



Bakhvi 1 HPP

**Stakeholder Engagement Plan
(Construction Phase)**

Prepared by:

CAUCASUS CLEAN ENERGY (CCEH) HYDRO VI LLC

2025

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DEFINITIONS OF THE TERMS

Definitions	Description
Company	CCEH HYDRO VI LLC
Holding	Caucasus Clean Energy Holding
Gamgebeli / Trustee	Head of the village/Mayor representative
Record	Document providing evidence of activities performed
Site	Operating base for performing the work
Stakeholder	Person or group, in or out of the workplace, concerned with or affected by the HS and ES performance of an organization
Third Party	Person associated with the work, but not a member of our work force

ABBREVIATIONS DESCRIPTION

CLO	Community Liaison officer
HPP	Hydro Power Plant
E&S	Environment and Social
ESG	Environmental, Social and Governance
H&S	Health and Safety
NGO's	Non-Governmental Organization's
NCR	Non-Conformity report
SEP	Stakeholder Engagement Plan

1. INTRODUCTION

CCEH Hydro VI LLC (the “Company”) is a company developing the Bakhvi 1 hydro power plant HPP in Guria, region of Georgia. The 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 is situated approximately 250 meters downstream from the confluence of the Bakhvistskali and Baisura Rivers. The flood intake structure is 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.

The present document is the Stakeholder Engagement Plan (SEP) prepared by the Owner of the plant. Its implementation is the duty of the Company person responsible for ESG management.

2. OBJECTIVE

The objective of the SEP is to ensure that relevant information is disclosed to all stakeholders interested in the Hydro Power Plant. The SEP also includes a grievance mechanism aiming to offer an amicable resolution mechanism to issues faced by stakeholders in relation with the HPP.

3. ROLES AND RESPONSIBILITIES

Roles and responsibilities for the implementation of this SEP are the following ones:

The Holding ESG and Sustainability Lead remains responsible for overseeing SEP development and implementation. The Company ESG Manager coordinates all stakeholder engagement activities. To strengthen accountability:

- KPIs such as grievance resolution rate (% resolved within 30 days), stakeholder satisfaction scores, and meeting attendance rates will be tracked monthly.
- The existing grievance flow and complaint forms included in the annexes will support monitoring of responsibilities and timelines.
- ESG performance will be reviewed quarterly, and outcomes recorded in meeting notes using Form 1.
- The Company Community Liaison Officer (CLO), as a frontliner of the stakeholder engagement process alongside the ESG Officer, is responsible for preparing proposed updates and amendments to the SEP based on monitoring results, stakeholder input, and field observations. These proposals will be submitted to the Company ESG Manager, who will review and communicate the validated revisions to the Holding ESG and Sustainability Lead for final approval and implementation.

4. COMPLIANCE FRAMEWORK

4.1 Legal Requirements of Georgia

The Constitution of Georgia (1995) guarantees public access to information and the right of individuals to obtain full, unbiased and timely information about their working and living environment. In the context of the Power Plant, the Georgian legislation presently rules only the stakeholder engagement activities related to the environmental permitting process: as of 2018, there are no legal requirements applicable to the construction or operation phase.

With the progressive integration of the EU legislation into the Georgian legislation, the Power Plant is likely to see new stakeholders with whom it will have to engage, such as the basin agencies. The SEP will for that reason be updated on an annual basis.

4.2 International Financing Institutions Requirements

The HPP is subject to IFC Performance Standards and to EIB Environmental and Social Standards.

These standards can be summarised as follows:

Stakeholder consultation as an ongoing process continuing throughout the life of the Hydro Power Plant
Stakeholder engagement involves:

- (i) stakeholder identification
- (ii) proactive stakeholder engagement
- (iii) availability of a grievance mechanism openness to all stakeholders
- (iv) regular monitoring

4.3 Commitment to the United Nations Sustainable Development Goals (SDGs)

CCEH Hydro VI LLC is committed to advancing the United Nations Sustainable Development Goals (SDGs) through our operations, strategic initiatives, and stakeholder engagements. We aim to foster sustainable development while generating long-term value for society, particularly in the local communities where we operate.

