# Environmental & Social Management Manual

## Cabeolica, Cabo Verde

**Cabeolica SA**

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# Acronyms and Abbreviations

| Acronym/ Abbreviation | Definition |
|---|---|
| AEB | *Águas e Energía de Boa Vista* |
| AfDB | African Development Bank |
| AIA | *Autorização Ambiental Integral* (Environmental Integral Authorization) |
| BAT | Best Available Technology |
| BESS | Battery Energy Storage System |
| CCESMP | Contractors Construction Environmental and Social Management Plan |
| CDB | Convention on Biological Diversity |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| CITES | Convention on International Trade in Endangered Species of wild fauna and flora |
| CMS | Convention on Migratory Species |
| CRS | Corporate Social Responsibility |
| DNA | *Direção Nacional do Ambiente* (National Directorate for the Environment) |
| ECS | Environmental, Climate and Social |
| EIA | Environmental Impact Assessment |
| EIB | European Investment Bank |
| EP | Equator Principles |
| EPC | Engineering, Procurement and Construction |
| ES | Environmental and Social |
| ESA | Environmental and Social Assessment |
| ESIA | Environmental and Social Impact Assessment |
| ESMM | Environmental and Social Management Manual |
| ESMP | Environmental and Social Management Plan |
| ESMS | Environmental and Social Management System |
| EU | European Union |
| FI | Financial Intermediates |
| GHG | Greenhouse Gas |
| GIIP | International Industry Good Practices |
| GRM | Grievance Redress Mechanism |
| HHS | Hygiene Health and Safety |
| HVRM | Highly Vulnerable Rural Minorities |
| ILO | International Labour Organization |
| KPI | Key Performance Indicator |
| MESA | Manager of Environmental, Social and Administration |
| NC | Non-conformity |
| NGO | Non-Governmental Organization |
| NPSE | National Program for Sustainable Energy |
| OE | Owner's Engineer |

| Acronym/ Abbreviation | Definition |
|---|---|
| OS | Operational Safeguard |
| QMS | Quality Management System |
| PENGeR | *Plano Estratégico Nacional de Gestão de Resíduos* (National Strategic Plan for Waste Management) |
| PPE | Personal Protective Equipment |
| SDS | Safety Data Sheet |
| SEP | Stakeholder Engagement Plan |
| SNSP | System Non-Synchronous Penetration |
| UNCCD | UN Convention to Combat Desertification |
| UNFCCC | UN Framework Convention on Climate Change |
| VAC | Violence Against Children |
| VR | Valued Receptors |

# 1 Introduction

The purpose of this Environmental and Social Management Manual (ESMM) is to document Cabeolica's approach to implement the Environmental and Social Policy and the management of environmental and social risks and impacts throughout all activities carried out by Cabeolica. This ESMM is prepared to meet the requirements of the African Development Bank (AfDB) and the European Investment Bank (EIB), which are the main funding agencies for this project.

The Environmental and Social Management System (ESMS) is a dynamic and continuous process that requires engagement between Cabeolica and its employees, contractors and other stakeholders who are directly or indirectly impacted by Cabeolica's financed activities and decisions. The ESMS will be reviewed at regular intervals and amended as required to reflect lessons learned and to ensure current relevance to Cabeolica activities. The documents pertaining to the ESMS of Cabeolica are listed in Table 1-1.

*Table 1-1 Cabeolica Environmental and Social Management System (ESMS)*

| Code | Document |
|---|---|
| MGES.01.00 | Environmental and Social Management Manual |
| MGES.01.00, Appendix A | Control of air and noise quality |
| MGES.01.00, Appendix B | Management of soils, hydrology and groundwater |
| MGES.01.00, Appendix C | Protection of flora and fauna |
| MGES.01.00, Appendix D | Social Management |
| PES.01.00 | Environmental and Social Monitoring Plan |
| PES.02.00 | Emergency and Non-routine Events Preparedness and Response Plan |
| PES.03.00 | Waste Management Plan |
| PES.04.00 | Stakeholder Engagement Plan |
| PES.05.00 | Chance Finds Procedure |
| PQ.01.03 | Control of documented information |
| PQ.04.04 | Selection and evaluation of suppliers |
| PQ.03.04 | Control of non-conforming services and implementation of improvements |
| PQ.02.01 | Internal audits |
| PQ.06.02 | Measurement equipment |

**NOTES:**

MGES: Environmental and Social Management Manual.
PES: Environmental and Social Procedure.
PQ: Quality Procedure.

## 1.1 Cabeolica Commitment

**MISSION:** Cabeolica, a pioneer company in wind energy in Cabo Verde, is committed to create value for its stakeholders and to the socio-economic development of the country by contributing to wind energy as the main alternative to the use of traditional fuels in Cabo Verde.

**VISION:** To be a company of excellence and a global reference in the renewable energy sector, creating value for its stakeholders with a strong commitment to sustainability.

**VALUE:**

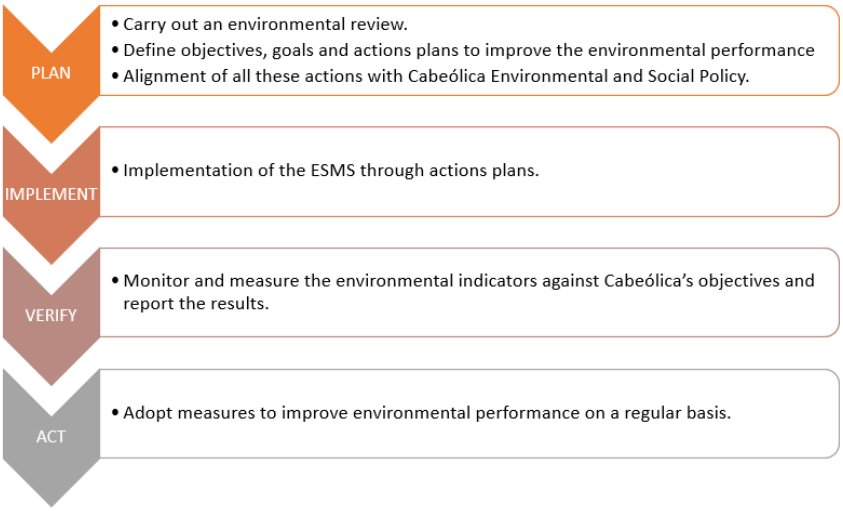
- Sustainability: promoting improvement in quality of life
- Professionalism: in providing our services
- Ethics and integrity: in doing business
- Social responsibility: promoting education for sustainable works
- Passion for green energy

# 2 Objective and Scope

## 2.1 Objective

Cabeolica established the Environmental and Social Management System as a priority to fully integrate politics, programs and practices into its Global Management. The objective of this Manual is to define the characteristics of the ESMS based on the approach summarised in Figure 2-1.

*Figure 2-1 ESMS approach*




This ESMS was prepared to achieve the following specific objectives:

- Provide guidance on measures to mitigate environmental and social impacts due to the Expansion Project and the operation of Cabeolica wind farms and Battery Energy Storage System (BESS) projects.
- Ensure compliance with the Environmental and Social policies of the AfDB and EIB to safeguard environmental and social attributes.

The contents of the ESMS form part of the overall operational plan implemented in Cabeolica with the following main environmental and social objectives:

- Reduction in environmental pollution regarding to the reduction in $CO_2$ emissions.
- Valorisation and utilization of renewable energy resources.
- Contribution toward the sustainable maintenance of permanent energy production capacities.
- Improvement in energy management within the context of national energy policy.
- Contribution toward the creation of permanent mid- and high-level employment.

## 2.2 Scope

The ESMS is applicable to all Cabeolica activities and works: activities carried out in Cabeolica's office, Operation and Maintenance of Cabeolica wind farms.

Currently, Cabeolica plans to maximize the delivery of all available energy and reduce the risk of losing potential revenue through the Cabeolica Expansion Project, which will reduce diesel spinning reserve operation by incorporating Battery Energy Storage Systems (BESS) to maximize renewable energy penetration in each of the islands and increase existing production capacity with the addition of three new wind turbines at the Santiago windfarm (See Section 5.1). Thus, the scope of the manual is also applicable to the different phases of the Cabeolica Expansion Project (Pre-construction and construction, Operation and Maintenance and Decommissioning phases).

# 3 Regulatory Framework

The Cabeolica Project and the current Expansion Project was designed and implemented to meet the requirements of national and international legislation and guidelines, especially those established by the AfDB and the EIB.

## 3.1 National Legislation

The following institutional bodies are responsible for environmental issues in Cabo Verde:

- National Assembly, through the Specialized Commission for Agriculture, Environmental, Energy and Water.
- The Government, through the Ministry of Agriculture and Environment, involving bodies such as the National Directorate for the Environment (*Direção Nacional do Ambiente*, DNA).
- Municipalities, through the departments of the Environment and Environmental Municipal Technical teams.
- Miscellaneous non-governmental organizations (NGOs).

The National Directorate of Environment (*Direção Nacional do Ambiente, DNA*) in the Ministry of the Agriculture and Environment is responsible for validating the environmental impact assessment (EIA) of projects in Cabo Verde. The DNA also has authority to contribute to the definition of national environmental policy, to participate in the elaboration of plans, programs, and projects regarding activities related to the environmental and natural resources, and to define measures for the evaluation of air quality, water quality, and background noise levels.

The main legal instruments applicable to the development of this Project from environmental and social perspectives are the following:

- Environment Policy Base Law (Law No. 86/IV/93) establishes the foundations of Cabo Verdean environmental policy based on the principle of prevention, which is focused on reducing or eliminating the causes and correcting the effects of actions or activities that could adversely affect the quality of the environment.
- Legislative Decree No. 14/97, of July 1st has the main objectives to optimize and guarantee the use of natural resources, both qualitatively and quantitatively, as a basic premise for autonomous sustainable development and for guaranteeing the right of citizens to live in a healthy and ecologically balanced environment. This decree makes it a duty to safeguard and preserve the environment by conferring on the state and municipalities the responsibility to improve the quality of life for both the individual and the community.
- Decree-Law No. 27/2020, of March 19th approving the Legal Framework for Environmental Impact Assessment (EIA), establishes the legal regime, in the context of Environmental Integral Authorization (AIA), applicable to projects susceptible to affect the environment. This more recent regulation establishes changes in the EIA process, such as the categorization of projects according to environmental risk profile.

Other legislation applicable to Cabeolica and its projects are the following:

- Decree-Law 3/2003, February 24th on Protected Areas Management, and its amendment Decree-Law No. 44/2006 establish the legal regimen for natural spaces, landscapes, monuments, and other spaces that merit special protection and should be included in the National Network of Protected Areas due to their ecological function, importance in conserving biodiversity, and intrinsic interests from socio-economic, cultural, and scientific perspectives.
- Law 102/III/90 of December 29th establishes the basis for what is to be considered cultural and natural patrimony.
- Law 25/X/2023 establishes the General Policy framework for the forestry sector, which repealed Law 48/V/98 of April 6th, regulates all forest related activities, establishes the attributions of the State, and defines instruments of intervention, forest regulations, declassification, the management of specially protected areas and state and private lands subject to forest regulations, planting and forestry operations, expropriation, incentives, and support for participation in forestry activities, policing, infractions, and penalties.
- Laws related to waste management: Decree-Law 56/2015 of October 15th, which repealed Decree-Law 31/2003 of September 1st , establishes the essential requisites to be considered in the elimination of solid urban, industrial, and other waste, and the surveillance thereof to protect the environment and human health, Decree-Law No. 32/2016, approving the National Strategic Plan for Waste Management (PENGeR) for the period 2015-2030, which specifies the strategic guidelines and objectives and the programme, review, monitoring and follow-up plan under the new legal framework applicable to the prevention, production and waste management and Decree-Law No. 26/2020, approving the legal regime for urban waste management services.
- Laws related to the quality of air and water: Decree-Law 5/2003 of March 31st, defining the national air protection and control system, Legislative Decree No. 5/99, amending the Water Code, Decree-Law 8/2004, regulating water quality and classification criteria and norms, Decree-Law 7/2004, regulating the discharge of waste waters, and Legislative Decree No. 3/2015, approving the Water and Sanitation Code
- Laws related to territorial and land asset management: Legislative Decree 1/2006 of February 13rd, approving the foundations for territorial order and urban zoning, and Legislative Decree 21/2007 of July 19th, establishing the principles and norms for land use by both public and private entities.
- Laws related to the exploitation of inert substances: Decree-Law 2/2002 of January 21st, prohibiting the removal and use of sand from dunes, beaches and waters along the coastline and in Cabo Verde's territorial waters, and Decree-Law 6/2003, establishing the legal regimen for the licensing and utilization of rock quarries for profit.
- Law 34/VIII/2013, of July 24th for the prevention and control of noise pollution to safeguard rest, health, tranquility, and well-being of the population. This law is focused on the wellbeing of populations and applies to any permanent or temporary noisy activities that might disturb local neighbors, and regulates municipal planning, noise production, and sanctions imposed for illegal activities.
- Decree-Law No. 8/2022 of April 6th, which repealed Decree-Regulation No. 7/2002 of December 30th, establishes the conservation and protection measures for endangered flora and fauna species.

- Law related to risk disasters management: Law No. 28/2003 on the Basic Law on Civil Protection.
- Legislation related to social protection: Law No. 131/V/2001 on the Basic Law of Social Protection and Decree-Law No. 33/2022 establishing the social income for emergency inclusion.

Energy sector legislation applicable to the Project is summarized below:

- Decree-Law No. 1/2011, January 3rd establishes provisions related to the promotion, incentive, access, licensing, and exploration inherent to independent production activity and self-production of electricity based on renewable energy sources.
- Decree-Law 54/1999, of August 30th, establishing the basic law for the Electric System of Cabo Verde, modified by Decree 14/2006, of February 20th and Decree-Law 4/2013, of January 29th.
- The Strategic Plan for Renewable Energies (PESER), approved by Resolution No.7/2012, is a sectoral policy instrument aimed at programming and concretizing the baselines related to the development of renewable energies (in Annex I), guaranteeing good use of territorial resources, and taking into consideration energetic efficiency and renewable energy use. PESER also specifies several Development Areas (in Annex II) for Renewable Energy Production (ZDER), which may be implemented in the National territory and maximize energetic incomes, through the promotion of production and use of renewable energies. According to Annex II the classification of an area as ZDER, implies the exemption from carrying out the Environmental Impact Assessment process for projects integrated and/or associated therein.
- Electric Sector Master Plan 2018-2040, approved by Resolution No. 39/2019, April 8th, establishes the level of renewable energies, thermal reinforcements, and optimal storage solutions from an economic perspective in each instance while accounting for the expected increase in demand, the evolution of the costs of different technologies, and the demanding quality criteria for supplying energy.
- The National Program for Sustainable Energy (NPSE) was launched within the framework of the country's Strategic Plan for Sustainable Development (2017-2021). Based on the NPSE, it is clear that Cabo Verde's government intends to meet certain goals of energy generation from renewable resources to promote energy efficiency, sustainability, and reduced energy consumption costs, recognizing that such goals can only be achieved using energy storage solutions.

