

Environmental and Social Management System
Uzbektelecom JSC for AIIB financed project

June 2025

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Abbreviations

AIIB	Asian Infrastructure Investment Bank
ATE	Automatic Telephone Exchange
ATS	Automatic telephone station
BS	Base station
CBTE	The Certification Body for Telecommunications Equipment
DC	Data center
DEI	Diversity, Equity, and Inclusion
EDGAR	Emissions Database for Global Atmospheric Research
EIA	Environmental Impact Assessment
EMF	Electromagnetic Field
ER	Energy Register
ES	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESEL	Environmental and Social Exclusion List
ESF	Environmental and Social Framework
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESP	Environmental and Social Policy
ESS	Environmental and Social Standard
FPIC	Free, Prior, and Informed Consent
GDP	Gross Domestic Product
GeSI	Global e-Sustainability Initiative
GHGR	Greenhouse Gas Registry
GRM	Grievance Redress Mechanism
GSMA	Global System for Mobile Communications
ICT	Information and Communication Technologies
IPCC	Intergovernmental Panel on Climate Change
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Planning Framework
IT	Information Technology
ITU	The International Telecommunication Union
LAP	Land Acquisition Plan
LARF	Land Acquisition Planning Framework
LARP	Land Acquisition and Resettlement Plan
NAP	National Adaptation Plan
NDC	Nationally Determined Contribution
NGO	Nongovernmental Organizations
NPO	Non-profit Organization
RE	Renewable Energy Sources

RP	Risk Prevention
RTF	Radio Engineering Facilities
SBTi	The Science Based Targets initiative
SDG	Sustainable Development Goals
SPP	Solar Power Plant
TMC	Technical Means of Telecommunications
UN	The United Nations

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM

I. INTRODUCTION

Background

The Uzbekistan 2030 Strategy, approved by Presidential Decree on September 11, 2023, defines a number of measures aimed at turning the country into a regional information technology (IT) hub through the development of digital technologies. As part of the implementation of this task, Uzbektelecom JSC is actively working on the modernization of infrastructure, the introduction of innovative solutions in the field of information and communication technologies (ICT) and improving the quality of services provided.

Since 2023, Uzbektelecom JSC (herein referred to as the company) focused on significantly expanding the network and improving the quality of communication. One of the key steps was the introduction of 5G technology in the country's largest cities, such as Tashkent and Samarkand, which provided users with high-speed communications and improved the stability of the mobile network.

In addition, the company is actively developing a high-speed Internet network, providing Internet access to 93% of settlements, including remote areas. In 2023, the number of devices for providing high-speed Internet exceeded 4.8 million ports, which also played a key role in improving the quality of life of citizens.

All the above measures contribute to strengthening the company's position in the market and help create the basis for further growth and digitalization of the Uzbek economy.

The purpose of this investment Project is to develop and expand the mobile and fixed telecommunications infrastructure of Uzbektelecom JSC in the regions of the Republic of Uzbekistan.

Project Objectives:

1. Expand the coverage area of Uzbektelecom mobile communications
2. Increase the number of fixed broadband network users
3. Increase in the number of fixed-line telephony users via Internet Protocol (IP telephony);
4. Create and develop telecommunication infrastructure for other government and corporate use cases.

These digital infrastructure investments are prerequisites for the development of the digital economy in Uzbekistan, as well as rollout of more modern IT solutions across the economy, in particular within public administration functions, public education, healthcare and agriculture facilities.

Geography of the Project Implementation

As part of the implementation of this investment Project, it is planned to further develop and expand the mobile and fixed telecommunications infrastructure of Uzbektelecom JSC within the following 14 regions as shown in Table 1.

Table 1. Regions Covered by the Investment Project

№	Name of Region
1	Andijan region
2	Bukhara region
3	Tashkent city
4	Jizzakh region
5	Kashkadarya region
6	Navoiy region
7	Namangan region
8	The Republic of Karakalpakistan
9	Samarkand region
10	Surkhandarya region
11	Syrdarya region
12	Tashkent region
13	Ferghana region
14	Khorezm region

II. ENVIRONMENTAL AND SOCIAL MANAGEMENT POLICY AND APPLICABLE REQUIREMENTS

A. Environmental and Social Policy

1. The environmental and social (ES) management policy of Uzbektelecom is planned to be approved by the Board of Directors in May 2025.

The company's ES Policy outlines its high-level vision and commitment to managing environmental and social (ES) risks and impacts. It establishes key responsibilities for monitoring disclosure, results, and information provision on sustainable development (SD) aspects. The key bodies responsible for these activities include the Chairman of the Management Board, the First Deputy Chairman of the Management Board, and the Transformation and Strategic Development Department (T&SD). Formed in November 2024, the T&SD coordinates and integrates environmental and social (ES) aspects into the company's overall strategy, ensuring interaction between various departments and handling requests for information on branches and other sustainability-related aspects. Section IV details the structure of Uzbektelecom JSC, showing the distribution of functions and powers between departments. The Company's ES policy will be communicated to all staff and operational employees and contractors/sub-contractors of Uzbektelecom.

2. The Environmental and Social Management System (ESMS) of the company includes several components: policies and objectives to minimize negative impacts on the environment and people, risk and impact assessment to identify and categorize ES risks, risk management to develop measures to avoid or minimize impacts, monitoring and reporting for regular review and stakeholder reporting, and feedback and improvement mechanisms to address complaints and enhance the system.

3. The objectives of the ESMS are:

- (i) To avoid, and when avoidance is not possible, to minimize and mitigate adverse impacts of investments on the environment and affected people;
- (ii) To maximize opportunities for ES benefits;
- (iii) To align corporate and subproject sites' ES management policies and procedures for subproject planning, construction and operation, to ensure consistent delivery and application across the company;
- (iv) To document and strengthen existing ES requirements and processes to comply with national and local standards as well as align with AIIB ESF and other international good practices and standards.

B. Applicable Environmental and Social Requirements

4. The company will ensure that:

- (i) All proposed Project activities/subprojects are screened against the Environmental and Social Exclusion List (ESEL) (Attachment 1) of the AIIB's ESF;
- (ii) Management of all potential ES risks and impacts from proposed Project developments and construction complies with the requirements of ESSs 1 and 2 of the AIIB ESF;
- (iii) ESS 2: Land Acquisition and Resettlement applies to those towers where land acquisition and/or involuntary resettlement, including economic and physical resettlement, is required or has been conducted by Uzbektelecom within the previous three years, considering that the majority of sites

(1) belong to Uzbektelecom, such development is (2) carried out based on co-sharing agreements with other Telecom companies, or (3) lease agreements have been conducted with owners of the premises and land. Due to the relatively easy construction of towers and based on previous experience, the towers can be constructed/installed in different places to avoid displacement without significant impact on Project implementation if there is indication in screening that ESS2 will be triggered by the presence of affected people, such as informal settlers/encroachers.

- (iv) All proposed Project developments and construction are reviewed and evaluated against relevant international good practice and the applicable national laws, regulations, and standards.
- (v) Gender-specific risks and opportunities, and those pertaining to other identified vulnerable groups, are adequately considered in the Project through: (a) involving women and vulnerable groups during consultations, (b) identifying measures to promote benefits, welfare, opportunities to women and other vulnerable groups and (c) identifying risks of gender-based violence (GBV). These requirements are in line with national legislation of the Republic of Uzbekistan;
- (vi) Civil works will be carried out by the Company's internal workforce (no external procurement) and are fully in compliance with Company's internal regulations on OHS and in line with AIIB's ESF. The Company will ensure that Contractors, subcontractors, and other providers of telecommunication technologies, equipment and special goods and services are compliant with the national labor laws and AIIB's ESF, including but not limited to, the ESEL.

C. Legal Framework: Applicable National Laws and Lender Requirements

5. Uzbekistan is committed to sustainable development, focusing on social justice, inclusivity, and environmental protection. The country has undertaken significant reforms to enhance women's roles, protect the rights of people with disabilities, and eliminate forced and child labor. Efforts are also directed at poverty reduction, expanding opportunities for vulnerable groups, and improving access to education and healthcare. Additionally, Uzbekistan prioritizes environmental sustainability through responsible resource management, waste recycling, and participation in global climate initiatives. While the rapid expansion of the telecommunications sector contributes to global emissions, international industry organizations are addressing this challenge. The ITU, in collaboration with GeSi, GSMA, and SBTi, has developed standards for reducing GHG emissions in the sector by 2032. According to GSMA, 29 leading mobile operators, accounting for 30% of global mobile connections, have committed to these reduction targets, demonstrating the industry's role in advancing sustainability.

6. **Environmental and Social Assessment and Management.** AIIB's ESF requires Uzbektelecom to conduct an ES assessment for the proposed Project to identify direct, indirect, cumulative and induced risks to and impacts on physical, ecological, socioeconomic and cultural resources in the Project's area of influence; these include impacts on air and water quality, including environmental health; natural resources, including land, water and ecosystems; livelihoods; vulnerable groups; gender; worker and community health and safety; and cultural resources. Uzbektelecom must then address ES risks and impacts through ongoing and meaningful stakeholder engagement and in accordance with the mitigation hierarchy, with emphasis on avoiding impacts, or where avoidance is not possible, on minimizing them. The company shall establish measures to mitigate, monitor and manage the impacts and reflect them in an ESMP approved by the Bank.

7. As well as complying with AIIB's ESF requirements, proposed Project activities/subprojects to be developed by the company will strictly comply with the relevant ES laws and regulations of the Republic of Uzbekistan. Relevant national laws are listed below in Table 3.

Table 3. Applicable National Laws.