While we acknowledge the importance of all 17 SDGs, we focus our efforts on managing and driving impact in the following key areas:

- SDG 1: No Poverty – Implementing programs that alleviate poverty in the local communities we engage with
- SDG 4: Quality Education – Enhancing access to inclusive and equitable education opportunities, especially for underserved populations
- SDG 5: Gender Equality – Promoting gender equity within our operations, partnerships, and local communities.
- SDG 7: Affordable and Clean Energy – Advancing renewable energy adoption and improving energy efficiency to benefit both local and global stakeholders
- SDG 8: Decent Work and Economic Growth – Driving inclusive and sustainable economic growth while creating quality employment opportunities within local communities
- SDG 9: Industry, Innovation, and Infrastructure – Supporting innovation and the development of resilient infrastructure that benefits local regions
- SDG 10: Reduced Inequalities – Advocating for social inclusion and reducing inequalities across our operations and within local communities

- SDG 14: Life Below Water – Promoting the sustainable use and conservation of marine ecosystems, particularly in regions reliant on aquatic resources
- SDG 15: Life on Land – Protecting biodiversity and supporting sustainable land management in areas directly impacted by our activities
- SDG 17: Partnerships for the Goals – Building collaborative partnerships with governments, organizations, and local stakeholders to drive collective impact

By integrating these goals into our business strategies, CCEH Hydro VI LLC reinforces its commitment to sustainable development, focusing on delivering measurable benefits to the local communities we serve while aligning with international sustainability frameworks.

5. STAKEHOLDERS

5.1 Categories of stakeholders

The HPP stakeholders include all people who have a direct or indirect interest in relation with the HPP:

Local stakeholders:

- Residents
- Local business holders

Parties affected by the Hydro Power Plant:

- Neighbouring communities
- Landowners
- Land or natural resources users (pastureland, forest)
- Ecosystem services users

River and water users:

- Fishermen
- River water consumers (irrigation, cattle)
- River related tourism activities (restaurant, guest houses, hotels)
- Recreational use (swimming, bathing)

Government and local authorities:

- Municipality representatives
- Central Governmental authorities (and their regional branches) involved in authorizations, permits, and inspections: Ministry in charge of Environment, Energy, Regional Development and Infrastructure
- Technical services: GSE, Energo-Pro
- Police
- Civil security, first aid and medical services

Civil society organizations:

- Local civil society organizations
- National civil society organizations involved in the HPP area
- NGOs both local and national
- Academia and scientific society

Media:

- Journalists
- Newspapers
- Radio
- TV channels
- Online informational portals

Employment:

Personnel hired by the Hydro Power Plant
Job seekers

Third-parties:

HPPs located downstream of the HPP

5.2 Vulnerable stakeholders

The SEP identifies vulnerable groups as those who, due to individual or structural circumstances, may be disproportionately impacted by the HPP or face difficulties asserting their rights. These include pensioners, elderly people, multi-children families, single-parent families (including women-headed households), families living below the poverty line, people with disabilities, internally displaced persons, individuals with limited access to information, and those affected by public health emergencies.

To enhance engagement with these groups:

- The Company will conduct door-to-door outreach and provide targeted assistance, particularly for persons with disabilities or mobility constraints.
- Information will be communicated through accessible formats, including visual, audio, and simplified materials.
- Meetings will be scheduled to accommodate different household needs, and gender-responsive engagement will be promoted, including women-only focus groups where appropriate.
- The vulnerable persons identification survey and the stakeholder matrix will be regularly updated and used to guide tailored engagement actions and monitor inclusion outcomes.

