Non-Technical Summary

SUNLY RENEWABLES IN THE BALTICS – PROJECT QUATTRO, LATVIA

April 2025

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ABBREVIATIONS

Abbreviation	Term
CESMP	Construction Environmental and Social Management Plan
EBRD	European Bank for Reconstruction and Development
EHSS	Environmental, Health, Safety and Social
EIA	Environmental Impact Assessment
E&S	Environmental and Social
ESAP	Environmental and Social Action Plan
ESDD	Environmental and Social Due Diligence
EU	European Union
GBVH	Gender Based Violence and Harassment
GIP	Good International Practice
HR	Human Resources
NGOs	Non-Governmental Organisations
NTS	Non-Technical Summary
OHS	Occupational Health and Safety
PRs	Performance Requirements
PV	Photovoltaic
SEP	Stakeholder Engagement Plan
SPV	Special Purpose Vehicle
TMP	Traffic Management Plan

1 INTRODUCTION

Sunly, an independent power producer and renewable energy developer in the Baltics and Poland, is developing four Solar Photovoltaic (PV) parks across Latvia ("the Project"), including:

- A 90 MW Solar PV Park located near the town of Dagda in Krāslava Municipality ("Dagda");
- An 81 MW Solar PV Park located in Barkava parish within Madona Municipality ("Barkava");
- A 54MW Solar PV Park to be located in Matīši parish within Valmiera Municipality ("Valmiera"); and
- A 170 MW Solar PV Park to be located in Zirni parish within Saldus Municipality ("Zirni").

The European Bank for Reconstruction and Development (EBRD) is considering financing the Project. An Environmental and Social Due Diligence (ESDD) assessment was commissioned to be undertaken of the Project, which involved a site visit and a desk-based review of Project information in September 2024. The aim of the ESDD is to identify and assess any potentially significant adverse environmental or social impacts associated with the Project, assess compliance with national legislation and EBRD's performance requirements, determine the measures needed to mitigate the adverse impacts and identify environmental and social opportunities to enhance the sustainability of the Project.

All of the Project sites have been categorised as category 'B' according to EBRD's Environmental and Social Policy (2019), since the potential adverse environmental and social (E&S) impacts will be site-specific, largely reversible and can be mitigated through readily available and recommended mitigation measures.

This Non-Technical Summary (NTS) provides an overview of the environmental and social impacts and benefits associated with the construction and operation of the Project. It also summarises as to how these impacts will be mitigated and managed through all phases of the Project's development. This document has been informed by the findings from the September 2024 ESDD and a review of Project progress in April 2025.

2 PROJECT DESCRIPTION

The Project consists of the construction and operation of four solar PV parks across Latvia. It is expected that all of the solar PV parks will have a lifespan of at least 25 years. Long-term land lease agreements are already in place with all of the affected landowners, all of which were agreed under willing free market voluntary conditions. Table 1 provides a summary of the key characteristics of each Project site.

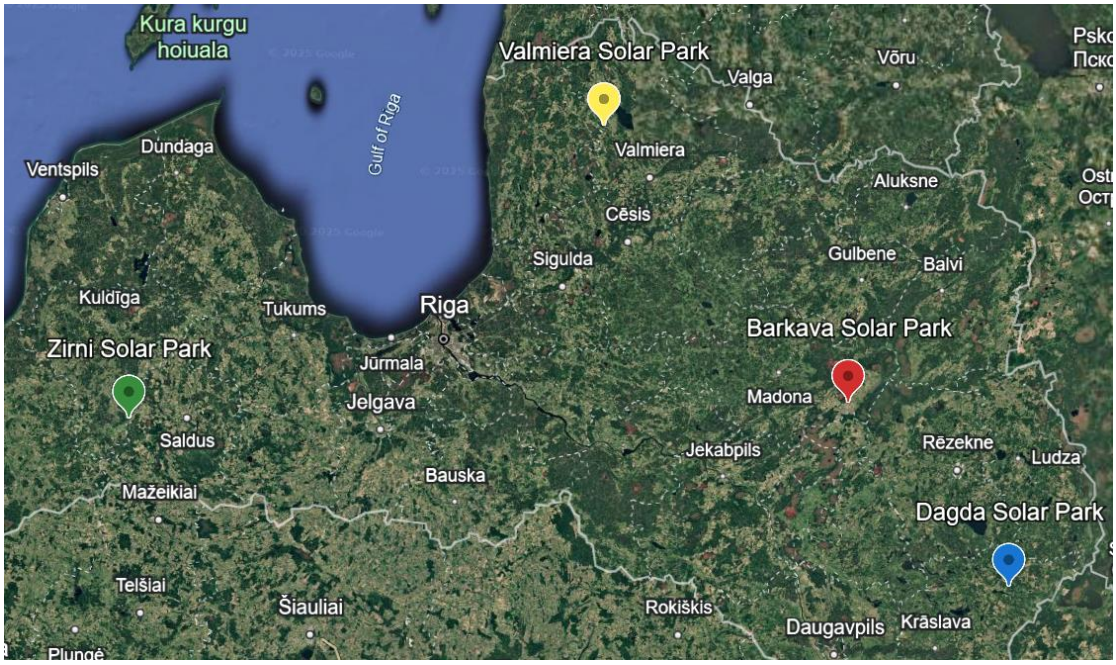
Table 1 - Project Description

Project Site	Location	Land plots	Capacity	Transmission	Land-Use	Associated Facilities
Dagda	Dagda Parish within Krāslava Municipality in the Latgale region of Latvia	10	90MW	110 kV underground transmission line(s)	Previously / currently being used for agricultural purposes, including cattle-grazing and rapeseed cultivation	A new 110 kV substation and access road, which are currently under construction, is being developed in association with the Project
Barkava	Barkava Parish within Madona Municipality in eastern Latvia	2	81 MW	5km underground transmission line	Previously used for cultivating grain crops but, since September 2023, are no longer actively farmed	The solar park will connect directly to an existing transmission system operator (TSO) substation, located approximately 4896m away from the solar land plots
Zirni	Zirni Parish within Saldus Municipality in the Courland region of Latvia	17	170 MW	30 kV underground transmission lines on site with connection to the grid via overhead powerlines within the site boundary	Agricultural land with some forested areas	The solar park will connect to a substation located on site. The Project will also involve new drainage structures and upgrades to the existing access road
Valmiera	Matīši parish within Valmiera Municipality in Latvia, approximately 25km from the regional city of Valmiera	7	54MW	Underground transmission line that will traverse across one land plot	Formerly used for agriculture	The solar park will connect to a new substation located on-site, which will be accessible via an upgraded access road

3 PROJECT LOCATION

Figure 1 shows the location of each of the four solar parks within Latvia.

