Environmental and Social Review Summary (ESRS)
Midnight Sun Solar PV Project – Jamaica

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1. General Information of the Project and Overview of Scope of IDB Invest's Review

The present operation (the "Project") consists in finance a 50 MWac[1] greenfield solar photovoltaic ("PV") in Spicy Hill, Parish of Trelawny, Jamaica in favor of Sunterra Energy Jamaica Limited (the "Client" the "Company" or "Sunterra").

The Project involves building and operating a ground-mounted solar PV facility with access roads and interconnection infrastructure. The site, of about 200 acres, formerly used for sugarcane farming, benefits from high solar irradiance and nearby grid connections, including several transmission lines and the Duncans substation. All electricity produced will be sold to Jamaica Public Service Company ("JPS") under a 20-year Power Purchase Agreement on land owned by SCJ Holdings Limited.

The Environmental and Social Due Diligence ("ESDD") for the Project included: i) the review of the Environmental Impact Assessment ("EIA") and Environmental and Social Management Plan ("ESMP"); ii) the review of management plans and procedures covering stakeholder engagement, occupational health and safety (OHS), emergency response, labor, and gender, iii) a site visit to the proposed project location; iv) meetings with the Client's environmental, social, and management teams, as well as SCJ Holdings[2] and community representatives; and v) an assessment of social and environmental information, independent engineer's report, and Jamaica's regulatory framework.

To ensure the Project's commitment to respect and protect human rights, its zero tolerance for retaliation, and its commitment to providing and guaranteeing a safe environment for stakeholders to voice their concerns without fear of retaliation, the ESDD process also included the review of the Code of Conduct and information within the EIA and the ESMP related to the Project's policies and procedures aimed at protecting human rights and ensuring a safe environment for stakeholders to express their concerns without fear of retaliation.

2. Environmental and Social Categorization and Rationale

In accordance with IDB Invest's Environmental and Social Sustainability Policy, the Project has been classified as a Category B operation, since it is expected to have limited adverse environmental and social risks and impacts that are generally site-specific, largely reversible, and readily addressed through mitigation measures that are commonly used in the industry. The key environmental and

[1] Megawatt Alternating Current ("MWac") is a measure of the capacity of a solar power plant to deliver electricity to the grid under standard test conditions.

[2] SCJ Holdings is a government company that historically managed sugarcane farms across the country, which owns the Project site.

social risks identified for the Project include: (i) interference with vehicular traffic; (ii) dust and noise generation due to the use of heavy machinery; iii) changes in land use from agriculture to energy generation; (iv) health and safety risks associated with the construction of the facility, including associated to labor conditions of contractors and new workers hired for the project; v) increase in the generation of solid waste; (vi) increased soil erosion; and (vii) potential habitat loss and fragmentation. These impacts and risks are estimated to be of medium-low intensity.

The Performance Standards triggered by the project are: (i) PS1: Assessment and Management of Environmental and Social Risks and Impacts; (ii) PS2: Labor and Working Conditions; (iii) PS3: Resource Efficiency and Pollution Prevention; (iv) PS4: Community Health and Safety; and (v) PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.

3. Environmental and Social Context

3.1 General characteristics of the Project's site

The Project is at Spicy Hill in Trelawny, Jamaica, on the northwest coast. Owned by SCJ Holdings Limited, a government company that historically managed sugarcane farms across the country, the site, used in the past for sugarcane cultivation, is now characterized by pasture areas with patches of secondary vegetation.

The Company will lease the land to SCJ Holdings.[3] The Project Development Area ("PDA") will lodge the solar photovoltaic array, access roads, drainage systems, and electrical interconnection infrastructure. Nearby communities, including Spicy Hill, are located within a 3 km radius of the site.

An active community well, owned and operated by the National Water Commission ("NWC"), is located at the southeastern perimeter of the site (Steelefield). Additional wells exist in the broader vicinity, such as Ettingdon, which serves surrounding communities that rely heavily on groundwater and catchments for domestic supply.

The Project site lies on elevated terrain within the Dry Harbour Mountain hydrological basin. The site is between 90 and 130m above sea level, underlain by limestone and with no recorded flooding in the past 100 years. Its location provides some protection from storm surges, but it remains exposed to hurricanes, heavy rainfall, and landslides, consistent with Jamaica's broader climate vulnerability.

