



Bakhvi HPP

CAUCASUS CLEAN ENERGY HOLDING (CCEH) HYDRO VI LLC COMPLIANCE POLICY

This Compliance Policy is Approved by the Company Director: Giorgi Abramishvili



Contents

Introduction 2

Purpose 2

Compliance Objectives 2

Whistleblowing & Breaches 3

Information Security and Privacy 3

Cybersecurity Measures 4

Privacy Systems and Procedures 5

Customer Privacy and External Stakeholder Information 5

Third-Party Engagement and Data Protection 5

Training and Awareness 6

Compliance Policy Annual Revision Process 6

CCEH HYDRO VI LLC COMPLIANCE POLICY

Introduction

CCEH Hydro VI LLC (the “Company”) is a company developing the Bakhvi 1 hydro power plant in Guria, region of Georgia. Bakhvi 1 HPP involves the construction and operation of a 10.9 MW run-of-the river hydroelectric power plant on the Bakhvistskali River, located within the Ozurgeti Municipality. Investors of the company include Caucasus Clean Energy Holding (CCEH), Austrian Investment Fund ILAG, and other field-specific investors from Austria and Georgia. CCEH’s investors comprise well-known financial institutions from America and European countries (including European Investment Bank [EIB], Dutch Development Bank [FMO], Austrian Development Bank [OeEB], etc.). ILAG holds diverse business interests across several Western countries.

Bakhvi 1 HPP is under construction on a section of the Bakhvistskali River spanning elevations between 1,735 meters and 1,383 meters above sea level. The headworks will be situated approximately 250 meters downstream from the confluence of the Bakhvistskali and Baisura Rivers. The flood intake structure will be located at an elevation of 1,731.70 meters, and the HPP building will be positioned at an elevation of 1,383.0 meters.

Bakhvi 1 HPP consists of a headworks structure, a pressure pipeline system, and an above-ground power plant building that will house the necessary mechanical and electrical equipment for electricity generation. The installed capacity of the power plant is 10.9 MW, with a design flow rate of 4.0 m³/s.

CCEH Hydro VI LLC conducts its operations in compliance with the environmental and social management standards set by international financial institutions, including the IFC and EIB.

Purpose

CCEH Hydro VI LLC is committed to conducting its operations in full compliance with applicable Georgian and good international practices. This Compliance Policy establishes the foundational principles and mechanisms to ensure ethical conduct, promote transparency, and mitigate compliance risks across all company operations. It is intended for all employees, contractors, and third-party affiliates of CCEH Hydro VI LLC.

Although CCEH Hydro VI LLC’s Code of Conduct addresses topics such as whistleblowing, anti-corruption, and data protection, this dedicated Compliance Policy provides greater clarity and structure for effective implementation and continuous improvement.

Compliance Objectives

The Compliance Policy of CCEH Hydro VI LLC aims to establish a foundation for ethical, lawful, and transparent conduct across all levels of the organization. It is designed to:

1. Foster a culture of ethics and integrity, where responsible decision-making and professional conduct are embedded in daily operations.
2. Ensure compliance with Georgian and international laws, including sectoral standards and voluntary ESG frameworks.
3. Establish clear and secure internal reporting channels, empowering employees and stakeholders to raise concerns without fear of retaliation.
4. Safeguard sensitive data and ensure privacy and cybersecurity in line with Georgian law and international best practices.
5. Promote transparency, prevent corruption, and uphold integrity through strong internal controls, continuous monitoring, and targeted training.
6. Strengthen stakeholder trust by ensuring all activities reflect CCEH Hydro VI LLC’s values, responsibilities, and commitment to ethical governance.



Whistleblowing & Breaches

CCEH Hydro VI LLC is committed to fostering a culture of openness, accountability, and integrity. Employees, contractors, and stakeholders are encouraged to report any suspected misconduct, unethical behavior, or legal violations in a safe and supportive environment.

In line with Georgian labor and anti-corruption legislation and in areas where national law lacks detailed provisions, CCEH Hydro VI LLC applies relevant international good practices to ensure effective whistleblower protection measures integrated into the other channels of communication, managed by the company such being a grievance mechanism.

Internal Reporting Channels

CCEH Hydro VI LLC offers multiple secure and accessible channels for raising concerns:

1. Director or Direct supervisor
2. ESG Manager
3. Anonymous grievance box located at the residential camp
4. Email or telephone communication with designated compliance personnel
5. Online anonymous submission tool available via the company's website

Whistleblower Protections

CCEH Hydro VI LLC guarantees confidentiality and enforces a strict zero-tolerance policy for retaliation. Individuals who report concerns in good faith, including whistleblowers and witnesses are fully protected. Any retaliatory actions will be treated as serious violations of company policy and may result in disciplinary measures, including termination.

