reviews and updates of the risk assessment in response to process changes or expansions, and (e) integration of mitigation measures into contracts and ESMS documents with verifiable implementation and verification steps. The referenced Good Practice Note on Labor Influx also underlines the need for instruments and site-specific plans (e.g., Labor Influx Management Plans, site-specific ESMPs, or equivalent) and for ensuring that mitigation measures are reflected in contractors' arrangements and ESMPs, with clear accountability and monitoring. Assessment of the assessed ESMS documentation shows limited to no procedural evidence directly addressing labor risk assessment: - The documentation centers on E&S training, risk management procedures at a high level, incident reporting, and general governance (Board responsibility, ESG Lead responsibilities, portfolio company roles). There is no explicit description of labor risk identification methods, data sources (e.g., employment records, contracts, payrolls, age/gender profiles), or how such data informs a formal risk assessment. - No evidence of a formal, periodic labor risk assessment process, or of a defined scope that includes outsourced activities, contractors, or suppliers. There is no mention of labor-specific risk indicators, verification steps, or monitoring for labor and working condition risks. - While the policy statements reference health and safety and obligations of competent contractors, there is no detailed procedural linkage showing how labor risks are identified, analyzed, mitigated, tracked, or reviewed, nor any cadence or responsibility for periodic reassessment. - The content lacks explicit procedures, frequency, indicators, or verification steps associated with labor risk assessment, which are central to the reference standards' requirements. Gaps relative to the reference standards (procedural and evidence-based): - Absence of a formal labor risk assessment methodology and data sources (e.g., employment records, worker profiles, payroll data, grievances, incidents) as the basis for risk identification and ranking. - No explicit inclusion of outsourced activities, contractors, or suppliers in labor risk data collection and risk evaluation. - No defined frequency for periodic review of the labor risk assessment or triggers for re-assessment when processes, activities, or project expansion occur. - No documented integration of labor risk findings into ESMS actions (e.g., specific labor-related ESAP items, contractual obligations, or site-specific mitigation plans). - No evidence of monitoring indicators, verification steps, or follow-up mechanisms to confirm implementation of labor-related mitigations. Recommendations to achieve higher alignment with the reference standards: - Develop and implement a formal labor risk assessment method (in line with ESS2 and the GPN on labor influx) that includes: - Data sources: employment contracts and records, payroll, worker demographics (age, gender, nationality where legally appropriate for risk

assessment), contractor and supplier labor agreements, grievances log, and incident records. - Scope: include all workers on site and in the project's value chain (employees, contractors, subcontractors, and suppliers), with explicit coverage of outsourced activities. - Risk identification and analysis: establish a standardized risk matrix (likelihood x severity) for labor and working conditions, including risks related to recruitment practices, working hours, wage integrity, nondiscrimination, harassment/GBV, occupational health and safety, and grievance responsiveness. - Roles and responsibilities: assign explicit ownership (e.g., ESMS Owner, E&S Manager, Portfolio Company E&S Manager) for data collection, assessment, and remediation. - Frequency and triggers: periodic reassessment (e.g., quarterly for high-risk activities; at material changes in scope, processes, or workforce), and post-expansion or after incidents. - Mitigation and contractual integration: translate findings into concrete ESAP items and ensure labor risk requirements are incorporated into supplier/contractor agreements and the C-ESMP where applicable. - Monitoring and verification: define indicators (e.g., % workers with valid contracts, grievance closure rate, incidents per 100 workers, contractor H&S audit results), data collection methods, and verification steps (internal audits, third-party reviews). - Documentation and reporting: explicit ESMS sections documenting methodology, data sources, risk ratings, mitigations, responsibilities, and verification outcomes. - Strengthen capacity and governance: - Include a dedicated section in the ESMS for labor and working conditions risk management with defined KPIs and a quarterly reporting cadence. - Provide targeted training on ESS2 requirements, labor rights, and grievance handling to E&S staff, portfolio company managers, and contractors. - Develop site- or project-specific instruments as needed: - Where labor influx is a concern, prepare a Labor Influx Management Plan or Workers' Camp Management Plan (per the GPN) with clear roles, rights, and monitoring provisions. - Enhance evidence in documentation: - Move from policy statements to procedural text with step-by-step processes, responsibilities, data sources, frequency, and verification methods to satisfy evidence-based evaluation. In sum, the assessed ESMS documentation does not meet the requirements implied by the reference standards for a robust labor risk identification and assessment framework, nor does it demonstrate the procedural depth expected. Implementing the above steps will bring the ESMS to a level where the selected option would shift upward (toward 4–5) as labor risk assessment becomes formal, inclusive of all workers, periodically reviewed, and tied to actionable ESAPs and verifiable monitoring.