3.2 Contextual risks

Jamaica has a small, open economy that is largely dependent on tourism, remittances, and imported goods and fuel. Services comprise more than 70% of GDP, with tourism and remittances each representing approximately 15% of GDP (Moody's 2025). This reliance increases exposure to global factors such as commodity price changes, shifts in visitor numbers, or energy market fluctuations. In the context of the Project, installing locally generated renewable energy, such as the solar plant,

[3] Through a 22-year agreement with a six-year extension option

may decrease Jamaica's dependence on imported oil and reduce its vulnerability to international fuel price changes.

Jamaica's energy system mainly depends on imported fossil fuels, but renewables are growing. The country faces some of the Caribbean's highest and most volatile electricity tariffs due to global oil prices. A 50 MWac solar project can reduce costs, diversify energy sources, and support Jamaica's energy policy and Nationally Determined Contributions ("NDC")[4] goals. The Project is directly aligned with Jamaica's Vision 2030 and National Energy Policy, as well as its NDC target of 50% renewable generation by 2030.

In terms of infrastructure and logistics, Jamaica's highway system is functional, but rural and secondary roads are often poorly maintained. These conditions pose logistical challenges for the Project, especially during its construction phase when heavy trucks and equipment will need to access the site.

Water scarcity is a documented issue in Jamaica, especially in Trelawny Parish. The National Water Commission ("NWC") has noted that several systems experience below-normal inflows during drought periods, and communities often encounter water "lock-offs" in the dry season. The Project plans to use water from an NWC-operated well at Steelefield, making water availability an important contextual consideration. If there is no water balance and drought contingency plan, Project water use may affect community supply and have reputational implications.

Solid waste management in rural Jamaica currently faces challenges, as evidenced by instances of roadside dumping along minor roads near the Project site. This situation presents reputational risks for the Client if project-related traffic is perceived to exacerbate existing waste accumulation or deteriorate road conditions. Accordingly, it underscores the importance of the Project engaging with local authorities to support effective waste and road management strategies.

Security risks in rural parishes like Trelawny are moderate but generally lower than those in urban areas such as Kingston or Montego Bay. Residents view the community as safe, and strong stakeholder engagement is key to maintaining trust and improving security for the Project.

4. Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures

4.1 Assessment and Management of Environmental and Social Risks

4.1.a E&S Assessment and Management System

The Company has requested the National Environment and Planning Agency ("NEPA")[5] an environmental license for the Project. For that purpose, the Client has prepared an Environmental and Social Impact Assessment ("ESIA") and Environmental and Social Management Plan ("ESMP")

[4] Nationally Determined Contributions ("NDCs") are national climate commitments established by countries under the Paris Agreement. They outline what each country will do to meet the goal of limiting the average global temperature increase to 1.5 °C, adapting to climate impacts, and ensuring sufficient financing to achieve these targets.

[5] The National Environment and Planning Agency ("NEPA") is Jamaica's national agency for environment and planning.

that contain 16 thematic management plans covering air quality, noise, water, waste, traffic, traffic, worker and community health and safety, biodiversity, security, heritage, emergency response and stakeholder engagement. Each plan specifies monitoring indicators, responsible staff, and reporting frequency.

To complement the environmental and social management tools it has developed, the Client will develop a formal Environmental and Social Management System ("ESMS") that integrates policy, organizational capacity, monitoring, reporting and continuous improvement, and that will also consolidate existing procedures into a unified framework the following: (i) an Environmental and Social Policy; (ii) management plans; (iii) a description of roles and responsibilities; (iv) a training and competency plan; (v) an incident reporting and grievance mechanism; and (vi) reporting and internal audit protocols.

4.1.b Policy

The Client has an Occupational Health and Safety ("OHS") Policy but no overarching environmental or social policy. Therefore, it will develop and implement an Environmental Policy as part of its ESMS.

4.1.c Identification of Risks and Impacts

The Project ESIA has identified environmental and social risks and impacts: (i) environmental contamination by construction waste; (ii) soil erosion due to clearing and excavation activities; (iii) air pollution and fugitive dust emissions; (iv) impacts on road infrastructure; (v) habitat alteration; (vi) noise and vibration; (vii) community security; (viii) occupational health and safety hazards; and (ix) worker and community health and safety. The ESMP has prevention, mitigation and compensation measures for such risks and impacts, which will be integrated in the Construction Contractor's procedures to ensure their adequate implementation.