Type of document	Number and title of document	Notes
Strategic documents	Decree of the President of the Republic of Uzbekistan dated September 11, 2023 No.UP-158 "On the strategy of Uzbekistan-2030"	Approves the Strategy "Uzbekistan — 2030", focused on overall development of the country, including economic development, improvement of the social sphere, ecology and security. All government agencies are required to implement the strategy, which is the responsibility of a special commission.
	Decree of the President of the Republic of Uzbekistan dated October 5, 2020 No. 6079 "On approval of the Digital Uzbekistan 2030 Strategy and measures for its effective implementation"	Approves the strategy "Digital Uzbekistan - 2030", aimed at the development of the digital economy, the introduction of information technologies in key areas such as public administration, education and healthcare. The main goals include improving digital infrastructure, expanding Internet access, creating 400+ information systems, as well as increasing digital literacy of the population and supporting digital transformations in business. The strategy provides for the development of an innovative ecosystem, strengthening cybersecurity and stimulating the creation of digital products and services.
	Resolution of the President of the Republic of Uzbekistan dated September 11, 2023 No.PP-300 "On measures for the qualitative and timely implementation of the strategy "Uzbekistan – 2030" in 2023";	The resolution defines measures for the implementation of the Uzbekistan 2030 Strategy, including improving conditions for citizens, sustainable economic growth, environmental protection and strengthening the rule of law. The document provides for new social programs, support for entrepreneurs, the introduction of state health insurance, as well as measures to protect water resources and reduce environmental risks. Plans, targets and regulations have been approved for the implementation of the strategy in 2023-2024.
Regulation of the IT sector	Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 699 dated November 19, 2021 "On measures for the further development of the telecommunications infrastructure of the Republic of Uzbekistan".	The document is aimed at developing Uzbekistan's telecommunications infrastructure, including the construction of fiber-optic and mobile networks, improving the quality of education in the field of information technology and stimulating competition in the industry. It also provides for the expansion of Internet access in rural areas, the development of new technologies and the improvement of the regulatory framework for telecommunications. In addition, targets and infrastructure development plans for 2022-2024 have been approved.

Environmental regulation	<p>The Law of the Republic of Uzbekistan "On Environmental Protection" (No. ZRU-754 of 1992)</p>	<p>The Law establishes the legal and organizational foundations of nature protection in Uzbekistan, aimed at preserving ecological systems and rational use of natural resources. It regulates the use of land, water resources, subsoil, flora and fauna, as well as air, in order to ensure environmental safety and sustainable development of the country. The law also defines the rights of citizens to a favorable natural environment and obligations to protect it.</p>
	<p>The Law of the Republic of Uzbekistan "On Protection of atmospheric air" (No. ZRU-353 of 2000)</p>	<p>The law is aimed at preserving and improving air quality through legal regulation of the activities of government agencies, enterprises and citizens. It sets standards for pollution prevention, emission control and protection of human health from harmful effects. The law also defines the rights and obligations of citizens, air quality standards and responsibility for violations of environmental standards.</p>
	<p>The Law of the Republic of Uzbekistan "On Waste" (No. ZRU-365 of 2011)</p>	<p>The Law regulates the disposal and recycling of waste, including electronic and electrical waste generated in the telecommunications sector.</p>
	<p>The Law of the Republic of Uzbekistan "On Environmental Expertise" (No. ZRU-73 of 2000)</p>	<p>The Law regulates the conduct of environmental expertise in order to assess the impact of economic activities on the environment and human health. It establishes the principles and types of expertise, as well as defines the rights of customers and requirements for the independence of experts. Environmental expertise is necessary to assess environmental safety and the validity of nature protection measures before the implementation of projects.</p>
	<p>The Law of the Republic of Uzbekistan "On Water Supply and sanitation" (No. ZRU-784 of 2022)</p>	<p>The law regulates relations in the field of water supply and sanitation in Uzbekistan, establishing the rights and obligations of organizations providing water supply, as well as consumers of these services. It covers the use of water resources, their protection, water quality control, as well as the management of the water system and infrastructure. The law is aimed at ensuring effective and sustainable management of water resources, improving the quality of water supply and sanitation.</p>
	<p>Resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On measures for certification of products and services in order to ensure environmental safety" (No. ZRU-318 of 1997)</p>	<p>The resolution establishes measures for certification of products and services in order to ensure environmental safety in Uzbekistan. It regulates the certification processes for environmentally friendly products, sets requirements for environmental standards and certification bodies, and is also aimed at preventing negative environmental impacts. The document is aimed at improving the quality of products and services in accordance with environmental norms and standards.</p>

	<p>Decree of the President of the Republic of Uzbekistan No. PF-46 dated December 30, 2021 "On measures to accelerate forest exploration in the republic and more effective organization of tree protection".</p>	<p>The decree of the President of the Republic of Uzbekistan is aimed at accelerating landscaping and effective management of the protection of trees and shrubs in the country within the framework of the national project "Green Land". It provides for the expansion of green areas, the creation of "green parks" and public parks, tougher penalties for illegal tree felling, as well as the introduction of a tree accounting system through digitalization and public control. The document includes measures to support environmental initiatives, including tax incentives for entrepreneurs engaged in landscaping, as well as commitments to increase the area of landscaping in Tashkent until 2026 and the development of a program for the conservation of biodiversity. Deadlines have been set for the preparation and implementation of relevant projects and improvement of legislative norms related to planting and plant care.</p>
	<p>Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated October 2, 2018 No. 787 "On measures to further improve the efficiency of work in the field of household waste management"</p>	<p>The resolution establishes measures for certification of products and services in order to ensure environmental safety in Uzbekistan. It regulates the certification processes for environmentally friendly products, sets requirements for environmental standards and certification bodies, and is also aimed at preventing negative environmental impacts. The document is aimed at improving the quality of products and services in accordance with environmental norms and standards. The decree of the President of the Republic of Uzbekistan is aimed at accelerating landscaping and effective management of the protection of trees and shrubs in the country within the framework of the national project "Green Land". It provides for the expansion of green areas, the creation of "green parks" and public parks, tougher penalties for illegal felling of trees, as well as the introduction of a tree accounting system through digitalization and public control. The document includes measures to support environmental initiatives, including tax incentives for entrepreneurs engaged in landscaping, as well as commitments to increase the area of landscaping in Tashkent until 2026 and the development of a program for the conservation of biodiversity. Deadlines have been set for the preparation and implementation of relevant projects and improvement of legislative norms related to planting and plant care. The decree is aimed at improving the domestic waste management system in Uzbekistan, including the approval of new rules for the placement and operation of sanitary facilities such as bins, garbage collection points and containers. It also regulates the organization of waste collection and disposal, as well as establishes requirements for their storage and processing, in order to</p>

		<p>improve the environmental and sanitary situation in the country.</p> <p>This document regulates the rules for handling various types of waste generated during the operation of vehicles, cleaning of territories, as well as those generated in everyday life. It establishes obligations for individuals and legal entities for the collection, export and recycling of waste, including separate collection and processing of hazardous and secondary materials, as well as requirements for the collection points of secondary raw materials and waste transportation. It also sets out sanitary and environmental requirements for waste management activities. The resolution regulates the process of mutual settlements for secondary raw materials, setting prices and accounting for its movement. It also concerns the sanitary safety of workers involved in the collection and processing of raw materials, and prescribes sanitary cleaning of territories depending on the season. State bodies monitor compliance with the rules, and administrative liability is provided for violations.</p>
Social regulation	<p>The Labor Code of the Republic of Uzbekistan (No. ZRU-517 of 1995) The Law of the Republic of Uzbekistan "On Consum</p>	<p>The Labor Code of the Republic of Uzbekistan regulates labor relations between employers and employees, establishing the rights and obligations of the parties, conditions for concluding and terminating employment contracts, wages, working hours, rest and labor safety. It also covers issues of collective agreements, labor dispute resolution and social protection of employees. The main purpose of the Code is to ensure the rights of employees and create fair working conditions.</p>
	<p>The Law of the Republic of Uzbekistan "On Consumer Rights Protection" (No. ZRU-221 of 1996)</p>	<p>The Law on Consumer Protection regulates the rights of citizens who purchase goods, works or services for personal consumption, ensuring their protection from low-quality products and unfair actions of sellers or manufacturers. It establishes requirements for the provision of reliable information about goods, their safety, as well as the rights of consumers to refund or compensation for damage in case of defects in goods or services. The law also guarantees the possibility of going to court and creating public associations to protect the interests of consumers.</p>
	<p>The Law of the Republic of Uzbekistan "On Equal Rights and opportunities for women and men" (No. ZRU-640 of 2019)</p>	<p>It is aimed at ensuring gender equality in the social, political and economic spheres, as well as protecting the rights of women and men, preventing gender discrimination and creating conditions for the realization of their rights.</p>
	<p>The Law of the Republic of Uzbekistan "On the protection of personal data" (No. ZRU-547 of 2019)</p>	<p>Regulates the collection, storage, processing and protection of personal information of citizens, establishing obligations for organizations to protect personal data from unauthorized access and leaks.</p>

	The Law of the Republic of Uzbekistan "On Communications" (No. ZRU-822 of 1999)	Regulates the field of telecommunications and communications in Uzbekistan, including the organization and provision of communication services, the rights and obligations of users, as well as the protection of user interests in this area.
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8. The key Project applicable ES laws and regulations of Uzbekistan are compared with the requirements established by the AIIB, and gaps are identified. Table 4 shows the gap analysis results and suggests measures to fill the gaps for Uzbektelecom JSC to ensure compliance with AIIB's ES requirements

Table 4. Environmental and Social Country Laws and Regulations

No	ESS for E&S Assessment and Management	Laws and regulations of Uzbekistan	Gaps	Measures to compensate for gaps
1	ESS1	<p>a. The Law "On Nature Protection" (No. 754-XII, 1992) and the CM Resolution No. 491 (2001) require an EIA, including an assessment of the impact on the environment and human health. However, the activities under this Project do not require a national EIA, as they are considered by the Environmental Authority as low impact works. Social impacts and climate risks and changes are not required to be considered during the EIA.</p> <p>b. The Law "On Environmental Control" (No. ZRU-382, 2013) regulates environmental monitoring.</p>	<p>a. For Project activities classified as Category B under AIIB's ESP, ES impacts assessment need be carried out in a way proportionate to the Project's ES impacts. A review of the ES implications is needed for Category C activities.</p> <p>b. Consultations with the Project Owner during the EIA process are often formal, without full involvement.</p> <p>c. There is no consideration for climate change.</p> <p>d. The social aspects are not regulated. Social risks and regular reporting on them are not provided for in the legislation.</p>	<p>a. ES screening and impacts assessment will be carried out for the Project activities in accordance with this ESMS.</p> <p>b. To organize transparent consultations involving all groups of stakeholders.</p> <p>c. Implement climate risk assessment required by AIIB.</p> <p>d. The company will closely monitor ES impacts of the Project and submit regular monitoring reports to AIIB.</p> <p>e. Systematic consideration of social risks and impacts as defined by AIIB ESF in a sub-project ESMP.</p>

