COMPLAINTS MECHANISM

SG/E/2024/32

EAST AFRICA CLEAN COOKING EXPANSION (KENYA)

CONCLUSIONS REPORT

10 OCTOBER 2025

European Investment Bank | Group

CM Complaints Mechanism

SG/E/2024/32
East Africa Clean Cooking Expansion (Kenya)
Conclusions Report

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This report is based on the information available to the EIB Group Complaints Mechanism up to 15 May 2025.

The EIB Group Complaints Mechanism

The EIB Group Complaints Mechanism (Complaints Mechanism) is a tool enabling the resolution of disputes if any member of the public feels that the European Investment Bank (EIB) might have done something wrong, that is, if it has committed an act of maladministration. The Complaints Mechanism is not a legal enforcement mechanism and will not substitute the judgment of competent judicial authorities.

Maladministration means poor or failed administration. It occurs when the EIB fails to act in accordance with a rule or principle that is binding upon it, including its own policies, standards and procedures. The concept of maladministration includes failure by the EIB to comply with human rights, applicable law or the principles of good administration. Maladministration may relate to the EIB Group's decisions, actions or omissions and this may include the environmental or social impact of the EIB's projects and operations.

One of the main objectives of the Complaints Mechanism is to ensure the right to be heard and the right to complain. For more information on the Complaints Mechanism visit: https://www.eib.org/en/about/accountability/complaints/index.htm.

Please note: Complainants that are not satisfied with the EIB reply to their complaint may also file a complaint of maladministration against the EIB with the European Ombudsman[1].

[1] Available at: https://www.ombudsman.europa.eu/en/home.

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GLOSSARY

Company	Burn Manufacturing Mauritius Ltd
ECS	Environmental, climate and social
EIB	European Investment Bank
EIB-CM	EIB Group Complaints Mechanism Division
E&S	Environmental and social
ESDS	Environmental and social data sheet
ESIA	Environmental and social impact assessment
ESMS	Environmental and social management system
GBVH	Gender-based violence and harassment
OECD DAC	The OECD's Development Assistance Committee
Project	The East Africa Clean Cooking Expansion project
SEAH	Sexual Exploitation, Abuse and Harassment
USD	United States Dollar

EXECUTIVE SUMMARY

On 27 November 2024, the EIB Group Complaints Mechanism (EIB-CM) received a complaint that was submitted by an individual regarding the East Africa Clean Cooking Expansion project (the project). The complainant made allegations of incidents of sexual exploitation, abuse and harassment (SEAH) and unfair dismissal of employees of Burn Manufacturing Mauritius Ltd (the company) in relation to these incidents.

During its assessment, the EIB-CM found that in 2023 the European Investment Bank (the EIB or the Bank) had appraised the project in line with the then applicable environmental and social (E&S) procedures and rightly concluded that the company had an adequate environmental and social management system (ESMS) in place to manage social and labour risks. The EIB-CM reviewed the relevant documentation provided by the company to the Bank at appraisal and confirms the existence of company's policies and procedures covering risks of SEAH and job security. The EIB-CM found, however, that the gender assessment as documented by the EIB in the context of its appraisal of the project focused on the positive impacts on gender equality and did not include information on the identification and management of possible gender risks.

The EIB-CM found that the company had taken measures to handle the SEAH incidents and related unfair dismissals according to its policies and reportedly improved further its processes to prevent and handle such incidents. On this basis, the EIB-CM does not find necessary to further investigate the company's compliance with the regulatory framework.

The EIB-CM also found that the Bank was not informed of the incidents (SEAH and unfair dismissals) at the time of signature and thereafter, which is not in line with the requirements under the finance contract. The regular reporting requirements in the finance contract cover positive impacts on gender equality but not work-related gender risks, which is not in line with EIB E&S Standard 8. Therefore, **the EIB-CM suggests** that the Bank formally remind the company of the incident reporting obligation set forth in the finance contract and agree to add complementary gender indicators to the annual reporting of the company in line with EIB E&S Standard 8, so that these also cover gender (including GBVH) risks and grievances, if any.