4.1.c.i Direct and indirect impacts and risks

The main Project risks and direct negative impacts include, but are not limited to: (i) soil and water pollution; (ii) traffic disruptions; (iii) occupational and third-party accidents; (iv) alterations in air quality; (v) noise pollution; vi) increase in the generation of solid waste; (viii) increased soil erosion, and (ix) habitat loss and fragmentation and alterations in microclimates. Positive impacts comprehend: (i) economic and social development of the community; (ii) contributions of reduction of emissions[6]; (iii) energy transition[7]; (iv) cost savings[8]; and (v) job creation.[9]

[6] Avoids 1.81 million metric tons of CO_2 over 20 years, supporting Jamaica's NDCs and Paris Agreement commitments.

[7] Adds 130 GWh/year of clean energy, contributing 4% of national demand and advancing the 50% renewable energy target by 2030.

[8] Delivers electricity at USD 0.06/kWh—Jamaica's lowest—reducing reliance on imported fuels and saving USD 442 million in foreign exchange.

[9] Over 600 jobs during construction (for up to 2 years) and up to 100 for the operation and maintenance of the solar farm.

4.1.c.ii Analysis of alternatives

The ESIA assessed alternatives for site, technology, and the no-project scenario. The chosen site – previously sugarcane land now under secondary vegetation – was preferred as it avoids permanent settlements, lies outside protected areas, avoids steep slopes and is adjacent to existing transmission lines, minimizing new infrastructure needs. Solar PV was selected through Jamaica's 2024 Renewable Energy RFP[10] as the least-cost renewable option. The no-project scenario would prolong dependence on imported oil, higher emissions, and missed renewable energy targets.

4.1.c.iii Cumulative impact analysis

The due diligence did not identify other large-scale developments in the immediate vicinity of the project site. However, several larger infrastructure projects are underway along the coastline, most noticeably related to hotel and casino constructions.

The project has been designed to allow for a potential expansion of up to 200 MW and integration of battery energy storage in the future.

Cumulative risks include land use change from additional conversion of agricultural lands and traffic volumes during peak construction, particularly considering the existing limited road infrastructure. Furthermore, an expanded footprint would also require reassessment of potential cumulative biodiversity impacts. These risks will need to be addressed through updated environmental and social assessments at the time of any expansion.

4.1.c.iv Gender risks

The Client incorporated the gender perspective into all Project processes (including considerations in the socio-economic survey and the Stakeholder Engagement Plan). Also, Sunterra's Code of Conduct includes a few guidelines on discrimination and harassment. However, the Project does not have a Gender Action Plan or a Gender-Based Violence (GBV) risk framework in place.

Therefore, to consolidate Sunterra's commitment to gender-based risks it will incorporate into a formal Gender Action Plan that will include: (i) a gender risk analysis; (ii) guidelines for equitable and gender-free recruitment with KPIs[11]; (iii) a Protocol for the Prevention of Workplace Harassment, Sexual Harassment and Gender Violence, with guidelines for contractors; and (iv) gender-sensitive grievance mechanisms.

4.1.c.v Gender Programs

SunTerra has proposed a strategy to close gender and diversity gaps, which will evolve as the Company moves into the construction and operation phase of the Project. To date, actions taken in this direction include: (i) appointment of women to leadership positions; (ii) equitable remuneration for all; (iii) a 10% bonus in the score (during the hiring process) for women who apply for

[10] Request for Proposal.

[11] Key Performance Indicators.

organizational positions; and (iv) peer-to-peer professional development, which will be complemented by other training and development courses depending on the organization's ability to absorb the associated costs.

4.1.c.vi Climate change exposure

Jamaica is among the Caribbean countries most exposed to climate-change hazards – including hurricanes, intense rainfall, droughts, extreme heat, and coastal flooding. The Project site lies on a moderately elevated terrain (90-130 meters above sea level) within the Dry Harbour Mountain hydrological basin. This location provides natural protection from storm-surge and riverine flooding while still being subject to high-wind events and heavy rainfall.

PV support structures have been engineered to withstand category 4 hurricane winds up to 220 km/h, while the solar modules themselves are certified to failure thresholds of approximately 240 km/h. This exceeds the standard design requirements for comparable Jamaican solar facilities. The Project has also secured comprehensive insurance coverage for extreme-weather events and will maintain a Hurricane Preparedness Plan detailed pre-storm securing procedures, communication chains, and rapid recovery protocols.

Flooding and intense rainfall historical hydrological data show no record of flooding within the Project footprint in the past century. Trends do not indicate that heavy rainfall is of significant risk to Project activities. Still, to mitigate risks related to sediment runoff during heavy rainfall events, management plans include secure material storage, erosion control, and drainage measures to manage runoff and reduce slope instability during heavy rain.