<p>2</p>	<p>ESS 2</p>	<p>The Law of the Republic of Uzbekistan "On Local Self-Government of Citizens" (No. ZRU-637 of 2019) requires coordination with local communities when installing telecommunications infrastructure, including antennas and masts.</p>	<p>Within the framework of this Project, in accordance with the requirements of ESS2, resettlement on a compulsory basis will not occur. The equipment will be placed on land plots and premises owned by Uzbektelecom JSC, as well as in facilities leased from third parties, in accordance with current legislation. If it is necessary to purchase land or property, all legal norms related to compensation and owners' rights will be respected in order to minimize the environmental and social risks associated with the Project. However, unlike AIIB's ESF, there is no accounting for the rights to compensation/assistance for informal settlers using the land owned by the state, private companies or leased from third parties,</p>	<p>The implementation of measures is not expected since involuntary resettlement is not included within the framework of the Project. This is because each sub-project will be screened for land legacy issues, or possible risks/impacts related to involuntary resettlement or livelihood disruption, including for any leaseholders, tenants, or informal settlers. Based on the screening, where/if necessary (for instance, the presence of informal settlers or businesses or legacy issues are found) the sub-project will be moved to another nearby location without causing any implications, with updates included in the regular monitoring reports to AIIB.</p>
<p>3</p>	<p>ESS 3</p>	<p>In Uzbekistan, indigenous peoples are not officially designated as a category. There is no relevant legislation to protect their rights or mandatory consultations.</p>	<p>Within the framework of this Project, according to the preliminary categorisation assigned to category B by the Bank's ESP, the application of ESS 1 and ESS 2 standards is required. The ESS 3 standard is not applicable because there are no groups in the country that meet the</p>	<p>The implementation of measures according to the ESS 3 is not applicable for this Project.</p>

			definition of indigenous peoples specified in ESS 3.	
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9. **Land Acquisition and Involuntary Resettlement.** Base stations are connected to the network using fiber optic cables, considering the terrain, soil type, and other local conditions. Depending on the environment, the installation is either underground or overhead, ensuring reliable and stable connections. Access to the stations is provided via existing roads, eliminating the need for new roads or temporary work camps. Uzbektelecom JSC handles the installation of communication lines using its own resources, without involving third-party contractors. The company coordinates with its branches and engages with local communities to ensure stable and high-quality communications. Most of the cable lines run along overhead lines, utilizing existing infrastructure and reducing additional costs. This approach minimizes the impact on populated areas and socially significant facilities, avoiding the need for resettlement. According to Article 214 of the Civil Code of Uzbekistan, land is state property, and Uzbektelecom JSC has the right to use land plots for base station installation and cable laying. The Project does not require acquiring new land plots as they are already at the company's disposal. Thus, no land acquisition or involuntary resettlement is foreseen within the investment Project scope. In the unlikely cases where privately owned land is needed, long-term lease agreements will be made in compliance with national legislation and registered in the EPIGU system. However, screening for informal settlers or encroachers on state- or company-owned land will still be conducted to ensure compliance with regulatory requirements and to avoid any potential social impacts.

10. **Labor Standards and Occupational Health and Safety.** Uzbektelecom JSC, as a socially responsible employer, aims to create favorable working conditions, safeguard employee health and well-being, and foster a corporate culture rooted in equality and professional growth. By 2024, the company employs 16,825 people, among them 4,205 are women. Annually, the company invests in various personnel training programs. In 2023, 4,319 employees completed advanced training, with a total expenditure of 1,501 million soums (approx. 119,000 USD). The Company's social initiatives also focus on ensuring employee safety and health. The occupational safety management system is governed by internal regulations, Uzbek legislation, and international standards. These regulations aim to enhance working conditions, prevent accidents, and reduce occupational diseases. Key internal documents include the Regulations on Labor Protection Work, introduced by Order No. 324 on November 14, 2023, and other guidelines approved by the Ministry of Labor and the Ministry of Justice of Uzbekistan.

11. Project implementation will be carried out by trained Uzbektelecom employees without subcontractors (subcontractors will provide only telecommunication technical equipment). In case if external contractors will be involved to carry out special tasks (based on sub-project screening results), all permanent and temporary employee safety and health requirements and guarantees will be ensured in their temporary/consultancy employment contracts according to national legislation. The Company will check OHS and other ES requirements in compliance with the Project scope. Employees must pass a medical examination, familiarize themselves with safe work methods, and be provided with personal protective equipment. Significant occupational risks include working at heights and on power transmission line. In 2024, four height-related accidents were recorded. The response procedure involves accident registration, investigation, public reaction analysis, corrective actions, and additional briefings and training.

12. Preventing accidents and reducing risks are key priorities of the Company's Occupational Health and Safety (OHS) system. To support this, employees participate in various types of safety briefings and training sessions, including introductory, initial, refresher, and unscheduled briefings. All sessions are officially documented in a safety log to ensure compliance with internal and regulatory safety standards. Training is delivered by a team of 64 certified Company employees who have been accredited by the

Ministry of Poverty Reduction and Employment of the Republic of Uzbekistan. These trainers are authorized to conduct OHS training for staff across all regions of the country. Trainings are held at production sites, manufacturing centers, the Company’s headquarters, and regional branches. For equipment-specific training, supplier representatives provide instruction directly. All new employees must complete mandatory safety training upon joining the Company. Refresher courses are then offered every 3 years to keep employees updated on current standards and best practices. Additional refresher sessions and safety meetings are held regularly to reinforce key knowledge and respond to evolving workplace needs. Training sessions are organized in groups, typically on a quarterly or annual basis, with extra sessions arranged as needed. In 2024, a total of 14,670 employees completed occupational health and safety training, averaging 16 hours per employee, consistent with 2023 figures.

Table 5. Professional training in occupational health and safety at work

No.	Indicators	2022	2023	2024
1	Average number of hours of training in occupational safety and health per manager (own employees)	72	72	72
2	Safety management employees accredited by the Ministry of Poverty Reduction and Employment of the Republic of Uzbekistan	68	68	64

13. As of 2024, 96%¹ of the company's employees are covered by the OHS System. Of these, 73% work within a system that has undergone an internal audit, and 27% within a system that has confirmed compliance with requirements through an independent audit or third-party certification.

Table 6. Employees covered by the occupational health and safety management system

¹ The remaining 4% employees are primarily administrative and supporting staff who are not directly exposed to occupational hazards. While they are not covered under the core Occupational Health and Safety System, they still receive general workplace safety guidance.

No.	Indicators, person	2022	2023	2024
1	The number of people covered by the company's occupational health and safety management system.	14 098	14 467	14 670
2	The percentage of people covered by the company's occupational health and safety management system who have undergone an internal compliance review conducted by the company itself.	27	68	73
3	The percentage of people covered by the company's occupational health and safety management system that has undergone independent third-party audit/certification.	41	27	27

14. As part of the social program, in November 2024, the company developed and approved the Human Rights Policy (hereinafter referred to as the Policy). This Policy was developed to comply with national legislation and international standards. Its purpose is to define a unified approach to protecting the rights of employees, clients, partners and other stakeholders. The policy sets out the principles of respect for human rights at all stages of the company's activities and is consistent with internal regulations, including the rules of ethical conduct and sustainable development. The policy covers all branches and structural divisions of the company, and also regulates interaction with all stakeholders. Its requirements are taken into account when making management decisions and strategic planning.

15. **Stakeholder Engagement, Information Disclosure, and Grievance Redress Mechanism.** In November 2024, Uzbektelecom JSC developed and approved a stakeholder engagement policy. The document describes the company's engagement with stakeholders, including the grievance redress mechanism (GRM). It outlines the principles for public interaction, mechanisms for processing complaints via the website, hotline, and national channels. The implementation of this mechanism is planned for 2025. It also regulates the involvement of stakeholders in ESG initiatives and the formation of sustainable supply chains. In 2019, the Decree of the President of Uzbekistan established the Public Council for the Development of the Information Sphere and Mass Communications.² In accordance with it, government agencies are obliged to form such councils to improve transparency, accountability and civic participation. Uzbektelecom JSC implements this mechanism through feedback section on its website (in three languages: Russian, Uzbek (Cyrillic and Latin) and English) and a complaint handling system/grievance redress

² [PP-4473 dated 10/04/2019.](#)

III. ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM PROCEDURE

A. Screening and Categorization

16. The company will screen the Project activities against the AIIB's Environmental and Social Exclusion List (ESEL, Attachment 1), undertake screening of potential ES risks and impacts (using checklist in Attachment 2), and categorize each proposed activity to determine the nature and level of the required ES review, type of information disclosure and stakeholder engagement for the activity and determine which ESS(s) applies. The categorization takes into consideration the nature, location, sensitivity and scale of the activity, and is proportional to the significance of its potential ES risks and impacts.

17. The Project will have limited, localized and short-term adverse impacts on the environment associated with new construction or modernization of base stations, and installation of communication equipment and optical fiber cables (both underground cabling along the roads and using overhead transmission lines), which include dust and traffic disturbance during excavation, noise and air emissions associated with service vehicle operation. The new base stations will not be located at environmentally sensitive areas and no access road or workers' camp is expected for the work. The equipment procured under this Project will be placed on land plots, in buildings and premises owned by Uzbektelecom or in leased premises in accordance with the procedure established by the national legislation. To protect the population from the adverse effects of electromagnetic field (EMF) generated by radio engineering facilities (RTF), before starting new construction or upgrading base stations at existing sites, work is carried out to develop the Environmental Protection section. This section includes calculations of the biologically hazardous zone and the restricted construction zone for the radio engineering facility. After reviewing the working Project, the Committee for Sanitary and Epidemiological Welfare and Public Health of Uzbekistan issues a conclusion on the compliance of the designed facility with SanPiN requirements. If the SanPiN conclusion is positive, after the completion of construction and installation work at the facility, employees of the Committee conduct measurement work on-site. Based on the measurement results, a protocol on the level of electromagnetic radiation is issued (if necessary, additional protocols on noise, vibration, and lighting levels are also provided), along with a sanitary passport confirming that the facility complies with the required sanitary standards according to SanPiN 0269-09. The base stations/towers are normally between 24-35 meters high and there has been no reported incidence of bird collision. There could be some visual impacts depending on the area's aesthetic value and perception of the local community. The company will contract certified third-party companies for disposing the hazardous wastes such as electronic wastes.