Confidentiality is maintained throughout the reporting and investigation process. The identity of whistleblowers will not be disclosed without their informed consent, unless legally required. CCEH Hydro VI LLC promotes a respectful and supportive reporting environment where all stakeholders are encouraged to speak up without fear. However, deliberate misuse of reporting channels, including false or malicious reports, will lead to disciplinary action in line with the Company's Code of Conduct and HR Policy.

Investigation and Follow-Up

All complaints are investigated promptly and impartially by the Director, ESG Manager or designated personnel. Cases with material implications are escalated to the Board of Directors. Based on investigation findings, appropriate corrective and preventive actions are implemented. Summary data on breaches and response measures are included in the Company's annual ESG disclosures.

Tools and Resources

CCEH Hydro VI LLC provides comprehensive training on whistleblower rights, internal channels, and reporting procedures during onboarding, with annual refreshments for all staff. A secure digital reporting platform is available on the company website to enable anonymous disclosures. Periodic awareness campaigns are conducted to reinforce the availability of protection mechanisms and encourage responsible reporting.

Information Security and Privacy

CCEH Hydro VI LLC is committed to protecting personal and sensitive data in line with the Law of Georgia on Personal Data Protection and relevant international standards. As a hydropower plant operator, the Company recognizes the importance of responsible data handling in maintaining stakeholder trust and regulatory compliance.

CCEH Hydro VI LLC takes reasonable measures to ensure that personal data is processed lawfully, fairly, and only for legitimate business, operational, or legal purposes. Individuals are provided with clear information about their data and their rights, and CCEH Hydro VI LLC responds to such inquiries without undue delay.

Data Subject Rights

In accordance with Georgian law, individuals have right to request following information:

1. Access to their personal data;
2. Clarification about the legal basis for processing their personal data;
3. Information on how their personal data was collected and with whom it has been shared;



4. Correction, updating, blocking, or deletion of data that is inaccurate or processed unlawfully;

Individuals can request a copy of their personal data processed by the company, as stipulated by the Law of Georgia on Personal Data Protection.

Under Georgian law on Personal Data Protection, organizations may be required to retain certain personal data for specific periods, even if an individual requests its deletion. This obligation ensures compliance with legal requirements, such as those related to taxation, anti-money laundering, or sector-specific regulations.

Types of Data Processed

CCEH Hydro VI LLC collects and processes personal data in the following categories:

Category	Examples
Contact Data	Name, residential address, phone number, email
Financial Data	Bank account details, transaction data
Contractual Data	Service history and contracts with CCEH Hydro VI LLC
Behavioral Data	Analyzing operator interactions with monitoring systems to examine how they use different devices, tracking usage trends, and identifying the most frequently accessed data points in order to understand their behavioral patterns
Technical Data	Device/browser information, login records
Communicative Data	Emails, calls, written correspondence
Documentary Data	Identity documents (e.g., passport, ID card)
Special Category Data	Medical or other sensitive data, processed only with written consent or legal basis

Individuals providing third-party data (e.g., family members or employees) confirm that they are authorized to do so and accept responsibility for its provision.

Video Surveillance

CCEH Hydro VI LLC conducts video monitoring at selected facilities for safety, operational, and compliance purposes. Clear signage is displayed in all monitored areas. Surveillance practices are proportionate and aligned with applicable data protection laws.

Data Storage and Retention

All personal data is stored securely and retained only for as long as necessary to fulfill its processing purpose or to meet legal or regulatory obligations. CCEH Hydro VI LLC follows defined internal policies to manage retention and deletion:

1. Data is retained only for the required duration based on purpose and legal basis.
2. Access is limited to authorized personnel according to role-based permissions.
3. Retention periods follow Georgian legislation and are supplemented by internal governance standards.
4. Once no longer needed, data is securely deleted, anonymized, or archived unless further retention is legally justified.

Cybersecurity Measures

CCEH Hydro VI LLC maintains a cybersecurity program aimed at preventing unauthorized access, loss, or misuse of personal and operational data. The program is implemented in coordination with a trusted third-party IT provider and includes the following safeguards:

1. Regular use and updating of antivirus and anti-malware software;
2. Enforcement of strong, unique passwords and multi-factor authentication (MFA);
3. Data backups with secure cloud storage;
4. Controlled access system, with unique employee credentials;
5. Workstation security policies, including password enforcement and automatic screen locking;
6. Confidentiality protocols such as clean desk practices and secure communication channels;
7. Periodic reviews of security measures by the IT provider to ensure effectiveness and address evolving risks.



Privacy Systems and Procedures

CCEH Hydro VI LLC maintains a structured and proactive approach to privacy protection, in line with the Law of Georgia on Personal Data Protection and guided by international standards, including the EU General Data Protection Regulation (GDPR), IFC Performance Standard 1 on Assessment and Management of Environmental and Social Risks and Impacts. The Company ensures that all personal data is collected, used, stored, and disposed of under clear protocols that protect individual rights and maintain confidentiality across all operations.