The Project is considered resilient to water scarcity risks as operational water demand is limited and intermittent, primarily related to panel cleaning. Groundwater levels in the nearby Ettingdon and Steelefield wells have remained stable. The Project will, however, coordinate with the National Water Commission to schedule withdrawals outside community peak-demand periods and will implement a water-use monitoring program to track abstraction volumes.

Occupational heat stress-related risks are managed through the worker health and safety plan that includes hydration protocols, shaded rest shelters and shift adjustments to protect workers during extreme heat events.

Seismic hazard indicates low to moderate earthquake risks. The Project site layout avoids steep slopes, and civil structures are designed in accordance with Jamaica’s building code and standards for seismic resilience.

Based on an analysis conducted in accordance with the IDB Group Paris Alignment Implementation Approach, the Project is considered aligned with the mitigation and adaptation goals of the Paris Agreement.

4.1.d Management Programs

As part of the Project EIA, the Client has prepared a suite of Environmental and Social Management Plans (“ESMPs”), including air quality, noise, water quality, traffic, worker health and safety, community health and safety, access control, emergency response, biodiversity, construction, security, heritage, stakeholder engagement, and grievance redress plans. These plans establish baseline mitigation measures and will be integrated into a formal Environmental and Social Management System (“ESMS”).

4.1.e Organizational Capacity and Competency

SunTerra will ensure that the Contractor implements mitigation all management measures and conducts appropriate environmental and social monitoring.

The Company will assign a person responsible for monitoring the Environmental and Social Action Plan (“ESAP”) and completing the Environmental and Social Compliance Report (“ESCR”). It will also include in the corresponding contracts environmental technical provisions to ensure the contractors comply with: (i) the applicable labor and OSH legislation, in particular the prohibition of child labor and forced labor, non-discrimination, gender equity and guaranteeing safe working conditions, and (ii) the applicable environmental legislation.

4.1.f Emergency Preparedness and Response

The Emergency Response Management Plan contained in the EIA considers the Project's exposure to various hazards and suggests measures to reduce the potential impacts of significant and probable risks. It also outlines procedures that align with an effective disaster risk management (“DRM”) framework.

Sunterra has set up management and mitigation measures, KPIs, defined roles and responsibilities, and reporting procedures for data analysis. However, it will develop a more detailed Emergency Prevention, Preparedness, and Response Plan ("EPPRE") that: i) identifies the work fronts, places and situations prone to generate emergencies or accidents; (ii) contains procedures to prevent or respond to each identified situation, allocating the necessary human, technical, logistical and financial resources; (iii) assigns responsibilities for management, execution, response and control, ensuring that each activity prone to emergency situations has a person in charge of supervising it; (iv) designs, adopts and implements a communication plan; (v) regularly trains all project staff and have a full understanding of the emergency response plan; (vi) includes coordination protocols with government agencies (national and local) and community groups associated with emergency prevention and response; and (vii) contains instructions for carrying out drills and simulations to verify the operation of the system and use the results of these exercises in the process of continuous improvement.

4.1.g Monitoring and Review

Within its ESMS, Sunterra has established management plans that set forth guidelines and monitoring indicators and will be executed by the contractor. Also, as part of its ESMS , it will

implement the following internal audits: (i) environmental, health and safety management; (ii) occupational safety; (iii) environment; (iv) occupational health; and (v) social responsibility. These audits will generate action plans and analysis of results, in addition to an annual schedule and periodic reports on their progress.

4.1.h Stakeholder Engagement

The Client has developed a Stakeholder Engagement Plan ("SEP"), which identifies key groups and provides a structured approach for information sharing, consultation, feedback and grievance redress throughout construction and operation. The mapping procedure identifies primary and secondary stakeholders, outlines their interest in the Project, and categorizes them for the engagement process. However, the Client will update the SEP to include: (i) specific engagement events and frequency for each stakeholder group; (ii) communication materials and disclosure formats; (iii) roles and responsibilities; (iv) an action plan; (v) a schedule of activities; and (vi) a stakeholder communication plan.

4.1.h.i Disclosure of Information

Sunterra's ESMS Management Plans require the construction contractor to appoint a Community Liaison Officer ("CLO") who will be responsible for maintaining communication with affected communities; inform residents about Project activities, risks, and mitigation steps; gather feedback including complaints and suggestions; and encourage use of the Grievance Redress Mechanism ("GRM").