## 3.2 International Agreements

The main conventions ratified by the country related to the environment should be considered, namely those concerning desertification, climate change, biodiversity, protection of the ozone layer, exploitation of halieutic resources, hydrocarbon pollution, and persistent organic pollutants, among others.

Cabo Verde is party to numerous regional and international conventions and protocols regarding the environment and society, such as those listed in Table 3-1 and Table 3-2, respectively.

*Table 3-1 International environmental agreements signed by Cabo Verde*

| Treaty | Signature | Cabo Verde Ratification |
|---|---|---|
| Basel Convention on the Control of Transboundary movements of hazardous waste and other waste | 1989 | 1999 |
| Cartagena Protocol on Biosafety | 2000 | 2005 |
| Convention on Biological Diversity (CBD) | 1992 | 1995 |
| Convention on International Trade in Endangered Species of wild fauna and flora (CITES) | 2005 | 2005 |
| Convention on Migratory Species (CMS) | 2006 | 2006 |
| International Commission for the Conservation of Atlantic Tunas | 1966 | 1979 |
| Kyoto Protocol on the reduction of GHG | 1997 | 2006 |
| Montreal Protocol on substances that deplete the ozone layer | 1987 | 2001 |
| Paris Agreement about climate change | 2016 | 2017 |
| Ramsar Convention about wetlands | 2005 | 2005 |
| Framework Convention on Climate Change (UNFCCC) | 1994 | 1995 |
| Rotterdam Convention about hazardous chemicals | 2004 | 2006 |
| Stockholm Convention on Persistent Organic Pollutants | 2001 | 2006 |
| UN Convention on the Law of the Sea | 1982 | 1987 |
| UN Convention to Combat Desertification (UNCCD) | 1994 | 1995 |
| Vienna Convention for the protection of the ozone layer | 1985 | 2001 |

*Source: https://www.informea.org/en/countries/cv/party-contacts-hub*

*Table 3-2 International social agreements signed by Cabo Verde*

| Treaty | Signature | Cabo Verde Ratification |
|---|---|---|
| Convention against Torture and Other Cruel Inhuman or Degrading Treatment or Punishment | 2011 | 1992/2016 |
| International Covenant on Civil and Political Rights | 1966 | 1993/2000 |
| Convention for the Protection of All Persons from Enforced Disappearance | 2007 | 2022 |
| Convention on the Elimination of All Forms of Discrimination against Women | 1979 | 1980 |
| International Convention on the Elimination of All Forms of Racial Discrimination | 1969 | 1979 |
| International Covenant on Economic, Social and Cultural Rights | 1976 | 1993 |
| International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families | - | 1997 |
| Convention on the Rights of the Child | 1989 | 1992 |
| Convention on the Rights of Persons with Disabilities | 2007 | 2011 |
| African Charter on the Rights and Welfare of the Child | 1990 | 1992 |
| African Charter on Human and People's Rights | 1986 | 1987 |
| Convention concerning Discrimination in Respect of Employment and Occupation | 1958 | 1979 |

*Source: https://tbinternet.ohchr.org/_layouts/15/TreatyBodyExternal/Treaty.aspx?CountryID=32&Lang=EN*

## 3.3 International Financing Standards

In addition to compliance with Cabo Verde legislation and international conventions, Cabeolica shall conform with Lenders Requirements of the EIB Environmental and Social Standards (2022) and the AfDB Operational Safeguards (2023), as described below.

### 3.3.1 European Investment Bank (EIB)

The European Investment Bank (EIB) is the financing institution of the European Union; therefore, all projects selected by the EIB must be acceptable to, and consistent with, EU environmental policies and law. The purpose of the EU environmental assessment procedure is to determine the likely environmental consequences of a project and the necessary protection measures to be incorporated into the design, implementation, and operation of a project. The eleven (11) standards specified by the EIB document "Environmental and Social Standards," February 2022, are listed in Table 3-3.

*Table 3-3 EIB Environmental and Social Standards*

| EIB STANDARDS ON ENVIRONMENT AND SOCIETY | | |
|---|---|---|
| No. | Standard | Objectives |
| 1 | Environmental and Social Impacts and Risks | Promotes an integrated approach to impact assessment and risk management by ensuring that environmental, climate, social and human rights considerations are addressed and taken into account in the decision-making processes. |
| 2 | Stakeholder Engagement | Recognises the importance of stakeholder engagement as a means to ensure respect for rights to i) access to information, ii) public participation in decision-making processes, and iii) access to justice. |
| 3 | Resource Efficiency and Pollution Prevention | Encourages identification, design and use of appropriate technologies, processes, and services to achieve environmental quality objectives, including the use of Best Available Techniques (BAT) or emerging techniques, as relevant.<br>Promotes the transition to a circular economy through the development and use of existing and/or new business models that seek to increase circularity (maintaining the value of products, materials, and other resources as long as possible), which can deliver substantial material savings throughout the value chain and production processes, generate extra value, and unlock economic opportunities. |
| 4 | Biodiversity and Ecosystems | Responsibilities for the identification, assessment, management, and monitoring of impacts and risks that affect biodiversity and ecosystems resulting from projects financed by the EIB, ensuring consistency with the "Do no significant harm" principle. |
| 5 | Climate Change | Recognises the importance and urgency of combating climate change, which poses a major global threat and is a common concern for humankind, as rising temperatures increasingly result in severe, pervasive, and irreversible negative impacts for people, economic activities, ecosystems, and regenerative capacity of the planet.<br>Recognises the role of finance in supporting low-carbon and climate-resilient development to i) address climate change by reducing greenhouse gas (GHG) emissions, and ii) build the resilience and adaptive capacity of people, nature, and assets to cope with current and future climate change-induced impacts. |
| 6 | Involuntary Resettlement | Outlines the promoter's responsibilities to manage involuntary resettlement risks and impacts, i.e., displacement as a direct result of project-related land acquisition or restriction on land use. Where involuntary resettlement cannot be avoided, it should be minimised, and appropriate measures should be implemented to mitigate adverse impacts on rights-holders with a view to improving or at least restoring their socioeconomic and cultural conditions. |
| 7 | Vulnerable Groups, Indigenous | Outlines the responsibilities in terms of assessing, managing, and monitoring project impacts, risks, and opportunities related to Indigenous Peoples, as well as persons or groups that are vulnerable, marginalised, or discriminated against due to their |

| EIB STANDARDS ON ENVIRONMENT AND SOCIETY | | |
|---|---|---|
| | Peoples and Gender | socioeconomic characteristics. The overall objective of this Standard is to address inequalities, including those that are gender-based, and other factors contributing to vulnerability, marginalisation, and/or discrimination within the context of an EIB project, and to facilitate equitable access to effective mitigation and/or compensation measures as well as project benefits for project-affected individuals and groups. |
| 8 | Labour Rights | Specifies the requirements in alignment with the rights and principles of the Fundamental Conventions of the International Labour Organisation (ILO) and the European Pillar of Social Rights. The objective of this Standard is to set out minimum requirements that the project's policies and procedures shall address. |
| 9 | Health, Safety and Security | Outlines the promoter's responsibilities in assessing, managing, and monitoring occupational and public health, safety and security risks associated with projects supported by the EIB, whilst acknowledging the role of relevant authorities in protecting and promoting the health and safety of workers and the public. |
| 10 | Cultural Heritage | Outlines the promoter's responsibilities to identify, assess, manage, and monitor cultural heritage-related impacts and risks associated with the projects requesting EIB financing. The objective of this Standard is to set out requirements applicable to EIB-financed projects that the promoter shall comply with. |
| 11 | Intermediated Finance | Establishes how the environmental, climate, and social (ECS) impacts and risks arising from sub-projects shall be identified, assessed for their significance, managed, and monitored in line with applicable requirements and commensurate with the sub-project's size, nature, socioeconomic context, location, and sector sensitivity to ECS impacts and risks. |

### 3.3.2 African Development Bank (AfDB)

The Integrated Safeguards System – Policy Statement and Operational Safeguards (2023) of the AfDB is intended to assist borrowers to manage risks and impacts of a project or other activities or initiatives, and to improve environmental and social performance based on the results of a risk-based approach. The desired results, described in the objectives of each environmental and social operational safeguard (OS), are accompanied by specific requirements to assist borrowers to achieve these objectives through means that are appropriate to the nature and scale of the project, activity, or other initiatives, and proportionate to the level of environmental and social risks and impacts. Funding of the Cabeolica Expansion Project by the AfDB requires compliance with the operational policies and procedures summarised in Table 3-4.

*Table 3-4 Summary of AfDB Operational Safeguards*

| AfDB Integrated Safeguards System | |
|---|---|
| **Operational Safeguards** | **Objectives** |
| OS 1: Assessment and management of environmental and social risk and impact | Mainstreams environmental and social considerations, including those related to climate change, and establishes Borrower responsibilities for assessing, managing, and monitoring E&S risks and impacts associated with each stage of an operation supported by AfDB.<br>Together with OS10, provides an overall process framework for the ESA (Environmental and Social Assessment) and management of Bank-financed operations at the level of a project, activities, or other undertakings supported through Bank financing. |
| OS 2: Labour and working conditions | Addresses the importance of employment creation and income generation in pursuit of poverty reduction and inclusive economic growth. Respect of workers' rights is a keystone for developing a strong and productive workforce, informed by the ILO Declaration on the Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights. |

| AfDB Integrated Safeguards System | |
|---|---|
| OS 3: Resources efficiency and pollution prevention and management | As part of project preparation, the borrower shall evaluate the potential impacts of pollutant discharges and resulting ambient concentrations to the environment.<br>Promotes the sustainable use of resources and the avoidance or minimization of adverse impacts on human health and the environment by avoiding and minimizing pollution from project activities, project-related emissions of short- and long-lived climate pollutants, and generation of hazardous and non-hazardous waste, and the minimization and management of the risks and impacts associated with pesticide use. |
| OS 4: Community health, safety and security | Addresses health, safety and security risks to and impacts on project-affected communities and the corresponding Borrower responsibility to avoid or minimize them, with particular attention to people who, due to their particular circumstances, may be vulnerable. |
| OS 5: Land acquisition, restrictions on access to land and land use, and involuntary resettlement | Recognizing that project-related land acquisition, restrictions on land access or land use, and loss of property/assets can have adverse impacts on communities and persons, objectives include, among others, the avoidance of involuntary resettlement where feasible to ensure that resettlement plans and activities are informed by social assessments, including gender issues, to avoid forced eviction and to mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use. |
| OS 6: Habitat and biodiversity conservation, and sustainable management of living natural resources | Outlines Borrower requirements to identify and implement opportunities to conserve and sustainably use biodiversity and natural habitats and to observe, implement, and respond to requirements for the conservation and sustainable management of priority ecosystem services.<br>Reflects the objectives of the Convention on Biological Diversity to conserve biological diversity and promote the sustainable management and use of natural resources. |
| OS 7: Vulnerable groups | Contributes to poverty reduction and sustainable development by ensuring that projects supported by the Bank enhance opportunities for vulnerable groups to participate in, and benefit from, the development process in ways that do not threaten their unique cultural identities and well-being.<br>Recognizes that some cultural groups, due to their lifestyle, culture, and strong dependence on the natural environment, have identities and aspirations that are distinct from mainstream groups in national societies and are often disadvantaged by traditional models of development. |
| OS 8: Cultural heritage | Sets out general provisions on the risks to and impacts on cultural heritage from project activities, as well as additional requirements for cultural heritage in the context of vulnerable groups and HVRM, including indigenous peoples. |
| OS 9: Financial intermediaries | Addresses the environmental and social (E&S) requirements associated with intermediated financing through financial and non-financial institutions.<br>Sets out how Financial Intermediates (FI) will assess and manage E&S risks and impacts associated with subprojects financed by FI and support the adoption of best practice standards in corporate governance, business management, and corporate responsibility by enterprises supported by the Bank based on the requirements of OS1 and OS10, as appropriate. |
| OS 10: Stakeholder engagement and information disclosure | Recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice.<br>Objectives include establishing a systematic approach to stakeholder engagement that will help borrowers to identify stakeholder and build and maintain a constructive relationship and channels of communication with them and ensuring that appropriate project information of E&S risks and impacts is disclosed to stakeholders in a manner and format that are timely, understandable, accessible, and appropriate. |

*Source: AfDB Integrated Safeguards Systems*

# 4 Terms and Definitions

**Audit:** Systematic, independent, and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled.

**Auditor:** Person with competence to carry out an audit.

**Competence:** Ability to apply knowledge and skills to achieve intended results.

**Compliance obligations:** Legal requirements that an organization must comply with and other requirements that an organization chooses to comply with.

**Continual improvement:** The process of strengthening the environmental management system, aimed at achieving improvements in environmental performance.

**Corrective action:** Action to eliminate the cause of a non-conformity or incident and prevent its recurrence.

**Emergency:** An unforeseen or sudden event producing an environmental impact, which cannot be handled by normal resources and require an immediate emergency response.

**Environment:** Surroundings in which an organization operates, including air, water, land, natural resources, flora, fauna, humans, and their interrelationships.

Note: The environment can range from within an organization to local, regional, and global systems.
Note: The environment can be described in terms of biodiversity, ecosystems, climate, and other characteristics.

**Environmental and social risk:** A measure of the potential threats to the environment that activities may have. Risk combines the probability that the events will cause or lead to the degradation of the environment and the magnitude of such degradation.

**Environmental aspect:** Element of an organization's activities, products or services that interacts or can interact with the environment.

Note: An environmental aspect can cause an environmental impact(s). A significant environmental aspect can result in one or more significant environmental impact.

**Environmental impact:** Change to the environment, whether adverse or beneficial, and wholly or partially resulting from one or more environmental aspects.

**Environmental incident:** Any unexpected event with negative impact on the environment, e.g., spills to ground or water, impacts on flora or fauna, and pollutant emissions.