18. During excavation, construction or maintenance works, telecommunications workers may be exposed to some occupational hazards, such as from contact with above-ground or buried live power lines, falling from height or driving incidents.

19. The main impact during operation phase is related to electricity consumption. To reduce energy consumption, modern energy-efficient equipment is installed at most of the company's exchanges. In a number of facilities, power supply is provided by solar power plants located on the Company's premises. Uzbekistan has significant potential for renewable energy - primarily solar energy - and is well equipped to meet growing energy needs and transition to clean energy. Renewable energy sources can help diversify the energy mix and reduce the dependence of telecommunications facilities on external power supply. Uzbektelecom is actively increasing the share of renewable sources in the total energy consumption. As part of this initiative, the company is developing solar energy.

20. The Project is expected to catalyze positive social benefits at the national and regional level by expanding access to high quality telecommunications services in underserved areas. However, the Project may also have some minor social risks which should be identified through early screening and stakeholder engagement and adequately addressed through adoption of the mitigation hierarchy and associated sub-project action planning. These social risks include exclusion from Project benefits for local communities, especially women and vulnerable groups, inadequate stakeholder engagement and possible displacement for informal settlers/encroachers on state/company-owned land.

B. Environmental and Social Due Diligence/Assessment, Planning and Management

21. **Environmental and Social Due Diligence/Assessment.** After screening the proposed subproject's extent and type of ES assessment that will be required, Uzbektelecom undertakes the necessary ES due diligence. An ES assessment will be conducted for the proposed activities to identify direct, indirect, cumulative and induced risks to and impacts on physical, biological and socioeconomic resources in the Project's area of influence; these include impacts on air quality, including environmental health; natural resources, including land, water and ecosystems; livelihoods; vulnerable groups; involuntary resettlement and livelihood disruption; gender; worker and community health and safety. The proposed activities' potential ES impacts and risks will be reviewed against the requirements presented in this document, the AIIB's ESF ESS 1 on Environmental and Social Assessment and Management, ESS2 (where applicable), applicable international guidelines and laws and regulations of the Republic of Uzbekistan.

22. Impacts and risks will be analyzed in the context of the sub-project's area of influence (AOI). ES impacts and risks will also be analyzed for all relevant stages of the subproject cycle, including preconstruction, construction, operations, decommissioning. An outline for ES due diligence and assessment is provided in Attachment 3.

23. The Project activities will also be assessed for climate physical risks and mitigation measures as identified in Attachment 7 will be incorporated.

24. **Environmental and Social Planning and Management.** For Category B subprojects, the Uzbektelecom will prepare an Environmental and Social Management Plan (ESMP) that addresses the potential impacts and risks identified by the ES assessment. The ESMP will include the proposed mitigation measures, ES monitoring and reporting requirements, emergency response procedures, related institutional or organizational arrangements, stakeholder engagement approach, capacity development and training measures, implementation schedule, cost estimates, and performance indicators. Where impacts and risks cannot be avoided or prevented, mitigation measures and actions will be identified so that the subproject is designed, constructed, and operated in compliance with applicable laws and regulations and meets the requirements specified in this document. The level of detail and complexity of the ESMP and the priority of the identified measures and actions will be commensurate with the subproject's impacts and risks. A generic ESMP is provided in Attachment 4. The Uzbektelecom will require its regional companies to submit required subproject ES instruments for review, endorsement and posting on the company's websites. The Uzbektelecom and its regional companies will allocate funds to implement the ESMP.

C. Information Disclosure, Consultation and Participation

25. The company will make ES information on the Project available in English and summary of such information in Russian and Uzbek) in an accessible manner, to be available for affected people and other stakeholders, during preparation and implementation of the Project activities. This will ensure to provide an opportunity to identify and address ES risks and impacts to those affected by the Project. The company

will disclose the draft ES assessment documents in a timely manner and disclose in the same manner the final assessment documents, as they become available, and any updates to affected people and other stakeholders. The company will regularly disclose updated ES information, in the same manner, along with information on any material changes in the activities. The regular ES performance monitoring reports will be disclosed as well.

26. The company will conduct meaningful consultation with all relevant stakeholder groups. Meaningful consultation is a process that: (a) begins early in the preparation stage of the subproject and is carried out on an ongoing basis throughout the implementation and life cycle of the subproject; (b) ensures that all parties have a voice in consultation, including national and subnational government, the private sector, nongovernmental organizations (NGOs) and people affected by the subproject; (c) provides additional support as needed to ensure participation of women, elderly, young, disabled, minorities and other vulnerable groups; (d) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to the people affected by the subproject and other stakeholders; (e) is undertaken in an atmosphere free of intimidation or coercion; (f) is gender inclusive, accessible, responsive and tailored to the needs of vulnerable groups; and (g) enables the consideration of relevant views of people affected by the activities and other stakeholders in decision-making. Specific details on stakeholder engagement will be included in the Environmental and Social Due Diligence (ESDD) and Environmental and Social Management Plan (ESMP) for each subproject. Stakeholder engagement will begin immediately following the screening decision and before the completion of the ESMP to ensure that local communities and other stakeholders can provide input into risk assessments. Consultations with stakeholders will continue throughout Project implementation as necessary on issues related to environmental and social (ES) performance, in a manner commensurate with the risks and impacts on affected people, communities, and other stakeholders.

D. Grievance Redress Mechanism

27. AIIB ESF requires the establishment of a suitable Grievance Redress Mechanism (GRM) to receive and facilitate resolution of the concerns of people who believe they have been adversely affected by the Project's ES impacts and inform Project-affected people (PAP) of its availability. Uzbektelecom will use its corporate-level GRM. From 1 December 2016 until the establishment of the current mechanism, grievance handling was carried out by the "Service for Handling Appeals from Individuals and Legal Entities" of the "Telecommunications and Personal Development Center" Branch of Uzbektelecom JSC since. Currently, the GRM is handled by the Department of Work with Appeals and Control, established on 30 October 2024 (Order of Uzbektelecom No. 344). This department is responsible for identifying and labeling all grievances that fall under the scope of AIIB-financed project activities for handling and reporting.³. The corporate GRM ensures that all stakeholders have an accessible and transparent means of submitting complaints or concerns, with safeguards in place to protect individuals from retaliation. The GRM process follows the procedures outlined in the Law of the Republic of Uzbekistan "On Appeals of Individuals and Legal Entities" (Law No. O'RQ-445, dated September 11, 2017). Complaints and grievances can be submitted through the official website of Uzbektelecom | Uztelecom.uz | under the "Contacts" section, where the company's legal and physical address, phone numbers, and email contacts are provided. The existing GRM is covering both, internal and external grievances and cooperates with relevant departments on specific issues.

28. Sources of Complaints to JSC "Uzbektelecom":

The Department's ToR and mandate is prescribed by the Order of the Cabinet of Ministers of the Republic of Uzbekistan No. 341 from 7 May 2018.

- Virtual Reception of the President of the Republic of Uzbekistan (short number/ hotline 1000, <https://pm.gov.uz/>);
- People's Reception of the Republic of Uzbekistan (offline offices of the Virtual Reception of the President of the Republic of Uzbekistan);
- Ministry of Digital Technologies;
- Consumer Rights Protection Agency and other organizations;
- Official website of the company (uztelecom.uz) – addressed to the Board Representative;
- Company hotline (71 200-77-97);
- Short number/ Hotline 1090;
- In-person visits to sales and service offices to submit a complaint;
- Short numbers 1084 and 1099;
- Online chat on uztelecom.uz;
- Telegram bot (http://t.me/utc_uzbot).

29. **Project-level GRM.** Uzbektelecom will use its corporate-level GRM, which is offline and online, and will introduce special labeling for this Project to distinguish its grievances from others. This approach ensures that any complaints or concerns arising from Project activities are systematically recorded and addressed. Each grievance will be documented and reviewed independently, ensuring that they are handled promptly and efficiently. This dedicated process aims to maintain transparency and accountability, providing a structured way for stakeholders to voice their issues and receive timely resolutions. By doing so, Uzbektelecom reinforces its commitment to effective project management and stakeholder engagement.

30. GRM combines mechanisms for processing complaints on issues of sustainable development, forced resettlement, labor rights and other ES matters into a single system. The document also details complaint-handling procedures, and measures to ensure transparency. This GRM policy was recently revised by the company's management and is currently implemented within Department of Work with Appeals and Control. Functions of GRM is not overlapping with the functions of existing trade unions under the advisory councils, which are open for employees of the Company and involved vendors/suppliers. GRM is a system for receiving, processing and responding to project-related complaints from the population and communities in difficult conditions. Within the framework of this Project, the main works include the installation and assembly of equipment at the facilities of Uzbektelecom JSC. If complaints are received (online, offline, by phone call or any other national level GRM channels), they will be handled in accordance with the Law of the Republic of Uzbekistan "On Appeals of Individuals and Legal Entities" (No. ZRU-445 dated 11.09.2017)⁴.

31. To the date, no cases of sexual harassment against women have been reported within Uzbektelecom. Should such a grievance arise, it will be addressed in accordance with the Law of the Republic of Uzbekistan "On Appeals of Individuals and Legal Entities" (No. ZRU-445 dated 11.09.2017)⁵ and with the involvement of the Company's Women's Committee, which handles matters related to women's affairs.

32. **Complaint Handling Process.** A complaint submitted to JSC "Uzbektelecom" is registered and assigned an incoming number. It is then forwarded to the Project team, which must verify whether it falls within the project's scope and/or site. After such verification, the complaint will be forwarded to the management for the assignment of a responsible executor and the issuance of an official order. After the resolution is signed, the executor reviews the complaint, prepares a conclusion, and issues an official response. The complainant then receives an official letter with the review results. Finally, the complaint is

⁴ [ZRU-445 dated 09/11/2017. On Amendments and Additions to the Law of the Republic of Uzbekistan "On Appeals of Individuals and Legal Entities"](#)

⁵ Ibid.

closed and archived. Complaints are processed electronically using the company’s internal document management system. Responses are sent via the HYBRIT electronic system as well as through traditional mail. Uzbektelecom will report on GRM log on regular basis to AIIB. As part of the Project implementation, a structural division of the company's head office is involved, which has the following powers in terms of areas of responsibility:

Table 7. The division of JSC Uzbektelecom responsible for GRM

No.	Department	Responsibility	Note
1	Department of Work with Appeals and Control (Depending on the issue of appeals, all departments of the Executive Office will be involved.)	Working with requests (applications, complaints, suggestions), informing management about detected deficiencies	The Department conducts on-site receptions in Project regions and handles requests via email, hotline (71 200-77-97), the President's Virtual Reception, the People's Reception, the Ministry of Digital Technologies, the Consumer Protection Agency, and other organizations. Branches review these requests based on their content, and the Department monitors them for feedback. Complex issues are addressed with the help of the Executive Office departments, such as the Department of Operations for communication quality and the Department of Human Resources for employee behavior.