6. STAKEHOLDER ENGAGEMENT ACTIONS

6.1 Preparatory activities

These activities are to be initiated at the start of the construction phase and maintained throughout the duration of the HPP

Activity	Means	Key messages	Targeted stakeholders
Webpage development and launching	Stakeholder engagement through the web	<ul style="list-style-type: none"> - Brief HPP description - ESG impacts management - Public documentation - Grievance mechanism - HPP ESG Manager identification, address, and contact 	<ul style="list-style-type: none"> - All stakeholders
Brochure and monthly newsletter Development	Stakeholder information and engagement through brochure and newsletter	<ul style="list-style-type: none"> - HPP description - Company introduction - E&S impact and mitigation measures 	<ul style="list-style-type: none"> - Local stakeholders – communities, mayor and council, local NGOs and media
Set-up a stakeholder register	Internal register	<ul style="list-style-type: none"> - Record of all stakeholder engagement activities and enquiries - Keep a minute (see Form 1 at the end of the SEP) of specific meetings 	<ul style="list-style-type: none"> - All stakeholders
Identification of vulnerable persons	Internal document	<ul style="list-style-type: none"> - List of households / individuals eligible as vulnerable in the Hydro Power Plant area of influence, and specific stakeholder engagement measures required 	<ul style="list-style-type: none"> - Vulnerable stakeholders

7. SPECIFIC ENGAGEMENT ACTIVITIES

Activity	Means	Key messages	Targeted stakeholders
Identification of vulnerable persons	Specific survey to create a list of vulnerable stakeholders in the HPP area of influence	<ul style="list-style-type: none"> - Vulnerable stakeholders will receive the attention and assistance they need regarding the HPP equally to other stakeholders - Design specific engagement measures to outreach vulnerable stakeholders - Grievance mechanism - Social projects 	<ul style="list-style-type: none"> - Women-headed households - Elder-headed households \geq 60/65 years - IDPs / Refugees / Eco migrants - Households with members with disabilities - Economically vulnerable (leaving below the poverty) - People exposed to pandemic events
Stakeholder Outreach	Brochure, Press Releases, HPP / Company Video, 3D visualisation of the HPP	<ul style="list-style-type: none"> - Having meaningful engagement of stakeholders - Sharing updates about ongoing E&S surveys 	- all stakeholders
Community development program (Social Program)	Meeting with the communities and municipal authorities	<ul style="list-style-type: none"> - Based on received requests and the previously studied local socio-economic needs, the Social Program is under implementation - Focus on regular updates and monitoring of the Social Program throughout the construction phase 	- Local communities
NGO and Civil society	HPP web page Other Digital Materials Meetings	<ul style="list-style-type: none"> - Hydro power Plant presentation - E&S standard - Grievance mechanism 	Interested NGO and Civil society organizations
Media	HPP web page Other Digital Materials Meetings	<ul style="list-style-type: none"> - Hydro Power Plant presentation - E&S standard - Grievance mechanism - Press release upon request 	Interested Media

8. GRIEVANCE MECHANISM

The implementation of the HPP may potentially lead to disagreements or disputes. To ensure timely and effective resolution, the HPP has established a permanent and transparent mechanism for receiving and addressing stakeholders' grievances and concerns. This mechanism is open to all stakeholders, including local communities and workers.

Grievances related to HPP activities can be submitted to the HPP ESG Manager, or Community Liaison Officer (CLO) verbally, in writing, via email, or telephone. Anonymous submissions are accepted; however, for a formal response, contact details must be provided. Upon receipt, the ESG Manager will issue a written acknowledgment within 10 days and respond with a resolution proposal within 30 days. If a grievance is not resolved to the satisfaction of the complainant after two responses, the matter will be escalated to the Holding ESG and Sustainability Lead. If the complainant remains unsatisfied, they will be informed of their right to seek resolution through judicial means.

CLO shall support local residents in submitting grievances, especially those who prefer to raise concerns informally or anonymously. These focal points will document and forward feedback to the ESG Manager for centralized tracking.

All received concerns, requests, and grievances will be qualified accordingly. Community requests and grievances will be entered into the Grievance, Protest, Request Log and handled in accordance with the Grievance Management Plan. The data will be used to analyze trends, identify recurring concerns, and guide HPP adjustments. The HPP requires its contractors to record any inquiries or complaints received and promptly transfer them to the HPP team.

Regular reviews of the grievance mechanism's effectiveness will be conducted as part of the SEP's monitoring and evaluation process.