**Environmental target:** A detailed performance requirement, applicable to the organization or its parts, that is necessary to establish and accomplish environmental objectives.

**Grievance:** A formal notified complaint made by parties who feel they have been adversely affected by activities associated with the lifecycle of Cabeolica works.

**Grievance Mechanism:** A procedure for raising a concern, complaint, or feedback by any stakeholder affected or interested in Cabeolica operations.

**Incident:** An event or chain of events that cause or could cause injury, illness, loss of assets, or potential or actual damage to relationships or reputation.

**Indicator:** Measurable representation of the condition or status of operations, management, or conditions.

**Lifecycle:** Consecutive and interlinked stages of a product (or service) system, from raw material acquisition or generation from natural resources to final disposal.

Note: Lifecycle stages include acquisition of raw materials, design, production, transportation/delivery, use, end-of-life treatment, and final disposal.

**Mitigation:** The protection of personnel, equipment, and systems against the effect of an accidental event.

**Monitoring:** Measurement of the properties of a material (e.g., discharges) and/or sampling of a material to be analysed and/or another mean or measurement.

**Non-conformity:** Nonfulfillment of a requirement.

**Prevention of pollution:** Use of processes, practices, techniques, materials, products, services, or energy to avoid, reduce or control (separately or in combination) the creation, emission, or discharge of any type of pollutant or waste to reduce adverse environmental impacts.

Note: Prevention of pollution can include source reduction or elimination, process, product or service changes, efficient use of resources, material and energy substitution, reuse, recovery, recycling, reclamation, and treatment.

**Procedure:** Specific method to carry out an activity or process.

**Rights-holders :** From a human rights perspective, all individuals and population groups that make valid claims to fundamental rights. In the context of EIB projects, this refers to persons who are, actually or potentially, adversely affected by the project, including project affected persons, local community members, and workers.

**Risk:** Risk is defined as the combination of the probability of an event and its negative consequences occurring, comprising threat and vulnerability factors.

**Stakeholders :** Persons and/or communities who are:

- Directly and indirectly affected by the project, including legitimate representatives,
- Having an interest project and/or ability to influence its outcome, either positively or negatively, and
- Project workforce.

**Stakeholder engagement :** Inclusive and iterative process that involves, to varying degrees, the identification and analysis of stakeholder engagement planning, information disclosure, meaningful consultation, and mechanisms for ensuring access to grievance procedures and remedy.

**Verification:** Confirmation by examination and the provision of objective evidence that specified requirements have been met.

**Vulnerable groups :** Groups or persons who may be more adversely affected by project impacts than others due to existing discrimination, marginalisation, and/or exclusion on the basis of their socioeconomic characteristics, e.g., gender, sexual orientation, gender identity, caste, race, ethnicity, indigenous or social origin, genetic features, age, birth, disability, religion or belief, political or other affiliation, activism, membership of a national minority, affiliation to a union or other type of workers' organisation, property, nationality, language, or status (marital or family, health, migration, or economic).

# 5 Context of the Organization

## 5.1 Cabeolica and Project Description

Cabeolica is a Private-Public-Partnership between the Government of Cabo Verde, Electra S.A., and Infraco Limited that was established in September 2009 to develop four (4) wind farms (one on each of four islands of the Cabo Verde Archipelago: Sal, São Vicente, Boa Vista, and Santiago), comprising approximately 25.5 MW total capacity. Cabeolica currently provides reliable and efficient power to the Cabo Verdean electricity network through the Power Purchase Agreement (PPA) with the national utility company.

The design, supply, construction, and electrical works, initiated simultaneously in Santiago and São Vicente in May 2011 and terminated with the completion of the Boa Vista transmission line in July 2012, were conducted by Vestas (Contractor) and its subcontractors through an EPC Contract. This Contractor is responsible under the EPC agreement to ensure environmental and social compliance with the Environmental and Social Management Plan (ESMP) during the construction of the wind farms.

The locations of the four (4) Cabeolica wind farms are indicated on the map of the Cabo Verde Islands in Figure 5-1.

*Figure 5-1 Locations of the Cabeolica Wind Farms*

Currently, Cabeolica plans to maximize the delivery of all available energy and reduce the risk of losing potential revenue through the Cabeolica Expansion Project, which will reduce diesel spinning reserve operation by incorporating BESS to maximize renewable energy penetration in each of the islands and increase existing production capacity with the new wind turbines. The Expansion Project will improve the decarbonization and diversification of the country's energy matrix and will allow for a more stable grid system to reduce the frequency of blackouts in the country.

Furthermore, the Expansion Project will significantly reduce Cabeolica traffic and save diesel fuel, up to approximately 135 GWh per year, which will result in a net savings of up to 6 million euros per year at a maximum of 70% SNSP (system non-synchronous penetration) at current fuel prices. The Expansion Project will improve the decarbonization and

diversification of the country's energy matrix and will allow for a more stable grid system to reduce the frequency of blackouts in the country.

The Cabeolica Expansion Project to be implemented on the four islands, comprises the following components:

- **Component 1:** Expansion of the Cabeolica Santiago Wind Farm with three (3) wind turbines with a total net additional power capacity of about 13.5 MW.
- **Component 2**: Battery Energy Storage System (BESS) of approximately 6 MW / 6 MWh storage capacity for spinning reserve and control, and short-term storage to be installed at the Cabeolica Santiago wind farm.
- **Component 3:** BESS of approximately 6 MW / 6 MWh storage capacity for grid stability control and short-term storage to be installed at the Cabeolica Sal wind farm.
- **Component 4**: BESS of approximately 8 MW/8 MWh storage capacity for grid stability control and short-term storage at São Vicente Island, located close to ELECTRA Lazareto Power Station approximately 3.7 km from São Vicente windfarm.
- **Component 5:** BESS of approximately 6 MW/6 MWh storage capacity for grid stability control and short-term storage at Boa Vista Island, located close *to Águas e Energía de Boa Vista* (AEB) Parcela Power Plant in an industrial area approximately 8.5 km from the Boa Vista windfarm.

The transfer of the additional energy produced by Santiago wind farm will require an additional transmission line connecting the windfarm with the Electra-owned substation (São Filipe, Monte Vaca), located outside of the windfarm boundaries approximately 2 km to the NE.

## 5.2 Cabeolica Stakeholders

As part of the process and definition of the scope of the ESMS, stakeholders have been identified and their needs and expectations have been analysed to identify legal and other requirements applicable to Cabeolica.

Stakeholders are defined as persons and /or communities that are directly and indirectly affected by the project, that have an interest in the project and/or the ability to influence its outcome, either positively or negatively, and project workforce. External stakeholders include affected communities, local government authorities, non-governmental and other civil society organizations, local institutions and other interested or affected parties. Stakeholders are classified as follow:

- **Primary stakeholder:** Beneficiaries of a development intervention or those directly affected (positively or negative) by it. This category includes local populations (individuals and community-based organizations) in the project area.
- **Secondary stakeholder:** Those who influence a development intervention or are indirectly affected by it. This category includes the government, ministries, implementing agencies, local government, civil society organizations, and private sector firms.
- **Internal stakeholder:** Workers employed directly or indirectly by the Project.

Table 5-1 summarizes the stakeholders identified and consulted during the ESIAs of the original Cabeolica project (2011) and the current Expansion project (2023 and 2024).

*Table 5-1 Cabeolica Stakeholder list*

| Stakeholder Category | Stakeholder Sub-category | Relevance / Needs and expectations | Stakeholder – Santiago windfarm | Stakeholder – Sal windfarm | Stakeholder – São Vicente BESS project | Stakeholder – Boa Vista BESS project |
|---|---|---|---|---|---|---|
| Primary stakeholders | Project affected people/ communities | Nearby communities, companies / businesses that will be directly or indirectly affected by the Project and its activities during construction, operation, maintenance, and/or decommissioning. | • *Associação Desenvolvimento de São Francisco*<br>• ITAC, *Inspecção Técnica Automóvel Cabo Verde*<br>• F2 *Lavagem Alta Pressão*<br>• CCV – *Central de Betão* C304 | • Municipal landfill of Espargos | • Lazareto Power Station (Electra)<br>• *Carpilux Servios de Carpintaria*<br>• *Químicas Cintila*, Lda<br>• Ex-trafo<br>• Tecnicil Indústrial S.V.<br>• Armazem Polaris CIA | • *Villa de Sal Rei*<br>• *Villa de Rabil*<br>• AEB – Boa Vista Water and Energy<br>• Sr. Joao Gilherme (owner of the nearby stable)<br>• Aristides Pereira Airport<br>• RIU Hotels |
| Secondary stakeholders | National and local authorities and institutions | National and local authorities are of primary importance in terms of establishing policy, granting permits or other approvals for the Project, and monitoring and enforcing compliance with Cabo Verdean laws and regulations throughout all stages of the Project lifecycle. | • *Camara Municipal da Praia* (CMP)<br>• National Association of the Municipalities – Praia<br>• INIDA – *Instituto Nacional de Investigação e Desenvolvimento Agrário*<br>• *Direção Nacional do Ambiente* (DNA) – Praia<br>• *Instituto do Património Cultural* – Praia<br>• ANAC – *Agência Nacional das Comunicações*<br>• *Ministério de Educação* – Praia<br>• *Direção Nacional de Indústria, Comércio e Energia* (DNICE)<br>• AAC - *Agência de Aviação Civil* (Cabo Verde)<br>• *Agência de Regulação Multissectorial da Economia* (ARME)<br>• ISSO – *Instituto de Segurança e Saúde Ocupacional* | • *Camara Municipal de Sal* (CMS)<br>• National Association of the Municipalities –Sal<br>• INIDA – *Instituto Nacional de Investigação e Desenvolvimento Agrário*<br>• *Direção Nacional do Ambiente* (DNA) – Sal<br>• ANAC – *Agência Nacional das Comunicações*<br>• *Delegation of Ministério de Educação* – Sal<br>• Maritime Delegation – Sal<br>• *Direção Nacional de Indústria, Comércio e Energia* (DNICE)<br>• AAC - *Agência de Aviação Civil* (Cabo Verde)<br>• *Agência de Regulação Multissectorial da Economia* (ARME)<br>• *Aguas de Ponta Preta* – Sal (APP) | • Camara Municipal da São Vicente (CMSV)<br>• *Unidade de apoio á implementação de cidades saudáveis* (UAICS) - Mindelo São Vicente<br>• *Direção Nacional do Ambiente* (DNA) – São Vicente<br>• *Direção Nacional de Indústria, Comércio e Energia* (DNICE)<br>• ASA - *Aeroportos e Segurança Aérea*<br>• AAC - *Agéncia de Aviação Civil* (Cabo Verde)<br>• *Agência de Regulação Multissectorial da Economia* (ARME) | • *Cámara Municipal da Boa Vista*<br>• *Direção Nacional do Ambiente* (DNA) – Boa Vista<br>• *Direção Nacional de Indústria, Comércio e Energia* (DNICE)<br>• ASA - *Aeroportos e Segurança Aérea*<br>• AAC - *Agéncia de Aviação Civil* (Cabo Verde)<br>• *Sociedade de Desenvolvimento Turístico das Ilhas da Boa Vista e Maio*, SA (SDTIBM)<br>• *Agência de Regulação Multissectorial da Economia* (ARME) |

| Stakeholder Category | Stakeholder Sub-category | Relevance / Needs and expectations | Stakeholder – Santiago windfarm | Stakeholder – Sal windfarm | Stakeholder – São Vicente BESS project | Stakeholder – Boa Vista BESS project |
|---|---|---|---|---|---|---|
| | Universities and centers of investigation | National academic institutions with direct interest in the proposed projects, some of whom have worked on the project as local environmental survey subcontractors. | • *Universidade de Cabo Verde* – Praia<br>• University of Jean Piaget – Praia<br>• UniSantiago<br>• Etecnica – *Escola Técnica da Praia* | • *Universidade de Cabo Verde* – Praia<br>• University of Jean Piaget – Praia<br>• UniSantiago | • *Universidade Tecnica do Atlantico* (UTA) - Mindelo<br>• Univerity of Mindelo<br>• Universidade Lusófona - Mindelo | • |
| | NGOs | Organizations with direct and indirect interest in the Project and its social and environmental aspects and that can influence the Project directly or through public opinion.<br>Includes NGOs from vulnerable groups that may be affected by the project. | • ONG Biosfera 1 – *Associação para a Defesa do Meio Ambiente, São Vicente*<br>• Eco CV - *Associação Caboverdiana de Ecoturismo*<br>• Environmental Defense Organization<br>• *Associação Amigos da Natureza*<br>• Lantuna<br>• *Associação EFAG (Escola de Futebol Achada Grande)*<br>• MORABI – *Associação de Apoio à Auto-Promoção da Mulher no Desenvolvimento*<br>• Organization of the Cabo Verdean Women | • NGO – *Associação de projeto de biodiversidade*<br>• Environmental Defense Organization<br>• Friends of Nature Association<br>• Lantuna<br>• MORABI – *Associação de Apoio à Auto-Promoção da Mulher no Desenvolvimento*<br>• Organization of the Cabo Verdean Women | • ONG Biosfera 1 – *Associação para a Defesa do Meio Ambiente, São Vicente*<br>• *Associação Amigos da Natureza*<br>• *Associação Onze Estrelas*<br>• MORABI – *Associação de Apoio à Auto-Promoção da Mulher no Desenvolvimento*<br>• Organization of the Cabo Verdean Women<br>• UNIDO – United Nations Industrial Development Organization | • Associação BIOS.CV<br>• Naturalia Boa Vista<br>• Centro Desplastificar Boavista<br>• *Fundação Tartaruga*<br>• *Associação Amigos da Natureza*<br>• Cabo Verde Natura 2000<br>• MORABI – *Associação de Apoio à Auto-Promoção da Mulher no Desenvolvimento*<br>• Organization of the Cabo Verdean Women<br>• UNIDO – United Nations Industrial Development Organization |
| | Other stakeholders | Organizations or companies with direct or indirect economic interest in the Project due to economic opportunities or negative impacts caused by the Project, or that consider or perceive their interests as being affected by the Project or that they could influence the project implementation process. | • *Porto da Praia* (ENAPOR)<br>• Shell Administration – Praia<br>• Electra Administration and Delegation<br>• Cabo Verde Telecom – Praia<br>• ENACOL Administration – Praia<br>• T-Mais telephone company<br>• CIMPOR CV (cement company)<br>• UNIDO – United Nations Industrial Development Organization | • *Porto da Sal* (ENAPOR)<br>• ENACOL<br>• Shell Administration –Sal<br>• Electra Administration and Delegation<br>• Cabo Verde Telecom – Sal<br>• T-Mais telephone company<br>• *Ordem de Engenheiros de Cabo Verde* | • Porto Grande - Mindelo (ENAPOR)<br>• Electra Administration and Delegation<br>• ENACOL - São Vicente<br>• Electric Wind<br>• T-Mais telephone company<br>• Aeroporto da Cesária Évora - São Vicente | • Porto da Sal Rei – Boa Vista (ENAPOR)<br>• T-Mais telephone company<br>• Tecnicil Industria – Boa Vista<br>• Electra |

| Stakeholder Category | Stakeholder Sub-category | Relevance / Needs and expectations | Stakeholder – Santiago windfarm | Stakeholder – Sal windfarm | Stakeholder – São Vicente BESS project | Stakeholder – Boa Vista BESS project |
|---|---|---|---|---|---|---|
| Internal stakeholders | Direct or indirect workers | Workers employed directly and indirectly by the promoter and contractors within the framework of preparation, implementation, and operation activities. | • Cabeolica workers<br>• Cabeolica Expansion Project EPC Contractors<br>• Cabeolica Expansion Project Subcontractors | | | |

## 5.3 Environmental and Social Management System (ESMS)

The ESMS, understood as the portion of the business strategy that applies the environmental and social policy to Cabeolica's activities, functions and actions, is focused on ensuring environmental respect and establishing tracking channels for continuous improvements to environmental and social management of the organization.