Figure 1 - Project Locations



DAGDA

The Dagda Solar Park Project is located in Dagda Parish within Krāslava Municipality in the Latgale region of Latvia. The Project site is situated near the country's border with Belarus, approximately 60km from the regional city of Rēzekne and 35km from Krāslava. The closest settlement to the Project is the town of Dagda with a population of around 1,800 people, which is located approximately 4.5km west of the Project site.

BARKAVA

The Barkava Solar Park Project is located in Barkava Parish within Madona Municipality in eastern Latvia. The Project is located approximately 30km from the city of Madona and 200km from the country's capital Riga. The landscape in which the Project is situated in is predominantly former agricultural land, surrounded by actively farmed agricultural areas. The Project site is located approximately 2.7km east of Barkava village, with a population of just over 700 people.

VALMIERA

The Valmiera Solar Park is located in Matīši parish within in the Valmiera Municipality, in north-eastern Latvia, approximately 101km from Riga. The site is located approximately 1km from the settlement of Matīši, with a population of just over 400 people. There are a number of residential properties adjacent to or nearby the site, at least one of which is occupied.

ZIRNI

The Zirni Solar Park is located in Zirni parish within in the Saldus Municipality, in south-western Latvia, approximately 126 km from Riga. The nearby settlement of Zirni is estimated to have a population of approximately 249 (as of 2021). Saldus is the regional city located approximately 26 km from the site, which has a population of approximately 12,200 people, as of 2024.

4 PROJECT ACTIVITIES AND TIMELINE

A summary of the key Project milestones is presented in Table 2.

Table 2 - Project Milestones

Project Site	Activity	Start	Finish
Dagda	Construction of substation	December 2024	October 2025
	Site preparation works	February 2025	September 2025
	Excavation and cable (0.8kV and 20kV) works	February 2025	September 2025
	PV module installation	March 2025	August 2025
	20kV connection to 110kv substation	August 2025	September 2025
	Commissioning	October 2025	April 2026
Zirni	Construction of substation	January 2025	December 2026
	Construction works	March 2025	June 2027
	PV module installation	May 2025	August 2026
	Energizing of the 20/0,8 kV substations	October 2026	October 2026
	Commissioning	October 2026	June 2027
Valmiera	Construction of substation	July 2025	October 2025
	Site preparation works	January 2025	February 2025
	Excavation and cable (0.8kV and 20kV) works	April 2025	September 2025
	20kV connection to 110kv substation	February 2026	February 2026
	Commissioning	October 2025	December 2025
Barkava	Site preparation works	December 2024	February 2025
	Excavation and cable (0.8kV and 20kV) works	September 2024	September 2025
	PV module installation	March 2025	October 2025
	Energizing of the substation	February 2026	February 2026
	Commissioning	April 2026	May 2026

DAGDA

The construction works for the Dagda Solar Park are estimated to be completed within 8 months between February 2025 and October 2025. Project commissioning is anticipated to take place between October 2025 and April 2026. The Dagda Solar Park will be constructed and operated under a special purpose vehicle (SPV) called Kurzeme SIA. The Engineering, Procurement, and Construction (EPC) contractor(s) have not yet been confirmed for the Project and the construction workforce requirements are still unknown at this stage. However, it is anticipated that 2-3 contractors will be selected to undertake the construction works for the Project, with up to 100 workers on site at the workforce peak. The Project workforce will likely be accommodated in accommodation in the town of Dagda.

The substation construction works are being undertaken by a Latvian contractor called Ditra. It is anticipated that the substation construction works, which commenced in June 2024, will be completed by the final quarter of 2025.

BARKAVA

Site preparation works for the Barkava Solar Park commenced in December 2024. The construction period is anticipated to start in February 2025, with completion of construction late 2025 and the solar farm operational in 2026. The Barkava Solar Park will be constructed and operated under a SPV called MAX SOLAR SIA. The Latvian contractor BT Power SIA has been selected as the EPC contractor to carry out the construction works for the solar park with up to 70 workers on site at the workforce peak. The workforce will be accommodated in a local guest house that has been bought by the EPC contractor in the outskirts of the town of Barkava.

VALMIERA

Construction works for the Valmiera Solar Park are due to commence in early 2025, with completion of construction late 2025 and the solar farm operational in 2026. The EPC contractor(s) that have been selected for the Project are Kvele SIA (PV EPC) and RECK SIA (HV EPC). It is anticipated that up to 40 workers will be on site at the workforce peak. The workers will be housed at the Worker Hotel Alejparks in the outskirts of Valmiera.

ZIRNI

Construction of the Zirni Solar Park is due to commence in early 2025, with completion of construction late 2025 and the solar farm operational in 2026. The EPC contractor(s) have not yet been selected.

5 RATIONALE FOR THE PROJECT

Latvia has implemented several national energy strategies to facilitate its shift towards greater use of renewable energy sources. The National Energy and Climate Plan for 2021-2030 aims to increase the proportion of renewable energy in electricity generation from 53% to 80% by 2030. Achieving this target will require the expansion of both wind and solar energy production, presenting significant opportunities for the development of renewable energy projects throughout Latvia.