33. **AIIB’s Policy on the Project-affected Peoples Mechanism (PPM)** applies to this Project. When concerns of Project-affected people are not addressed satisfactorily through the Project-level GRM or the processes of AIIB’s Management, the PPM provides an opportunity for an independent and impartial review of submissions from PAPs and/or their representatives. Information on AIIB’s PPM is available at: <https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html>.

34. To improve the accessibility of local communities to the Project-GRM, Uzbektelecom will disclose the GRM information and also AIIB’s PPM in readily accessible forms (including multiple channels such as text message campaigns, pamphlets, bulletin boards, and outreach campaigns by staff and facilitators) and in languages understandable to local communities, in each regional branch where Project activities will be carried out. This will be completed prior to commencing the relevant Project activities and maintained for the duration of the Project.

Table 8: Environmental and Social Safeguards Requirements for the Project

Category (Risk Rating)	ESS1. Environmental and Social Assessment and Management	ESS2. Land Acquisition and Involuntary Resettlement
Category A	Description: Subproject likely to have significant adverse ES impacts that are irreversible, cumulative, diverse or unprecedented. These impacts may affect an area larger than the sites or facilities subject to physical works and may be temporary or permanent in nature.	
	The Project is not anticipated to include Category A activities. Category A activities will be excluded from the Project.	
Category B	Description: Subproject that has a limited number of potentially adverse ES impacts; the impacts are not unprecedented; few if any of them are irreversible or cumulative; they are	

	limited to the Project area; and can be successfully managed using good practice in an operational setting.	
	<p>Comply with ESEL and national laws.</p> <p>Conduct an environmental and social due diligence or assessment and prepare an ESMP on the basis of the generic ESMP.</p> <p>Conduct of Environmental and Social Audit (ESA)⁶ for existing facility/assets.</p> <p>Disclose the draft and final ESMP and ESA in English and summary in local languages.</p> <p>Establish suitable GRM and disclose PPM.</p>	<p>Conduct Social Impact Assessment and prepare abbreviated Resettlement Plan (RP).⁷</p> <p>Conduct meaningful consultation.</p> <p>Disclose the draft and final RP and documentation of the consultation process, in the subproject area.</p> <p>Establish suitable GRM.</p>
Category C	Description: Subproject that has minimal or no adverse ES impacts.	
	<p>Comply with ESEL and national laws.</p> <p>Conduct a review of the ES implications of the subproject.</p> <p>Conduct of ESA for existing facility/assets.</p> <p>Disclose the draft and final ES review report and ESA in English and summary in local languages.</p> <p>Establish suitable GRM and disclose PPM.</p>	

E. Monitoring and Reporting

35. The company will implement the Project in compliance with the ESMS. The company will (i) mobilize its capable employees to supervise the Project activities' compliance with all applicable ES safeguards requirements (including implementation of the ESMP and RP, and effectiveness of the GRM), by visiting the sites at least quarterly; (ii) submit to AIIB semi-annual ES Performance Reports (ESPRs,) on its ESMS performance and the ES performance of the subprojects using AIIB funds, relating to ES risks and impacts. These monitoring reports will be posted on the company's and AIIB's website upon receipt of the final version endorsed by the company. An outline of the ESPR is in Attachment 6; (iii) promptly report to AIIB, no later than 48 hours after learning of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury. Provide sufficient detail regarding the

⁶ Environmental and Social Audit (ESA) is an instrument to determine the nature and extent of all environmental and social areas of concern at an existing facility/asset. The audit identifies and justifies appropriate measures to mitigate the areas of concern, estimates the cost of the measures, and recommends a schedule for implementing them.

⁷ Where impacts on the entire displaced population are minor, or fewer than 200 people are displaced, with the prior approval of AIIB, prepare an abbreviated resettlement plan. Impacts are considered "minor" if the affected people are not physically displaced and less than 10 percent of their productive assets are lost.

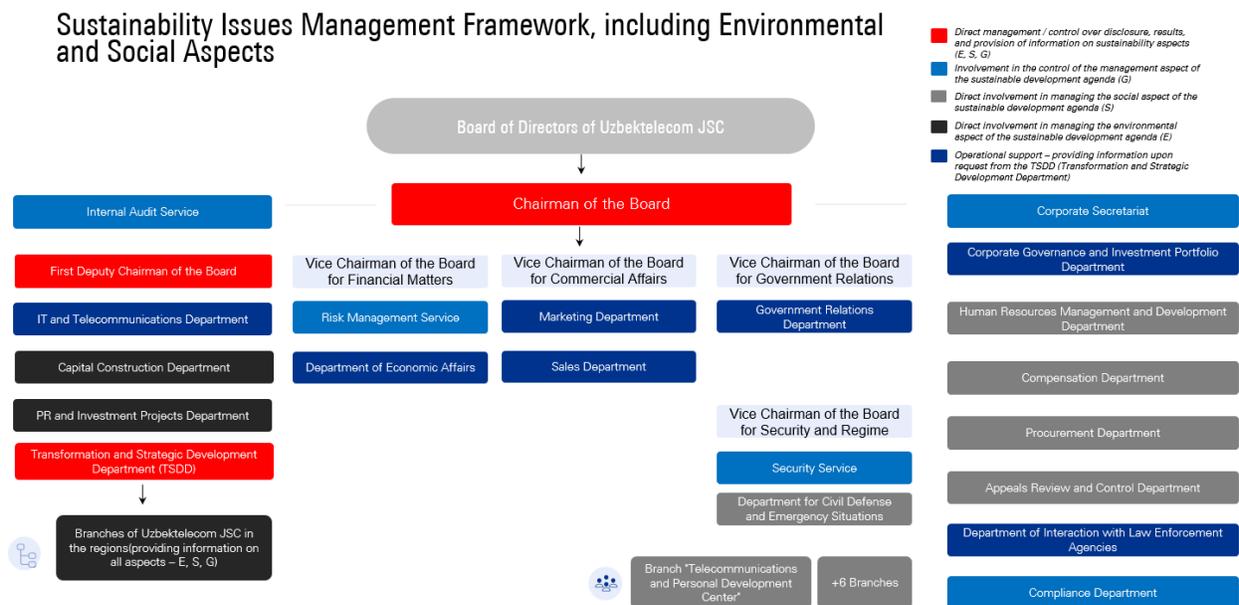
scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor, as appropriate. Subsequently, at AIIB’s request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.

IV. ORGANIZATIONAL RESPONSIBILITIES, RESOURCES AND CAPACITY

36. The key bodies responsible for monitoring disclosure, results and provision of information on the company's SD aspects consist of the Chairman of the Management Board, the First Deputy Chairman of the Management Board and the Transformation and Strategic Development Department (T&SD). The T&SD was formed in November 2024, before that its functions were performed by the Transformation Department.

37. T&SD is responsible for coordinating and integrating ES aspects into the overall strategy of the company. The department consists of 10 full-time employees and 10 contracted specialists with relevant expertise. This department plays a key role in ensuring interaction between the various departments, including requests for information on branches and other aspects related to sustainable development and social initiatives. While all departments and divisions of the company will be involved in environmental and social aspects, T&SD is tasked with leading, guiding, consolidating, monitoring, and overseeing these areas. The team is composed of highly skilled professionals with expertise in finance, corporate governance, management, and corporate strategy development. Figure 3 presents the detailed structure of Uzbektelecom JSC, reflecting the distribution of functions and powers between departments. The sustainable development management scheme is presented below, which includes key divisions aimed at solving environmental and social issues.

Figure 3. Sustainability Management Framework of Uzbektelecom JSC: Environmental and Social Governance



Attachment 1: AIIB's Environmental and Social Exclusion List

1. The Bank will not knowingly finance Projects involving the following: Forced labor¹ or harmful or exploitative forms of child labor;²
 - i. The production of, or trade in, any product or activity deemed illegal under national laws or regulations of the country in which the Project is located, or international conventions and agreements, or subject to international phase out or bans, such as: Production of, or trade in, products containing polychlorinated biphenyl (PCBs).³
 - ii. Production of, or trade in, pharmaceuticals, pesticides/herbicides and other hazardous substances subject to international phase outs or bans (Rotterdam Convention, Stockholm Convention).⁴
 - iii. Production of, or trade in, ozone depleting substances subject to international phase out (Montreal Protocol).⁵
 - iv. Trade in wildlife or production of, or trade in, wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).⁶
 - v. Trans-boundary movements of waste prohibited under international law (Basel Convention).⁷
 - vi. Production of, or trade in, weapons and munitions, including paramilitary materials.
 - vii. Production of, or trade in, alcoholic beverages, excluding beer and wine.⁸
 - viii. Production of, or trade in, tobacco.⁹

¹ Forced labor means any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty (including any kind of forced or compulsory labor, such as indentured labor, bonded labor or similar labor-contracting arrangements, or labor by trafficked persons).

² For purposes of this List, harmful or exploitative forms of child labor means the employment of children under the age of 18 for work which by its nature or the circumstances in which it is carried out is likely to jeopardize their health, safety or morals. However, if the laws or regulations of the country in which the Project is located provide, in conformity with the International Labour Organization's Minimum Age Convention, 1973, that children at least 16 years of age may be employed for such work on condition that their health, safety and morals are fully protected and that they have received adequate specific instruction or vocational training in the relevant branch of activity, then child labor means employment of children for work that does not comply with these laws and regulations.

³ PCBs: Polychlorinated biphenyls are a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950 to 1985.