☆ ★ **Score: 0/5**

The Following Best Describes How We Identify And Assess Our Risks Of Negative Impacting The Surrounding Communities:

Option: We have identified the communities that might be affected by our operations. We have identified the risks and analyzed their significance. The information is documented and is available upon request. (=3)

Justification: Reference standards require a formal, documented process to identify communities that may be affected, assess the nature and significance of associated risks, document the information, make it available upon request, and periodically review the risk assessment (including changes in processes/expansion) with consideration of affected groups (including women and vulnerable populations) and, where relevant, impacts on contractors and primary suppliers. This aligns with the IFC/EBRD-ESMS guidance on Community health and safety, Community cohesion, Land acquisition and resettlement, and the related risk assessment benchmarks, which call for a comprehensive community impact assessment as part of the Environmental and Social Assessment, including health/safety, traffic, resettlement implications, local services, and social dynamics, with ongoing monitoring and updating. Assessment against the assessed ESMS documentation: - Evidence supporting option 3: - The ESMS process includes screening, preliminary ES risk identification, and the development of an ES Due Diligence Plan, culminating in an external expert ESIA for certain projects (e.g., transmission line projects). This indicates that risks to communities are being identified and documented as part of the due diligence framework. - There is explicit mention of a Resettlement Action Plan (RAP) to align with Gridworks' standards, which signals attention to land use/compensation aspects commonly associated with community impacts. - The documentation describes an ongoing risk management approach (screening, ESMS assessment tool, integration of E&S requirements into project agreements, and monitoring framework) that implies information is collected and managed, with responsibilities defined (e.g., business development team, ESG Lead, Board). - Evidence gaps relative to option 3 requirements: - The material does not explicitly state that communities identified have been "identified and the risks analyzed for their significance" in a unified community risk assessment report. While ESIA/RAP procedures exist, the documentation does not clearly present a standalone, periodically reviewed community risk assessment with a quantified significance assessment and a formal mechanism to review adequacy on a periodic basis or upon process changes. - There is no explicit reference to assessing impacts on women and vulnerable groups within the community risk assessment, as required by higher-scoring options (e.g., option 5). The current text mentions responsibilities and general E&S commitments but lacks explicit gender/vulnerable-group analysis within community risk work. - The documentation does not clearly show a periodic (or trigger-based) review cadence for the community risk assessment itself, beyond general "update" or "alignment" components (e.g., RAP updates). It's not explicit that the risk assessment is reviewed regularly or whenever there are changes in processes or expansions, as described in higher options. - The evidence base for "information is documented and available upon request" is present in a broad sense, but there is no explicit, centralized Community Risk Assessment report or a stated repository with versioning, sign-off, and verification steps to satisfy a complete option 3 depiction. Actions to improve toward higher

options (based on referenced standards): - Develop and publish a dedicated Community Risk Assessment report that: - Identifies all affected communities and, for each, documents the nature, significance, and likelihood of risks (health and safety, traffic/dust/noise, local services, social cohesion, land/settlement impacts, and potential indirect effects on local businesses). - Includes explicit attention to women and vulnerable groups (e.g., segmentation by gender, age, disability, indigeneity, or other local vulnerabilities) and how risks/benefits are distributed. - Examines impacts associated with workers' accommodation, community infrastructure, and potential resettlement or land-use changes, with corresponding mitigations. - Documents baseline conditions, risk significance criteria, mitigation measures, and residual risk levels. - Institute a formal review cadence: - Establish periodic (e.g., annual) reviews of the community risk assessment and trigger-based reviews for material changes (new facilities, expansion, changes in processes, or significant incidents). - Include clear responsibilities (ESG Lead, Health & Safety, Community Relations, etc.), inputs, methods, and verification steps. - Enhance monitoring and verification: - Define indicators tied to community health and safety, traffic and transport impacts, access to services, social cohesion, and local economic effects; include data collection methods, responsible parties, frequency, and independent verification where feasible. - Integrate these indicators into the ESMS monitoring framework and project-level ESAPs, with clear acceptance criteria. - Expand RAP and related plans to cover broader community impacts: - Ensure land-use implications, displacement risks, or changes in local livelihoods are captured beyond construction to operations, with actionable mitigation, grievance mechanisms, and community benefit measures where applicable. - Ensure explicit alignment with the referenced standards (IFC PS1, PS2, PS4; EHS benchmarks on community health and safety, cohesion, and resettlement) by embedding these elements directly into the risk assessment documentation, training, and governance processes. In summary, the current ESMS demonstrates a structured approach to E&S risk identification and community-related measures (e.g., RAP, ESIA naming, screening). However, it falls short of a fully documented, periodic, and comprehensive community risk assessment that explicitly analyzes risk significance, includes gender/vulnerable-group considerations, and demonstrates periodic review and verification. Implementing the recommendations will elevate the score toward option 4 or 5, ensuring robust alignment with the referenced standards.