The Latvian Energy Law also supports the growth of renewable energy sources, including solar energy, by offering support mechanisms such as subsidies and tax incentives, regulating decentralized electricity production, and establishing network connection rules. This legal framework is designed to attract investment in solar projects, ensuring a sustainable energy supply. In response to the rising demand for renewable energy, Sunly plans to develop projects in wind, solar, and energy storage to enhance energy security and supply within the Baltic region.

6 COMPLIANCE WITH RELEVANT ENVIRONMENTAL AND SOCIAL LAWS

The Project is expected to meet the requirements set down by relevant national, EBRD and EU environmental, social, health and safety legislation and standards. The most stringent regulations and/or requirements (whether national, EBRD or EU) will be applied, in order to ensure environmental protection and community health and safety.

Under national Latvian legislation, an Environmental and Impact Assessment (EIA) is not required for the Project. However, some of the specific environmental and social requirements are governed by the following legislative acts of the Republic of Latvia:

- Regulations regarding permits for the introduction of new electricity generation equipment or the increase of electricity generation capacity (19.12.2023 / No.821);
- Regulations regarding the establishment and management of micro-reserves, their conservation, as well as determination of micro-reserves and their buffer zones (18.12.2012 / No. 940);
- Labour Protection Law;
- Labour Law; and
- Environmental Protection Law.

The International lenders involved with the Project require projects that they finance to meet the following international standards:

- EBRD Environmental and Social Policy 2019 and the EBRD Performance Requirements (PRs);
- EU Directives relevant to this Project, i.e., the EIA Directive, the Waste Framework Directive, the Birds and Habitat Directives, the Water Framework and Occupational Health and Safety Directives;
- Good International Practice (GIP), particularly the IFC EHS General Guidelines, April 2007; and
- ILO Core Conventions; and
- UN Guiding Principles on Business and Human Rights.

7 ENVIRONMENTAL AND SOCIAL ACTION PLAN

An Environmental and Social Due Diligence (ESDD) of the design and construction of the four solar PV's Project has been undertaken in accordance with EBRD's Performance Requirements, EU standards and international best practice. The gaps identified have been used to develop an Environmental and Social Action Plan (ESAP) for implementation, which contains actions required to be implemented to align the Project delivery with EBRD requirements. Sunly is committed to ensuring that the ESAP is implemented. The ESAP, which was initially developed in October 2024, has been subsequently updated to reflect Project progress to April 2025.

A disclosure pack comprising of this NTS, as well as four Stakeholder Engagement Plans (SEP) for each Project site have also been developed. The SEPs provide a framework for consultation activities and Project disclosure information including the identification of potential stakeholders, methods used for consultation activities and the records to be kept.

8 PROJECT REGULATORY COMPLIANCE

Project design plans and applications have been submitted to the relevant local Municipality's. All of the required permits, including the building permits, Hybrid permit (PV+BESS), agreement on the installation of a new electricity transmission system connection and issuance of municipal technical regulations have been acquired for all of the four Project sites. An EIA is not required for any of the Project sites under Latvian national legislation. A full list of the required Project permits is presented in Table 3.

Table 3 - Project Permits

Permit Required	Authorising Body	Project Site	Status
Permit for the introduction of new power generation equipment	Ministry of Economics	Dagda	✓
		Barkava	✓
		Valmiera	✓
		Zirni	✓
Amendments to the permit for the introduction of new electricity production facilities of 19.06.2022	State Construction Control Bureau of Latvia	Dagda	✓
		Barkava	N/A
		Valmiera	✓
		Zirni	✓
Hybrid permit (PV+BESS)	State Construction Control Bureau of Latvia	Dagda	✓
		Barkava	✓
		Valmiera	✓
		Zirni	✓
Agreement on the installation of a new electricity transmission system connection	Transmission System Operator	Dagda	✓
		Barkava	✓
		Valmiera	✓
		Zirni	✓
Submitting the project concept to the municipality	Municipality of Krāslava	Dagda	✓
	Municipality of Madona	Barkava	✓
	Municipality of Valmiera	Valmiera	✓
	Municipality of Saldus	Zirni	✓
	Municipality of Krāslava	Dagda	✓

Issuance of municipal technical regulations	Municipality of Madona	Barkava	✓
	Municipality of Valmiera	Valmiera	✓
	Municipality of Saldus	Zirni	✓
Habitat statements	Municipality of Krāslava	Dagda	✓
	Municipality of Madona	Barkava	N/A
	Municipality of Valmiera	Valmiera	✓
	Municipality of Saldus	Zirni	N/A
Issuance of building permit (substation, access road)	Municipality of Krāslava	Dagda	✓
	Municipality of Madona	Barkava	✓
	Municipality of Valmiera	Valmiera	✓
	Municipality of Saldus	Zirni	✓

9 LAND ACQUISITION

Land required for each of the four Project sites includes land for the solar parks, cable corridors and substations. For all of the solar land plots, long-term land lease agreements are already in place with the affected landowners which were agreed under willing free market voluntary conditions. All of the landowners had the right to refuse, and no compulsory land acquisition powers have been sought or granted in relation to the Project.

Signed easement agreements are in place for the land impacted by the construction of the cable corridors. Most of these involve a monthly rate being provided to the landowners. However, some landowners have requested payment in kind. There will be no displacement of activities, temporary or otherwise in association with the Project.

Table 4 presents a summary of the impacted Project land plots, landowners and land lease agreements in place for each site.

Table 4 – Project Impacted Land Plots

Project Site	Project Component	Land Required	Landowner	Land Agreement
Dagda	Solar land plots	10 land plots	1 private landowner 2 agricultural companies	Long-term land lease agreements in place with the affected landowners, which were agreed between June 2023 and March 2024 under willing free market voluntary conditions.
	Cable corridor	5 land plots	3 private landowners 2 companies	Signed easement agreements. Most of these involve a monthly rate being provided to the landowners, however, one has requested payment in kind.
Barkava	Solar land plots	2 land plots	1 private landowner	Long-term land lease agreements in place with the affected landowner, which were agreed between June-November 2022 under willing free market voluntary conditions.