⁴ United Nations Consolidated List of Products whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted or not Approved by Governments; Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); Stockholm Convention on Persistent Organic Pollutants; World Health Organization Recommended Classification of Pesticides by Hazard. A list of pharmaceutical products subject to phase outs or bans is available at <http://www.who.int>. A list of pesticides, herbicides and other hazardous substances subject to phase outs or bans is available at <http://www.pic.int>

⁵ Ozone Depleting Substances (ODSs): Chemical compounds which react with and deplete stratospheric ozone, resulting in the widely publicized "ozone holes." The Montreal Protocol on Substances that Deplete the Ozone Layer lists ODSs and their target reduction and phase out dates. A list of the chemical compounds regulated by the Montreal Protocol, which includes aerosols, refrigerants, foam blowing agents, solvents and fire protection agents, together with details of signatory countries and phase out target dates, is available from the United Nations Environment Programme, <http://www.unep.org/ozone/montreal.shtml>.

⁶ The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). A list of CITES listed species is available from the CITES secretariat, <http://www.cites.org>.

⁷ Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, see <http://www.basel.int>.

⁸ This does not apply to Clients who are not substantially involved in these activities. Not substantially involved means that the activity concerned is ancillary to the entity's primary operations.

⁹ This does not apply to Clients who are not substantially involved in these activities. Not substantially involved means that the activity concerned is ancillary to the entity's primary operations.

- ix. Gambling, casinos and equivalent enterprises.¹⁰
- x. Production of, trade in, or use of unbonded asbestos fibers.¹¹
- xi. Activities prohibited by legislation of the country in which the Project is located or by international conventions relating to the protection of biodiversity resources or cultural resources, such as, Bonn Convention, Ramsar Convention, World Heritage Convention and Convention on Biological Diversity.¹²
- xii. Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forests or old-growth forests.
- xiii. Production or trade in wood or other forestry products other than from sustainably managed forests.
- xiv. Marine and coastal fishing practices, such as large-scale pelagic drift net fishing and fine mesh net fishing, harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats.
- xv. Shipment of oil or other hazardous substances in tankers that do not comply with IMO requirements (IMO, MARPOL, SOLAS and Paris MOU).¹³
- xvi. Thermal coal mining, coal-fired power and heating plants or Projects that are functionally related to coal.¹⁴

¹⁰ This does not apply to Clients who are not substantially involved in these activities. Not substantially involved means that the activity concerned is ancillary to the entity's primary operations.

¹¹ This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20 percent.

¹² Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention) - <http://www.cms.int/>; Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention) - <http://www.ramsar.org/>; Convention Concerning the Protection of the World Cultural and Natural Heritage - <http://whc.unesco.org/en/conventiontext/>; Convention on Biological Diversity - <https://www.cbd.int/>.

¹³ Non-compliance with International Maritime Organisation (IMO) requirements: tankers that do not have all required International Convention for the Prevention of Pollution from Ships (MARPOL) or International Convention for the Safety of Life at Sea (SOLAS) certificates (including, without limitation, International Safety Management Code compliance), tankers banned by the Paris Memorandum of Understanding on Port State Control (Paris MOU), and tankers due for phase out under MARPOL regulation 13G. No single hull tanker over 25 years old should be used. <http://www.imo.org/About/Conventions/ListOfConventions/Pages/International-Convention-for-the-Prevention-of-Pollution-from-Ships-%28MARPOL%29.aspx>.

¹⁴ Projects functionally related to coal means associated facilities that are dedicated to enable the mining and use of coal or projects that would not be carried out without dedicated coal-based power supply. In order to assist Clients to reduce their coal use, the Bank may support Projects that aim at early retirement of coal plants, replacement of coal with lower-carbon fuel sources, or Projects for decommissioning, remediation, and redevelopment of affected coal facility sites and communities.

Attachment 2: Subproject Environmental and Social Screening Checklist

Note: For each subproject, the company or its regional companies should first check against the exclusion list in Attachment 1 before the subproject enters the following screening stage.

Subproject: _____

Criteria	Yes	No	Remarks/Actions
Compliance			
1. Does the proposed subproject obtain the required approval from relevant environmental authority?			Review of approval document
2. Does the proposed subproject obtain land use right or land use approval from relevant land resource authority?			Review of approval document
3. Does the proposed subproject involve land currently being used by informal businesses/settlers/encroachers?			If yes, the sub-project location will be moved to avoid any impacts
ES risks and impacts			
4. Does the subproject include an existing project activity or facility?			If yes, an ES audit will be performed.
5. Are there “associated facilities” involved in the subproject? (“Associated Facilities” are activities that are not included in the description of the Project set out in the Legal Agreements governing the Project, but which, following consultation with the Client, the Bank determines are: (a) directly and materially related to the Project; (b) carried out, or planned to be carried out, contemporaneously with the Project; and (c) necessary for the Project to be viable and would not be carried out if the Project did not exist.			If yes, then the same ES requirements for the subproject will apply to the “associated facilities”.
6. Does the subproject have significant labor (including direct and contracted workers) management risks including major working condition or OHS risks?			If yes, an assessment will be conducted, and mitigation measures proposed in the ESMP.
7. Is the subproject located in any critical habitat, natural habitat, or area that is legally protected or internationally recognized or designated for protection?			If yes, the subproject will be excluded from the Project.
8. Will the subproject generate hazardous waste?			If yes, hazardous waste storage, transport and disposal requirements will be proposed in the ESMP (including applicable national regulations and international practices).
9. Is there known archeological, historical, or cultural heritage site in the area of influence of the subproject?			If yes, mitigation measures will be proposed in the ESMP.
10. Does the public or any NGO around the subproject strongly object its operation?			If yes, adequate stakeholder engagement will be conducted, and an evaluation will be

Criteria	Yes	No	Remarks/Actions
			conducted and mitigation measures proposed in the ESMP.

Attachment 3: Outline of Subproject Environmental and Social Due Diligence/ Assessment

A. Introduction

1. Subproject description: title, type of subproject, location and setting, amount, size (production capacity, number of staff, etc.).
2. Environmental and social categorization and rationale.
3. Applicable Environmental and Social Requirements.

B. Methodology

1. Documents reviewed (e.g., environmental assessment reports, involuntary resettlement plan, or environmental and social compliance audit reports, copies of permits/licenses, etc.).
2. Methodology/Approach (e.g. site visit, inspection report, etc.).

C. Compliance and Gaps (by relevant safeguards requirements applicable for the specific subproject, examine environmental and social issues and compliance)

1. Examine issues in terms of environmental, social and involuntary resettlement impacts, mitigation measures to address these issues (or corrective action plan for existing facilities) and compliance status with applicable AIIB environmental and social safeguards requirements and national laws, regulations, and standards:
 - (i) Environmental Impacts
 - (a) appropriate identification of major anticipated environmental impacts and risks;
 - (b) adequacy of environmental assessment;
 - (c) compliance status with applicable requirements on (i) information disclosure, (ii) consultation with affected people and other stakeholders, (iii) occupational and community health and safety, biodiversity conservation and sustainable natural resource management, physical cultural resources; and
 - (d) adequacy of mitigation measures and ESMP (mitigation measures, monitoring and reporting, institutional arrangement, budget), or corrective action plan for existing facilities, if any.
 - (ii) Involuntary Resettlement Impacts
 - (a) appropriate identification of anticipated involuntary resettlement impacts and risks (including both physical displacement and economic displacement);
 - (b) adequacy of assessment of social impacts, information disclosure and consultation with affected people and other stakeholders;
 - (c) adequacy of compensation and benefits for displaced persons
 - (d) adequacy of resettlement plan (measures to enhance or restore the livelihoods of displaced persons, monitoring and reporting, institutional arrangement, budget), or corrective action plan for existing facilities, if any; and
 - (e) private sector responsibilities under government-manages resettlement.
 - (iii) Other Social Impacts
 - (a) compliance status with applicable requirements on (i) labor and working conditions, gender equality, vulnerable groups and social inclusion and
 - (b) adequacy of stakeholder engagement approaches and grievance redress mechanism arrangements and reporting

2. For existing facilities including subprojects under construction, examine whether the subproject company has any non-compliance in the last xx years in accordance with national laws, whether the subproject company is exposed to potentially significant liabilities/gaps, such as those arising from known or suspected environmental and social practices, major accidents and incidents related to the company's past or ongoing operations, and state further actions required/planned by the subproject to address any non-compliances, problems, and liabilities. Also, examine whether there are complaints from the public or local communities regarding the subproject company's environmental and social performance and existence/absence of a grievance redress mechanism.
3. Recommend mitigation measures, or corrective action plans, if gaps are identified, including subproject specific stakeholder engagement plan covering consultations, GRM and information disclosure for any local stakeholders or PAPs.
4. State any risk control or mitigation measures to be taken by the subproject, such as conditions, loan covenants or monitoring and reporting requirements.

D. Other Subproject Specific Issues (if any)

E. Conclusion and Recommendations

Attachment 4: Generic Environmental and Social Management Plan for Small Civil Works

Items	Mitigation measures
<i>Prohibitions</i>	<p>The following activities are prohibited on or near construction sites:</p> <ul style="list-style-type: none"> • Cutting of trees for any reason outside the approved construction area; • Illegal dumping of demolition material and debris; • Use of unapproved toxic materials, including lead-based paints, asbestos, etc.; • Disturbance to anything with architectural or historical value; • Burning of waste.
<i>Working hours</i>	<p>Core working hours should be from 0800 to 1800 on weekdays and 0800 to 1300 on weekend. Noisy operations shall not take place outside these hours without prior approval from the relevant authorities.</p> <p>Individual construction site requirements which differ from the above should be considered on a site-by-site basis.</p>
<i>Good house-keeping</i>	<p>“Good housekeeping” should be adopted at all times. This should include, but not necessarily be limited to the following:</p> <ul style="list-style-type: none"> • Ensure considerate behavior of the workers; • Prohibit open fires; • Ensure that appropriate provisions for dust control and road cleanliness are implemented; • Remove rubbish at frequent intervals, leaving the construction sites clean and tidy; • Remove food waste; • Frequently inspect, repair and re-paint as necessary all construction site hoardings; • Remove all flying posts/boards as soon as reasonably practicable and within 24 hours of notice; • Maintain toilet facilities and other welfare facilities for staff.
<i>Public information and site access</i>	<p>Any un-authorized entry to or exit from the construction sites should be restricted as much as possible. Upon request, the company should provide public information on the construction program (start and finish dates), plus a telephone number for public contacts and/or requests.</p>
<i>Construction Site layout and facilities</i>	<p>Any huts, office accommodations, toilets and welfare facilities should be accommodated within the boundaries of the construction sites</p>

***Nuisance, Dust
and Noise
Control***

- To minimize nuisance, dust and noise on construction sites, the company should:
- Plan activities in consultation with the related government authorities, building owners, and/or local communities so that activities with a great potential to generate noise are planned during the periods of the day that should result in least disturbance;
 - Use noise control devices, such as temporary noise barriers and exhaust muffling devices for combustion engines;
 - Avoid or minimize heavy project transportation through community areas;
 - To the extent possible, maintain noise levels associated with all machinery and equipment at or below 85 db;
 - Apply proper measures to minimize disruptions from vibration or noise coming from construction activities;
 - Implement strict measures to prevent undesirable noise levels in sensitive areas (including in residential neighborhoods, near hospitals, etc.). In such areas, minimize the production of dust and particulate materials at all times, to avoid impacts on vulnerable people (children, elders);
 - Selectively remove potential hazardous air pollutants, such as asbestos, from existing infrastructure prior to demolition;
 - Place dust screens around construction areas, provide fencing along the boundary so that emissions do not affect immediate neighbors, pay particular attention to areas close to housing, commercial areas, and recreational areas;
 - Spray water periodically as needed on construction areas, especially at site located near residential area.