 **Score: 3/5**

Our Risk Assessment Considers The Following Risk Factors In Our Operations (Including Contractors) That May Lead To Potential Environmental Impacts: 1. Raw Materials Consumption 2. Energy Consumption 3. Water Consumption 4. Wastewater Quantity 5. Wastewater Quality 6. Air Emissions 7. Solid Waste Generation 8. Hazardous Waste Generation 9. Usage Of Chemicals 10. Usage Of Hazardous Materials 11. Noise Generation 12. Land Conversion

Option: We do not do a risk assessment. (=0)

Justification: Reference standards (World Bank Group Performance Standard 3: Resource Efficiency and Pollution Prevention) require that the project's ESMS includes a clear risk assessment framework addressing key environmental risk factors and potential impacts, including but not limited to resource consumption (raw materials, energy, water), waste streams (wastewater quality/quantity, solid/hazardous waste, chemicals), air emissions, noise, land conversion, and integration of these risks across operations and contractors. The assessment evidence should demonstrate a formal method (scope, topics, data collection, responsibility, frequency, indicators, verification) and show how results feed into mitigation measures and monitoring (including GIIP alignment). The assessed ESMS documentation, however, does not present a risk assessment scope or methodology addressing these risk-factor topics. The only available content related to risk governance is general grievance management, health and safety policy, and grievance reporting procedures, with no explicit reference to a risk assessment framework, topic coverage, or how risk findings are operationalized, verified, or monitored. There is no documented list of risk factors considered, no defined number or subset of topics covered, no assigned responsibilities for risk assessment, no stated frequency or data collection method, and no link to performance indicators or ESAP actions tied to risk outcomes. Therefore, there is no procedural or demonstrable evidence that the risk assessment covers any of the listed topics, let alone all of them. Gaps and strengths relative to the reference standard: - Gaps: - Absence of a formal risk assessment scope covering the 12 environmental risk topics listed. - No described methodology, data collection processes, indicators, responsibilities, or verification steps for risk assessment. - No link between risk assessment results and mitigation actions, monitoring plans, or ESAP items. - No explicit consideration of contractors or project-specific context in risk assessment processes. - No alignment demonstrated with GIIP or internationally recognized methodologies as required by Performance Standard 3. - Strengths (areas to leverage for improvement, though currently not evidencing risk assessment): - The organization has established ESG governance elements (ESG Lead, grievance management, health and safety policy) that can provide a foundation for expanding into a formal risk assessment framework. - There are existing monitoring and reporting concepts (identifying KPIs, data collection methods, assigned data owners) that could be extended to risk assessment activities. Recommendations to reach higher performance levels: - Develop a formal Risk Assessment Scope aligned with Performance Standard 3 that explicitly covers the 12 risk topics listed, including both operational and contractor activities. - Establish a documented risk assessment methodology: - Define topics to be

assessed, data sources, and data collection frequency. - Assign roles and responsibilities (e.g., ESMS Lead, project/site managers, contractor E&S coordinators). - Specify risk rating criteria (likelihood, consequence, significance thresholds) and verification steps. - Include integration with water, energy, emissions, waste, and land-use management plans and GIIP references. - Link risk assessment outputs to management actions: - Develop an Environmental & Social Risk Register with risk owners, mitigation measures, resource requirements, and timelines. - Tie findings to monitoring plans and KPIs, establishing triggers for escalation. - Use the ESMS to feed into an ESAP with prioritized actions, responsible parties, and verification milestones. - Enhance contractor risk management: - Require contractor-specific risk assessments and alignment of their ESMS components with the project-level framework. - Include contractor onboarding and periodic E&S performance reviews. - Improve documentation and evidence: - Publish or store risk assessment reports, methodologies, inventories of risk factors considered, and monitoring results in a centralized ESMS repository. - Demonstrate periodic reviews and updates (frequency, responsible party, and outcomes) to show continuous improvement and GIIP alignment. - Align with reference standards: - Explicitly reference and apply the guidance from the World Bank Performance Standard 3, including pollution prevention, resource efficiency, water use optimization, waste management, and GHG considerations, with quantified targets and reporting. In summary, the current ESMS documentation provides no procedural evidence of a risk assessment addressing the required topics; thus, a score of 0 is appropriate. Implementing the above steps will establish a robust, evidence-based risk assessment framework in line with the referenced standards and enable measurable improvements in environmental and social performance.

Score: 0/5

Our Risk Assessment Considers The Following Information To Identify Whether Our Company May Have A Potential Negative Impact Related To Labor And Working Conditions: 1. Age Profiles Of Workforce 2. Gender Composition Of Workforce 3. Presence Of Dormitories 4. Differences In Nationalities/Ethnicities 5. Use Of Security Guards 6. Use Of Migrant Labor 7. Use Of Temporary, Seasonal And Contract Labor, On- Or Off-Site 8. Use Of Apprentice Programs 9. Use Of Production-Quota-Based Pay Systems 10. Use Of Recruiting Or Labor Contracting Agencies 11. Presence Of Worker Representatives

Option: We do not do a risk assessment. (=0)