The ESMS includes the organization structure, activity planning, responsibilities, practices, procedures and processes, and resources necessary to develop, implement, review and maintain updates to the Environmental and Social Policy, and to ensure compliance with the commitment of continuous improvement.

Thus, the ESMS was conceived to provide and maintain an adequate environmental and social integration level in all Cabeolica services and products.

### 5.3.1 Interrelationships with other Management Systems

The ESMS, as an integral part of Cabeolica's general management system, entails several processes and procedures that are integrated, particularly with the Quality Management System (QMS), because these management systems have several common sections, as listed in Table 5-2.

*Table 5-2 QMS and ESMS common sections*

| Common section | Reference |
|---|---|
| Cabeolica mission, vision, and values | MG-06 Quality Management Manual |
| Stakeholders and their needs and expectations | MG-06 Quality Management Manual |
| Organizational structure and some roles and responsibilities | MG-06 Quality Management Manual |
| Control of documented information | PQ,01.03 Control of documented information |
| Internal audits management | PQ.02.01 Internal audits |
| Non-conformities management | PQ.03.04 Control of non-conformities |
| Selection and evaluation of suppliers | PQ.04.04 Selection and evaluation of suppliers |

# 6 Leadership

## 6.1 Leadership and Commitment

Management is responsible for guaranteeing respect for environmental and social considerations in all activities carried out in Cabeolica. Top Management leads the Environmental and Social Management System and ensures the following:

- Integration of the ESMS into the Cabeolica strategy, ensuring integration into the business processes.
- Establishment of an environmental and social policy that is compatible with the strategic management and context of Cabeolica.
- Provide the necessary resources as available for the ESMS.
- Monitor and review the results of the ESMS.
- Direct and support those conducting the monitoring and implementation of the ESMS to contribute to system efficiency.

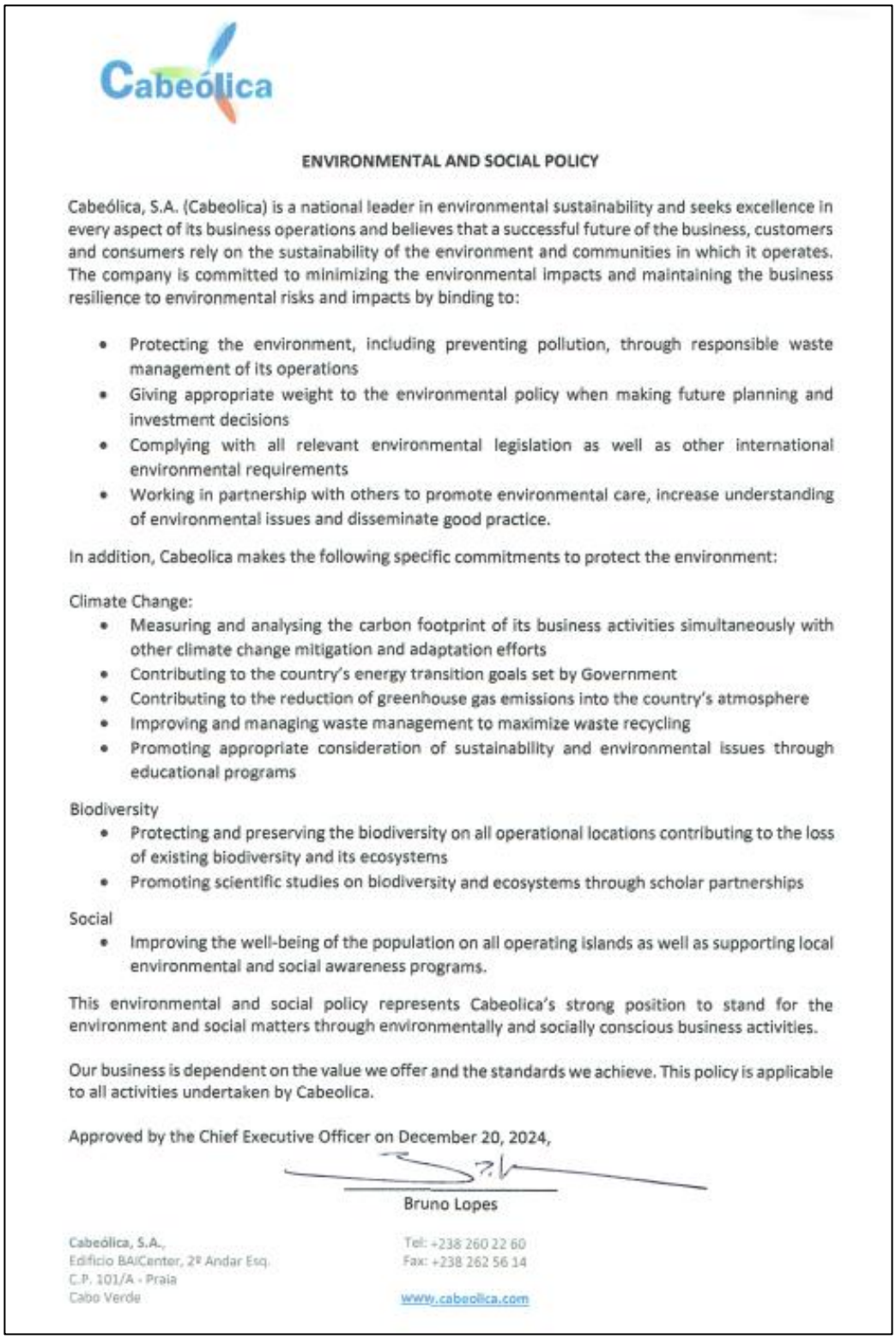
## 6.2 Environmental and Social Policy

The environmental and social policy is established, implemented, and maintained by Management and signed by the Top Management as the primary representative of the ESMS.

This policy provides a reference for the environmental objectives based on the strategic compromise of environmental protection and social commitments. It will be reviewed annually to analyze its validity and will be updated accordingly.

This policy, outlined below, is available on the Cabeolica website for all stakeholders and posted in the Cabeolica office, the wind farms and the new BESS locations.

*Figure 6-1 Cabeolica Environmental and Social Policy*



Cabeólica

**ENVIRONMENTAL AND SOCIAL POLICY**

Cabeólica, S.A. (Cabeolica) is a national leader in environmental sustainability and seeks excellence in every aspect of its business operations and believes that a successful future of the business, customers and consumers rely on the sustainability of the environment and communities in which it operates. The company is committed to minimizing the environmental impacts and maintaining the business resilience to environmental risks and impacts by binding to:

- Protecting the environment, including preventing pollution, through responsible waste management of its operations
- Giving appropriate weight to the environmental policy when making future planning and investment decisions
- Complying with all relevant environmental legislation as well as other international environmental requirements
- Working in partnership with others to promote environmental care, increase understanding of environmental issues and disseminate good practice.

In addition, Cabeolica makes the following specific commitments to protect the environment:

Climate Change:

- Measuring and analysing the carbon footprint of its business activities simultaneously with other climate change mitigation and adaptation efforts
- Contributing to the country's energy transition goals set by Government
- Contributing to the reduction of greenhouse gas emissions into the country's atmosphere
- Improving and managing waste management to maximize waste recycling
- Promoting appropriate consideration of sustainability and environmental issues through educational programs

Biodiversity

- Protecting and preserving the biodiversity on all operational locations contributing to the loss of existing biodiversity and its ecosystems
- Promoting scientific studies on biodiversity and ecosystems through scholar partnerships

Social

- Improving the well-being of the population on all operating islands as well as supporting local environmental and social awareness programs.

This environmental and social policy represents Cabeolica's strong position to stand for the environment and social matters through environmentally and socially conscious business activities.

Our business is dependent on the value we offer and the standards we achieve. This policy is applicable to all activities undertaken by Cabeolica.

Approved by the Chief Executive Officer on December 20, 2024,

Bruno Lopes

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C.P. 101/A - Praia
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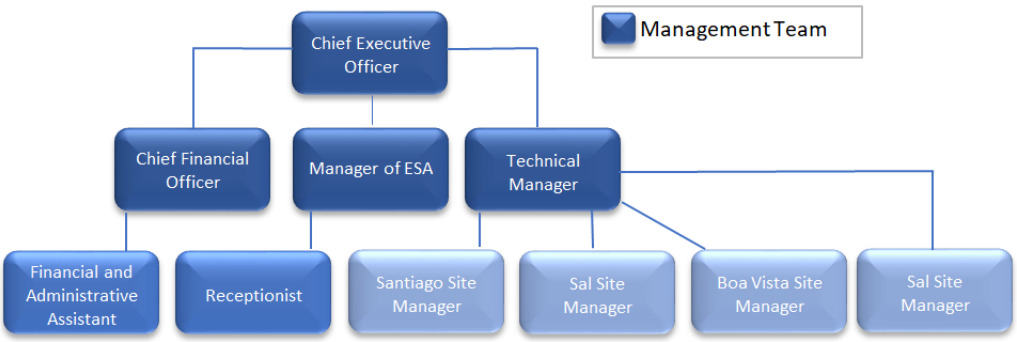
## 6.3 Roles and Responsibilities

Cabeolica is managed by a 7-member Board of Directors. The Board's CEO is supported by the CFO, the Environmental, Social and Administration Manager (MESA) and the Technical Manager.

MESA is in charge of the ESMS, demonstrating the institutional importance given to the environmental and social performance and commitment of Cabeolica. On each island, Cabeolica has a representative who manages all aspects of each site. Vestas, the turbine provider, is in charge of conducting turbine maintenance at all sites with local personnel in Cabo Verde that assist Cabeolica, as necessary. This will also be the scheme that will be followed with the BESS provider. The Cabeolica's team is supported by local environmental consultancies and international environmental and social consultancy teams.

*Figure 6-2 Cabeolica Organization Chart*




The roles and responsibilities of the personnel managing, developing, and verifying the Environmental and Social activities at Cabeolica are described below.

**Management Team:**

The Management Team is committed to upholding the environmental and social policy and communicating the importance of the following compliance obligations and other requirements to employees, contractors, subcontractors, and other interested parties:

- Approve the Quality, Environmental and Social Policies and the Environmental and Social Management System as part of the business strategy of Cabeolica.
- Ensure the establishment and compatibility of the environmental and social policy and objectives with the strategic management and context of Cabeolica.
- Support the environmental and social program and provide the necessary resources for implementation.
- Lead the Environmental and Social Management Review to ensure the suitability, adequacy, and effectiveness of the system in achieving the intended results and to promote continual improvement of the system.
- Provide adequate recourses to effectively manage the grievance mechanism, and ensure that this mechanism is transparent, culturally appropriate, and clearly communicated to all stakeholders and employees.
- Oversee the performance of MESA regarding the ESMS.

- Provide regular updates to the Cabeolica Board of Directors on environmental and social performance.

**Environmental, Social and Administration Manager (MESA):**

- Implement and maintain an environmental and social management system.
- Ensure that Cabeolica's Board, Management Team, and staff are kept up to date with respect to publications and information.
- Ensure that environmental and social requirements are included in the relevant legal and contractual documentation of Cabeolica.
- Distribute the requirements of the ESMS and relevant site-specific procedures to contractors, subcontractors, and vendors working for Cabeolica.
- Resolve, with the assistance of the wind farms site managers and BESS site managers, deviations identified by the non-conformity reports and verify the application of the required corrective measures.
- Maintain and manage all grievances and monitor actions for their close-out.
- Maintain all records and registers regarding the ESMS, including but not limited to inspection reports, audit reports, training records, and non-conformities.
- Ensure that Cabeolica meets external environmental and social reporting obligations.
- Encourage Cabeolica staff to report and record environmental and social concerns and inform the MESA about deviations from good practices.
- Develop, when necessary, measures to reduce potential environmental and social impacts.
- Undertake an annual review of the Cabeolica ESMS to ensure its compliance with statutory and other applicable requirements.
- Establish the terms of reference to be observed for the environmental and social management of the Project, based on the applicable legal requirements, the ESMP, and the requirements of the Projects' financing entities, and will ensure that these terms of reference are complied with.

**Wind farms site managers:**

Each site manager is onsite at the wind farm once per week to carry out a general inspection, which includes attention to environmental issues. The site manager of the Santiago wind farm works in the Cabeolica office, while the other site managers work from home. Their main responsibilities are as follow:

- Receive periodic environmental and social performance updates.
- Provide the necessary resources to maintenance staff to carry out the environmental and social tasks at each wind farm.
- Keep and manage all records related to the implementation of the ESMS at the wind farm.
- Comply and enforce the established environmental and social legal requirements applicable to the wind farms.
- Manage identified non-conformities on site and confirm that their corrective measures are applied and monitored.

- Assist the MESA in environmental matters at the wind farms.
- Participate and lead monthly environmental inspections of the wind farms.

**Maintenance personnel in Cabeolica wind farms and BESS locations (Vestas and BESS provider personnel):**

- Assist the MESA in environmental matters at the wind farms and BESS locations.
- Carry out maintenance activities in-line with environmental requirements.
- Store and maintain materials as specified in their Safety Data Sheets (SDS).

