

Template of the ESMP mandatorily annexed to the Financing Agreement (FA)

General considerations

1. ETG is planning to implement the *Sustainability Linked Loan* Project (the **Project**). The Bank has agreed to provide financing, implementation support and monitoring for the Project.
2. ETG will implement measures and actions of this Environmental and Social Management Plan¹ (**ESMP**) so that the Project meets all the requirements of the Bank Environmental and Social Operational Safeguards (**OS**) and the National policy and legal requirements.
3. Where the ESMP refers to specific plans, whether they have already been prepared or are to be developed, the ESMP requires compliance with all mandatory provisions of such plans.
4. The table below summarizes the material measures and actions that are required, the basis of the requirement, the timing of the measure or action, and the criteria to be used for determining whether the required measure or action has been successfully achieved. *ETG* is responsible for compliance with all requirements of the ESMP even when implementation of specific measures and actions is conducted by an entity different from the Project Implementation Unit (PIU). The FA ESMP will be agreed with the Client and Annexed to the PAR and form part of the Financing Agreement.
5. Implementation of the material measures and actions set out in this ESMP will be monitored and reported to the Bank by *ETG* as required by the ESMP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the measures and actions throughout implementation of the Project.
6. As agreed by the Bank and *ETG*, this ESMP may be revised from time to time during Project implementation, to reflect adaptive risk management of project changes and unforeseen circumstances or in response to assessment of project performance conducted under the ESMP itself. In such circumstances, *ETG* will propose and agree changes with the Bank, and then update the ESMP to reflect such changes.

¹ The ESMP refers to all the E&S risks/impacts and measures, as approved in all the disclosed E&S documents and agreed between the Bank and Borrower. For projects involving multiple subprojects, that are identified, prepared and implemented during the course of the project, the Borrower will need to demonstrate to the Bank, before the project appraisal, through the preparation of E&S documentation of a sample of subprojects, that it has the capacity to carry out appropriate environmental and social assessment of subprojects, and prepare and implement such subprojects in accordance with the national laws and the OSs. (*Section III.2.3 of Bank's ESP and section D of OSI*)

<i>Material Actions² to Manage the Project's E&S Risks and Impacts</i>		<i>Basis for Requirement</i>	<i>Key Performance Indicator</i>	<i>Indicative Timing/Deadline</i>
Periodic E&S implementation report to the Bank		Bank's ESP and OS1	- 80% Percentage of periodic reports submitted timely, in good standard meeting Bank requirements	Quarterly, two weeks after the due period
1	Recruitment of E and S specialists as part of the Project implementation unit	Disclosed ESIA, OS1	- Head of Sustainability, Head of ESG Compliance, Chief Sustainability Officer (This is a capacity is embedded in ETG current sustainability team and will not in the interim require additional recruitment.	Before commencement of project. These resources are already in place, but should additional resources be required this will be communicated to AfDB via the agreed channels and reporting time frames.
2	Establishment of the Project Grievance Redress Mechanism (GRM) and disclosure to Public	OS1, OS10 and National requirements	- Established a project GRM with GBV/SEAH measures. - 75% of grievances resolved within the specified timeframe. - Disclose the GRM on public ETG website and local platforms. - Percentage of project subprojects	GRM currently available and is sufficient for the proposed GRM project disclosed on website already (https://www.etgworld.com/about-etg.html)

² Please add any relevant key actions and/or indicate "Not applicable" in the third column ("Basis for requirement") for actions that are not applicable to the project.

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		with an operational GRM.	
3	SO10	- N/A	NA
4	SO1 & national requirements	- Site-specific E&S requirements and measures included in all Bidding documents, RFPs and contracts; reviewed and approved by relevant authorities	When related projects are initiated. Before project effectiveness date.
5	Bank's ESP and OS1	<ul style="list-style-type: none"> - When related projects are initiated, ETG will submit a contractor ESMP, should the activity be deemed high risk. - 100% of C-ESMPs submitted and cleared within the agreed timeframe 	When related projects are initiated. Within one month after project effectiveness date and or prior to construction.
6	OS1, OS2, SO10 and Bank's Disclosure and Access to Information Policy	<ul style="list-style-type: none"> - Existing ETG GM, can be retrofitted(if needed), for contractors should a related project be initiated by ETG. - Evidence of disclosure to workers . 	When related projects are initiated. Before project effectiveness date. Evidence to be reviewed during annual monitoring review.
7	OS1, OS2 and national labour laws	- ETG to provide relevant licenses and permits in compliance with	When related projects are initiated. License and permits to be reviewed

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			ETG, Bank and national requirements. - Number of activities delayed due to lack of required licenses. - Percentage of project activities compliant with national regulatory requirements for licenses and permits.	during annual monitoring review.
8	Preparation, approval, and disclosure of specific E&S documents during Project implementation, including prior review of Category 1 terms of reference by the Bank	Bank's ESP, OS1 and national requirements	- ETG to provide relevant information upon request for related/relevant project. - Percentage of E&S documents (e.g., ESMS reviews/ implementation report, quarterly reports, annual audit reports) prepared and cleared within the agreed timeframe.	When related projects are initiated. Within one month of project effectiveness date.
9	Engagement with concerned stakeholders of each relevant specific E&S activity	OS1, OS10, Bank's Disclosure and Access to Information Policy	- For related projects (SLL is dealing with current ETG stakeholders, and thus does not currently trigger this requirement) - Number of stakeholder	When related projects are initiated. Stakeholder engagement statistics to be reviewed during annual monitoring review.