Justification: Reference standards (for example, the IFC Performance Standards on Environmental and Social Sustainability, notably Performance Standard 2 – Labor and Working Conditions, and ILO guidelines) require a documented and verifiable risk assessment that explicitly considers a representative cross-section of workers and a broad set of labor risk factors. Specifically, they anticipate evidence of: (a) interviews with a representative cross-section of workers (including those on different contract types and wage structures), (b) management and HR discussions on recruitment and payment policies, (c) checks against potential mechanisms that create dependency (e.g., sale of goods/tools/uniforms), (d) review of wage-related records and payroll to detect malpractice, (e) attention to rights of migrant workers and subcontracted informal labor, and (f) evaluation of recruitment agencies and workers' representatives, with aligned verification and cross-checking between management and workers. The assessed ESMS documentation provided for Gridworks shows general policies and targets (Health and Safety Policy, Grievance Policy) and a governance/continuous improvement framework, but there is no explicit, verifiable risk assessment that demonstrates: - A documented plan or record of cross-sectional worker interviews across different contract types (indefinite/fixed-term, hourly, piece-rate). - Evidence of management/HR discussions specifically addressing recruitment and payment policies beyond policy statements. - Verification steps or audit trails related to payroll records, wage-related documentation, or checks for double-set books. - Specific consideration of indigenous, tribal, migrant workers, subcontractors, or informal workshops in the context of labor risk. - Evidence of cross-checking information provided by management and workers, and the involvement of worker representatives in risk assessment. - Procedures or indicators that show how identified labor risks are classified, monitored, reviewed, and mitigated with assigned responsibilities and follow-up verification. What is present (policies, targets, and audit/continuous improvement language) does not constitute the procedural, demonstrable, evidence-based risk assessment required by the standards. Consequently, the documentation aligns only with high-level policy intent rather than the detailed, procedural labor risk assessment that would cover the 11 topics listed in the question, and thus cannot support a score above 0. Gaps relative to reference standards include: - Absence of a documented risk assessment framework that lists targeted labor-risk topics (the 11 items) with a recording mechanism, responsibilities, frequency, indicators, and verification steps. - No evidence of representative worker interviews or cross-functional validation with workers or

worker representatives specifically tied to labor risk findings. - No explicit procedures for managing migrant labor, subcontractors, recruitment agencies, or dormitory/worksite living conditions within a risk assessment context. - No demonstrated cross-checking between payroll/wage records and management claims, nor evidence of addressing potential debt bondage, double books, or wage-related malpractices. - Limited evidence of an ESMS-linked ESAP or corrective action plan that prioritizes identified labor risks (with owners, timelines, and verification). Recommendations to reach the reference standard level: - Develop and document a Labor Risk Assessment Procedure aligned to Performance Standard 2, enumerating all 11 topics as risk indicators, with a scoring and mitigation framework. Ensure this procedure includes: targeted sampling of workers across contracts, shifts, and nationalities; interviews as per a documented sampling plan; involvement of worker representatives or unions where present; and cross-checking with payroll, attendance, and recruitment records. - Implement a formal interview protocol and record-keeping system to capture cross-section data, including who was interviewed, topics covered, and findings, with a quarterly reporting cycle to the ESMS owner. - Introduce explicit procedures for recruitment agencies and migrant workers (policy alignment, monitoring visits, agency engagement records, and defined responsibilities). - Establish paycheck and wage-record audits with evidence of reconciliations to avoid payroll malpractice; require management to provide a sample of payroll logs for independent verification. - Create an ESMS-linked ESAP referencing labor risk findings, with prioritized corrective actions, owners, deadlines, resource allocations, and verification steps; include follow-up audits to close each item. - Enhance disclosure and grievance integration by ensuring grievances related to labor conditions feed into the risk assessment process and trigger timely investigations and corrective actions. - Periodically expand the scope to cover dormitories, worker housing, and protections for indigenous/migrant workers, as applicable to the operation, with documented policy adaptations where needed. In summary, while the current ESMS documentation demonstrates commitment to health, safety, and grievance handling, it lacks the procedural, verifiable labor risk assessment necessary to meet the referenced standards for the specified topics. Implementing the above steps will bring the documentation in line with the expectations of IFC PS and related guidance and enable a robust score in future assessments.

☆ ★ **Score: 0/5**

Our Risk Assessment Considers The Following Risks Related To Potential Occupational Health And Safety Impacts: 1. Fire And Explosion Hazards 2. Physical Hazards (E.G. Cuts, Falls, Rotating/Moving Equipment, Vibration) 3. Ergonomic Hazards (E.G., Lifting, Repetitive Work, Work Posture Injuries) 4. Chemical Hazards 5. Biohazards 6. Radiation Hazards 7. Electrical Hazards 8. Work Zone Air Quality 9. Work Zone Noise Level 10. Eye Hazards 11. Workplace Temperature And Humidity 12. Working At Heights 13.Working In Confined Spaces 14. Industrial Vehicle Driving And Site Traffic 15. Transportation Of Workers

Option: We do not do a risk assessment. (=0)