	Cable corridor	12 land plots	8 private landowners 1 agricultural company	Signed easement agreements with all landowners where the underground cable will be installed.
Valmiera	Solar land plots	6 land plots	3 private landowners 1 forestry and wood processing company (owns two land plots)	Long-term land lease agreements in place with the affected landowner, which were agreed between June 2022- November 2023 under willing free market voluntary conditions.
	Cable corridor	1 land plot	1 private landowner	Signed easement agreements with the landowner where the underground cable will be installed.
Zirni	Solar land plots	17 land plots	9 private landowners 1 forestry and wood processing company (owns two land parcels)	Long-term land lease agreements in place with the affected landowners, which were agreed between Augst 2022 and October 2023 under willing free market voluntary conditions.
	Cable corridor	18 land plots	10 private landowners	Signed easement agreements with all landowners where the cable will be installed.

10 ENGAGEMENT WITH STAKEHOLDERS

Sunly has actively engaged with various stakeholders for the Project, including representatives from the four affected Municipality's, the local Parish Associations, and affected landowners. Sunly's Communications Manager and CLO's (Project Land Managers) serve as primary contacts for local stakeholders. Sunly has also initiated community investment activities, such as providing sportswear and other items to local schools and supporting community events, with plans for further initiatives.

This section summarises the stakeholder engagement that has been conducted to date for the Dagda, Barkava, Valmiera and Zirni Project sites. The SEPs that have been developed for each of the Project sites outline future stakeholder engagement activities that will be undertaken by Sunly. Further details of the SEPs are provided in Section 12 of this NTS.

10.1 Engagement with Landowners

As part of its process of site prospecting and securing land agreements, Sunly has undertaken engagement with local Project-affected landowners. All of the land lease agreements for the solar site land plots were agreed under willing free market voluntary conditions. The Sunly CLOs have established long term relationships with these Project-affected landowners through continued engagement over the last year. Sunly's

CLOs will continue to engage with the Project-affected landowners, sharing Project updates and addressing any concerns throughout the Project lifecycle.

10.2 Engagement with Local Municipalities

Regular engagement with Krāslava Municipality (for the Dagda site), Madona Municipality (for the Barkava site), Valmiera Municipality (for the Valmiera site) and Saldus Municipality (for the Zirni site) has been undertaken by Sunly, particularly in relation to the permitting procedure to ensure that the Project is compliant with national legislation and has all the required permits. None of the four affected municipalities have expressed any concerns about the Projects and are all optimistic about the potential for the Projects to support regional development. Sunly has also met with Kuldīga City Council and shared details of the Zirni Project.

10.3 Engagement with Community Leaders

Sunly has engaged with local community leaders, including Parish council representatives, local schools, Matīši Seniors' Association and NGO representatives, informing them of the Projects and discussing opportunities to support community initiatives. Community initiatives target local priorities identified through consultation. To date this has included providing sportswear to Dagda secondary school, providing support for a football tournament run by local NGO Sport Klubs at Matīši near the Valmiera site, supporting a water clean-up initiative for the local village pond at Barkava, and supporting a local ski race at Barkava.

10.4 Public Consultation

Sunly has undertaken some public consultation to date. On the 21st of November 2024 a community information session was held at Skrunda Culture House focused on the Zirni solar park and providing information to local residents and community members. Other community consultation events focused on Sunly's proposed wind developments have been leveraged to communicate information on the solar parks, including an event held at Svariņi library in February 2024 which included a focus on the Dagda solar park, and one in Matīši village on the 19th of March 2025 which included a focus on the Valmiera solar park.

11 ENVIRONMENTAL AND SOCIAL IMPACTS AND MITIGATION MEASURES

In general, the Project is expected to have moderate environmental, health and safety and social impacts, which will be reduced through by the use of simple management controls that will be applied during the construction and operation of the four solar parks. The key potential environmental, health and safety and social impacts associated with the development of the four solar parks, as well as the related mitigation measures to manage these impacts are summarised in Table 5.

Table 5 - Project Impact Assessment and Mitigation

Topic	Impact	Mitigation

Traffic and Transport	During construction roads may be busier resulting in minor disruption and a potential increase in emissions affecting local air quality. Traffic impacts will be largely limited to the construction phase of the Project, mainly bringing goods and materials such as solar panels and associated equipment, workers, water tanks, switching chemical toilets and any maintenance materials and equipment.	A site-specific Traffic Management Plan (TMP) will be developed and implemented for each site (to include dust control), to be followed by all contractors. The TMP will include adequate measures to mitigate transport-related impacts, including: ▪ Avoiding works traffic during peak times; ▪ Limiting the speed of vehicles to minimise dust emissions and prevent road accidents; ▪ Limiting traffic movements in settlement areas to daytime only; ▪ Earmark parking spaces; ▪ Regular maintenance of vehicles to be carried out offsite; ▪ Refuelling of vehicles and machinery to be carried out in designated areas; and ▪ Vehicles and equipment will be switched off when not in use and not left running to reduce emissions and save fuel use.
Waste	It is not envisaged that there will be a large amount of waste generated by the Project beyond general construction waste material (i.e., packaging, litter). A contractor will be responsible for removal of the rented equipment for heating, toilets etc. on site. Wastewater will also be taken away by the contracted company. One potentially hazardous waste stream generated will be broken solar PV panels.	A Waste Management Plan (inclusive of wastewater) will be developed and implemented for each Project site. The Waste Management Plans will include additional information with regards to the description of each waste type generated throughout the life of the plant, key personnel and responsibilities for waste management, waste management action for different waste types (reusing, recycling, recovery and disposal) and estimation of the quantity of each different waste type expected to be produced. Waste will be removed from the sites using a legitimate and reputable waste contractor, to an appropriate facility. Broken solar panels will be taken to a Lithuanian solar panel recycling (International Recycling UAB).
Water	It is not expected that the Project will impact water local supply at any of the Project sites. Water use during the construction phase will mainly be limited to welfare activities. The solar panels will be self-cleaning via wind and rainwater, so will not require water use.	A Project Construction Environmental and Social Management Plan (C-ESMP) will be implemented by the construction contractors, which will include run-off management practices during the construction phase to prevent run-off from entering the surrounding environment or nearby water bodies.
Soil	The construction activities associated with the Project may result in the loss, erosion or contamination of arable soil.	Mitigation measures to reduce the risk of soil erosion and contamination will be implemented by contractors to prevent the accidental discharge of wastewaters to the local environment and the loss of soil resource. This will include:

		▪ Soil stockpiling; ▪ Segregation and storage of topsoil and subsoil retrieved from construction areas; ▪ Reinstating all disturbed areas with topsoil; and ▪ Storing all materials, equipment, fuel and oil in designated and secure storage areas.
Community Health, Safety and Security	**Air Quality, Dust, Noise, Vibration & Emissions** Air quality may be affected by an increase in traffic including dust emanating from vehicle movements and other construction activity. Noise and vibration levels may also increase during the construction works. Community safety risks arise from increased traffic, particularly for residents sharing access roads and those living in proximity to transit routes for trucks delivering materials and workers to site. These impacts are limited to the construction phase of the Project.	A Project Construction Environmental and Social Management Plan (C-ESMP) will be developed and implemented to mitigate site specific environmental, health and safety and social impacts. The plan will include measures to reduce emissions, noise, dust, water management, hazardous materials management, traffic, health and safety, site security, labour influx and outline environmental inspection, monitoring and auditing tasks and schedule. A Project community grievance mechanism has been developed as part of the SEP to ensure that issues can be raised and addressed in an effective and timely manner.
	Security Hunting is a popular recreational activity in Kraslava (e.g., Dagda Hunting Club), Saldus and Valmiera Municipality. Although no hunting occurs on any of the Project land, there could be potential community health and safety risks associated with hunting practices in the area, particularly given the influx of Project workers into the local community.	As detailed in the SEPs, Sunly will regularly engage with the local hunting clubs to communicate any updates on the Project schedule and key milestones. All hunting activities will be postponed within at least a 500m radius of the Project sites during the construction period.
Worker Accommodation	Worker influx presents community health, safety and security risks, particularly for those residing in the college and the surrounding community. **Dagda** As the EPC contractor has not yet been confirmed, the Project workforce accommodation requirements are not yet known. **Barkava** The workforce will be accommodated in a local guest house that has been bought by the EPC contractor in the outskirts of the town of Barkava.	A worker accommodation management plan will be implemented to ensure that worker accommodation facilities are safe, secure, kept in good condition and to manage worker-community relationships. All Project workers will be required to sign the Code of Ethics and undertake mandatory induction training on the Code of Ethics, covering gender-based violence and harassment (GBVH). The external community grievance mechanism will be publicised and shared with all students and staff at the college as well as the surrounding community.

	Valmiera The Project workforce will be housed at the Worker Hotel Alejparks in the outskirts of Valmiera. **Zirni** It is likely that the Project workforce will be accommodated within Saldus, but this won't be confirmed until a Contractor is on board.	
Biodiversity	**Dagda** The Project sites and associated facilities are not situated within any protected areas. However, one of the Project sites does sit within the buffer zone of a micro-reserve protected for bird species. The closest protected area is Raznas National Park located 700m from the Project site, which is home to a number of protected bird species. The ecological sensitivity of the site is considered to be moderate. There is a surface water feature and mature trees, and the boundaries include maturer forest blocks. The site is likely to support breeding birds including, potentially raptor species and bat roosting in the surrounding forest blocks. Native reptiles and amphibians may be present and calcareous grassland habitat may be present. **Barkava** The closest protected area to the Project is 'Lielsalas purvs', a protected bog habitat which is home to the Black Grouse, located approximately 0.9km west of the site. However, the protected area is located far enough away so no impacts are anticipated. The biodiversity value of the site is considered to be low. The site occupies arable land and is entirely surrounded by arable land. There is only one mature tree on site and this does not have bat roosting potential. It is assessed that bat surveys will not be needed at the site because of the absence of roosting/commuting and foraging habitat. The bird fauna is likely to be very restricted although the local authority has indicated that there may be breeding corncrake in the	**All Sites** A Biodiversity Management, Mitigation and Compensation Plan will be developed and implemented for each site to reduce risks to ecological receptors. This includes measures such as: ▪ Fencing off storage areas; ▪ Avoid the use as far as possible of chemical herbicides to prevent run-off into nearby water bodies; ▪ Safe storage of materials and/or chemicals; ▪ Covering of trenches and holes or provision of exit and escape routes; ▪ Site clearance (e.g., removal of vegetation, trees and hardstanding /boulders, etc.) should be undertaken in a sensitive manner so as to not kill or injure animals – however at this site the worked area is fallow arable land so receptors are unlikely; ▪ Retention of the mature tree on site; and ▪ During the construction and operational phase, lighting and noise disturbance should be kept to a minimum. Sunly will manage the grassland under the solar panels as a low intensity hay meadow. This type of grassland is likely to develop a more diverse ecological community than is present under the existing arable crop regime. Artificial bat and bird boxes, shallow amphibian scrapes and artificial herptile refugia may be installed on site to boost the availability of niche habitat to these species' groups. **Dagda**

