

# **The Phase III & IV of Guangzhou College of Applied Science and Technology (GCAST) Zhaoqing Campus**

**(Draft) Environmental and Social Action Plan**

**April 2026**

**China Education Group Holdings Limited**

# The Phase III & IV of Guangzhou College of Applied Science and Technology (GCAST) Zhaoqing Campus

## Environmental and Social Action Plan

China Education Group Holdings Limited (CEG) is a leading PRC vocational education group with footprints in China, Australia, and the United Kingdom (UK).

CEG intends to secure a corporate loan from the Asian Infrastructure Investment Bank (AIIB) to finance Phase III & IV construction and operation of the Guangzhou College of Applied Science & Technology (GCAST) Zhaoqing Campus, a subsidiary school of CEG.

The proposed Phase III & IV of GCAST Zhaoqing Campus covers an area spanning 427 mu (approximately 284,666 square meters, m<sup>2</sup>). It will mainly include one student dormitory, six training buildings, one practical center, three teacher's buildings, one canteen, one academic exchange center, one indoor stadium, one culture and arts center, one outdoor stadium and affiliated basements. Among which, the student dormitory has been completed and one training building is under interior decoration. The remaining buildings are planned to be completed within the next five years.

In March 2026, AIIB conducted an environmental and social due diligence (ESDD) for GCAST Zhaoqing Campus against AIIB's Environmental and Social Policy (ESP) and relevant Environmental and Social Standards (ESSs). Some gaps on the implementation of CEG's Environmental and Social Management System (ESMS) were identified during the ESDD.

To the extent actions to address gaps are necessary for the CEG's system to be materially consistent with the objectives of the AIIB's ESP and relevant ESSs, this environmental and social action plan (ESAP) has been prepared by CEG to address the environmental and social (E&S) gaps during the further implementation stage and operational stage. The ESAP, as presented in Table 1, has been agreed upon by AIIB.

ESAP sets out: (a) commitments to implement corrective actions to address the gaps identified following an appropriate time-bound action plan, in conformity with the ESP, Environmental and Social Exclusion List (ESEL), and applicable ESSs; (b) estimates of the resources required; (c) responsibilities for implementation of the actions, and (d) monitoring approach.

**Table 1: ESAP for Phase III & IV of GCAST Zhaoqing Campus**

No.	Action/Measure	Resources (Responsibility & Budget)	Timeframe/ Target Date	Performance Indicator /Monitoring Requirement
1.	<u>E&amp;S Staffing/Institutional Arrangement</u>  Assign a new ESMS coordinator of GCAST Zhaoqing Campus.	ESMS Manager of CEG / GCAST Zhaoqing Campus Management Team.  Management time cost.	Prior to the first disbursement.	CEG will share with AIIB, the following: a. A formal assignment notice of new ESMS coordinator of Zhaoqing Campus.
2.	<u>Environmental and Social Management Plan (ESMP) Endorsement</u>			
2.1	<b>[Construction Phase]</b> The ESMP shall be formally incorporated into all future EPC and construction-related contracts as binding <b>environment, health and safety (EHS) requirements</b> . All contractors engaged after approval of the ESMP shall be required to prepare and implement a <b>Contractor-specific ESMP (CESMP)</b> consistent with the approved ESMP.  If any new EPC or construction contracts are awarded <b>prior to the first disbursement</b> , CEG/GCAST shall submit evidence to AIIB demonstrating that the ESMP requirements have been incorporated into such contracts and that the relevant contractors have prepared C-ESMPs accordingly. If no new contracts are awarded prior to the first disbursement, CEG/GCAST shall confirm compliance and provide supporting evidence through the <b>Annual Environmental and Social Monitoring Report</b> .	GCAST Zhaoqing Campus Management Team / ESMS Coordinator.  Management time cost	Ongoing	CEG will share with AIIB, the following: a. <b>Executed EPC contract</b> , with the approved <b>ESMP attached as an integral part of the contract and incorporated as binding EHS requirements</b> . b. <b>Training and handover materials</b> , including records and presentation materials from the <b>ESMP handover workshop conducted with the EPC contractor</b> .
2.2	<b>[Operation Phase]</b> Prior to and during the operation of the new campus, CEG/GCAST shall obtain and maintain all applicable	GCAST Zhaoqing Campus Management	Ongoing	CEG will share with AIIB, the following:

No.	Action/Measure	Resources (Responsibility & Budget)	Timeframe/ Target Date	Performance Indicator /Monitoring Requirement
	<p><b>environmental and social (E&amp;S) permits and approvals</b>, including but not limited to the following, as required by national and local regulations:</p> <ol style="list-style-type: none"> <li>Construction completion acceptance inspection approval.</li> <li>Fire protection completion acceptance inspection approval or registration record.</li> <li>Special equipment inspection certificates for elevators.</li> <li>Food business licences for campus canteens.</li> <li>Wastewater discharge permit, where applicable.</li> </ol> <p>Copies of the relevant permits and approvals shall be retained by the Project Owner and made available to AIIB upon request, and their status shall be reported as part of periodic E&amp;S monitoring and supervision.</p>	<p>Team / ESMS Coordinator.</p> <p>Management time cost</p>		<ol style="list-style-type: none"> <li><b>Construction completion acceptance inspection approval</b> obtained prior to campus operation, with official acceptance certificate issued by the competent authority.</li> <li><b>Fire protection completion acceptance inspection approval or registration record</b> issued by the fire authority prior to operation.</li> <li><b>Valid special equipment inspection certificates for elevators</b>, issued by qualified inspection bodies and maintained throughout operation.</li> <li><b>Food business licences for all campus canteens</b>, valid and displayed as required by local regulations.</li> <li><b>Wastewater discharge permit</b>, where applicable, or written confirmation from the competent authority that such permit is not required.</li> </ol>
2.3	<p><b>[Operation Phase – Reporting Requirement]</b></p> <p>CEG/GCAST shall confirm that all required environmental and social (E&amp;S) permits and approvals for the new campus have been obtained prior to commencement of operations, including those listed above. Confirmation of permit status, together with copies or other appropriate evidence where available, shall be provided to AIIB through the Annual Environmental and Social Monitoring Report, consistent with reporting arrangements applied to the project.</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost</p>	Ongoing	<p>CEG will share with AIIB, the following:</p> <ol style="list-style-type: none"> <li><b>Confirmation included in the Annual Environmental and Social Monitoring Report</b> that all required E&amp;S permits and approvals have been obtained prior to operation, supported by copies or a permit register summarizing permit status.</li> </ol>

No.	Action/Measure	Resources (Responsibility & Budget)	Timeframe/ Target Date	Performance Indicator /Monitoring Requirement
3.	<p><u>Environment, Health and Safety (EHS) Management Practices</u></p> <p>f. Strength topsoil management at all construction sites to prevent dust pollution and soil erosion (e.g., covering topsoil with dust-proof nets).</p> <p>g. Ensure unobstructed access to fire extinguishers at construction sites and implement appropriate anti-corrosion and weather-protection measures.</p> <p>h. Ensure proper storage of construction materials, hazardous materials (e.g., oil paint) and construction waste at all construction sites, with spill prevention and weather-proof measures.</p> <p>i. Provide training to all onsite workers and subcontractors to enhance their awareness on proper material storage, housekeeping, and hazard management.</p> <p>j. Develop and implement an environmental monitoring plan in line with the project ESMP, as well as CEG's ESMS.</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost (actions a, b, c and d).</p> <p>Approximately 1,000 CNY for each round of environmental monitoring (action e).</p>	<p>Prior to the first disbursement (indicator a, b and c).</p> <p>Annually in the monitoring report (indicator d and e).</p>	<p>CEG will share with AIIB, the following:</p> <p>a. Photos documenting the proper cover of topsoil at construction site.</p> <p>b. Photos documenting unobstructed access to fire extinguishers at construction site, with anti-corrosion and weather-proof measures.</p> <p>c. Photos documenting the proper storage of construction materials, hazardous materials and construction waste at all construction sites, with spill prevention and weather-proof measures.</p> <p>d. Records of EHS awareness training on proper material storage, housekeeping, and hazard management.</p> <p>e. Environmental monitoring data and relevant screening criteria, as part of the monitoring report.</p>
4.	<p><u>Land Acquisition and Resettlement</u></p>			
4.1	<p><u>Assessment and Monitoring</u></p> <p>a. Conduct a social impact assessment (SIA) for the Phase III &amp; IV campus.</p> <p>b. Conduct regular monitoring (e.g., semi-annual) on the compensation disbursement progress for the pig farm owner.</p> <p>c. Conduct regular monitoring (e.g., semi-annual) on the displacing progress of driving school.</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Approximately 100,000 CNY (action a).</p> <p>Management time cost (remaining actions).</p>	<p>Prior to the first disbursement (indicator a).</p> <p>Annually in the monitoring report (indicator b and c).</p>	<p>CEG will share with AIIB, the following:</p> <p>a. A SIA report for the Phase III &amp; IV campus.</p> <p>b. An update on the compensation disbursement status for the pig farm owner, as part of the monitoring report.</p> <p>c. An update on the driving school displacing status, as part of the monitoring report.</p>