Management of Construction Waste

Waste management planning. Possible construction wastes should be characterized according to composition, source, types of wastes produced, generation rates, or according to local regulatory requirements. Processes should be designed and operated as much as possible to prevent or minimize the quantities of wastes generated and hazards associated with the wastes generated. For example:

- Substitute raw materials or inputs with less hazardous or toxic materials;
- Implement good housekeeping and operating practices
- Implement procurement measures that recognize opportunities to return usable materials such as containers;
- Minimize hazardous waste generation by implementing stringent waste segregation to prevent the commingling of non-hazardous and hazardous waste.

Recycling planning. The total amount of waste may be significantly reduced through the implementation of recycling plans. This may for example include the evaluation of waste production processes and the identification of potentially recyclable materials.

Clean-up procedures. The company shall establish and enforce daily site clean-up procedures, including maintenance of adequate storage and treatment/disposal facilities for construction wastes to avoid potential impacts to human health and the environment. Management approaches should be consistent with the characteristics of the waste and local regulations, and may include one or more of the following principles:

- On-site or off-site biological, chemical, or physical waste material should either be treated to render it nonhazardous prior to final disposal or treated or disposed at permitted facilities specially designed to receive the waste.
- Debris generated due to the demolition of existing structures shall be suitably reused, to the extent feasible. The disposal of remaining debris shall be carried out only at sites identified and approved by local authorities.
- Under no circumstances shall the disposal of any material in environmentally sensitive areas.
- All garbage, metals, used oils, and excess material generated during construction should be disposed in authorized areas incorporating recycling systems and the separation of materials.
- In the event any debris or silt from the sites is deposited on adjacent land, the company shall immediately remove such debris and restore the affected area to its original state to the satisfaction of the related government authorities.

<p><i>Hazardous Wastes</i></p>	<p>Construction and decommissioning activities may pose the potential for release of small quantities of hazardous wastes/materials. The company should screen and assess the presence and contents of hazardous materials and petroleum-based products in building systems (e.g. PCB containing electrical equipment, asbestos-containing building materials, lamps or lamp ballasts, used batteries, empty paint cans) and process equipment and remove them prior to initiation of decommissioning activities, and manage their treatment and disposal according to Sections 1.5 and 1.6 on Hazardous Materials and Hazardous Waste Management, respectively in the World Bank Group’s General EHS guidelines (www.ifc.org/ehsguidelines). In particular, hazardous wastes should always be segregated from non-hazardous wastes. If generation of hazardous waste cannot be prevented through the implementation of the above general waste management practices, its management should focus on the prevention of harm to health, safety, and the environment, according to the following additional principles:</p> <ul style="list-style-type: none"> • Understand potential impacts and risks associated with the management of the hazardous waste during its complete life cycle; • Ensure that contractors responsible for the handling, treating, and disposing of hazardous waste are reputable and legitimate enterprises, licensed by the relevant regulatory agencies and following good international industry practice for the waste being handled; • Ensure compliance with applicable local and international regulations. International requirements may include host-country commitments under the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their disposal (http://www.basel.int/) and the Rotterdam Convention on the prior Inform Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (http://www.pic.int/) • If asbestos-containing materials are identified, the WBG Good Practice Note on Asbestos: Occupational and Community Health Issues dated May 2009 should be followed.
<p><i>Wastewater discharges</i></p>	<p>The company must take all the efforts to prevent wastes (solid and liquid) discharge into all rivers and canals and to protect surface and groundwater from pollution and other adverse impacts including changes to water levels, flows and general water quality. Whenever possible, the company must minimize the amounts of wastewater that need to be discharged and find alternative means of disposal. Liquid spills of lubricant, fuel and oil within the site should be attended at the earliest in order to minimize land and groundwater contamination. The company must ensure that any seepage and wastewater arising from the works must be collected and discharged via a settlement tank. Water drainage must be designed to avoid stagnant conditions that could create bad smell and unsanitary condition in the construction area and surrounding environment.</p>

<p>Construction safety</p>	<p><i>Emergency Procedures:</i> The company must ensure that emergency procedures are developed to facilitate effective actions in case of medical/fire emergency as well as environmental pollution (major spillage of gasoline, used oil, and/or toxic chemicals, etc.). The emergency procedure must contain emergency phone numbers and the method of notifying the statutory authorities. Contact numbers for the key staff of the company must also be included.</p> <p><i>Fire Prevention and Control:</i> All construction sites and associated welfare facilities must have appropriate plans and management controls to prevent fires in place. The site fire plans must be prepared and must have due regard to government regulations. During operation and maintenance of equipment and vehicles, the company must ensure that its workers are well aware of the procedures and have enough knowledge to comply with them. The specification of non-combustible materials, products and packaging should be pursued wherever reasonably practicable. The company must also comply with government requirements as may be appropriate at specific sites.</p> <p><i>Operation of equipment:</i> The company must take all reasonable precautions to ensure that equipment is operated in a manner so as not to cause safety risk and/or nuisance to surrounding residents and occupiers. Operations of cranes and other large equipment must be closely supervised. Permission may be required.</p> <p><i>Accident prevention.</i> The company’s responsibilities include the protection of every person and nearby property from construction accidents. The company shall be responsible for complying with all government safety requirements and any other measures necessary to avoid accidents, including the following:</p> <ul style="list-style-type: none"> • Properly install notice signs/board at construction sites; • If school children are in the vicinity, include traffic safety personnel to direct traffic during school hours; • Conduct safety training for construction workers prior to beginning work; • Provide necessary personal protective equipment and clothing (goggles, gloves, respirators, dust masks, hard hats, steel-toed and -shanked boots, etc.,) for construction workers and enforce their use; • Ensure that the removal of asbestos-containing materials or other toxic substances be performed and disposed of by specially trained workers; • During emergencies of any kind, suspend all work.
<p>Workforce and Workers sanitation</p>	<p>The company should whenever possible locally recruit the majority of the work-force and shall provide appropriate training as necessary.</p> <p>The company shall not allow the use of fuel wood for cooking or heating at the construction site or surrounding area.</p> <p>The company shall ensure that site offices, depots, and workshops are located in appropriate areas. Clean and well-maintained toilets should be made available.</p> <p>The company shall adequately provide workers with necessary tools.</p>
<p>Community Relations</p>	<p>To enhance adequate community relations the company shall inform the local authorities and community about construction and work schedules, interruption of services, traffic detour routes and provisional bus routes, as appropriate. There should be no construction activities at night.</p>

<p><i>Physical Cultural Property Chance finds Procedures</i></p>	<p>In the unlikely event that physical cultural property chance-finds occur, responsible local authorities would be in charge of protecting and preserving any archeological sites, historical sites, remains and objects before deciding on subsequent appropriate procedures. The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage; those include the aesthetic, historic, scientific or research, social and economic values. Decisions on how to handle the finding shall be taken by the responsible authorities. This could include changes in the lay-out (such as when finding an irremovable remain of cultural or archeological importance) conservation, preservation, restoration and salvage. In case of discovering archeological sites, historical sites, remains and objects, the company shall:</p> <ul style="list-style-type: none"> • Stop the construction activities in the area of the chance find; • Delineate the discovered site or area; • Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be arranged until the responsible local authorities take over; • Notify the responsible local authorities immediately (within 24 hours or less); • Resume construction work after permission is given from the responsible local authorities concerning safeguard of the heritage.
<p><i>Restoring the construction site after completion</i></p>	<p>On completion of the works, the company should clear away and remove all materials and rubbish and temporary works of every kind. Construction sites should be left clean and restored to a condition to the satisfaction of the related government authorities.</p>

Attachment 5: Outline of an Environmental and Social Performance Report

Please provide responses to the questions below. Please include additional sheets or attachments as required to provide details on questions that have been answered “Yes”.

Name of Organization			
Completed by (Name):			
Position in Organization:		Date:	
Reporting Period	From:		To:

A. Environmental and Social Management System (ESMS)

Policies & Processes	Yes/No	
What are the main challenges to meet AIIB's requirement for ESMS establishment and implementation?		
Have there been any updates to the ESMS or policy and procedures adopted by your organization during the reporting period?		If yes, please provide a copy of the updates including dates and reasons for the same
Has senior management signed off on the updated policy/procedure?		If yes, please provide the date and internal communication indicating the same.
Confirm if ESMS is being fully implemented in your current operations?		
What are the main challenges to meet host country's safeguards requirements?		
In case the existing ESMS is not fully functional, what is the action plan being implemented by [company]?		Please provide information or cite recommendation to improve the ESMS and its implementation.
Is there a need to update or revise the current ESMS to address present operations? If yes, what elements (policies, procedure, capacity and reporting) of the ESMS are required to be updated/revised?		
Please describe how you ensure that your subsidiaries and their subprojects are operated in compliance with the national laws and regulations and applicable AIIB's environmental and social standards.		
Please give details of any material social and environmental issues associated with subsidiary companies and their subprojects during the reporting period in particular.		
Capacity	Yes/No	
How many staff members are designated in the implementation of the ESMS?		Please provide the latest organizational chart of those involved in the implementation of the ESMS. Please provide names, position, job titles and responsibilities of the individuals in the company who hold responsibility for environmental and social performance (e.g. Environmental and Social Manager, Occupational Health and Safety Manager, Communication Manager) both at the corporate level and subproject level
Do the staff members assigned to implement the ESMS perform other job functions/responsibilities? If yes, please enumerate other job functions/responsibilities.		