Justification: - Reference standards requirement: According to the referenced standards (ESMS Implementation Handbook – General, Section 2, “Identification of Risks and Impacts”), a robust risk assessment must cover environmental, OHS, labor, and community risks; be conducted at regular intervals (at least annually) and whenever operations change; involve input from workers at all levels and external stakeholders; and link monitoring plans to prioritized risks. The process should include clear procedures, responsibilities, methods (e.g., risk mapping or checklists), frequency, and verification steps, with demonstrated implementation and tracking rather than only policy statements. - Documentation assessment: The assessed ESMS documentation includes: - An Incident Reporting Template with a defined list of “major incidents” and a process for notification and follow-up, and - An Emergency Preparedness and Response Plan (EPRP) that outlines management of emergencies and requires portfolio companies to develop their own EPRP. - A Health and Safety Policy with sections on introduction, responsibilities, policy statements, and continuous improvement, but with no explicit, documented risk assessment process, risk identification workshops, risk ranking, or regular, scheduled risk reviews. There is no evidence in the documents provided of a formal risk identification exercise that systematically covers all 15 topics listed (fire/explosion, physical hazards, ergonomic hazards, chemical hazards, biohazards, radiation, electrical, air quality, noise, eye hazards, temperature/humidity, working at heights, confined spaces, industrial vehicle/site traffic, transportation of workers), nor of annual or change-driven risk reassessment, nor of active staff/external stakeholder engagement in risk identification beyond general policy language. - Gaps relative to standards: - No explicit risk assessment procedure or methodology (e.g., facility/process mapping, risk identification worksheets, or risk scoring/ranking). - No documented frequency for risk assessments (the standards require at least annual reviews and updates with changes in operations or law). - No demonstrated engagement of workers at all levels or external stakeholders in risk identification or prioritization. - No linkage shown between risk assessment outputs and monitoring plans, ESMS action plans, or KPI verification steps. - No explicit responsibility assignments, data collection methods, indicators, or verification/closure steps linked to risk mitigation. - Recommendations to improve (aligned with standards): 1) Establish a formal risk assessment procedure that explicitly covers all 15 topics listed, with a structured methodology (e.g., risk identification worksheet, facility/process mapping, hazard checklists) and clear scoring/ranking of risks by probability and severity. 2) Define cadence and triggers for reassessment (e.g.,

annually and whenever there are material changes in operations, products, regulations, or external environment), with documented records of each review. 3) Specify stakeholder involvement: require input from workers at all levels, supervisors, EHSS committees, and relevant external stakeholders (as applicable), with documented meeting minutes or sign-offs. 4) Link risk assessment outputs to monitoring plans, ESMS action plans (ESAP), and performance indicators; establish responsible owners, timelines, and verification steps to close gaps. 5) Expand evidence of implementation: attach completed risk assessment reports, risk registers, mitigation actions, responsible persons, due dates, and verification/closure evidence (e.g., audit findings, corrective action completion certificates). 6) Grow the governance around risk management: require periodic internal/external audits of risk assessments and publish summarized findings to leadership and, where relevant, to external investors as part of ESMS reporting. 7) Integrate with incident reporting and EPRP: ensure incident data feed into ongoing risk prioritization, and that EPRPs reflect identified risk controls and testing/ drills for high-priority hazards. - Why this level is warranted: The current documentation demonstrates awareness of incident management and emergency response but lacks the procedural risk assessment framework required by the reference standards. The absence of a documented, comprehensive risk identification and prioritization process—with defined responsibilities, frequency, data collection, and verification—means the documentation cannot demonstrate conformance to the essential risk assessment requirements. Implementing the recommended steps would bring the ESMS into alignment with the standards and provide the procedural evidence necessary for higher scoring in future assessments.

☆ ★ **Score: 0/5**

Our Risk Assessment Considers Whether Our Company May Have A Potential Negative Impact On The Community Due To: 1. Contamination Of Surface Water Bodies (Rivers, Lakes, Estuaries, Etc.) 2. Ambient Air Quality/Odor From Industrial Emissions 3. Solid Waste Disposal 4. Hazardous Waste Disposal 5. Usage Of Chemicals And Hazardous Materials 6. Ground Or Surface Water Depletion 7. High Ambient Noise Level Due To Industrial Operations 8. Ground Water Contamination 9. Air Emissions And Noise From Transportation 10. Traffic Congestion 11. Cultural Heritage Site/Historical Monuments/Ecologically Sensitive Sites 12. Land Acquisition And Usage 13. Buildings And Infrastructure Development/Decommissioning 14. Security Personnel

Option: We do not do a risk assessment. (=0)