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			feedback or comments received on specific E&S activities.	
10	Establishment of Emergency Preparedness and Response mechanism	OS1 & OS4, national legislations on contingences et	<ul style="list-style-type: none"> - Emergency Preparedness and response procedure exist at group level and with independent mechanisms available for individual sites. Should a related project be commissioned. These will be updated accordingly and shared with the bank prior implementation. - Inclusion of site-specific risks and mitigation measures in the EPRP. 	When related projects are initiated, before implementation. Emergency preparedness and response mechanism, can be reviewed during annual monitoring review process.
11	Appropriate and timely handling of complaints/grievances	Bank's ESP and OS1	<ul style="list-style-type: none"> - Number of complaints and grievances received and response register. - Percentage of grievances resolved within the stipulated timeframe (xxx) - Percentage of grievances 	Complaints and matters are to be responded In alignment with ETG group procedures, (See attached)

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			submitted through accessible channels (whistle blower hotline)	
12	Notification to riparian or alert to downstream exposed peoples	Bank's ESP and OS1, applicable International Treaty/Convention ratified	- Notification in alignment with group ESMS procedures and IFC performance standards.	Complaints and matters are to be responded In alignment with ETG group procedures, (See attached)
13	Capacity building of key project implementers	OS1	- Key project implementors will be ETG group employees. Training records/registers will be provided where necessary. - Number of capacity building sessions undertaken.	When related projects are initiated. Training statistics to be provided during annual monitoring review/ reporting processes.
14	Implementation of ESMS/ESAP ³	OS1 and OS9, national requirements	- Annual monitoring review report/ quarterly updates (TBD)	Performance to be measured annually during annual monitoring review.
14.1	<i>Approval of any required E&S management procedure</i>	Ditto	- To be approved through SLL syndicate forum and agreed approval framework - Number of E&S management procedures approved with all required	To be aligned with reporting schedule, should approval for any E&S procedure arise.

³ Applies to non-sovereign operations and public sector projects implemented by permanent autonomous Agencies/Institutions.

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			documentation and information.	
14.2	<i>Establishment of the E&S unit</i>	Ditto	<ul style="list-style-type: none"> - Already established - Percentage of ES allocated budget spent on establishing and equipping the E&S unit. 	Already established
14.3	<i>Capacity Building of the E&S Unit</i>	Ditto	<ul style="list-style-type: none"> - Unit capacity will be reviewed annually by ETG to determine capacity requirements and needs. 	To be aligned with reporting schedule, Should the capacity of E&S unit change or require amendments, this will be communicated during reporting processes.
14.4	<i>Processing the Value Chain E&S due diligence</i>	Ditto	<ul style="list-style-type: none"> - E&S due diligence will be undertaken for projects, in accordance to the project plans and needs. Current E&S group due diligence procedures and process will implemented, where applicable. - Percentage of value chain E&S due diligence assessments completed within the FY as agreed to with lenders. 	Performance to be measured annually during annual monitoring review.

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15	Suspending works in the event of EOHS risk or incident, immediately notify the Bank, and resume works only upon no-objection of the Bank. (The commencement of work will be determined by ETGs Head of EHS, a report from the head will determine feasibility of activity on the plant, ground will be communicated with the bank)	Bank's ESP	<ul style="list-style-type: none"> - EHS notification report, via agreed contractual channels. Number of EOHS incidents where the Bank is notified. 	Immediately and no later than 72 hours after the occurrence
16	Prepare the root-cause analysis (RCA) of any fatal EOHS incident and implement the Corrective Action Plan (CAP).	Bank's ESP and OS1	<ul style="list-style-type: none"> - RCS and CAP report to be provided once finalized and available. - Number of fatal EOHS incidents with RCA completed within the specified timeframe. - Number of CAPs implemented as per the plan. 	Ten business days after the incident has been reported to the bank.
17	Disclosure of Project's E&S reports to the public	OS1, OS10, Bank's Disclosure and Access to Information Policy	<ul style="list-style-type: none"> - Annual ETG sustainability report, and SLL lenders report. - Percentage of E&S reports available through multiple accessible channels (e.g., ETG website, local companies, communities etc. 	Annually