Privacy safeguards are integrated into CCEH Hydro VI LLC's day-to-day operations through the following measures:

1. **Data Minimization** – The Company collects and retains only the personal data that is strictly necessary for legal, operational, or compliance-related purposes;
2. **Role-Based Access Controls** – Access to personal and sensitive data is limited to authorized personnel whose roles specifically require such access;
3. **Consent and Legal Justification** – When processing sensitive or special category data, CCEH Hydro VI LLC obtains the individual's informed consent or ensures that a clear legal basis is documented in accordance with applicable legislation;
4. **Data Breach Response Protocols** – In the event of a personal data breach, CCEH Hydro VI LLC follows an internal escalation and notification procedure, including timely communication with relevant supervisory authorities if required;
5. **Auditability and Accountability** – All personal data processing activities are documented in a manner that supports transparency, traceability, and continuous oversight.

These safeguards are overseen by the Director of CCEH Hydro VI LLC, who holds overall responsibility for ensuring that personal data is processed lawfully, securely, and in accordance with applicable standards. All privacy measures are subject to periodic review to maintain compliance with legal requirements and support effective operational risk management.

Customer Privacy and External Stakeholder Information

While CCEH Hydro VI LLC does not engage in large-scale consumer data processing, the Company occasionally collects and processes limited personal or organizational information from clients who purchase generated electricity, business partners, and all stakeholders particularly through contractual arrangements, electronic correspondence, website contact forms, and grievance mechanisms. To ensure this information is handled responsibly, CCEH Hydro VI LLC commits to:

1. Collecting only the data necessary for communication, regulatory compliance, or contractual execution;
2. Applying the same safeguards used for internal data handling including confidentiality protections, limited access, and secure storage protocols;
3. Avoiding the sharing of client or stakeholder data with third parties unless a clear legal or contractual basis exists;
4. Providing data subjects, including clients, the right to inquire about, update, or request deletion of their personal information in accordance with the Law of Georgia on Personal Data Protection.

All customer and stakeholder data is processed in a manner that upholds trust, transparency, and full legal compliance, supporting long-term business relationships and responsible HPP operations.

Third-Party Engagement and Data Protection

CCEH Hydro VI LLC occasionally collaborates with external parties such as technical consultants, audit professionals, or service providers who may, as part of their assignments, access limited information related to the Company's operations. While CCEH Hydro VI LLC does not engage private security providers and relies on Georgia's public emergency service (112) for security incidents, Company facilities are equipped with internal CCTV systems. These systems are managed in accordance with the Law of Georgia on Personal Data Protection and are used exclusively for safety, operational continuity, and legal compliance purposes.

In all engagements where external parties may access confidential or sensitive data, CCEH Hydro VI LLC incorporates privacy protection requirements into the service agreement. These agreements, including what



may be referred to as Master Service Agreements (MSAs), are used to formalize collaboration with consultants, technical experts, or other partners who support the Company's work on a task-specific or ongoing basis. To ensure responsible handling of data in such arrangements, CCEH Hydro VI LLC applies the following principles:

1. All Company-related information must be treated as confidential and shared only with individuals directly involved in service delivery;
2. Data shared during the collaboration must be handled securely, whether it involves documents, correspondence, or systems access;
3. Any incident involving unauthorized access, data loss, or misuse must be reported to CCEH Hydro VI LLC without delay;
4. Upon request, service providers may be asked to confirm that they have internal safeguards in place that align with the Company's expectations for data protection.

These practices help ensure that privacy, trust, and compliance are upheld in all third-party relationships that support CCEH Hydro VI LLC's operational and sustainability goals.

Training and Awareness

CCEH Hydro VI LLC promotes a strong compliance culture through mandatory annual training on key topics, including whistleblowing, anti-corruption, and data protection. All employees, including new hires and contractors, are required to complete these modules, with refresher sessions held after policy updates or relevant legal changes.

Training is delivered through internal seminars and discussions. Participant feedback is actively used to improve content and ensure continued relevance. The ESG Manager is responsible for ensuring that training is implemented effectively and integrated into broader compliance and risk management efforts, while the Director of CCEH Hydro VI LLC shall support the allocation of the necessary budget and resources where required.

Compliance Policy Annual Revision Process

Aligned with internationally recognized ESG practices and standards, our Company undertakes a comprehensive review of this Compliance Policy at the end of each year. This systematic review, led by the Company ESG Manager, ensures that our disclosures accurately reflect current assessments, performance metrics, and operational practices. If any modifications are made during the revision process, the updated documentation is subjected to a thorough approval procedure. Initially, the proposed changes are carefully reviewed and endorsed by the Company Director. Following this, the revised document is shared with the Caucasus Clean Energy Holding ESG and Sustainability Lead for final validation, ensuring that each modification adheres to our commitment to quality, transparency, and regulatory compliance. The Supervisory Board members are informed regarding changes, reinforcing our commitment to maintaining high international ESG standards.

The updated version is uploaded onto the company's webpage, while the previous version remains accessible on the website in the archive folder.