**EPC Contractors (Cabeolica Expansion Project):**

- Complete, detail and implement the ESMP during the execution of their works, including the Contractors Construction Environmental and Social Management Plan (CCESMP).
- Implementation of their applicable actions for the Stakeholder Engagement Plan (SEP).
- Follow and integrate Cabeolica GRM, where relevant, into their Project CCESMP.

**Owner's Engineer (OE) (Cabeolica Expansion Project):**

The activities to be overseen by the OE will include, among others, assisting Cabeolica in the procurement of goods and services related to the Cabeolica Expansion Project, control and supervision of the construction works, support for the implementation of the training program, and support and monitoring of the implementation of environmental and social safeguard measures, as follow:

- Support Cabeolica in the implementation of the training scheme associated with Project implementation.
- Review and approve the plans and other documentation to be prepared by the EPC Contractor in accordance with the provisions of the ESMP.
- Develop and put into practice a system for supervising the works covered by the EPC Contractor to verify the implementation of plans and, in general, the performance in environmental and social matters of that contract.
- Prepare periodic reports for Cabeolica on the environmental, social, health and safety management of the project.

# 7 Planning

## 7.1 Predicted Environmental and Impacts and Risks

The potential impacts and risks for the environment during the entire lifecycle of the Cabeolica wind farms and the new components included under the Expansion Project are described below. These impacts and risks were assessed in the ESIA reports of the Projects.

According to Cabeolica's Annual Environmental Monitoring reports, the predicted environmental and social impacts for the **operation phase** of the four wind farms are listed in Table 7-1 with appropriate mitigation and conservation measures to minimize these impacts.

*Table 7-1 Environmental and social impacts and mitigation / conservation measures of Cabeolica wind farms*

| Predicted Environmental and Social Impacts | Mitigation / Conservation Measures |
|---|---|
| Potential impact on sensitive biodiversity | Prompt removal of all consumable waste from the site area to control the potential increase of vermin |
| | Vermin control measures in the substation building |
| Potential impact on avifauna and reptiles | Net monitoring for known osprey nests in Ponta do Sol (Santa Antao) |
| | Post construction bird collision risk assessment in Boa Vista |
| | Bird breeding data analysis and comparison with previous estimations |
| | Ringed osprey brood assessment to identify dispersal and migration patterns in Boa Vista |
| | Brown neck raven activities monitoring |
| | Habitat impacts study of *Tarentola Substituta* in São Vicente |
| | Monitoring of population habitats for the endemic geckos |
| | Promote gecko awareness in local communities |
| | Osprey awareness promotion in the local Boa Vista community |
| Noise emissions | All equipment used on site within the acceptable standard for noise emission |
| | Restriction of high-level noise emitting activities during nocturnal hours |
| Soil contamination | Adequate containers for temporary storage of used oil and lubricants |
| | Contaminated soil removal kits available and used for removing contaminated soil for storage/adequate disposal |
| Hazardous waste production | Waste storage planning and management |
| | Identification of opportunities to export waste for recycling |
| | Actively seeking appropriate disposal of all other generated waste |
| Biodiversity fragmentation | Monitoring of environmental recuperation and continued health of areas that have undergone project interventions |
| Economic and social stimulation | Promote, whenever possible, the use of the local workforce |
| | Continued maintenance of healthy relationship with local shepherds, including the curbing of emission and impacts on electricity production costs |
| | Monitor socioeconomic benefits from wind energy production on the country, including curbing of emissions and impacts on the electricity production costs |
| | Develop relationships with local organizations involved in environmental education and in environmental, social and health awareness |
| | Launch a business case competition among higher education community to instigate and drive renewable energy solutions |

Environmental and social impacts and risks of the **Cabeolica Expansion Project** scope were identified in the Simplified ESIA Reports[1], which included preconstruction, construction, commissioning, operation, maintenance and decommissioning phases. The significance of routine impacts was evaluated based on the impact magnitude, which were assessed following the method proposed by Conesa (2010) adapted by Advisian, and the importance of Valued Receptors (VR). A detailed description of the impact assessment methodology is included in the Simplified ESIAs.

The positive environmental and social impacts expected for all the components of Cabeolica Expansion Project during routine operations are summarized in Table 7-2. Significant negative impacts for each site of Cabeolica Expansion Project are listed in Table 7-3 for pre-construction and construction phases, in Table 7-4 for commissioning, operation and maintenance phases, and in Table 7-5 for the decommissioning phase.

*Table 7-2 Summary of positive impacts of Cabeolica Expansion Project*

| Project phase | Valued Receptor | Impact |
|---|---|---|
| Pre-construction and Construction | Local Economy | Creation of employment, skills development, and business opportunities |
| Commissioning, Operation and Maintenance | Global Climate and Air Quality | Reduction in $CO_2$ emissions due to increased capacity and storage |
| | Local Economy | Creation of employment, skills development, and business opportunities |

[1] Advisian, Simplified Environmental & Social Impact Assessment, Cabeolica Expansion Project – Components 1, 2 and 3, Santiago and Sal islands, Cabo Verde, Rev. G, Dec 20th, 2024.
Advisian, Simplified Environmental & Social Impact Assessment, Cabeolica Expansion Project – Component 4, São Vicente Island, Cabo Verde, Rev. C, Nov 14th, 2024.
Advisian, Simplified Environmental & Social Impact Assessment, Cabeolica Expansion Project – Component 5, Boa Vista Island, Cabo Verde, Rev. C, Nov 14th, 2024.

*Table 7-3 Summary of significant pre-construction and construction impacts of Cabeolica Expansion Project*

| Valued Receptor | Impact | Santiago New WTG+ BESS site | Sal BESS site + access road | São Vicente BESS Site | Boa Vista BESS site | Mitigation measures |
|---|---|---|---|---|---|---|
| Flora | Direct removal or damage to vegetation | x | | | | • Limit construction activities to demarcated areas and follow pre-defined transport routes.<br>• Maintain the original condition of surface soils and vegetation cover to the extent practical during pre-construction and construction activities. If applicable, an authorization for the removal of vegetation will be requested to *Direção Geral de Agricultura, Silvicultura e Pequári*a (DGASP).<br>• Use information from the field surveys on the distribution of sensitive species to reduce impacts to the extent possible on these receptors, particularly in the case of endemic, Endangered and Critically Endangered species.<br>• Use existing accesses and transport corridors whenever possible.<br>• Minimise the removal of native plant species and, if unavoidable, promote replanting native plant species in disturbed areas. Based on initial survey results, the number of species affected will be quantified using GIS information and quantities and typo ground verified by spot checking by the EPC Contractor. Applicable permits should be obtained if species categorized as Endangered or Critically Endangered by the IUCN Red List or endemic species are to be removed. |
| Reptiles and mammals | Impact on fauna due to habitat loss | x | | | | • Limit construction activities to demarcated areas and follow pre-defined transport routes.<br>• Maintain the original condition of surface soils and vegetation cover to the extent practical during pre-construction and construction activities. If applicable, an authorization for the removal of vegetation will be requested to *Direção Geral de Agricultura, Silvicultura e Pequária* (DGASP).<br>• Use existing accesses and transport corridors, whenever possible.<br>• Avoid locations, to the extent possible, where evidence of important fauna concentrations has been observed during field surveys.<br>• Before the start of construction works ensure that the maximum number of reptiles, mammals, and ground nesting birds, if identified, are removed before initiating activities and relocated in another area with similar conditions to the original location. Restore habitats for reptiles by adding more areas of refuge, such as piles of large rocks.<br>• Promote environmental awareness on biodiversity by placing outdoor posters on flora and fauna outside of windfarm buildings. |
| Infrastructure | Effects on local infrastructure and increased traffic | x | x | | | • Develop a logistics, traffic, and transportation plan that covers the transportation of oversized and heavy turbine components using specialist transportation vehicles (Santiago), as well as materials for the improvement of access roads (Sal). |

| Valued Receptor | Impact | Santiago New WTG+ BESS site | Sal BESS site + access road | São Vicente BESS Site | Boa Vista BESS site | Mitigation measures |
|---|---|---|---|---|---|---|
| | | | | | | • Ensure that roads and accesses in the vicinity of project areas are not obstructed or in poor conditions. |

*Table 7-4 Summary of significant commissioning, operation and maintenance impacts of Cabeolica Expansion Project*

| Valued Receptor | Impact | Santiago New WTG+ BESS site | Mitigation measures |
|---|---|---|---|
| Avifauna / Reptiles and mammals | Impact avifauna and bats due to potential collision | x | • Conduct post-construction monitoring for avifauna and bats twice per year (once each season) at least during the first three years to confirm the impact of both existing turbines and the newly added larger capacity turbines. Based on these results, assess the need to conduct periodic monitoring to obtain data for periodic collision risk assessments.<br>• Avoid artificially creating features in the environment that could attract birds and bats to the wind energy facility, such as water bodies, perching or nesting areas, novel feeding areas, and/or roosting habitats. Capping or repairing cavities in walls or buildings helps to remove potential bat roosting sites on building facilities under their control.<br>• Use "raptor safe" designs for power line poles to reduce electrocution risk, such as appropriate insulating material on phase conductors.<br>• Install bird flight diverters on transmission lines and guy wires from meteorological masts to reduce bird collisions.<br>• Minimise light generation during the night-time to avoid attracting fauna and causing potential deviations from migrating routes. |
| Population | Impact on local communities due to shadow flicker effects | x | • If required, program wind turbines to shut down when shadow flicker limits are exceeded (exceedances of 30 hours per year and 30 minutes per day at the sensitive receptor locations on the worst affected day). |
| Landscape | Change on the visual perception of landscape | x | • Maintain a uniform design of turbines (e.g., colour and type of tower).<br>• Minimise presence of ancillary structures on the site by minimising site infrastructure, including the number of roads, and by burying collector system power lines. |

*Table 7-5 Summary of significant decommissioning impacts of Cabeolica Expansion Project*

| Valued Receptor | Impact | Santiago New WTG+ BESS site | Mitigation measures |
|---|---|---|---|
| Infrastructure | Impact on waste infrastructure due to waste generation | x | • Update the waste management plan prior to starting this phase to guarantee compliance with the applicable regulations at the time of starting these activities and to allow for the identification of available final disposal/recycling facilities. |

These impacts will be reviewed throughout the Project lifecycle. If new significant environmental and social impacts are identified, they will be assessed and correctly registered, and the required control measures for avoiding, mitigating, and controlling those impacts will be established.

Mitigation measures for the impacts listed above are included in the ESMS and specifically in the following procedures:

- PES.01.00 Environmental and Social Monitoring Plan
- PES.02.00 Emergency and Non-routine Events Preparedness and Response Plan
- PES.03.00 Waste Management Plan
- PES.04.00 Stakeholder Engagement Plan
- PES.05.00 Chance Finds Procedure
- MGES.01.00 Appendix A Control of air and noise quality
- MGES.01.00 Appendix B Management of soils, hydrology and groundwater
- MGES.01.00 Appendix C Protection of flora and fauna
- MGES.01.00 Appendix D Social Management

## 7.2 Legal and other Requirements

Environmental and social legal requirements, standards, and other requirements of direct application to the activities and services of Cabeolica are incorporated into the Policy, Procedures and Objectives of the ESMS.

## 7.3 Planning Actions

ESMS planning will be carried out according to the general ESMS procedures. Cabeolica will take actions to address the following:

- Significant environmental and social impacts
- Major risks and non-routine events
- Legal and other requirements
- Actions based on the results of environmental and social inspections of the wind farms and future BESS projects.

# 8 Support

## 8.1 Resources

Cabeolica Management provides the necessary human and material resources for the establishment, maintenance, and continuous improvement of the ESMS, according to their available resources. These resources include human resources, special skills, organizational structure, and financial and technological resources.

Furthermore, when required, Cabeolica will engage specialist environmental and social support from appropriately qualified consultants.

Cabeolica has a general provision budget for the implementation of ESMS; however, the budget and costs will be subject to review and approval. Table 8-1 includes the breakdown of the estimated annual budget for environmental and social management system activities.

*Table 8-1 Estimated Cabeolica ESMS budget per year*

| Budget category | Estimated cost (€) |
|---|---|
| Personnel costs | 20,000 |
| Operational costs | 15,000 |
| Monitoring and evaluation | 10,000 |
| Capacity building | 8,000 |
| Contingency (5%) | 2,650 |
| **TOTAL** | **55,650 €** |

## 8.2 Awareness and Training

Environmental and social awareness constitutes a key element for achieving compliance with environmental and social requirements.

Cabeolica continuously invests in the training of its employees to increase the professional qualifications and guarantee a balance of skills to maximize the performance of its employees.

During Cabeolica team meetings, environmental and social aspects are reviewed as a reminder to all site representatives. These aspects entail actions that can cause environmental impacts and minimization measures to be implemented to reduce them during wind farm operation.

The following Environmental Awareness campaigns are carried out periodically:

- Cabeolica partnered with an independent national NGOs to sponsor conservation initiatives. The objective is to conserve multiple endangered species while raising biodiversity and environmental awareness at national and regional levels.
- Environmental awareness activities at schools.

Before the start of the works of the Cabeolica Expansion Project, Cabeolica will promote, with the support of the OE and other entities, the training of the EPC Contractor's

management staff, namely the environment, health and safety technician(s), foreman(s), and work management personnel, to cover the following topics:

- Environmental effects that the work may cause and corresponding good practices and preventive and corrective measures to be adopted.
- Rules and procedures for managing waste on site.
- Safety risks associated with works and corresponding preventive measures and behaviours to be adopted (including personal protective equipment, PPE).
- First aid and action in the event of an accident.
- General norms for dealing with local populations.
- General rules of Hygiene Health and Safety (HHS) on construction sites.
- Gender Based Violence (GBV) and Violence Against Children (VAC) prevention code of conduct.
- Risks and prevention of sexually transmitted diseases.
- Measures to be taken in case of discovery of tangible cultural heritage artefacts or sites.
- The GRM mechanism for workers and its use.

Subsequently, the EPC Contractor's management team must ensure that training and awareness-raising activities are carried out for all on-site personnel at its service (including the personnel of its subcontractors), to improve their knowledge of the actions to be taken, to prevent or minimize the environmental effects of their activities, and to promote the best relationship with the local populations. The presence and content of these actions must be duly registered. Whenever new workers are admitted, they must be given identical training and awareness.

During the works and following the follow-up and monitoring activities of Cabeolica Expansion Project, the need for complementary training and awareness actions can be determined if found that the previous actions have not produced the desired effects.