The limited documentation of gender risks assessment in the project appraisal and with regard to the project's monitoring by the Bank results from the fact that the EIB did not yet update its E&S procedures dating from 2013 (to operationalise the EIB's 2022 E&S Standards) nor finalise guidance to ensure the systematic assessment and proper documentation of gender risks in EIB due diligence of the projects it finances. These elements were identified as priority items in the 2016 EIB Gender Strategy and action plans. The EIB-CM notes that this finding (insufficient consideration of gender risks at appraisal stage partly explained by the absence of procedures and implementation guidance) is shared by the independent evaluation of the EIB Group Strategy on Gender Equality and Women's Economic Empowerment[2]. The Evaluation function of the EIB made a recommendation to the Bank to strengthen EIB social due diligence guidance and procedures to ensure careful consideration of gender-specific risks. An action plan with the services of the Bank is currently being finalised to implement this and other recommendations issued in the context of this evaluation.

On this basis and in line with paragraphs 2.2.1 and 2.3.3 of the Complaints Mechanism Procedures, the EIB-CM finds that it is already able to form an independent and reasoned opinion on the allegations raised in the complaint at the initial assessment stage, and that a further compliance review is not justified. Therefore, the EIB-CM decides to close the complaint with the issuance of this Conclusions Report. The EIB-CM will monitor the EIB's implementation of the suggestion for improvement mentioned above.

[2] See Evaluation of EIB Group strategy on gender equality and women's economic empowerment (April 2025).

1 PROJECT

1.1 The East Africa Clean Cooking Expansion project (the project) finances the expansion of clean cooking activity of the company Burn Manufacturing Mauritius Ltd (the company or the promoter) in Kenya, Tanzania and potentially other African countries. The European Investment Bank (EIB or the Bank) approved the financing of the project in December 2023. The finance contract was signed in October 2024[3]. The Bank is co-financing the project in the amount of USD 15 million over a total project cost of USD 30 million.

1.2 The EIB is co-financing the design, production, distribution, and leasing (using a PAY&GO financing model) of about 1.3 million basic electric induction cooking systems, expected to reach about 6.5 million final beneficiaries over a period of five years. The EIB's financing is expected to support the company in providing clean and sustainable cooking solutions to urban and suburban grid-connected households that primarily cook with charcoal and wood. The operation is expected to contribute to climate change mitigation and bring social, gender equality and health benefits from avoided indoor air pollution, time savings from reduced cooking times and avoided fuel collection.

1.3 The company is vertically integrated, with its own manufacturing and warehouse facilities in Kenya, Ghana and Nigeria and a direct distribution network with about 2 500 employees including 850 sales agents, as well as in-house production development and information technology expertise for the PAY&GO backend.

2 COMPLAINT

2.1 On 27 November 2024, the EIB Group Complaints Mechanism (EIB-CM) received a complaint that was submitted by an individual regarding the project. The complainant worked for the company in Kenya for over a year until mid-2024.

2.2 The complainant made allegations that challenge the project's compliance with the regulatory framework (see section 4), which can be grouped as follows:

i. **Allegation of incidents of sexual exploitation, abuse and harassment** (SEAH) perpetrated by a few mid-level managers in the company towards female workers.

ii. **Allegation of unfair dismissal of employees (including the complainant)** in retaliation for either refusing sexual advances or reporting these incidents.

2.3 The complainant also reported that following a significant theft of material that occurred in a warehouse in October 2023, they had supported an investigation by sharing video surveillance recordings and being interviewed by a private investigator. The complainant alleges that their reporting of the SEAH incidents to the investigator contributed to their unfair dismissal (covered under allegation 2.2ii).

3 WORK PERFORMED

3.1 For complaints regarding the environmental and social impacts of EIB-financed operations, the EIB-CM starts its complaints handling process by carrying out an initial assessment of the complaint.