The Client's Stakeholder Communication Plan will include methods for sharing information regarding: (i) project timelines; (ii) relevant dates; (iii) job opportunities; (iv) security measures; v) potential impacts on local housing and developments; and (vi) access to benefits such as electricity generated by the solar farm.

4.1.h.ii Informed Consultation and Participation

Sunterra conducted stakeholder mapping and stakeholder consultation over a six-week period, by reaching out 298 households that live within the Project area. This process was complemented by interviews with key informants.

Community members expressed concerns during consultations about dust, truck traffic, and poor road conditions, but also showed strong interest in job opportunities and community benefits linked to the Project.

4.1.i External Communication and Grievance Mechanisms

The Client is developing a Complaint Grievance Mechanism ("CGM") that will serve as a structured mechanism for receiving, addressing, and resolving direct or anonymous complaints or concerns raised by stakeholders (workers, neighboring business operators, local communities and vulnerable groups), including those related to sexual harassment or violence. Its purpose includes: (i) resolving issues early before they escalate into disputes or legal action; (ii) demonstrating responsiveness to

the concerns of affected parties, fostering trust and transparency; (iii) identifying and addressing problems that could lead to delays, reputational damage, or safety hazards; and (iv) providing feedback that can be used to improve practices and prevent future issues.

4.2 Labor and Working Conditions

Project activities will employ up to 600 people during its construction phase and up to 100 in its operational phase. For that purpose, the Client has developed: (i) a Worker Health and Safety Management Plan covering occupational health, safety standards, KPIs and responsibilities; (ii) a Code of Conduct that includes guidelines on ethics, anti-bribery, anti-corruption, discrimination, harassment, health, safety and environment, among others; and (iii) a grievance mechanism.

However, the Client will develop a Human Resources Policy that consolidates the main aspects of people management and that contains rights, non-discrimination and equal opportunities and benefits for employees.

4.2.a.i Grievance Mechanism

The Client has in place a mechanism for Project workers who experience an incident so that it may be logged and recorded for transparency. The Grievance Collection Form may be used for both community and worker complaints.

4.2.a.ii Child Labor

The Project is committed to complying with International Labor Organization ("ILO")[12] core standards on workers' rights, health and safety, and fair labor practices, particularly during the construction phase.

Through its Code of Conduct the Company declares that it does not employ people under the age of 18.

Forced and child labor, however, are issues that globally persist in the context of solar energy generation, particularly in the processes that involve sourcing raw materials and silicon metal production. Therefore, Sunterra will create a Supplier Policy addressing environmental and social issues, with a focus on preventing forced or child labor in imported solar energy components.

4.2.a.iii Forced Labor

Sunterra's Code of Conduct declares that the Company does not make use of, nor will it have partners who make use of any form of forced or compulsory labor.

The Company's direct employees, contractors and outsourced workers are guaranteed their employment rights under applicable law as established by the laws of Jamaica.

[12] The International Labour Organization (ILO) is a specialized agency of the United Nations dedicated to improving labor conditions and living standards worldwide.

4.2.b Occupational Health and Safety

Sunterra's Code of Conduct requires the Company to: (i) maintain a proactive and cooperative attitude regarding the health and safety of all employees, customers, suppliers and visitors; (ii) ensure that all operations comply with health, safety, and environmental ("HSE") laws and policies; and (iii) take all reasonable steps to ensure a safe work environment.

The Company mitigates risks arising from failures or threats to physical security by continuously improving its management and performance in occupational health and safety through evaluating progress and best international practices. In this sense, it has established a Worker Health and Safety Management Plan ("WHSMP") and an Environmental Health and Safety Management Plan ("EHSMP").

Since the Contractor will be implementing these plans, the Company will incorporate in the corresponding contracts Environmental Health and Safety (EHS) guidelines. It will also update the WHSMP and EHSMP to incorporate: (i) hazard identification and risk analysis protocols; (ii) instructions for working at heights; (iii) electrical safety procedures; (iv) preliminary risk analysis methodologies; (v) provisions for work in confined spaces, movement of loads, security inspections, excavations; (vi) minimum requirements for vehicles and mobile equipment; (vii) personal and collective protective equipment requirements; (viii) risk analysis and work permit requirements; (ix) reporting of accidents protocols; and (x) the right to refuse unsafe work; among others.