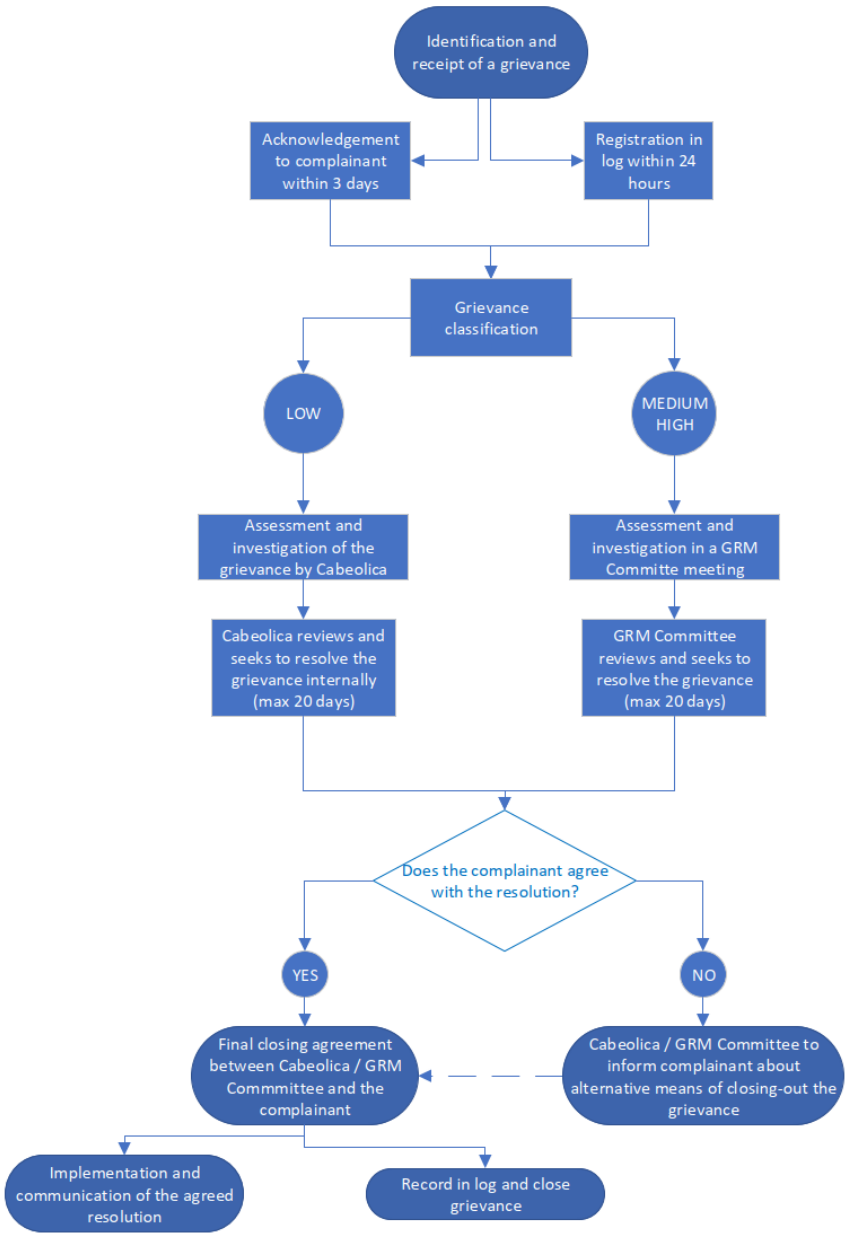
In addition, given that the installation and use of the BESS are new activities for the company, Cabeolica will promote capacity building activities regarding operation, maintenance, and decommissioning of the BESS with the assistance of relevant institutions (e.g., local civil protection and fire services) and the BESS provider. The following themes should be covered:

- Battery Energy Storage System essential elements
- Standards and regulations
- Mitigating BESS hazards and mitigation
- Management and controls (onsite and remote)
- Waste management
- Decommissioning requirements

## 8.3 Grievance Redress Mechanism (GRM)

The grievance mechanism enables Cabeolica to receive, assess and settle comments, concerns, questions and grievances of Cabeolica employees, internal and external stakeholders in the shortest time possible, at the lowest possible level of authority, and to assess and provide resolutions of complaints and then monitor the close-out of those grievances.

*Figure 8-1 Grievance Redress Mechanism Flowchart*




### 8.3.1 Objectives and principles

The objectives of the mechanism are to:

- Provide a predictable, transparent, and credible process for resolving grievances,
- Build confidence as an integral component of Cabeolica relationships with employees, local communities, authorities, and other stakeholders, and
- Enable rapid identification of the emerging issues and trends, and thereby facilitate corrective actions and follow-up.

This grievance mechanism is based on the following principles:

- **Transparency and neutrality:** Easily understood, transparent and available at no cost and without retribution.
- **Confidentiality:** personal information on grievances will only be processed in accordance with the specific purpose for which it was intended, and it shall be managed in accordance with legal, international and internal corporate requirements for data protection and confidentiality.
- **Accessibility and cultural appropriateness:** All stakeholders, internal and external, have access to this mechanism and can raise a grievance. The mechanism is available in the local language with multiple channels available to raise a grievance.
- **Proportional:** Appropriate to the scale and size of Cabeolica and its stakeholders.
- **Recording:** All grievances are registered and logged in the Grievance Log, which is monitored until their close-out.
- **Timely resolution:** The goal is to close-out grievances within 20 calendar days.

### 8.3.2 Channels of communication

Anyone who identifies an irregularity, has a concern or wants to submit a suggestion can use the GRM to report and facilitate its identification and, if necessary, its correction.

Adequate public communication channels have been put in place during the Design Phase so that grievances can be submitted via the following channels:

- Telephone: +238 260 22 60
- Mail: cabeolica@cabeolica.com
- Website: www.cabeolica.com
- For Cabeolica Expansion Project, registries available in each corresponding municipality *(Camara Municipal da Praia (CMP), Camara Municipal de Sal (CMS), Camara Municipal da São Vicente and Camara Municipal da Boa Vista).*

Cabeolica will communicate in a timely manner with affected stakeholders to inform them about specific, imminent nuisances or benefits of the Project via social media (Instagram, LinkedIn, etc.) and the Cabeolica website.

### 8.3.3 Recording and classification

Grievances are registered and classified according to Table 8-2 by MESA in a grievance log within 24 hours of its reception. This log contains information about its progress and the monitoring of its close-out, and MESA determines, on a case-by-case basis, how to examine and respond to suggestions, concerns, and complaints. The complainant or person submitting a suggestion receives a confirmation within three days that the grievance has been received.

*Table 8-2 Grievance classification criteria*

| Grievance classification | Risk of Escalation or Retribution | Validity | Response |
|---|---|---|---|
| Low<br>(internally manageable) | *No or low* | *Unsubstantiated* | Cabeolica will conduct investigation, document findings and provide a response.<br>*Example would include internal worker complaint regarding the variety within meals provided.*<br>*Issue can be resolved quickly internally.* |
| Medium<br>(requires advice / inputs from external committee members) | *Possible risk and likely a one off event* | *Possible substantiation* | Cabeolica will raise to the complaint the committee for further discussion and resolution.<br>*Example would be 3 or more complaints regarding noise or dust from construction activities from different communities members.*<br>*Complaint can be easily resolved by implementing better HSE management measure.* |
| High<br>(requires advice / inputs from external committee members) | *Probable risk and could reoccur* | *Probable substantiation* | Cabeolica will raise to the complaint the committee for further discussion and resolution.<br>*Example would be complaints from the communities regarding unfair employment or lack of local employment.*<br>*It would require longer term resolutions and working with community leaders to promote / implement resolutions.* |

If the grievance is classified as **Low (internally manageable**), Cabeolica will be the responsible for the management of the grievance. On the other hand, if the grievance is classified as **Medium or High (in both cases it is required advice / inputs from GRM Committee)**, Cabeolica MESA will raise the grievance to the GRM Committee for further discussion and resolution.

### 8.3.4 GRM Committee

The GRM Committee is formed by the following members:

- Cabeolica MESA
- A representative of the DNA delegation in the island,
- A representative of the *Camara Municipal* in which a registry will be available,
- During the pre-construction and construction phases, a representative of EPC Contractors,
- During the operation and maintenance phases, a representative of the companies in charge of the maintenance activities.

The GRM Committee will meet regularly online (e.g. every 2 weeks) to address medium to high grievance.

Where a serious complaint is received Cabeolica may request that the committee meets sooner to discuss the issue and potential resolutions.

If there is a specific and material area of concern that appears during the cause of the project, it may be necessary to incorporate into the GRM Committee other appropriate third parties, NGO's, community representatives etc. relevant to those areas to support the GRM Committee.

### 8.3.5 Assessment and investigation of grievances

To comply with grievance principles, Cabeolica and the GRM Committee shall:

- Treat the matter seriously and sensitively,
- Discuss options for its resolution with the complainant and other affected parties,
- Ensure that a reasonable conclusion of the grievance is reached, and/or make recommendations for a conclusion,
- Prepare a report, if necessary, about the investigation and any findings, conclusions, and proposals for actions to be submitted to the relevant department/staff to whom the grievance is reported,
- Protect the interests of all parties involved in the grievance, i.e., the person in charge (the MESA or other person involved in the grievance) must exercise appropriate discretion and confidentiality to protect the interests of all parties, including Cabeolica, and
- Review the grievance to determine whether it is eligible for further consideration or can be directly resolved.

### 8.3.6 Resolution, close-out and monitoring

When a resolution is under consideration, the complainant will receive detailed information about the corrective action to be taken to resolve the grievance.

The timeframe to close-out the grievance should be as short as possible, with a maximum of 20 days. In case of delays, the complainant must be informed.

The constructive conclusion of a grievance to the satisfaction of all parties is the desirable outcome of effective grievance management. However, if the grievance cannot be concluded by agreement between the parties under this GRM, then the complainant will be informed in writing by Cabeolica or the GRM Committee of the alternative means, procedures, and administrative bodies in Cabo Verde for which to pursue their complaint or grievance beyond the efforts of this GRM.

Grievances are recorded in the Grievance Log, and proper control and monitoring of the received and closed grievances can be accomplished through a series of **key performance indictors (KPIs)** established and recorded annually in the Annual Monitoring Report:

- Number of complaints received per month.
- Number of close-out complaints per month vs. number of complaints received.

### 8.3.7 GRV Sensitive Grievance Mechanism

Actively monitoring for evidence of situations of GBVs, harassment, violence, sexual exploitation, abuse of minors, inappropriate behaviours caused by Project workers affecting local communities and any kind of discrimination to vulnerable communities shall be encouraged in the GRM.

The principles to be followed for dealing with all GBV-related complaints are the following:

- Safety and Well-Being: the safety of the complainant shall be ensured at all times.
- Confidentiality / Anonymity: The confidentiality and anonymity of the complainant shall be ensured, and personal information will only be processed in accordance with the specific purpose for which it was intended and with the documented informed consent of the person.
- Survivor-Centered Approach: The survivor / complainant's choice, needs, safety and wellbeing remain at the center of all actions and procedures. This approach is based on the principles of:
    - Respect for the survivor's choices, wishes, rights and dignity throughout the process.
    - Safety of the survivor being the utmost priority in all actions.
    - Confidentiality to give people the right to choose whom they will or not tell their story.
    - Non-discrimination referring to equal and fair treatment to all survivors regardless of their age, nationality, race, etc.

## 8.4 Disclosure of Information

Cabeolica will periodically disclose the following information to different stakeholders both in Portuguese and English:

- The ESMS will be submitted to the AfDB and EIB for their review.
- ESIAs will be disclosed in conformance with AfDB and EIB requirements.
- Environmental and Social Policy will be available for public view on the Cabeolica website.
- Lenders External E&S Audits reports with at least the executive summary in Portuguese.

## 8.5 Internal Communications

Cabeolica internally communicates relevant environmental and social information across all levels and functions of the company, engaging all employees in environmental and social management. The frequency of internal communications varies according to the scope of each.

Internal communication will be achieved through the following channels:

- Internal weekly meetings of the management team.
- Internal e-mail and newsletters about environmental and social matters on a periodic basis.

- Amended standard operation procedures, if deem necessary, to reflect Cabeolica environmental and social policy commitments and to guide all relevant stakeholders and implementing units on the application of ESMS procedures.
- Memoranda and circulars, when necessary.

## 8.6 External Communications

Relevant environmental and social information shall be communicated to relevant external stakeholders and the public, where appropriate, via the Cabeolica website and Cabeolica social media (Instagram and LinkedIn).

The Environmental and Social Annual Monitoring Report is shared with the Cabeolica Board and submitted to the national environmental authorities for their approval.

## 8.7 Documented Information

All environmental and social information shall be maintained on the Cabeolica One Drive, as specified in Procedure 01 – Control of documented information (PQ.01.03). A non-exhaustive list of documented environmental and social information is provided below:

- Environmental and social policy
- Competence of MESA personnel
- Relevant communications
- Relevant KPI information
- Non-conformities log
- Grievance log
- Environmental monitoring reports
- Audit reports
- Management review minutes of meeting
- Other relevant environmental and social information

# 9 Operation

Cabeolica shall establish, implement, control and maintain the processes necessary to satisfy ESMS requirements, and shall implement actions to address risks and opportunities related to environmental and social aspects, lifecycle, legal, and other requirements, as well as other issues related to the context of Cabeolica that must be addressed to ensure environmental and social management as planned (e.g., preventing the unwanted effects of external environmental and social conditions).

The operations and activities related to Cabeolica offices, wind farms and the future Cabeolica Expansion Project sites that affect or may affect the environment and society will be identified and planned throughout the Project lifecycle.

## 9.1 Operational Planning and Control – Environmental Aspects

### 9.1.1 Cabeolica Office

The following environmental good practices are implemented in the Cabeolica office.

- **Waste management** in the office described in the PES.03.00 Waste Management Plan.
- **Emergency preparedness and response** carried out according to PES.02.00 Emergency and Non-routine events preparedness and response plan.
- **Environmental inspections** carried out periodically in the office to ensure compliance with environmental requirements.