Are these staff members long-standing employees of the company? Or are they new employees?		Please provide a summary of the number of employees engaged in ESMS implementation (e.g. full time, part time, long-standing, new).
Are there external environment and social consultant/s assisting you to deal with technical issues of the subprojects?		
What was the budget allocated to the ESMS and its implementation during the year?		Please provide budget details including staff costs and training as well as any actual costs.
Monitoring	<i>Yes/No</i>	
Do you receive environmental and social monitoring reports from subsidiaries for their subprojects?		If yes, please describe and provide supporting documents including any social and environmental considerations if applicable.
Do you check for ongoing compliance of your subprojects with national regulation and any other requirements?		If yes, please describe the process including any social and environmental considerations if applicable.
Please describe how you monitored your subsidiaries and their subproject's social and environmental performance.		Please provide information on the number of subprojects where a field visit was conducted by ESMS staff to review subproject status including social and environmental progress and issues. Please describe main environmental and social findings during the monitoring/reporting period. Provide supporting documents such as environmental and social monitoring reports
Please provide details of any accidents/litigation/complaints/regulatory notices and fines: - Any incidents of non-compliance with the applicable Environmental and Social Requirements - Covenants/conditionalities imposed by AIIB to [company]'s subprojects as a result of any non-compliance		
Reporting	<i>Yes/No</i>	
Do you regularly receive environmental and social monitoring reports from your subsidiaries?		
Is there an internal process to report on social and environmental issues?		If yes, please explain the process, reporting format and frequency and activities taken if any.
Do you prepare any social and environmental reports: (i) for other multilateral agencies; (ii) other stakeholders; or inputs to (iii) Sustainability Report?		If yes please mention the name of the multilateral agencies or other stakeholders that receive the social and environmental reports.
Do you have an external monitoring reports covering environmental and social issues?		If yes, please provide copies of these reports.

B. Summary Information on Subprojects. For the reporting period, please provide the summary information of your current and planned operations where applicable:

I. Subprojects Under Operation	Brief Description of Facility	Operational Since (MM/YY)	ES Categorization	Any outstanding environmental and involuntary resettlement issues during reporting period and actions taken to address the issues

1. [location]				
2. [location]				
3.				
II. Subprojects Under Construction/Consideration	Brief Description of Facility	Planned Commissioning Date (MM/YY)	ES Categorization	Any outstanding and/or potential environmental and involuntary resettlement issues
1.				
2.				
3.				

C. Progress of Implementation of the Gender Measures. Discuss status of implementation of gender measures, as well as updates on new measures, if any.

D. Grievance Redress Mechanism. Discuss the implementation of the GRM, issues/complaints received during the period and actions to address them, status of remaining issues/action from last reporting period.

E. Information on New Subprojects Utilizing AIIB Funds

For the reporting period, please provide the following information about each AIIB-financed subprojects by ([company]) currently under implementation:

Name of Company/Subsidiary:	
Name of Subproject:	
Subproject location:	
Total Subproject Cost:	
Total Financing from AIIB (US\$ mln):	
ES category:	
Were any environmental and social due diligence undertaken by your organization?	If yes, provide information on due diligence activities, such as desk review of safeguards documents, and field visit, and by whom.
Any environmental and social assessment report (including environmental and social management plan), or environmental and social audit reports reviewed by your organization or prepared for this subproject?	If yes, please provide the names and copies of documents reviewed.
What were the environmental and involuntary resettlement issues associated with this subproject that were identified through due diligence conducted by your organization or audit reports on the subproject, and how were the issues dealt with (i.e., outcome of due diligence)?	
For each subproject, did (Project/Borrower's staff responsible for implementing the ESMS) assist the subsidiary company to comply with the applicable environmental and social safeguards requirements and their implementation?	If yes, please briefly describe.

Were safeguards related documents such as ESMP, RP, or ES audit reports made publicly available?	If yes, please provide website link and the date the documents were uploaded.
Were any conditions or covenants related to environmental and social issues made along with the investment?	If yes, please briefly describe.
Does the subproject comply with applicable government requirements?	
Does the subproject comply with applicable AIIB safeguards requirements?	
Employment information on the following: Subproject Staff Employment (Total; Male; Female) Subproject Seasonal Employment, and outsourced employment (Total; Male; Female) Subproject Construction Employment (Total; Male; Female)	
Describe measures being undertaken by the Company to ensure that the subproject contractors and other providers of goods and services: (i) do not employ child labor ²² or forced labor; ²³ (ii) have appropriate management systems that will allow them to operate in a manner which is consistent with national labor laws, and AIIB's ESF requirements and allows expressing their grievances and protecting their rights regarding working conditions and terms of employment.	

**Suggested Outline of an Environmental and Social Monitoring Report for Subproject
(to be annexed to the ESPR)**

1. Subproject Name and Summary Information

- (i) Subproject/Business Name and Location
- (ii) Scale/size/capacity
- (iii) Reporting period covered by this monitoring report (month/year)
- (iv) Specification of project stage and date of operation (design, construction, operation or closure stage)
- (v) Key developments and any major changes in project location and design, if any

2. Relevant Environmental Permits or Compliance Certificates

- (i) Issued by government agency(ies) (include name of agency)
- (ii) Issuance dates and duration of validity
- (iii) Summary of permit conditions and renewal requirements
- (iv) Other standards and/or certificates (e.g., ISO 14000 Environmental Management Systems and Standards)

3. Land Acquisition and Involuntary Resettlement

- (i) Subproject impacts due to land acquisition and involuntary resettlement, and measures undertaken.

4. Matters of Breach or Non-compliance

- (i) Nature of non-compliance

²² Child labor means the employment of children whose age is below the statutory minimum age of employment in the relevant country, or employment of children in contravention of International Labor Organization Convention No. 138 'Minimum Age Convention' (www.ilo.org).

²³ Forced labor means all work or services not voluntarily performed, that is, extracted from individuals under threat of force or penalty.

- (ii) Environmental standard or specification not complied with
- (iii) Recorded date and responsible body/agency
- (iv) Community or media reaction (if any)
- (v) Corrective actions, target dates/deadlines, identification of responsible parties
 - (a) *short-term: remedial action*
 - (b) *long-term: preventive measures*

5. Grievance Redress Mechanism

- (i) Date established and description of organizational arrangements
- (ii) Complaints, grievance, or protests received from local communities, recorded dates and organizations involved, actions taken to resolve grievances; any outstanding issues and proposed measures for resolution
- (iii) Nature of labor dispute or grievance (Company staff and contractors/subcontractors' workers)
- (iv) Authorities in charge of investigation/recording
- (v) Media or community reactions (if any)
- (vi) Corrective actions, deadlines, identification of responsible parties; and

6. Labor Conditions and Occupational and Community Health and Safety

- (i) Number of Company staff and workers and compliance with national labor laws; Number of workers engaged by contractors and subcontractors and their compliance with the national labor laws. Describe how the company is monitoring compliances. Where non-compliances were observed or reported, what measures were undertaken to bring the subproject to compliance.
- (ii) Training programs carried out
- (iii) Incidents²⁴ recorded, including date, scale of damage and injury²⁵, if any; authorities in charge of investigation/recording, and media or community reactions, if any; action taken to respond to the incident; and any outstanding issues and proposed measures
- (iv) Other health and safety events or out-reach activities
- (v) Corrective actions, target dates/deadlines, identification of responsible parties
 - (a) *short-term: remedial action*
 - (b) *long-term: preventive measures*

6. Gender. Provide update/progress on the indicators/measures under the Gender Action Plan. Describe any gender measures actions done by the company/subproject that promotes women's welfare and opportunities.

7. Environmental Management Capacity (Subproject/site level)

- (i) Number of staff, qualifications and experience in environmental management (Please provide organization chart at the facility level)
- (ii) Awareness of: (i) environmental issues, (ii) health and safety, (iii) national environmental laws and regulations, and (iv) applicable AIIB's environmental safeguards requirements
- (iii) Training programs carried out
- (iv) Assessment of environmental management capacity needs (including planned capacity building programs)

8. Stakeholder Engagement Activities

- (i) Details of information disclosure and consultations, if any, with affected people, local communities, civil society groups, and other stakeholders
- (ii) Details of approach/methodology on addressing the concerns and issues raised at consultations
- (ii) Describe efforts/initiatives to promote community relations and local development for relevant stakeholders/inhabitants of the project area.

²⁴Including incidents that have caused damage on the environment or to human health, and/or attracted attention of outside parties (e.g., fire, explosion, chemical or oil spill, and pollution release).

²⁵ Including fatalities, serious injuries (requiring emergency treatment or hospitalization), lost time accidents (requiring more than one day off work to recover), and incidents involving compensation claims.

8. Compliance with Applicable Environmental and Social Safeguards Requirements

Implementation of Environmental and Social Management Plan (ESMP) and Corrective Action Plan (citing changes in the ESMP, where warranted) at construction or operation phase, focusing on mitigation measures and monitoring program.

9. Other Information and Feedback/Summary Assessment of Performance

Please list any other information that the Bank should be aware of. This may relate to broader environmental matters, community initiatives within your company, positive media or NGO attention, training activities, management system initiatives or cost savings through process efficiency, environment-friendly processes.

Name and Signature

Name:	Date:
Position:	Phone:
Signature:	E-mail:

Attachment 6: Climate Adaptation and Resilience Actions

Aspect	Detailed description of climate risk	Risk management
Droughts and water shortages	Constant droughts lead to a decrease in water resources and deterioration of conditions for the rural regions in which the Company operates.	Transition to cooling systems with minimal use of water; reuse of water; installation of monitoring systems; placement of facilities in less vulnerable regions; use of energy-efficient technologies and reservation of alternative water resources.
Temperature rise	The gradual increase in temperature has a long-term impact on the climate and the general health of the population.	Underground installation of lines to minimize heat exposure and use of heat-resistant materials to improve infrastructure durability
Forest fires	Forest fires lead to destruction of Base Stations and Towers and damage to cables	Use of fire-resistant materials, and vegetation management around base stations (BS) to prevent fire spread