4.2.c Provisions for people with disabilities

In Jamaica, less than 1% of individuals who possess a disability is employed. The government estimates that about 15% of the population may have a disability, but available data is limited or not accessible.[13] In 2022, Jamaica enforced a Disabilities Act to protect the welfare and rights of people with disabilities. The act addresses areas such as education and training, employment, and healthcare, prohibits discrimination, and encourages acceptance of differences. The Jamaican Council for Persons with Disabilities ("JCPD") supports equity for persons with disabilities by providing disability sensitivity training and creating an accessibility checklist for businesses.

Sunterra's Code of Conduct states that employment decisions are based on job-related abilities alone, without consideration of race, religion, color, ethnicity, nationality, disability, sexual orientation, gender, age, disability condition or marital status.

4.2.d Workers Engaged by Third Parties

The Company has arranged for the Contractor to be responsible for implementing the mitigation measures and ESMP Plans. However, Sunterra will: (i) provide it with Environmental and Social Technical Specifications ("ETAS") for the construction; (ii) incorporate contractual clauses to ensure the implementation of such actions; (iii) produce regulations on EHS for contracted companies and service providers; (iv) list the minimum EHS requirements for service providers; (v) require from

[13] World Bank (2016).

them environmental risk prevention programs; and (v) produce guidelines for audits and inspections in the field, to supervise their implementation.

4.2.e Supply Chain

Materials used for solar panels, such as quartz and metallurgical-grade silicon, are often linked to forced labor and human rights abuses in certain regions. Therefore, Sunterra will update its Construction Management Plan to ensure that its supply chain avoids sourcing areas alleged with child or forced labor presence and requires suppliers to provide an affidavit confirming that the solar panels are free of such banned practices.

4.3 Resource Efficiency and Pollution Prevention

4.3.a Resource Efficiency

Sunterra's Environmental Health and Safety Management Plan (EHSMP"), in addition to environmental and worker health and safety regulations, and resource efficiency and pollution control measures, includes requirements to monitor the efficiency of mitigation actions to address the negative effects of the activities to be carried out during the Project's construction phase. Such plan, that covers all Project components, outlines how construction waste (liquid and hazardous) must be managed.

4.3.a.i Greenhouse Gases

Direct (scope 1 and 2) greenhouse gas ("GHG") emissions from Project operation are estimated to remain well below of 25.000 tons of CO_2e per year. The main sources of such emissions will occur during construction, primarily from the operation of heavy machinery and material transport and worker vehicles. Operational emissions will be minimal, limited to backup diesel generators, maintenance vehicles and periodic transportation.

Based on the Project's installed capacity of 50MW, the project is targeting to avoid around 78.879 tons of CO_2 emissions per year.

Furthermore, the Project plans to quantify its avoided emissions under the Gold Standard for the Global Goals Carbon-credit framework[14]. Revenues from emission reduction credits will be partially reinvested into local community-development initiatives identified through the Stakeholder Engagement Plan. This mechanism will enhance the Project's contribution to both climate-mitigation and social-co-benefit objectives.

[14] A standard for quantifying, certifying, and maximizing the impact of carbon credits to meet both climate and sustainable development objectives that goes beyond simply reducing greenhouse gas emissions by requiring projects to demonstrate a positive contribution to at least three of the UN's Sustainable Development Goals (SDGs), such as improved health, gender equality, or economic uplift.

4.3.a.ii Water Consumption

Water required for construction activities, panel cleaning and staff facilities will be supplied by the National Water Commission ("NWC") Steelefield well, under an approved supply arrangement.

The Steelefiend Well is part of the Dry Harbour Mountain aquifer system. Groundwater levels in the area have remained stable over the past decade with an average static depth of approximately 16m, sufficient to support the Project's limited demand.

Water demand is expected to be low and manageable. A Water Quality Management Program will be implemented to monitor quality during the construction stage. This monitoring will be carried out twice a month in the first month and once a month until the completion of construction or maintenance activities.

To ensure responsible water use, the Client will update its Water Quality Management Program to also monitor consumption during construction and operation and establish guidelines to coordinate with NWC on the prioritization of community supply in the event of drought.

4.3.b Pollution Prevention

Sunterra will implement mitigation measures to address the following risks: i) air pollution; ii) noise and vibration pollution; iii) water quality; iv) waste management; and v) spill prevention and hazardous waste management.

The Company's Waste Management, Water Quality Management, Air Quality Management and Construction Management plans include guidelines and indicators for pollution prevention.

4.3.b.i Wastes

The Project has a Waste Management Plan ("WMP") for construction and operation, which covers debris, household waste, packaging, and small amounts of hazardous waste. All waste will be separated at source and collected by contractors approved by the National Solid Waste Management Authority ("NSWMA"). Recyclable materials will be recovered wherever possible.