9. STAKEHOLDER ENGAGEMENT REGISTER

Successful stakeholder engagement depends on continuous effort, performance monitoring, analysis and adapting to changed circumstances and stakeholder information needs. A systematic record of all stakeholder inquiries, questions and grievances will be kept.

10. MONITORING

10.1 Regular monitoring

The implementation of the Stakeholder Engagement Plan (SEP) will be subject to continuous monitoring to ensure its effectiveness, adaptability, and alignment with stakeholder needs. In addition to the baseline indicators outlined in this plan, the following enhancements have been integrated to improve performance tracking and responsiveness:

- Expand quantitative indicators to include metrics on stakeholder satisfaction, participation rates, timeliness of responses, and gender-disaggregated data.
- Use complementary qualitative tools such as focus group discussions, Door-to-Door interviews, informal community feedback sessions, and exit surveys to assess the quality of engagement.
- Analyze trends and insights captured through the monthly newsletters, which summarize key HPP related updates, stakeholder inquiries, and ongoing social projects.
- Incorporate lessons learned from grievances and community requests into regular SEP updates. Sources will include the Grievance Log, Community Request Log, and Meeting Notes to identify recurring concerns and gaps.
- Conduct a formal review of SEP implementation annually

The HPP will apply the following monthly indicators to track stakeholder engagement performance and improve SEP implementation:

#	indicator	Gender desegregated data	
		yes	No
1	formal meetings held	X	
2	number of queries received	X	
3	number of queries closed	X	
4	average time to answer queries		X
5	% of queries answered within 10 days	X	
6	% of queries elevated as grievances:	X	
7	number of court cases: launched closed	X	
8	Number of visitors to the camp (when established) and topics of inquiries	X	
9	Number of grievances remaining unresolved	X	
10	Number of publications /broadcasts on the HPP implementation process in local, regional, and national media	N/A	N/A

10.2 Gender balance

The Company ESG Manager/ESG Officer will monitor the participation of women across the stakeholder engagement events organized by the Hydro Power Plant. If a systematic imbalance is observed in general or for some specific types of events, the Company ESG manager will take measures to rebalance the engagement with men and women, taking into the consideration local context related sensitivities.

11. REVISION

The Stakeholder Engagement Plan (SEP) shall be formally reviewed on an annual basis by the end of January. Any necessary revisions will be proposed and implemented by the personnel responsible for ESG management of the Hydro Power Plant, based on monitoring results, stakeholder feedback, and HPP developments.

Annex 1: Stakeholder Engagement Plan Implementation

**Bakhvi 1 HPP
Stakeholder Engagement Plan implementation**

FORM 1: MEETING NOTES

Date: _____ Place: _____

Written by: _____

Participants (Name, First name, position): Total number : _____ M : _____ F :

-

-

If available, appendix the whole list of participants.

Objective of the meeting and agenda:

-

-

Topics discussed:

-

-

Points raised by the HPP:

-

-

Points raised by other stakeholders:

-

-

Decisions made and follow-up actions:

-

-

Actions to be undertaken by the HPP as a result of the meeting:

-

-

Bakhvi 1 HPP
Stakeholder Engagement Plan implementation

FORM 2: GRIEVANCE FORM

<p>Bakhvi 1 HPP HPP Complaint Form</p> <p>ჰიდროელექტროსადგური ბაზვი 1-ის საჩივრის ფორმა</p>			
<p>PART A: COMPLAINANT DETAILS / ნაწილი ა: ინფორმაცია მომჩივნის შესახებ</p>			
<p>Complaint Ref Number / საჩივრის ნომერი -----</p>			
<p>Date Received / მიღების თარიღი</p>		<p>Method of Complaint/ საჩივრის შემოტანის მეთოდი</p>	
<p>Location / ქალაქი</p>		<p>Verbal/ზეპირი <input type="checkbox"/> Written/წერილობით <input type="checkbox"/></p>	
<p>District / უბანი</p>		<p>Other (indicate)/სხვა (მიუთითეთ):</p>	
<p>Complainant Name / მომჩივნის სახელი</p>		<p>Original (White copy) - for official use Pink copy - to Applicant</p>	
<p>ID Number/ პირადი ნომერი</p>		<p>Yellow copy - Returned to Applicant upon decision ორიგინალი (თეთრი კოპია) – ოფიციალური გამოყენებისთვის ვარდისფერი კოპია – რჩება მომჩივანს ყვითელი კოპია – უბრუნდება მომჩივანს გადაწყვეტილებასთან ერთად</p>	
<p>Complainant Address / განმცხადებლის მისამართი</p>			
<p>Complainant Telephone განმცხადებლის ტელეფონი</p>			
<p>Cadastral Land Parcel No / მიწის ნაკვეთის საკადასტრო №</p>			
<p>Filled By (name, last name)/ შეივსო(სახელი, გვარი):</p>			
<p>Complaint Category: საჩივრის კატეგორია:</p>			

Access/მისასვლელის დაზიანება ან შეზღუდვა Damage/საკუთრების დაზიანება Traffic Accident /საგზაო შემთხვევა Livelihood /საარსებო შემოსავალზე ზემოქმედება Disturbance /შეწუხება Air Quality/ჰაერის ხარისხი Personnel /დასაქმებული Other(specify)/სხვა (მიუთითეთ):

PART B: DETAILS OF COMPLAINT /ნაწილი ბ: საჩივრის დეტალური აღწერა

Date of Incident/შემთხვევის თარიღი:	Supporting Documentation/თანმდევი დოკუმენტაცია:
-------------------------------------	-------------------------------------------------

Description of Complain/საჩივრის აღწერა:

This part will be signed by the complainant to indicate acceptance of the complaint details described above:
 აქ ხელმოწერით მომჩივანი ადასტურებს საჩივრის აღწერის სისწორეს:
 Name /სახელი გვარი: _____ Signature/ ხელმოწერა: _____

PART C: DETAILS OF RESOLUTION/ნაწილი გ: გადაწყვეტილება

Define immediate action taken/ დაუყოვნებლივ მიღებული ზომები	
-------------------------------------------------------------	--

Summary of complaints assessment/ საჩივრის შეფასების მოკლე ანალიზი	
--------------------------------------------------------------------	--

Corrective Actions and Sign Off / გამოსწორებითი ქმედებები და საჩივრის დახურვა	Due Date/ შესრულების თარიღი
-------------------------------------------------------------------------------	-----------------------------

1		
2		
3		

Sign off Date / თარიღი		Signature/ ხელმოწერა	Name/სახელი, გვარი
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PART D: COMPLAINANT SIGN OFF /ნაწილი დ: მომჩივნის ხელმოწერა

This part will be signed by the complainant to indicate acceptance of the complaint resolution described above:
 აქ ხელმოწერით მომჩივანი გამოხატავს თანხმობას მიღებულ გადაწყვეტილებასთან დაკავშირებით:
 Name/სახელი, გვარი: _____ Signature/ხელმოწერა: _____

Response to the grievance:

[insert date]

[insert name]

[insert address]

Our ref: [insert if any]

Your ref: [insert if any]

Our contact details (email & phone): [insert]

Dear [insert name]

Heading, eg Complaint about ...

Thank you for bringing your concerns to our attention in [your letter/your email/our conversation] of [date].

As we understand it, you are concerned that [insert your understanding of the issues of concern, using a bulleted or numbered list if there is more than one point].

We are going to be investigating your concerns. We would be happy to meet you to discuss the issues you have raised and our investigation procedures. [Suggest a date and/or provide contact details.]

I am looking into the points you have made as a matter of urgency and shall be in touch with you with a full response by [insert anticipated response time – not longer than 28 working days].

Please do contact me again in the meantime if I can be of further assistance. My email and phone number are given above.

Yours sincerely

Name

Job title

Annex 2: Grievance/Protest/Request Log



Annex 3: Stakeholder Matrix Applicable for 2024



Annex 4: Guidance Note on Stakeholder Identification