Justification: Reference standards guidance requires a formal environmental and social risk assessment that explicitly considers potential negative impacts on communities across a comprehensive set of topics (in this case the 14 listed items), including surface and groundwater impacts, air and noise emissions, waste management, land use, traffic, cultural heritage, land acquisition, decommissioning, and security aspects. The referenced standards (GNI/World Bank/IFC framework aligned guidance) anticipate a structured assessment of cumulative impacts (water use, quality, and quantity in baseline basins), pollution prevention and monitoring strategies, and an explicit integration of mitigation measures, monitoring, responsibilities, indicators, and verification steps (see ESS1 with GN provisions on cumulative impacts and pollution management; GN11–GN13; GN12 on historical pollution, etc.). Evaluation of the assessed ESMS documentation shows: - The Health and Safety Policy, Grievance Policy, and monitoring/implementation procedures exist, but none provide a documented risk assessment that explicitly considers the 14 community-impact topics listed in the question. - There is no explicit methodology, scope, baseline data, or risk-ranking for community impacts tied to surface/groundwater, air quality, noise, waste (solid and hazardous), chemicals usage, land acquisition/usage, cultural heritage, infrastructure lifecycle (development/decommissioning), traffic, or security personnel. - The documentation describes governance, grievance handling, monitoring process design (KPIs, data collection, responsibilities, frequency in a generic sense), and reporting structure, but it does not demonstrate a substantive, project-specific risk assessment with explicit topics, indicators, verification steps, or integration into ESMS decision-making. - Crucially, there is no evidence of: a formal framework or checklist mapping each of the 14 topics to potential impacts, baselines, cumulative impact considerations (as required by GN/ESS1), nor documented mitigation plans or monitoring protocols tied to those topics. Gaps relative to the reference standards: - No formal ESIA/Risk Assessment covering all 14 community-impact topics, nor demonstration of cumulative impact analysis per ESS1 and GN11–GN13. - No documented methodology, responsibilities, data sources, baseline studies, risk scoring, or action triggers specific to each topic. - No explicit monitoring, verification, or remediation plans for the identified community impacts (beyond generic ESG monitoring and grievance handling). - No clear linkage between identified risks and ESMS actions, ESAP items, or project-specific mitigation

measures. Recommendations to reach higher performance (aligned to the reference standards): - Develop and publish a Project-level Environmental and Social Risk Assessment (ESRA) that explicitly covers all 14 topics, including: - Baseline data for each topic (water use/quality, air quality, noise, waste streams, chemical usage, land and biodiversity considerations, traffic, cultural heritage, land acquisition, infrastructure lifecycle, security). - Assessment of potential adverse impacts on communities and other users, including cumulative and transboundary considerations where relevant, in line with ESS1/GN11. - Risk ranking and significance thresholds, with clear criteria and responsible parties for each topic. - Implement a structured mitigation framework (within the ESMS) that maps each identified risk to concrete controls, responsibilities, and timelines, including: - Specific mitigation measures per topic (e.g., pollution prevention technologies, water management plans, traffic management plans, cultural heritage protection measures). - Instrumented monitoring plans with defined indicators, measurement frequencies, data sources, and verification steps. - Contingency and remediation plans, including responsibilities and funding sources. - Integrate ESS/ GIIP references into the ESMS with explicit governance for cumulative impact monitoring, stakeholder engagement, and grievance reduction tied to risk findings. - Establish a robust Monitoring & Verification system: - Define KPI sets per topic, data collection methodologies, responsible roles, and regular reporting cadence. - Include independent verification or third-party audits for critical topics (water, air, waste, land use) and linkage to ESAP items. - Strengthen stakeholder engagement processes to inform and validate risk assessment findings, ensuring community concerns feed into mitigation design and grievance resolution. - Link findings to ESAP and subsequent project financing disclosures, with clear timelines and responsible owners. In summary, the current ESMS documentation demonstrates governance and grievance structures but lacks a formal, topic-specific risk assessment and associated mitigation/monitoring framework for the 14 community-impact areas required by the reference standards. Implementing a comprehensive ESRA with explicit methodologies, data, responsibilities, monitoring, and remediation pathways will align the program with ESS1/GN11–GN13 expectations and enable credible ESMS performance tracking.

☆ ★ **Score: 0/5**

Maturity Level

Limited E&S risk identification

Basic identification and assessment of E&S risks and impacts, but limited to a few activities.

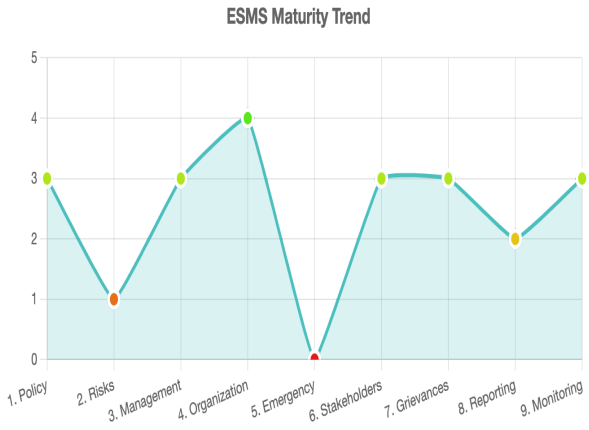
Recommendations

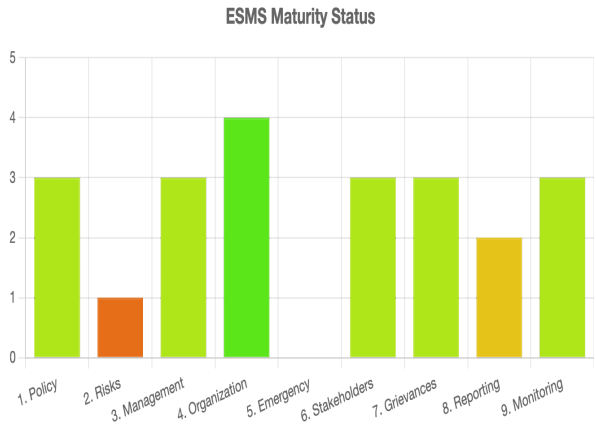
Start identifying specific risk areas

Analyze employee gender, age and ethnic profiles to identify potential labor risks. Develop a list of the communities that could be affected by facility operations.