### 9.1.2 Wind Farms and Sao Vicente and Boa Vista BESS sites

The environmental measures adopted during the operation and maintenance of the wind farms and will be adopted in the future Expansion Project in the wind farms and during the operation and maintenance of future BESS projects are summarized in the following documents:

- **PES.01.00 Environmental and social monitoring plan:** Establishes monitoring requirements during operation and provides a template for **environmental inspections** of the wind farms / BESS sites.
- **PES.02.00 Emergency and non-routine events preparedness and response plan:** Guidelines to ensure an effective and efficient response in case of an emergency or a non-routine event.
- **PES.03.00 Waste management plan:** Requirements for completing waste management in the wind farms / BESS sites during all project phases.
- **PES.04.00 Stakeholder Engagement Plan:** The stakeholder engagement, consultation and planning process give Project-affected stakeholders an opportunity to gain understanding of, and comment on, the proposed Project, as well as providing a forum for gathering local information about the Project area, identifying key issues, and considering alternative approaches to avoid or mitigate negative impacts on stakeholders and enhance the benefits.

- **PES.05.00 Chance Finds Procedure:** Establishes the guidelines to ensure an effective and efficient response if previously unknow tangible cultural heritage finds or artefacts are encountered.
- **Control of air and noise quality:** Procedure and measures to control and minimize atmospheric and noise emissions in the wind farms / BESS sites (see Appendix A).
- **Management of soils, hydrology and groundwater:** Procedure and guidelines to minimize impacts to soil, hydrology, and groundwater in the wind farms / BESS sites (see Appendix B).
- **Protection of flora and fauna:** Procedure and guidelines to protect flora and fauna of the wind farms / BESS sites and their surroundings (see Appendix C).

## 9.2 Operational Planning and Control – Social Aspects

**PES-07-00 Social Management** (Appendix D) provides a procedure with specific measures to minimize impacts on local communities and local infrastructures and measures to promote the creation of employment, skills development, and business opportunities.

### 9.2.1 Corporate Social Responsibility

Corporate Social Responsibility (CSR) has become increasingly important to Cabeolica in recent years, as Cabeolica strives to contribute to the social and economic development of its communities. Being socially responsible enables Cabeolica to improve its image and build its brand. Social responsibility empowers employees to leverage corporate resources at their disposal to engage in socially responsible activities.

Since the COVID-19 pandemic, Cabeolica shifted its objectives of social responsibility actions to meet the needs of the community revealed or created by the pandemic, and to support and sponsor actions for the benefit of the community.

The following actions for the benefit of the community are supported by Cabeolica:

- **Sponsorships:** Cabeolica sponsors organizations and activities, such as:
  - Non-profit organizations in the health sector to assist their missions of health awareness, and
  - Governmental conferences aimed to discuss post-pandemic economic recovery measures focused on renewable energy.
- **Sports:** Cabeolica supported sporting events, primarily for youth groups:
  - The Association of Soccer League in youth competition to promote youth wellbeing engagements (2022),
  - The Basketball National Team participation in AfroBasket (2021), and
  - LigaPlay, a soccer championship event for 13–17-year-olds promoted by Cabo Verdean Soccer School Association to promote the inclusion and citizenship value, awareness, appreciation of human life and social interaction through the sport (since 2016).
- **Environmental and Renewable Energy awareness:** Cabeolica partnered with NGOs to promote conservation initiatives:

  - Independent national NGOs with conservation initiatives on the islands of São Vicente and Santiago to conserve multiple endangered species, while raising biodiversity and environmental awareness at the national and regional levels (2022).
  - Independent national NGO with conservation initiatives on several islands to conserve multiple species, while raising biodiversity and environmental awareness at national and regional levels (2021).
  - Planting trees in schools across all islands (2023).
  - Cabeolica University Challenge Business Care Project, which aims to contribute to raising awareness for the preservation of the planet and the development of a sustainable society (2023).
- **Community education**: To support social development in Cabo Verde, Cabeolica developed initiatives to directly impact on the community, with a particular emphasis on activities involving school children. Cabeolica supported vulnerable communities experiencing hardship sending kids to school, through a local association that acquires school supplies for vulnerable families (2021, 2022 and 2023).

### 9.2.2 Human Resources

Cabeolica's Internal Guidelines and Performance Evaluation Manual, tools for human resource management, have afforded a high standard of professionalism at the Company, promoting ever more efficient performance as well as high levels of motivation, satisfaction, and responsibility on the part of employees.

Cabeolica implements an internship program to improve students' personal skills and polish their professional growth and experience while exposing them to the Cabeolica brand. In 2023, five students received professional learning experience and meaningful and practical work related to finance and renewable energy engineering.

In addition to permanent job positions, Cabeolica contributes to generate indirect employment through various retainer contracts held with local companies for services, such as legal counselling, IT, accounting, auditing, marketing, insurance, wind farm surveillance, and cleaning services, among others. Approximately 40 indirect positions have been created and maintained, with approximately 6 held by women.

Cabeolica holds a long-term maintenance contract with Vestas, which resulted in the creation of a local company that employs five Cabo Verdean engineers.

### 9.2.3 Labour and Working Conditions

Labour and working conditions shall be considered in Cabeolica by implementing the following:

- Recruitment strategy for local and foreign staff.
- Compliance with national labour and health and safety legislation.
- Arrangements for managing worker relationships, including collective bargaining and worker organization, and employee consultation, communication, and participation.
- Worker grievance mechanism to raise complaints and grievances and provide feedback.

- Non-discrimination and equal opportunities, including gender sensitivity in recruitment, compensation, termination, promotions and other work conditions or terms of employment.
- Protection of vulnerable workers, including those in the supply chain.
- Measures to avoid the use of forced labour.
- Provisions for a safe and healthy work environment.

According to Cabeolica Code of Business Conduct & Ethics, Cabeolica's business shall never include any of the following excluded activities:

- Employing forced labour of any kind.
- Allowing children to form part of its workforce.
- Paying wages which are below industry or national minima.
- Investments or transactions in a country or involving a person, group or entity subject to international trade embargoes or sanctions at the time of investment.
- Manufacture or trading of weapons, including the development, production or storage of nuclear weapons and the production of components made explicitly for use in nuclear weapons.
- Generating power from a nuclear reactor.
- Manufacturing tobacco or tobacco-related products, unbonded asbestos fibres or radioactive materials.
- Involving gambling, casinos and related activities.
- Relating to prostitution or pornography.

### 9.2.4 Occupational Health and Safety

Health and safety are chief sustainability pillars of Cabeolica. One of Cabeolica's objectives is to define and maintain adequate standards in health and safety management to guarantee the well-being of its employees as well as other personnel who visit the wind farms or live in their surroundings.

Personnel with access to the operational wind farms are provided with all adequate PPE. Additionally, each wind farm is equipped with first aid and firefighting equipment, as well as adequate gear for handling machines with electrical current.

With an efficient safety policy and procedures, along with a strong focus on employee health and safety training, the company has experienced zero (0) employee work accidents since the start of the construction and during more than six years of operation.

In 2014, the Company implemented a practice of providing general medical check-ups to all employees as a preventive action to promote general health. Furthermore, 100% of employees are covered with additional optional insurance.

Occupational health and safety training is given to technical staff. Training regarding electrical risks, manual handling, and work at heights is given to this staff every two years.

### 9.2.5 Operational Management Interactions

The ESMS interacts to some extent with operational management procedures, which are part of Cabeolica Quality Management System. These procedures not only apply to

environmental and social issues, but are applicable to the entire Cabeolica process and scope of works:

- **PQ.04.04 Selection and evaluation of suppliers**: Defines the methodology for selecting and evaluating Cabeolica suppliers based on an annual review of their performance in the services they provide.
- **PQ.05.01 Customer Satisfaction Assessment Procedure:** Defines the methodology for evaluating client satisfaction.
- **PQ.06.02 Measurement Equipment Procedure:** Specifies measures to identify, register and monitor various equipment used for monitoring and measuring the energy supply.

## 9.3 Management of Change

Changes that could impact on ESMS performance must be planned and reported to MESA, such as changes related to:

- Structure of the organization,
- Applicable legal and other requirements,
- Hazards, risks, and impacts,
- Training and knowledge, and
- Work processes, procedures, and equipment.

Unplanned changes must be analysed to determine their consequences on the environment, and actions are proposed to mitigate the hazards or obtain opportunities.

An identified change must be notified to MESA and analysed. Its environmental and social impact is reviewed, and, if appropriate, hazards are identified and their risks assessed; if deemed acceptable, the change is approved. Otherwise, pertinent controls to eliminate or control risks are established.

## 9.4 Emergency Preparedness and Response

Information about emergency preparedness and response is included in **PES.02.00 Emergency and Non-routine Events Preparedness and Response Plan**.

# 10 Performance Evaluation

## 10.1 Monitoring and Reporting

Environmental and social performance assessment in Cabeolica is accomplished through the following tasks and inspections.

**Environmental inspections:** Monthly inspections at each wind farm and BESS site using the template provided as an attachment to PES.01.00 Environmental and Social Monitoring Plan.

**Environmental and social monitoring activities:** PES.01.00 Environmental and Social Monitoring Plan describes specific environmental and social monitoring activities carried out in Cabeolica.

**Annual review of ESMS:** The ESMS is reviewed annually by the MESA to ensure ongoing suitability and efficiency. Based on this review, Cabeolica may initiate necessary changes to the ESMS and its components. The following tools are used for this review:

- Continuous revision of ESMS procedures based on changes in legislation/normative and best practices.
- Non-compliance log of corrective actions.
- Grievance log and corrective actions.
- Reports for customers.
- Reports for funding organisations (AfDB and EIB).
- Audit report.
- Management Review Minutes of Meeting.

The ESMS includes the following reporting activities:

- **Reporting requirements during the construction phase of the Cabeolica Expansion Project**:
    - Weekly: EPC Contractors will provide a summary of progress in implementing the ESMP and their CCESMP for environmental and social aspects under their control and responsibility.
    - Monthly: EPC Contractors will present a detailed monthly report containing all records produced and an assessment of incidents during the previous month.
    - The OE will submit to Cabeolica a monthly status report covering the most relevant environmental and social matters.
- **Incident notification and reporting:** Cabeolica shall notify Lenders no later than 72 hours after the occurrence of non-routine event or accident. Serious ES incidents and accidents will be reported within five calendar days to the Cabeolica MESA. This information will be summarized in a report containing, as a minimum, the nature of the incident, accident or near-miss, the impact arising therefrom, and the measures being taken or plans to be taken to address them and to prevent for future similar events.
- **Annual reporting:** An annual environmental and social monitoring report is completed by Cabeolica and submitted to the Cabo Verde Environmental Directorate (DNA). This report contains information about the environmental and social performance of Cabeolica.

- **Periodic reporting to EIB and AfDB:** Periodic reports summarizing the main environmental and social performance of Cabeolica will be submitted to the Lenders with the periodicity established in the loan agreement.

## 10.2 Internal Audit

Internal audits are completed on an annual basis to determine the effectiveness of the ESMS and related procedures, and its implementation and maintenance. Environmental and social audits cover all Project locations during construction of the Cabeolica Expansion Project and all worksites during operation.

Audit results are communicated, according to the established channels, to relevant personnel.

An audit program is performed detailing all activities to be audited and the proposed intervals. Refer to procedure 02 – Internal Audits (PQ.02.01) for more information.

## 10.3 Annual independent E&S performance audit

During the construction phase of Cabeolica Expansion Project and the first year of Operation & Maintenance phase, annual external E&S audits will be carried out on an annual basis, to check the compliance of the Project with E&S requirements.

The disclosure of this document shall contain an executive summary in Portuguese.

## 10.4 Management Review

The purpose of the management review of the system is to assess the ability of the ESMS to implement opportunities for improvement, to meet the objectives set, and to assess compliance with the system. As some requirements and tasks are carried out for management systems, quality, and environmental and social, the Management Review is carried out annually (simultaneously) for these areas or performance.

The management review shall include the following at a minimum:

- Follow-up of actions from previous management reviews.
- Risks and opportunities analysis.
- Relevant communications, including:
  - Customer's satisfaction assessment,
  - Complaints, and
  - Other relevant communications for stakeholders.
- Information on environmental performance, including:
  - Information related to non-conformities and corrective actions,
  - Results of KPIs,
  - Compliance with legal and other requirements, and
  - Results of audits.
- Suppliers' assessment results.
- Changes in:
  - Internal and external issues relevant to the ESMS,

  - Needs and expectations of stakeholders,
  - Significant environmental and social aspects and impacts,
  - Environmental risks and opportunities,
  - Achievement of objectives and targets, and
  - Applicable legislation.
- Effectiveness of environmental and social and quality policies.
- Adequacy of resources.

  Opportunities for continual improvement.

Outputs from the review include:

- Conclusions on the continuing suitability, adequacy, and effectiveness of the ESMS,
- Decisions related to opportunities for continual improvement,
- Needs of change in ESMS requirements, including resources,
- Actions required if environmental objectives have not been achieved,
- Opportunities to improve the integration of the ESMS into the business strategy, if necessary, and
- Any implications for management.

# 11 Improvement

## 11.1 General

Cabeolica shall identify improvement opportunities based on information derived from the performance assessment (environmental and social monitoring, measuring, analysis and assessment), the result of the audits, and the conclusions of the Management Review.

## 11.2 Non-conformity and Corrective Action

One of the main functions of the ESMS is to ensure conformity in the development of its activities in the facilities, engineering, construction, and operation with the established environmental results. However, some cases of Non-Conformities (NC) may require control and documentation to make decisions regarding possible corrective and/or preventive actions.

A non-conformity is defined as the nonfulfillment or deviation from a specific requirement or specification. Non-conformities related to the ESMS might arise from:

- Non-compliance with applicable legislation,
- Non-compliance with administrative permits, authorizations, and decisions,
- Non-fulfillment with the documentation included in the ESMS, and/or
- Non-fulfillment with environmental and social objectives.

If a non-conformity is detected, Cabeolica must follow the steps outlined in PQ.03.04 Control of Non-Conformities.

Non-conformities reports are registered in the Non-Conformities Map of Cabeolica. This register contains the following information of each non-conformity:

- Non-conformity title
- Location
- Type and date of occurrence
- Correction and corrective measures to be implemented
- Employee responsible for the follow-up
- Timeline for the implementation
- Follow-up result
- Verification and evaluation
- Closure date

## 11.3 Continual Improvement

Cabeolica is committed to continuous improvement of the convenience, adequacy, and efficiency of the ESMS to improve the environmental and social performance of the company. To measure and demonstrate the progress of Cabeolica in compliance with environmental and social requirements, **KPIs** used to measure environmental and social performance are established, as listed in Table 11-1, and recorded by the MESA and annually reported in the Cabeolica Annual Monitoring Report.