No.	Action/Measure	Resources (Responsibility & Budget)	Timeframe/ Target Date	Performance Indicator /Monitoring Requirement
4.2	<p><u>Completion of Outstanding Compensation for the Pig Farm</u></p> <p>CEG/GCAST shall continue to coordinate with the Dinghu District Natural Resources Bureau and the Lianhua Town Government to complete compensation and resettlement arrangements for the affected pig farm. No construction activities or site works shall be carried out within the pig farm area until compensation has been fully agreed and implemented. The pig farm operator shall be informed of the Project-level grievance redress mechanism (GRM), and any grievances shall be addressed through consultation-based resolution.</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost</p>	<p>Prior to construction at the land parcel of the pig farm</p>	<p>CEG will share with AIIB, the following:</p> <ol style="list-style-type: none"> <li>Signed compensation and resettlement agreement with the pig farm operator.</li> <li>Proof of compensation payment (e.g., bank transfer record or official payment voucher).</li> <li>Site photographs or site management records confirming no construction activities within the pig farm area prior to compensation completion.</li> <li>Records confirming the pig farm operator has been informed of the Project GRM.</li> <li>Status updates included in periodic (semi-annual or annual) Environmental and Social Monitoring Reports submitted to AIIB.</li> </ol>
4.3	<p><u>Monitoring of Rental-Equivalent Compensation for Reserved Development Land</u></p> <p>CEG/GCAST shall monitor the timely and full payment of rental-equivalent compensation provided to affected village collectives as transitional livelihood support until income-generating commercial facilities are completed and handed over. To the extent practicable, the Project shall also monitor the incorporation of such compensation into village collective income and its distribution to eligible villagers.</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost</p>	<p>Ongoing</p>	<p>CEG will share with AIIB, the following:</p> <ol style="list-style-type: none"> <li>Official payment vouchers or bank transfer records for rental-equivalent compensation.</li> <li>Village collective records confirming receipt and allocation of rental-equivalent income.</li> <li>Summary of collective income distribution arrangements (per-capita or approved method) at villager-group level.</li> <li>Confirmation of payment status and distribution included in the Annual Environmental and Social Monitoring Report.</li> </ol>

No.	Action/Measure	Resources (Responsibility & Budget)	Timeframe/ Target Date	Performance Indicator /Monitoring Requirement
4.4	<p><u>Monitoring of Long-Term Livelihood Security Payments</u></p> <p>CEG/GCAST shall monitor the continued provision of long-term livelihood security payments for land-acquired farmers, calculated based on grain price equivalence and disbursed in accordance with the agreed schedule.</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost</p>	Ongoing	<p>CEG will share with AIIB, the following:</p> <ol style="list-style-type: none"> <li>Official payment records evidencing annual livelihood security payments (two instalments per year).</li> <li>Confirmation from village committees or villager representatives regarding receipt of payments.</li> <li>Summary of payment status included in periodic Environmental and Social Monitoring Reports to AIIB.</li> </ol>
4.5	<p><u>Continued Stakeholder Engagement and Grievance Redress</u></p> <p>CEG/GCAST shall maintain accessible grievance redress arrangements for land acquisition-related issues during Project implementation, including for affected enterprises, individual operators, and village collectives. Any land-related grievances shall be documented and addressed through consultation-based resolution.</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost</p>	Ongoing	<p>CEG will share with AIIB, the following:</p> <ol style="list-style-type: none"> <li>Functional Project-level GRM with contact details disclosed to affected stakeholders.</li> <li>Grievance log (including land-related grievances, if any) and records of resolution.</li> <li>Confirmation of GRM operation and grievance handling status reported in the Annual Environmental and Social Monitoring Report.</li> </ol>
5.	<p><u>Stakeholder Engagement and Grievance Redress Mechanism</u></p> <ol style="list-style-type: none"> <li>Implement the existing stakeholder engagement and grievance redress procedures and maintain formal records.</li> <li>Provide training on stakeholder engagement and grievance redress procedures for all onsite workers, subcontractors and other affected stakeholders.</li> </ol>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost.</p>	Annually in the monitoring report.	<p>CEG will share with AIIB, the following:</p> <ol style="list-style-type: none"> <li>Grievance logs, including number, type, and status of complaints.</li> <li>Records of stakeholder engagement and grievance redress mechanism training.</li> </ol>