3.2 The initial assessment generally aims to, among others[4]: (i) clarify the concerns raised by the complainants and gain a better understanding of the complainants' position as well as the views

[3] See EIB webpage: EAST AFRICA CLEAN COOKING EXPANSION
[4] As outlined in § 2.2.1 of the EIB Group Complaints Mechanism Procedures, available at: EIB GROUP COMPLAINTS MECHANISM PROCEDURES.

of other stakeholders (such as the project promoter), and (ii) determine if further work by the EIB-CM is necessary and/or possible (investigation, compliance review or collaborative dispute resolution between the parties) to address the allegation or resolve the issues raised by the complainants.

3.3 During the initial assessment, the EIB-CM (i) had a call with the complainant in January 2025, (ii) had a call with the company in February 2025, and (iii) had meetings with the EIB services during the first quarter of 2025. In addition, the EIB-CM collected and reviewed relevant internal and external documents related to the project, the company, and the complaint. The complainant and the company provided the EIB-CM with some of these documents. The EIB-CM also reviewed the Bank's appraisal and monitoring of the project.

3.4 Instead of issuing an Initial Assessment Report following the initial assessment, the EIB-CM decided to close the complaint with a Conclusions Report, on the basis of paragraph 2.3.3. of the EIB Group Complaints Mechanism Procedures[5], according to which the complaint can be closed with a Conclusions Report, when (i) the EIB-CM is already able to form an independent and reasoned opinion on the concerns raised by the complainant; (ii) a collaborative resolution is not possible or judged unnecessary; and (iii) a further compliance review is not justified. The EIB-CM considers that a further compliance review is not justified since it is already able to form an independent and reasoned opinion on the allegations raised in the complaint during the initial assessment phase. Furthermore, a collaborative resolution was not considered suitable given the nature of the allegations and also taking into account the preference of the complainant.

4 REGULATORY FRAMEWORK

EIB-applicable Policies, Standards and Procedures

4.1 The Complaints Mechanism Policy[6] and Procedures[7] apply to complaints received by the EIB-CM.

4.2 As part of its initial assessment, the EIB-CM identified the regulatory framework applicable to the project, which consists of the relevant national law and the relevant EIB policies, procedures and standards including (i) the 2022 EIB Group Environmental and Social Policy[8], (ii) the EIB Environmental and Social Handbook, volume 2, of 2013[9], and (iii) the 2022 EIB Environmental and Social Standards[10]. More particularly:

i. **Standard 1** outlines the promoter's responsibilities in the process of assessing, managing and monitoring the environmental and social (E&S) impacts and risks associated with an operation[11]. This includes the establishment of a dynamic and adaptative environmental and social management system (ESMS) that is commensurate with the size, risks and nature of the activity[12]. The ESMS is a set of policies, procedures and organisational arrangements enabling the company to manage E&S risks and ensure compliance of the project with the EIB E&S Standards[13].

ii. **Standard 7** outlines the promoter's responsibilities to mitigate further project impacts or risks that may disproportionately affect vulnerable groups, indigenous peoples and gender

[5] Available at: EIB GROUP COMPLAINTS MECHANISM PROCEDURES.
[6] Available at: EIB Group Complaints Mechanism Policy.
[7] Available at: EIB GROUP COMPLAINTS MECHANISM PROCEDURES.
[8] See The EIB Group Environmental and Social Policy, version of 2/02/2022.
[9] See eib-environmental-and-social-handbook.pdf, version of 2/12/2013. In the absence of new environmental and social procedures developed following the adoption of the 2022 Environmental and Social Sustainability Framework, the 2013 handbook, volume 2, still applies.
[10] See EIB Environmental and Social Standards, version of 2/02/2022.
[11] Ibid, Standard 1, paragraph 3.
[12] Ibid, Standard 1, paragraph 29.
[13] Ibid, Standard 1, paragraphs 30 and 31.