Performance Visualization

This section illustrates highlights the most current score per element.For complete transparency, any unassessed elements are assigned a score of zero.





ESG Performance Dashboard

DASHBOARD OVERVIEW

This dashboard provides a comprehensive summary of performance across all nine categories of IFC Performance Standard 1 (PS1).

Each chart illustrates the trajectory of scores over time, with a focus on the five most recent assessments for each element.

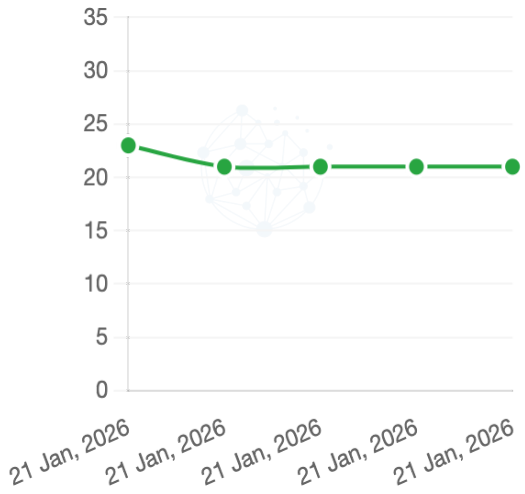
This visualization is designed to support informed decision-making by highlighting trends, measuring progress, and identifying key areas requiring improvement.

Use this tool to guide continuous enhancement in alignment with IFC's sustainability and risk management framework.

- **Comprehensive Analysis** - Covers all 9 PS1 categories with detailed scoring
- **Trend Visualization** - Tracks performance across 5 assessment periods
- **Gap Identification** - Highlights areas requiring improvement
- **Actionable Insights** - Supports continuous enhancement of ESG performance