No.	Action/Measure	Resources (Responsibility & Budget)	Timeframe/ Target Date	Performance Indicator /Monitoring Requirement
6.	<p><u>Labor Management</u></p> <ul style="list-style-type: none"> <li>a. Provide training on labor management policies/procedure and labor right/benefit to construction workers, service providers and subcontractors (e.g., food provider, clean supplier, and security service).</li> <li>b. Regularly document (e.g., semi-annual) the resolution status of historical labor disputes, including whether any liabilities remain outstanding and how they have been managed.</li> </ul>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost.</p>	<p>Annually in the monitoring report.</p>	<p>CEG will share with AIIB, the following:</p> <ul style="list-style-type: none"> <li>a. Records of labor management procedure training.</li> <li>b. An update on the resolution status of historical labor disputes, as part of the monitoring report.</li> </ul>
7.	<p><u>Gender</u></p> <ul style="list-style-type: none"> <li>a. Prepare a project-specific gender assessment report for Phase III &amp; IV campus in line with the CEG's Gender Management Procedure.</li> <li>b. Provide training on gender policies including gender-based violence (GBV) and sexual exploitation, abuse and harassment (SEAH) to all onsite workers, subcontractors and other affected stakeholders.</li> <li>c. Include provisions on gender equality and GBV/SEAH prevention in the contracts and Codes of Conduct (CoC) signed with contractors.</li> <li>d. Strengthen the monitoring of gender aspects under the project through the introduction of specific indicators, including: (i) the number of staff and workers receiving training on gender equality and prevention of sexual harassment, and (ii) the share of female employees among academic and administrative staff in project-supported campuses.</li> </ul>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Approximately 50,000 CNY (action a).</p> <p>Management time cost (remaining actions).</p>	<p>Prior to first disbursement (indicator a).</p> <p>Annually in the monitoring report (indicator b, c and d).</p>	<p>CEG will share with AIIB, the following:</p> <ul style="list-style-type: none"> <li>a. A gender assessment report documentation of gender risk screening and mitigation measures.</li> <li>b. Training record of gender policies including GBV and SEAH.</li> <li>c. Contracts and CoCs signed with contractors.</li> <li>d. Monitoring results of the indicators, as part of the monitoring report.</li> </ul>

No.	Action/Measure	Resources (Responsibility & Budget)	Timeframe/ Target Date	Performance Indicator /Monitoring Requirement
8.	<p><u>Biodiversity and Protected Area</u></p> <p>a. Develop an initiative to protect wildlife that enters the campus.</p> <p>b. Add the wildlife protection initiative into existing training plan for students/staff, onsite workers and subcontractors.</p> <p>c. Provide relevant training to all students/staff, onsite workers and subcontractors.</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost.</p>	<p>Prior to the first disbursement (indicator a and b).</p> <p>Annually in the monitoring report (indicator c).</p>	<p>CEG will share with AIIB, the following:</p> <p>a. An initiative to protect wildlife that enters the campus.</p> <p>b. An updated induction training plan for all students/staff with wildlife protection contents.</p> <p>c. Training records with wildlife protection contents.</p>
9.	<p><u>Disclosure of Environmental and Social Information</u></p> <p>Disclose the final version of SIA, Land Review, ESAP, ESMP, ESMS Overview and AIIB's Project-affected People's Mechanism (PPM).</p>	<p>GCAST Zhaoqing Campus Management Team / ESMS Coordinator.</p> <p>Management time cost.</p>	<p>Prior to the first disbursement.</p>	<p>CEG will share with AIIB, the following:</p> <p>a. A disclosing record of final version of SIA, Land Review, ESAP, ESMP, ESMS Overview and AIIB's PPM.</p>