*Table 11-1 Cabeolica KPIs / Indicators*

| ASPECT | KPI / Indicator | Evidence |
|---|---|---|
| Emergency Response Plan | Emergency equipment revision per year in each wind farm / site | HSE inspection records<br>Photographic records<br>Maintenance records |
| | Emergency and non-routine situations occurring per year in each site / wind farm | Reports of incidents and actions taken (where applicable) |
| Work accidents | Work accidents (per month and per year) in each wind farm / site | Reports of incidents and actions taken (where applicable) |
| Environmental accidents / incidents | Environmental accidents / incidents (per month and per year) in each wind farm / site | Reports of incidents and actions taken (where applicable) |
| Waste management | Quantity of hazardous waste stored per year in each wind farm / site | Waste data tracking |
| | Quantity of hazardous waste delivered per year | |
| Environmental inspections | Number of recommendations closed vs recommendations given in environmental inspections per month in each wind farm / site | HSE inspection records<br>Photographic records |
| Non-conformities | Non-conformities closed vs non-conformities open per year in each wind farm / site | Non-conformity sheet<br>Non-conformities register |
| Grievance Redress Mechanism | Number of closed complaints vs number of complaints received | Grievance forms<br>Grievance register |
| Stakeholder Engagement | Meetings: No. of meetings held. | List of participants in each meeting.<br>Pictures of the event |
| | Communication materials: No. of communication materials produced and disseminated | Attendance register.<br>List of comments raised during the meeting |
| | Use of social media platforms: No. of social media messages published/No. of reactions to messages in social media | Communication Material<br>Evidence of publication in social media platforms |
| | Training of internal stakeholders on SEP: No. of training sessions and hours of training | List of participants in each training session |
| $CO_2$ equivalent | $CO_2$ equivalent avoided (tons) (per month and per year) | - |
| Training | Training hours per year | Training matrix<br>Training schedule<br>List of participants |
| | Number of workers participating in training and awareness sessions and training hours dedicated. | |
| | Distribution of training hours per year | |
| Job creation | Jobs created | Employment records |
| | Gender ratio | |
| | Local employee ratio | |
| Bird nest monitoring | Active nests, successful bird pairs, flying chicks, average productivity, successful reproduction | Monitoring reports<br>Photographic records |

The Environmental and Social Monitoring Plan (PES.01.00) contains a more exhaustive list of KPIs / indicators to be included in the monthly reports by the EPC Contractor during the construction of the Cabeolica Expansion Project. These indicators will also be considered by the OE in the preparation of its monthly report to Cabeolica.

# Appendix A
# Control of air and noise quality

| PROCEDURE | MGES.01.00 App A: Control of air and noise quality |
|---|---|
| **OBJECTIVES** | |
| Control and minimize atmospheric emissions of the wind farms and BESS sites. | |
| Control and minimize noise emissions produced in the wind farms and BESS sites. | |
| **IMPACTS** | |
| Decreased air quality and impact on climate change | |
| Increased ambient noise levels | |
| **LOCATION (SITE / CONSTRUCTION)** | Cabeolica Operating Sites (wind farms) - operation and maintenance<br>Cabeolica Expansion Project - pre-construction , construction, operation and maintenance |

| Item | Measure(s) | PHASE | |
|---|---|---|---|
| | | Pre-construction and construction | Operation and maintenance |
| 1 | Use low-sulphur diesel (<1.5%) to reduce emissions. | x | x |
| 2 | Ensure appropriate equipment and vehicles maintenance and avoid deficient combustion. | x | x |
| 3 | Adopt a policy of switching off machinery and equipment when not in use. | x | x |
| 4 | Minimise transportation on and to/from the site through efficient transport management to minimise noise and vehicle pollution. | x | x |
| 5 | Ensure that the transport of materials is done in suitable and covered vehicles in order to prevent the dispersion of dust. | x | |
| 6 | Suppress dust where and when necessary by spraying affected soil surfaces and piles of soil with water, fencing stockpiles, and minimizing discharge heights from trucks (not to exceed 1 m). | x | |
| 7 | Where feasible, plan and reduce to a minimum the waste volumes sent to the Espargos landfill in Sal during the December to March period (period in which the municipal landfill of Espargos burns waste in the open air) **(Sal windfarm)** | x | |
| 8 | Combine and schedule noise-producing operations to occur during the same time period and avoid the night-time to prevent disturbance to nearby residents. When combined, verify that operations running at the same time are below applicable noise limits. | x | |
| 9 | Check that all site equipment is within the acceptable noise standards. | x | x |
| 10 | Meet the applicable noise limit at sensitive receptor locations, which corresponds to the night-time limit (45 dB(A)) set by National Law 34/VIII/2013 "establishing the Regime for Prevention and Control of Noise Pollution." The maximum allowable daytime level is 55 dB(A). The night-time limit applies because the WTGs will operate continuously. **(Santiago windfarm)** | | x |
| 11 | Install best available technology (BAT) compliant with noise emission standards and economically viable for the project. | x | x |

# Appendix B
# Management of soils, hydrology and groundwater

| PROCEDURE | MGES.01.00 App B: Management of soils, hydrology and groundwater | | |
|---|---|---|---|
| **OBJECTIVES** | | | |
| Provide guidelines to avoid and minimize impacts to soils | | | |
| Control and minimize impacts to hydrology and groundwater | | | |
| **IMPACTS** | | | |
| Soil loss, compaction and impacts on soil quality | | | |
| Demand of natural resources for construction materials | | | |
| Decrease in surface and groundwater quality | | | |
| Demand of water resources | | | |
| **LOCATION (SITE / CONSTRUCTION)** | Cabeolica Operating Sites (wind farms) - operation and maintenance<br>Cabeolica Expansion Project - pre-construction , construction, operation and maintenance | | |
| **Item** | **Measure(s)** | **PHASE** | |
| | | **Pre-construction and construction** | **Operation and maintenance** |
| 1 | Mark locations of new access roads, temporary offices, and laydown areas before activities begin and avoid activities outside these defined areas. | x | |
| 2 | Limit construction activities to demarcated areas and follow pre-defined transport routes. | x | |
| 3 | Preserve excavated soil for reuse, when possible, during site restoration activities. | x | |
| 4 | Source construction materials locally, where feasible, and keep transport distance as short as possible. | x | x |
| 5 | All fill material is to be sourced from existing licenced facilities and borrow pits. No fill material is to be imported from new locations opened for the project, unlicenced borrow pits or landfill sites. | x | |
| 6 | Avoid conducting works involving excavation and soil movement in the proximities of water courses. | x | |
| 7 | No water for construction purpose will be sourced on-site nor from boreholes installed for this purpose | x | x |
| 8 | Chemicals used during the maintenance of wind farms and BESS intend to be non-toxic, biodegradable or photodegradable, and their required minimum dose shall be used. | x | x |
| 9 | Locate contaminated soils removal kits in wind farms and BESS sites. | x | x |

# Appendix C
# Protection of Flora and Fauna

| PROCEDURE | MGES.01.00 App C: Protection of flora and fauna |
|---|---|
| **OBJECTIVES** | |
| Protect the flora and fauna of the wind farms, future BESS sites and their surroundings. | |
| **IMPACTS** | |
| Direct removal or damage to vegetation | |
| Impact on flora and fauna due to the introduction of invasive flora alien species | |
| Impact on fauna (avifauna, reptiles and mammals) | |
| Impact on avifauna and bats due to potential collission during the operation of Cabeolica Operating wind farms | |
| Disturbance to fauna (avifauna, reptiles and mammals) | |
| **LOCATION (SITE / CONSTRUCTION)** | Cabeolica Operating Sites (wind farms) - operation and maintenance<br>Cabeolica Expansion Project - pre-construction , construction, operation and maintenance |

| Item | Measure(s) | PHASE | |
|---|---|---|---|
| | | Pre-construction and construction | Operation and maintenance |
| 1 | Limit construction activities to demarcated areas and follow pre-defined transport routes. | x | |
| 2 | Maintain the original condition of surface soils and vegetation cover to the extent practical during pre-construction and construction activities. Unnecessary removal of vegetation during construction should be avoided and surrounding vegetation must be protected by employing appropriate fences, covers, etc. If applicable, an authorization for the removal of vegetation will be requested to Direção Geral de Agricultura, Silvicultura e Pequária (DGASP). | x | |
| 3 | Use information from the field surveys on the distribution of sensitive species to reduce impacts to the extent possible on these receptors, particularly in the case of endemic, Endangered and Critically Endangered species **(Santiago and Sal sites)**. | x | |
| 4 | Use existing accesses and transport corridors whenever possible. | x | x |
| 5 | Minimise the removal of native plant species and, if unavoidable, promote replanting native plant species in disturbed areas. Based on initial survey results, the number of species affected will be quantified using GIS information and quantities and type ground verified by spot checking by the EPC Contractor. Applicable permits should be obtained if species categorized as Endangered or Critically Endangered by the IUCN Red List or endemic species are to be removed, in compliance with Decree-Law No. 8/2022 of April 6th, which establishes the conservation and protection measures for endangered flora and fauna species in Cabo Verde. | x | |
| 6 | Check origin of equipment and materials used on site. | x | |
| 7 | Implement invasive species management procedures, including cleaning of equipment prior to shipping to site | x | |
| 8 | Avoid locations, to the extent possible, where evidence of important fauna concentrations have been observed during field surveys. | x | |
| 9 | Before initiating construction activities, ensure that the maximum number of reptiles, mammals, and ground nesting birds are removed, if encountered, and relocated in another area with similar conditions to the original location. Restore habitats for reptiles by adding more refuges, such as piles of large rocks. | x | |
| 10 | Promote environmental awareness of biodiversity by placing outdoor posters of flora and fauna on the outside of windfarm buildings **(Santiago and Sal sites)**. | | x |
| 11 | Design waste management procedures to prevent the attraction of fauna by appropriately managing food waste in work areas and in and around temporary offices. | x | x |
| 12 | Minimise the generation of light during the night-time to avoid attracting fauna and causing potential deviations from migration routes. | x | x |
| 13 | Conduct post-construction monitoring for avifauna and bats twice per year (once each season) at least during the first three years to confirm the impact of both existing turbines and the newly added larger capacity turbines. Based on the results, assess the need to conduct periodic monitoring to obtain data for periodic collision risk assessments **(Santiago site)** | | x |
| 14 | Avoid artificially creating features in the environment that could attract birds and bats to the wind energy facility, such as water bodies, perching or nesting areas, novel feeding areas, and/or roosting habitats. Cap or repair cavities in walls or buildings to remove potential bat roosting sites on building facilities under their control. | | x |
| 15 | Minimise the risk of injury to fauna from vehicle movements by adopting safe speed limits and driving only through pre-defined established access routes. | x | x |
| 16 | Use "raptor safe" designs for power line poles to reduce electrocution risk, such as appropriate insulating material on phase conductors. | | x |
| 17 | Install bird flight diverters on transmission lines and guy wires from meteorological masts to reduce bird collisions. | | x |
| 18 | Ring osprey broods to identify dispersal and migration patterns (Boa Vista windfarm). | x | x |
| 19 | Promote osprey awareness in local community (Boa Vista windfarm). | x | x |

# Appendix D
# Social Management

| PROCEDURE | MGES.01.00 App D: Social Management |
|---|---|
| **OBJECTIVES** | |
| Minimize the impacts in local communities and local infrastructures of the activities of the wind farms and of the future Cabeolica Expansion Project. | |
| Promote the creation of employment, skills development and business opportunities. | |
| **IMPACTS** | |
| Impact on local communities, due to noise, dust and air pollution | |
| Impact on local communities, due to influx of construction workers and job seekers | |
| Impact on local communities, due to shadow flicker effects during the operation of the wind farms | |
| Creation of employment, skills development and business opportunities | |
| Change on the visual perception of landscape | |
| Effects on local infrastructure and increased traffic | |
| Damage to cultural heritage resources | |
| **LOCATION (SITE / CONSTRUCTION)** | Cabeolica Operating Sites (wind farms) - operation and maintenance<br>Cabeolica Expansion Project - pre-construction , construction, operation and maintenance |

| Item | Measure(s) | PHASE | |
|---|---|---|---|
| | | Pre-construction and construction | Operation and maintenance |
| 1 | Implement the Cabeolica Expansion Project Stakeholder Engagement Plan | x | x |
| 2 | Implement the Cabeolica Grievance Redress Mechanism | x | x |
| 3 | Promote the use of a local workforce whenever possible and practicable to do so. | x | x |
| 4 | Conduct training and awareness activities for workers involved in the pre-construction and construction works, as per the SEP including for engagement and encounters with members of the local population, rules of hygiene health and safety (HHS) on construction sites, gender based violence, and risks and prevention of sexually transmitted diseases, among others. | x | |
| 5 | Implement Cabeolica's Labour Codes and Policies which are compliant with national legislation and are considered proportionate for the project: Code of Business Conduct, Ethic & Work Conduct, Anti-bribery and Anti-corruption Policy and Whistleblower Policy. | x | |
| 6 | Implement mechanisms to control and penalize situations related to gender-based discrimination, harassment, violence, sexual exploitation, and abuse of minors and other vulnerable communities. | x | |
| 7 | Establish a register for interested companies and individuals to assist in the identification of supply and support opportunities during the construction. | x | x |
| 8 | Develop a logistics, traffic, and transportation plan that covers the transportation of oversized and heavy turbine components using specialist transportation vehicles (Santiago windfarm) as well as materials for the improvement of access roads (Sal). | x | |
| 9 | Ensure that roads and accesses in the vicinity of project areas are not obstructed or in poor conditions. | x | |
| 10 | Conduct site restoration activities at the end of the construction phase. | x | |
| 11 | Program wind turbines to shut down when shadow flicker limits are exceeded (exceedances of 30 hours per year and 30 minutes per day at the sensitive receptor locations on the worst affected day)**(Santiago windfarm)**. | | x |
| 12 | Implement Cabeolica's chance finds procedure. All site workers, including EPC workers, will also undergo training in chance finds procedures | x | |
| 13 | Maintain a uniform design of turbines (e.g., colour and type of tower) **(Santiago windfarm)**. | | x |
| 14 | Minimize the presence of ancillary structures on the site by minimising site infrastructure, including the number of roads, and by burying collector system power lines. | x | x |
| 15 | Be involved in Community activities in terms of sponsorships, environmental awareness, and education. | x | x |
| 16 | Maintain healthy relationship with local shepherds in order to continue to allow grazing on the wind farms. | x | x |