categories. This Standard recognises that, in some cases, certain individuals or groups are more vulnerable and discriminated against on the basis of their socioeconomic characteristics such as sex, gender and socioeconomic status, and that they may be subject to gender-based violence and harassment (GBVH).[14] For projects outside the European Union, the promoter shall comply with all requirements relating to vulnerable groups set out in paragraphs 19 to 29 of Standard 7, as deemed appropriate by the EIB.[15] If specific gender risks are present, the screening may determine that a gender assessment is necessary as part of the Environmental and Social Impact Assessment (ESIA) or in a separate social study.[16] Such assessment will identify and assess both positive and negative potential impacts of the project, and identify and present appropriate measures needed and efforts already made. Accordingly, the Bank may require that new and/or additional differentiated measures targeting these persons or groups be included in the Environmental and Social Management Plan (ESMP).[17]

iii. **Standard 8** on labour rights outlines the promoter's responsibilities and specifies the requirements in management of the workforce in line with the rights and principles of the Fundamental Conventions of the International Labour Organization and the European Pillar of Social Rights[18]. The promoter shall have written labour management policies and procedures covering aspects such as hiring, promotion, terms of employment, protection against violence and harassment, capacity building, grievance management, disciplinary procedures, and dismissals[19].

iv. Employment-related decisions shall be non-discriminatory and fair and equal in all aspects including for recruitment, promotion and termination of employment[20]. The policies shall set out measures to prevent and address gender discrimination, including any form of GBVH[21]. The promoter shall set up a gender-responsive grievance mechanism for workers that will include mechanisms for anonymous complaints and protection measures in case of SEAH or any other form of gender-based violence or discrimination[22].

v. The promoter shall conduct regular monitoring to identify labour risks or violation of labour standards and implement effective measures to address these. The promoter shall report to the EIB about the results of the monitoring as part of its regular reporting requirements[23].

vi. The **EIB Environmental and Social Handbook**, **volume 2**, of 2013 (the E&S procedures) describes the procedures applicable for the EIB E&S appraisal and monitoring of projects. For appraisal, this includes the appraisal of: (i) key social risks and/or non-compliance with the relevant EIB E&S Standards, and (ii) the adequacy of the ESMS in place to manage these risks[24]. Particular attention should be paid to potential adverse impacts on vulnerable groups including women in the context of the ESIA[25]. Accordingly, and if necessary, the EIB should define mitigations and monitoring requirements and reflect these in the finance contract[26]. The extent and type of monitoring varies according to different types of operations. Monitoring aims

[14] Ibid, Standard 7, paragraphs 1 to 4.
[15] Ibid, Standard 7, paragraph 19.
[16] Ibid, Standard 7, paragraphs 22 and 23.
[17] Ibid, Standard 7, paragraph 24.
[18] Ibid, Standard 8, paragraph 3.
[19] Ibid, Standard 8, paragraphs 13 and 14.
[20] Ibid, Standard 8, paragraphs 33 and 34.
[21] Ibid, Standard 8, paragraphs 35 and 36.
[22] Ibid, Standard 8, paragraph 44.
[23] Ibid, Standard 8, paragraphs 60 and 61.
[24] See eib-environmental-and-social-handbook.pdf, version of 2/12/2013, sections B.2.1, B.2.3, B.2.7, and B.2.8.
[25] Ibid, sections B.2.2, paragraph 137. This statement refers to the promoter's requirement to conduct an ESIA, not to the Bank's due diligence and monitoring process. No other relevant reference to 'women', 'gender', 'violence' or 'harassment' were found in the E&S procedures.
[26] Ibid, sections B.2.10 and B.2.11.

at ensuring compliance with the E&S Standards and other ad-hoc E&S conditions and reporting requirements contained in the finance contract.[27]

vii. Internal procedures of the Bank, describing project teams' roles and responsibilities during the entire project lifecycle, complement the E&S procedures. During the appraisal, project teams are expected to: (i) assess environmental, climate and social (ECS) risks (in line with the above E&S procedures) and describe these risks in the environmental and social data sheet (ESDS), including (as applicable) any gender-related risks identified and mitigating measures, and (ii) identify if the project is expected to contribute positively to gender equality and qualify for the EIB Financing for Gender Equality tag (the gender tag) in line with EIB-related guidance, and reflect this in its appraisal.

viii. The **gender tag** is the EIB's way to identify whether operations are expected to contribute to gender equality and women's economic empowerment. There are three possible values: principal, significant or no contribution. The various gender tags are designed to assess the EIB's potential positive contribution to gender equality (pillars 2 "Impact" and 3 "Invest" of the 2016 Gender Strategy) and are based on the OECD's Development Assistance Committee (OECD DAC) Gender Equality Policy Marker[28] and on the global 2X Challenge criteria. The gender tag supports the implementation of the *EIB's Strategy on Gender Equality and the Economic Empowerment of Women* (EIB Gender Strategy, 2016).