Hazardous waste will be stored in sealed containers under cover and removed by licensed contractors. Quantities, transport, and final disposal will be recorded in manifests. There will also be regular audits and training of personnel for proper waste management.

Sunterra will update its WMP to include: (i) detailed information on the removal, recycling, or safe disposal of photovoltaic modules and related equipment; (ii) specifications of certified facilities to ensure the safe handling and storage of hazardous materials; and (iii) an inventory of photovoltaic components with reuse or recycling options.

4.3.b.ii Pesticide Use and Management

Chemical herbicides or pesticides will not be applied for vegetation management. Vegetation under the solar panels will be manually mowed to protect the electrical infrastructure and prevent chemical contamination.

4.4 Community Health, Safety and Security

4.4.a Community Health and Safety

The main community health and safety risks (traffic, dust, noise and social dynamics related to the influx of workers for construction) may be exacerbated due to the Project proximity to Steelefield, Ettingdon and in particular Spicy Hill, as households and children regularly walk along access roads used by construction vehicles. In addition, the Project construction will draw a temporary influx of workers from outside the parish to the site, increasing social and public-health risks.

A community health and safety management plan has been developed to address these risks through communication, access control and safety protocol. Awareness meetings have been and will be held in collaboration with local leaders to explain safety precautions, traffic schedules, restricted-access zones and emergency medical supplies and grievance redress mechanism as part of the community engagement.

To manage potential community-worker tensions, the Project has adopted a range of mitigants including a worker code of conduct and prioritization of local hiring. Regular community briefings and effective implementation of a grievance mechanism managed by the community liaison officer support continuous dialogue and early resolution of issues. On-site sanitation and security procedures further minimize health and safety risk.

4.4.a.i Infrastructure and Equipment Design and Safety

The Client has a Security Management Plan ("SMP") in place to monitor safety and security throughout all Project phases that includes measures, indicators, and responsibilities.

The Contractor will be responsible for ensuring personnel and equipment safety at all stages by assessing site risk and implementing mitigation measures. Examples of such measures include: (i) the production of site-specific security plan based on a security risk assessment; (ii) liaising and communicating with the Jamaica Constabulary Force ("JCF") to assess the risk associated with each stage of the Project; (iii) contacting JCF representatives to advise of areas where work will be conducted prior to commencement of work; (iv) ensuring that key assets and property are secured or removed to a secure location when not in use; (v) enabling of perimeter security fencing and illumination; (vi) implementing control site access; (vii) engaging with community members to encourage them to report any suspicious activities; (viii) encouraging security awareness among employees and ensuring that the security supervisor is always at the site; (ix) maintaining a security risk register and periodically updating the security risk plan; (x) contracting licensed security services when necessary; (xi) training of security personnel in de-escalation techniques; (xii) considering the use of technology (tagging, GPS tracking and video surveillance) to detect and alert for any security

issues or threats; and (xiii) ensuring the participation of the police and security guards in safety and security trainings.

4.4.a.ii Hazardous Materials Management and Safety

The WMP outlines spill prevention and hazardous waste management measures such as: (i) regular vehicle and machinery maintenance to prevent leaks; (ii) avoiding repairs on impervious surfaces; (iii) proper handling and storage of chemicals and wastes; (iv) placement of onsite spill containment equipment; (v) training staff in spill prevention and personal protective equipment ("PPE") use; (vi) fueling procedures to avoid spillage; and (vii) immediate cleanup and disposal of spills and contaminated soil.

4.4.a.iii Ecosystem Services

The Project area features a blend of natural habitats and farmland, with rolling hills, gentle slopes, and open pastures shaped by both ecology and human activity. Sunterra has conducted biodiversity assessments addressing flora, fauna, reptiles, birds, and mammals, and proposed management plans featuring monitored guidelines and key performance indicators. However, no assessments concerning ecosystem services have been undertaken.

The Client will assess whether the Project affects any ecosystem services and, if necessary, include in the Biodiversity Action Plan the necessary measures to prevent, mitigate, or compensate for such impacts.

4.4.a.iv Community Exposure to Disease

While residents of nearby communities may not be subject to EHS hazards, their health and safety may be threatened by associated impacts of the Project works, such as: (i) pest proliferation; (ii) dust emissions; (iii) noise; and (iv) accidents potentially caused by high intensity activities like material transport or heavy worker traffic.