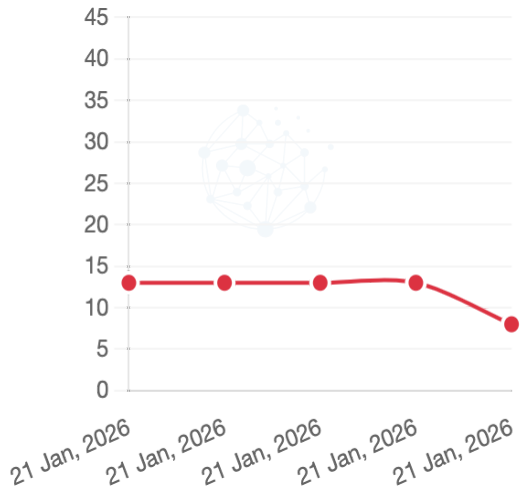
POLICY SCORE

Current Score: 3/5



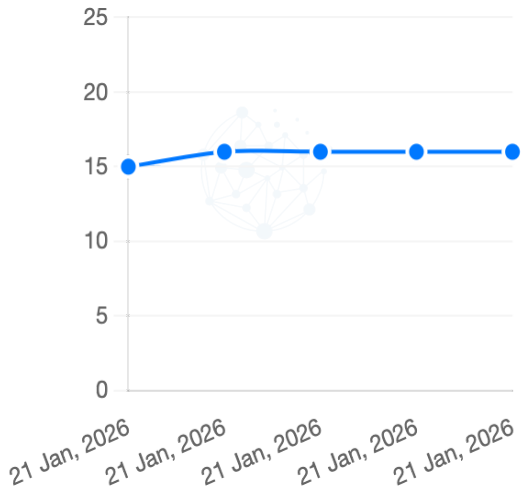
RISK SCORE

Current Score: 0.89/5



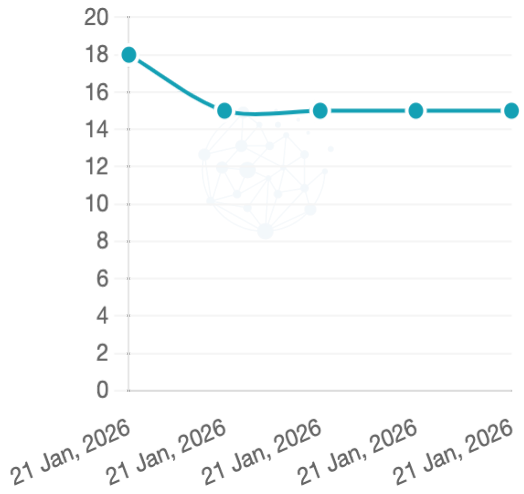
MANAGEMENT SCORE

Current Score: 3.2/5



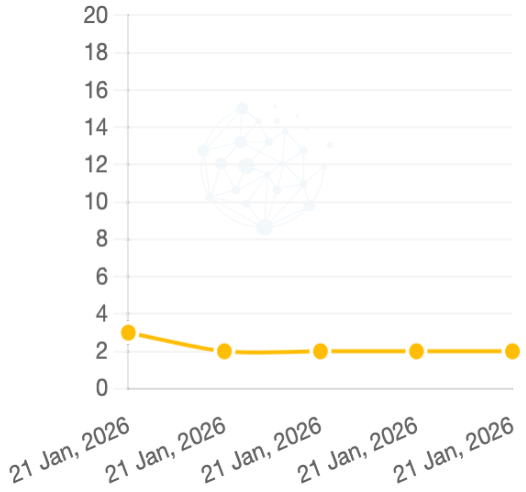
ORGANIZATION SCORE

Current Score: 3.75/5



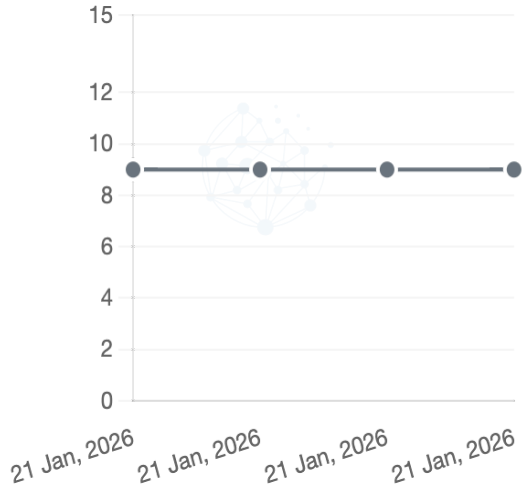
EMERGENCY SCORE

Current Score: 0.5/5



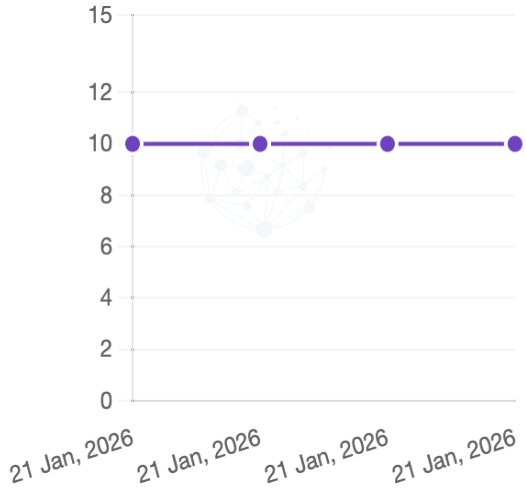
STAKEHOLDER SCORE

Current Score: 3/5



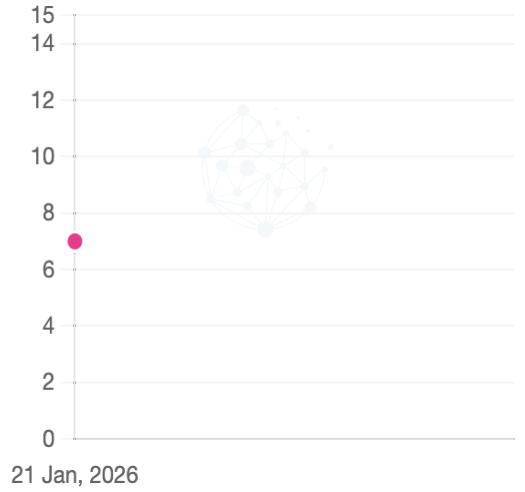
GRIEVANCE SCORE

Current Score: 3.33/5



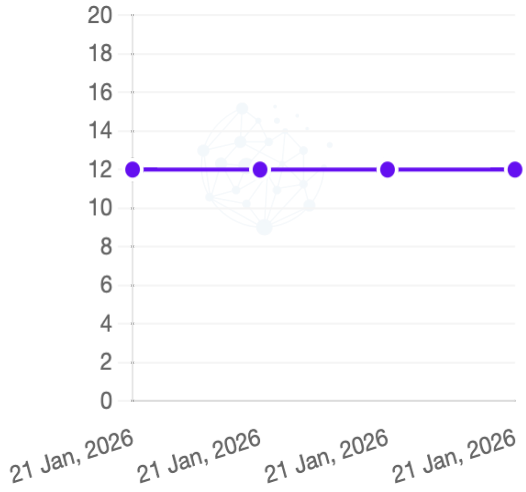
REPORTING SCORE

Current Score: 2.33/5



MONITORING SCORE

Current Score: 3/5



> "*Sustainable leadership* isn't about being perfect—it's about being *accountable* for every step forward."
>
> — PAUL POLMAN, FORMER UNILEVER CEO

> "Building a world where we meet our own needs without denying future generations a healthy society is not impossible ... *The question is where societies choose to put their creative efforts*."
>
> — CHRISTOPHER FLAVIN, WORLDWATCH INSTITUTE