	area. Potential impacts on avifauna are reduced as the transmission lines will be underground up to the existing sub-station in Barkava. **Valmiera** The biodiversity value of the site is considered to be generally low. There is nearby forestry and the Site includes a forest block which has, within it, a protected bog habitat that is losing its ecological value because of tree succession. The Site contains a small copse that hosts a protected but non-native tree and there are low-level stone building ruins. The main contractor has observed wolves on site. **Zirni** The biodiversity of the site is considered to be generally low comprising of fallow fields and minor surface water features. The site is in close proximity to forest some of which is immature but also includes better quality, older boreal forest. Beyond the site boundary is a protected mire but this will not be impacted upon.	Existing surface water features and trees will not be removed and maintained in current condition. **Valmiera** An enhancement scheme will be developed with the landowner to enhance the protected bog on Site, by selective tree felling. This will help restore the habitat to an optimal nature conservation condition.
Landscape and Visual	**Dagda** The sensitivity of the site as a landscape receptor is considered to be low. There are unlikely to be significant visual impacts due to the secluded location of the solar park, away from the nearest settlement of Dagda and surrounded by forest. There are a small number of individual properties located within 200m of the Project sites. **Barkava** The sensitivity of the site as a landscape receptor is considered to be low. There are unlikely to be significant visual impacts due to the secluded location of the solar park, away from the nearest settlement of Barkava. The closest social receptors to the site are two residential properties, located approximately 1.2km west of the site. The Project is not visible from these properties. However, the introduction of the solar park may change the character of the local landscape which is currently dominated by agricultural land. **Valmiera** The sensitivity of the site as a landscape receptor is considered to be low. There are unlikely to be significant visual impacts due	Sunly will engage with the neighbouring landowners to ensure that any concerns, particularly relating to landscape impacts, are considered in the Project design. Sunly will implement and integrate the Project design requirements prescribed by Krāslava, Madona, Saldus and Valmiera Municipalities. Visual screening such as vegetation will be considered to manage impacts on neighbouring residences.

	to the secluded location of the solar park, away from the nearest settlement of Matīši and surrounded by forest. There are a small number of individual properties located within 200m of the Project sites. **Zirni** The sensitivity of the site as a landscape receptor is considered to be low. There are unlikely to be significant visual impacts due to the largely secluded location of the solar park. There are a number of individual properties located within 200m of the Project sites which will be affected by visual impacts.	
Occupational Health and Safety (OHS)	During the construction period, high-risk activities for the construction workers include exposure to electrical hazards and risks of electrocution; working at height; exposure to physical hazards from use of heavy equipment and machinery; trip and fall hazards; exposure to noise and dust; and exposure to hazardous materials. Sosnowsky's hogweed, which is especially hazardous in direct contact with human skin, is prevalent across the Dagda and Barkava Project sites, particularly in neighbouring canals. However, Sunly have already engaged a specialist licensed contractor from Barkava parish to manage the removal of the hogweed from the solar land plots.	Sunly's corporate-level Health and Safety Handbook will be made available to Contractors and will inform a site-specific OHS Plan for the Dagda Project. An OHS plan will be developed and implemented by the Construction Contractor to minimise the risk of accidents and incidents, ensure a safe working environment and promote the health of workers and safe use of equipment. Additionally, an Emergency Preparedness and Response Plan will be developed that considers a variety of emergency situations, including response procedures for workers who come into contact with hogweed, and potential accidents. This will be developed in consultation with relevant parties such as contractors, sub-contractors, local emergency service providers and control authorities.
Labour and Working Conditions	Poor management of contractor and subcontractor workers pose health, safety and security risks to both workers and members of the community.	Sunly has a Code of Conduct in place and will adopt a Human Resources (HR) Policy to govern the behaviour of all employees and contractor personnel at site. The Code of Conduct includes statements on non-discrimination, gender-based violence and harassment, workers organisations, workers' rights, child/forced labour and non-employee workers. The policies will be applicable to contractors and subcontractors and included in their contract for the Project. A separate Worker Grievance Mechanism will also be available for all Project workers to raise any issues or complaints.
Land Acquisition and Resettlement	All of the land for the Project has been acquired. No physical or economic displacement is associated with the Project.	A SEP has been developed for each of the four Project sites which details a programme of immediate consultation and engagement activities, including for landowners affected by the construction of the transmission lines, required to address current stakeholder

	Long-term land lease agreements are already in place with the affected landowners, which were agreed under willing free market voluntary conditions. All of the landowners had the right to refuse, and no compulsory land acquisition powers have been sought or granted in relation to the Project. Sunly has signed easement agreements with all landowners where the underground cable will be installed. The landowners affected by the construction of the cable corridor may experience minor disturbances (noise, traffic, dust etc.) during construction and operation (maintenance).	concerns, as well as regular consultation and disclosure activities throughout the Project life cycle. A Project community grievance mechanism has been developed as part of the SEPs that will be shared with the affected landowners so that they can easily raise any concerns.
Pressure on Social Infrastructure and Services	Given that the Project does not require large quantities of water or additional resources, no extended pressures will be felt on local social infrastructure or services.	No required mitigation measures.
Cultural Heritage	No significant impact to historical or cultural heritage has been identified. No objects important to cultural heritage are in the boundaries of any of the sites or cable corridors. **Dagda** The closest cultural heritage asset to the site is the Lieltirševas medieval cemetery (NKMP no. 1085), which is a protected monument of regional importance, located approximately 1.4 km to the south of the Project site. **Barkava** The closest cultural heritage asset to the site is the Late Iron Age cemetery of Aizkārkles (NKMP no. 1636), located approximately 700m south-east of the Project site. **Valmiera** There are four protected cultural heritage resources located in the village of Matīši approximately 1.6 km to the east of the Project site – the Matīšu Lutheran Church, the church's alter and pulpit, and the Ancient Tombs of Droņu. **Zirni** The Memorial of Oskars Kalpaks, which is a protected monument of national importance, is located approximately 1.4 km to the north of the Project site. The	A Chance Find Procedure will be developed and implemented to prepare for any chance findings and ensure that no cultural heritage sites or assets are affected.

	memorial is surrounded by a 500 m protection zone.	
Supply Chain	There are potential risks that the Project solar panel suppliers use child/forced labour. However, Sunly has a Supply Chain Management Statement which commits to the implementation of a Supply Chain Management System to identify, manage and remediate supply chain risks associated with forced labour, as well as any other significant environmental and human rights risks and impacts Sunly also has a Supplier Code of Conduct to ensure that suppliers operate in accordance with internationally recognised minimum standards on human rights, labour and the environment.	Sunly is developing its Supply Chain Management System, as described within its Supply Chain Statement, to mitigate risks of child/forced labour in the supply chain.