Sunterra has developed a Community Health and Safety Management Plan (CHSMP"), which compels the Contractor to ensure that all management measures are followed during construction and operational activities. Among these measures, the following can be named: (i) regularly communicate (via TV, radio, bulletins, notices, or other means) about the Project ongoing works and possible risks; (ii) assign an HSE officer to be in charge of the community health and safety; (iii) ensure that the contractor utilizes a consultation plan to inform community members of planned activities and safety protocols that must observed and maintain a register of all related incidents that have occurred because of the activities associated with the contract; (iv) ensure that any holes dug and depressions caused by the Project are timely addressed to avoid creating opportunities for the breeding of vectors such as mosquitoes; and (v) promote the use of the Grievance Redress Mechanism to address community concerns.

4.4.a.v Emergency Preparedness and Response

Sunterra has prepared an Emergency Response Management Plan ("ERMP") that considers the Project's exposure to natural hazards (fire, earthquakes, heavy rainfall, and flood) and recommends specific measures to be followed to minimize the potential effects should those hazards materialize. The Contractor will ensure that this plan is put in place, including the identification of first responders for incidents and emergencies.

The Client will update its ERMP so that it: (i) identifies the work fronts, places and situations prone to generate emergencies or accidents; (ii) contains procedures to prevent or respond to each identified situation, allocating the necessary human, technical, logistical and financial resources; (iii) assigns responsibilities for management, execution, response and control of potential emergencies; (iv) designs, adopts and implements a communication plan; (v) regularly trains all Project staff to enable them to have a full understanding of ERMP; (vi) includes coordination protocols with government agencies (national and local) and community groups associated with emergency prevention and response; and (vii) contains instructions for carrying out drills and simulations to verify the operation of the system and use the results of these exercises in the process of continuous improvement.

4.4.b Security Personnel

The Company is likely to hire security personnel, who if armed, must have a Security Management Plan that includes: (i) a specific Code of Conduct that ensures that security personnel do not have a criminal record or have been previously involved in cases of abuse; (ii) a training program on the use of force[15], and on the Voluntary Principles on Security and Human Rights (VPSHR and on environmental and social awareness); and (iii) guidelines on restriction, procedure and permits to carry weapons.

4.5 Land Acquisition and Involuntary Resettlement

The Project will not result in any involuntary physical nor economic involuntary displacement.

4.6 Biodiversity Conservation and Natural Habitats

The Project area is characterized by a diverse mix of natural and agricultural features that reflect both its ecological significance and human influence. The area is typically marked by rolling hills and gentle slopes, with open pastures. The terrain is interspersed with patches of dense vegetation and trees that provide habitats for various wildlife species (birds, insects, and other fauna). The presence of shrubs and underbrush further enhances the habitat complexity, supporting an array of species and fostering ecological interactions.

[15] Manual of Good Practices in the Use of Security Forces: Evaluation and Management of Risks and Impacts and Note of Good Practices for the Private Sector. Addressing the Risks of Retaliation against Project Stakeholders, IFC and IDB Invest, respectively.

Although the Project site is a modified habitat, within 5 km of it there are 2 Critically Endangered and 12 Endangered species—7 with restricted ranges. The site is in a Key Biodiversity Area ("KBA") and an Alliance for Zero Extinction ("AZE")[16] is less than 5 km away, in Cockpit Country KBA.

Sunterra conducted Biodiversity assessments (including flora, fauna, reptiles, birds, mammals) and has proposed Biodiversity management, with monitored guidelines and KPIs.

However, it will develop a Biodiversity Action Plan ("BAP") that will contain: (i) a critical habitat analysis to determine if the Project area is within a critical habitat; (ii) measures to prevent the proliferation of invasive species; and (iii) an ecosystem services analysis. The Client will ensure that Contractor acknowledges the BAP and implements the measures it contains.

4.7 Indigenous Peoples

The Project will not generate any impacts to Indigenous communities.

4.8 Cultural Heritage

Sunterra conducted an Archaeological Impact Assessment that included archival and documentary research and field study. Archaeological surveys have identified dry stone walls and ruins within the site, and a Heritage Management Plan and Chance Finds Procedure has been established to manage any discoveries during construction.

5. Local Access of Project Documentation

The documentation relating to the project can be accessed at the following link: Jamaica | SunTerra Energy Solutions

[16] The Alliance for Zero Extinction (AZE) is a joint initiative of biodiversity conservation organizations from around the world working to prevent extinctions by promoting the identification and ensuring the safeguard and effective conservation of key sites that are the last remaining refuges of one or more Endangered or Critically Endangered species.