Environmental and social monitoring will be implemented both during construction and operation of the Project. Sunly will require its construction contractors to monitor relevant environmental issues of their operation (e.g., implementation of suggested mitigation measures required to mitigate dust emission, control noise levels, prevention of spills and leakages, proper traffic management etc.). Sunly's Health, Safety, Environment and Quality (HSEQ) Lead and Project Manager will monitor and report on contractor's environmental, health and safety and social performance.

12 COMMUNICATION

12.1 Stakeholder Engagement Plan

Four Stakeholder Engagement Plans (SEP) have been prepared for each of the Project sites drawing on Sunly's Stakeholder Engagement Framework. The SEPs identify relevant stakeholders, their potential interests in the Project, and the avenues and approaches for engaging them throughout the Project lifecycle. The SEPs identify and categorise both primary and secondary stakeholders:

- **Primary stakeholders** – the individuals and groups who are affected directly by the Project or have significant influence; and
- **Secondary stakeholders** – those parties which have influence on, but are not necessarily directly impacted by, the Project.

The SEPs describe methods and timeframes to inform and engage stakeholders in an inclusive and timely manner about Project activities, including any potential impacts. They consider potential vulnerable and harder to reach groups and appropriate considerations to ensure that engagement approaches are accessible and inclusive.

The SEPs are live documents, and as further stakeholders are identified or Project activities anticipated, they will be updated accordingly.

12.2 Grievance Mechanism

The SEPs include a description of a grievance mechanism that will be implemented to ensure that stakeholders and communities can easily (and anonymously if preferred) submit grievances via a range of different methods, and that these will be addressed in an appropriate and timely manner.

Special care will be focused on the training of the designated staff involved in the management of the grievance mechanism. A separate internal worker grievance mechanism is to be available for all Project workers, including those engaged by contractors and subcontractors.

The grievance mechanism allows for the submission of anonymous and sensitive (such as those related to gender-based violence and harassment) complaints. Any complaints, comments or concerns can be brought to the attention of the company verbally (phone or in-person), or in writing (by post or e-mail), or by filling in a grievance form. Grievances forms and boxes for submission will be located at the Project site and appropriate and accessible locations within the community.

All grievances will be categorised and recorded in a confidential grievance Log. Each grievance will be recorded in the register with the following information:

- Description of grievance;
- Date of receipt / acknowledgement returned to the complainant;
- Description of actions taken (investigation, corrective measures); and
- Date of resolution and closure / provision of feedback to the complainant.

Receipt of grievances will be acknowledged within five working days from their submission and responses will be provided no later than within 30 working days. At all times, complainants are also able to seek legal remedies in accordance with local laws and regulations.

13 CONTACT INFORMATION

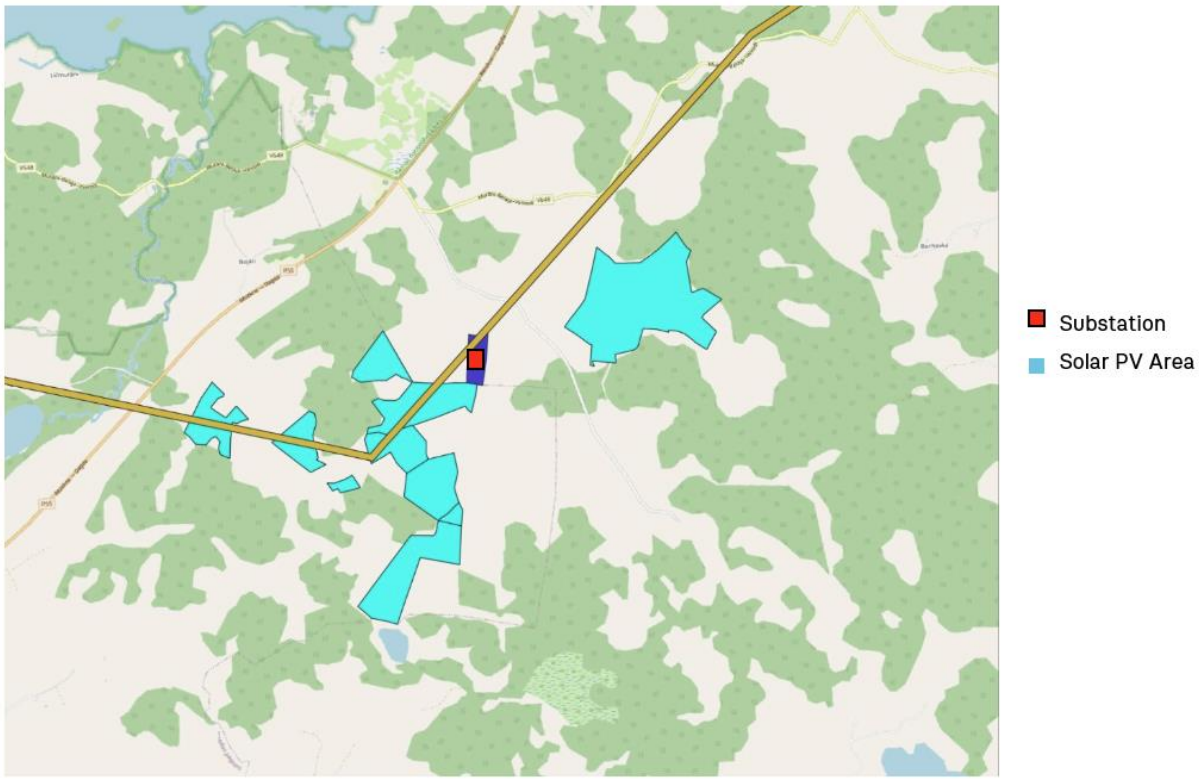
Contact information for general enquires and grievances are as follows:

Sunly Communications Manager	
Name:	Gita Sauka
Address:	Biroju iela 10, Lidosta "Riga", Mārupes pag., Mārupes nov., LV-1053
Phone:	+ 371 28326828
Email:	Gita.sauka@sunly.lv
Sunly Website:	https://sunly.ee/lv
Whistleblowing Line:	https://sunlyalsevacomplaints.integrityline.com/
Dagda Webpage:	https://vejaparksdagda.lv/
Barkava Webpage:	https://barkavasenergijasparks.lv/

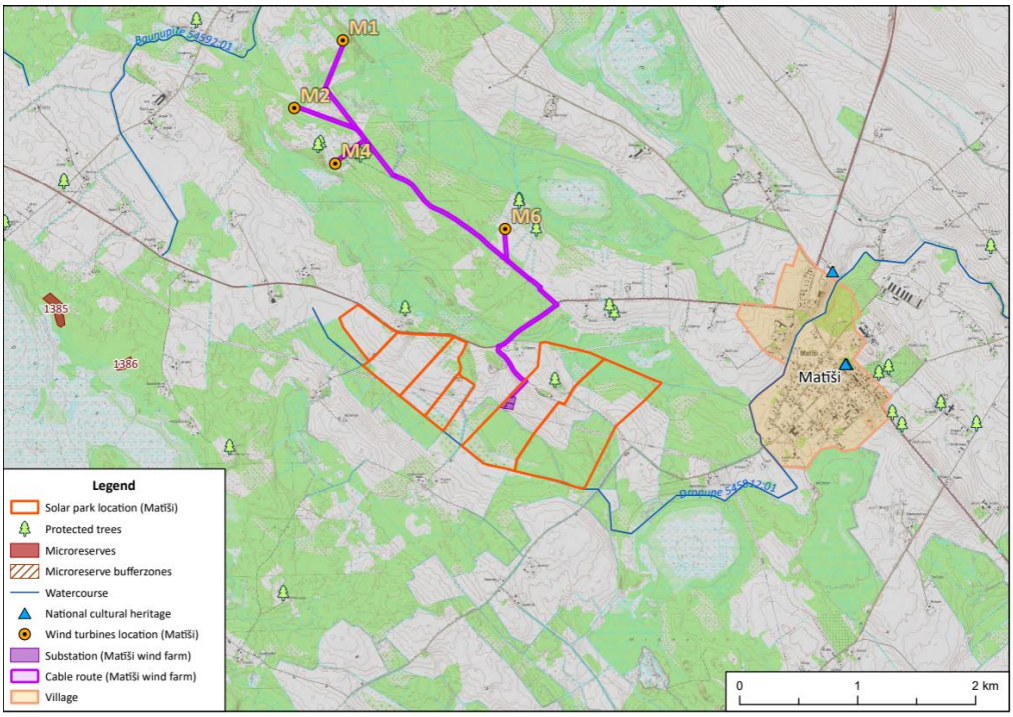
Sunly Communications Manager	
Valmiera Webpage:	https://vejaparksmatisi.lv
Zirni Webpage:	https://vejaparkskurzeme.lv/

APPENDIX

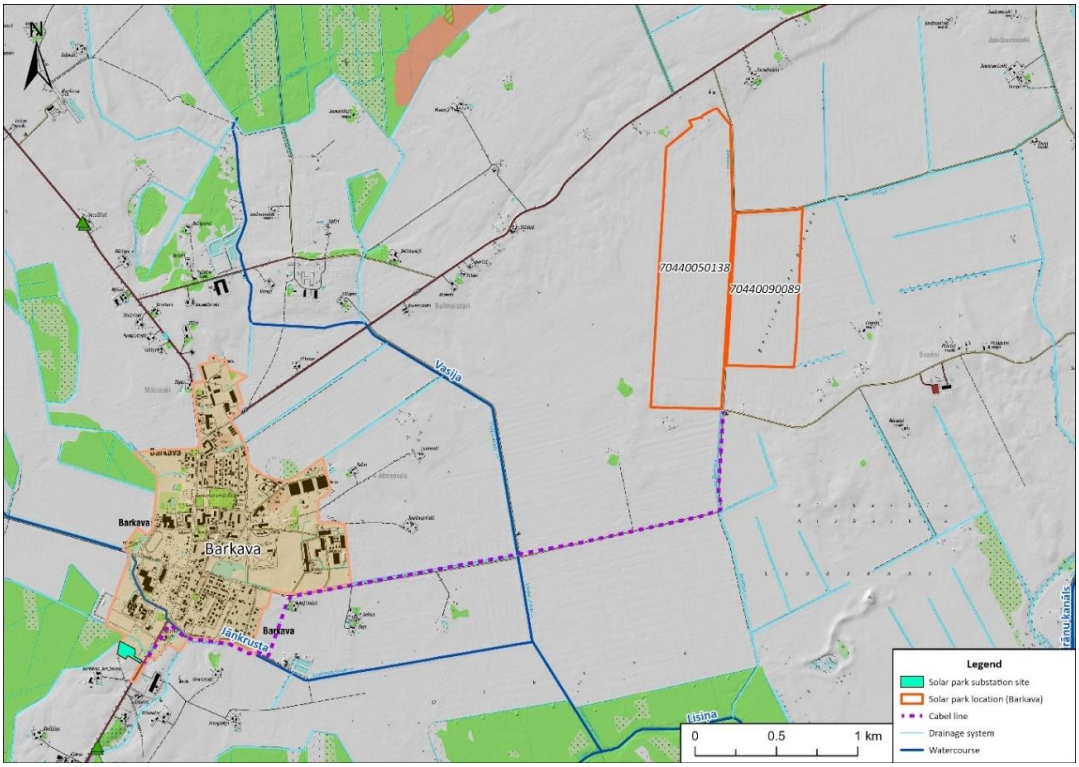
Dagda Project Site and Components



Valmiera Project Site and Components



Barkava Project Site and Components



Zirni Project Site and Components