Other EIB policy objectives and commitments

ix. The **EIB Gender Strategy** (2016)[29] is based on three pillars: "Protect" by taking gender risks into account in the due diligence of EIB Group operations, "Impact" through enhancing the impact of EIB Group operations on gender equality, "Invest" by identifying targeted opportunities to invest in women's economic empowerment. **The "Protect" pillar calls for a mandatory, systematic assessment of gender-related risks as part of the application of the EIB E&S Standards**.[30] **The EIB will therefore: (i) incorporate gender considerations into its E&S Standards, (ii) clarify and raise awareness internally and with clients**, aiming at its systematic operationalisation throughout the due diligence process and (iii) provide means for staff through the **development of tools and guidance material to facilitate the integration of gender in E&S due diligence processes**.[31]

x. **Action plans** were developed to support the implementation of the 2016 EIB Gender Strategy. The "Protect" pillar of these action plans include, among others, the **revision of the EIB procedures to ensure gender-sensitive due diligence and the integration of a gender-sensitive approach in EIB due diligence guidance and processes**.

5 INITIAL ASSESSMENT FINDINGS

5.1 Based on the work performed during its initial assessment, the EIB-CM established the following.

EIB E&S due diligence at appraisal and during monitoring

5.2 The **E&S appraisal by the Bank** summarised in the ESDS[32] reflects that the Bank services took into consideration labour standards and reviewed the company's ESMS. The ESDS mentions that the company has a well-developed ESMS covering labour conditions, ethical behaviours and a grievance mechanism. It concludes that the existing set of policies and

[27] Ibid, see section B.3.1.
[28] See OECD DAC Gender Equality Policy Marker.
[29] See The EIB Group Strategy on Gender Equality and Women's Economic Empowerment.
[30] EIB Gender Strategy 2016, paragraph 23.
[31] Ibid, paragraphs 24 to 26.
[32] See Environmental and Social Data Sheet.

procedures of the company should adequately cover the *"operation's limited environmental and social risk, especially associated with the working conditions of sales agents and workers in the manufacturing facilities"*, and that the project is therefore acceptable for EIB financing under E&S terms. The ESDS does not provide additional details on the nature of the E&S risk identified and does not specify whether the said risk is related to gender and/or job security.

5.3 As reflected in the ESDS, the EIB performed a gender tag. It assessed the operation's positive impacts on gender equality, including the company's gender action plan to advance gender equality in the workforce and management. The gender tag refers to several initiatives and measures in place to ensure female retention and career progression, including a leadership programme, informal coaching and flexible working hours for new mothers. With 54% women in the workforce and 40% in management, and relevant quality initiatives put in place, the EIB assessed that the company was meeting the 2X Challenge employment criteria[33], and reporting indicators were agreed for the 2X qualification[34].

5.4 In response to EIB's open neutral questions on human resources policies, gender and E&S management, the company provided information on its ESMS, including on the existing policies that aim to promote gender equality and prevent and manage gender-related risks. The policies and processes constituting the company's ESMS were provided to the Bank during appraisal.

5.5 The EIB-CM reviewed the relevant documentation provided by the company to the Bank at the appraisal stage (2023) and confirms the existence of the company's plans, policies and procedures that are relevant to the concerns raised in the complaint (GBVH and job security). The company's gender action plan, being referred to in the EIB gender tag, insists on the need to eliminate any form of harassment, including sexual harassment and discrimination, through its no sexual harassment policy, staff sensitisation and the development of additional procedures such as a first-responder system to ensure all claims are treated with seriousness, confidentiality and respect. The company's ESMS comprised the following policies and processes:

- A staff recruitment process with a statement on equal opportunity and guidance for the staff performance appraisal process (and promotions);
- A code of conduct that includes a statement on the obligation of employees to not engage in sexual harassment;
- An employee handbook which includes a section on no tolerance for discrimination and sexual harassment;
- A gender policy that sets out the objective for gender parity in employment, gender sensitivity in performance evaluation, training and awareness-raising;
- A grievance policy and a whistleblowing policy and procedure to cover offences and serious malpractices such as those related to discrimination, evaluation, sexual harassment, retaliation, etc.;
- An abuse-safeguarding policy describing the company's actions to prevent and address abuse and exploitation (including sexual abuse) towards children or vulnerable adults such as based on gender, with any breach resulting in disciplinary measures that may lead to immediate termination of employment or contract and reporting to police;
- A sexual harassment policy and complaint procedure that includes measures to address sexual harassment, including termination of employment, and provides for confidentiality and anti-retaliation principles; and

[33] See https://www.2xchallenge.org/2xcriteria
[34] See https://www.2xchallenge.org/qualified-investments

- The establishment of an ombudsman.

5.6 The project financing documentation related to the appraisal of the project includes a gender tag carried out by the EIB (see paragraph 5.3). However, the available project appraisal documentation does not include the identification and/or an assessment by the EIB of gender (including GBVH-related) risks as such in this operation, nor additional details on the social risk identified in the ESDS as being associated with the working conditions of sales agents and workers in the manufacturing facilities.

5.7 Considering that: (i) the majority of the workforce are women and temporary workers, contractors or casuals and (ii) the company's countries of operation are located in high-risk countries according to EIB gender guidance material, it would have been reasonable to assume that the project could trigger specific gender (including GBVH) risks and, therefore, require an adequate gender risk assessment to be carried out and documented by the Bank. It is true that the ESDS refers to risks "*associated with the working conditions of sales agents and workers in the manufacturing facilities*"; however, it does not clarify whether these risks could be related to gender risks. A well-documented gender (including GBVH) risks assessment at appraisal would have helped specify these risks more clearly and whether any mitigants were required.

5.8 The absence of clear records in the available project appraisal documentation demonstrating that an assessment of gender (including GBVH) risks was carried out and of its results can be explained by the lack of procedures and guidance for EIB staff to implement the EIB's above-mentioned commitments on gender equality (EIB Gender Strategy). The EIB-CM observes that there is a disconnect between the EIB's enhanced commitments in the area of gender safeguards (including GBVH) reflected in the 2022 EIB Environmental and Social Sustainability Framework (the ESSF, which includes the EIB Group Environmental and Social Policy and Standards) on the one hand, and the in the 2013 E&S procedures applicable to EIB staff on the other hand. The EIB E&S Standards updated in 2022 have been significantly reinforced with gender considerations (introducing also GBVH aspects). As mentioned in paragraph 4.2ii, they refer to the need for a gender assessment if specific gender risks are present. As mentioned in paragraph 4.2vi, the E&S Procedures contain very limited to no reference to gender risks and/or the need for assessing gender-related risks, therefore providing insufficient guidance for the assessment of these risks during project appraisal and monitoring.

5.9 As per its commitments under the 2016 EIB Gender Strategy, the EIB developed some guidance and training materials in 2018-2019 to support the implementation of the "Protect" pillar. The EIB-CM understands that internal guidance outlining the approach for assessing and addressing gender (including GBVH) risks throughout the project cycle was prepared and is yet to be finalised and disseminated to EIB staff. The independent evaluation of the EIB Group Strategy on Gender Equality and Women's Economic Empowerment[35] shares these findings along with other positive developments under the pillars ''impact" and "invest". The evaluation report states that guidance for EIB services on the assessment of gender risks was developed but put on hold since 2023 due to the need to ensure coordination with the ongoing revision of the Bank's E&S procedures (which, as referred, is due following the adoption of the ESSF). The evaluation report concludes that the EIB has not yet delivered on its commitment to systematically assess gender-related risks in EIB due diligence outlined in the 2016 EIB Gender Strategy and reiterated in the ESSF. The report further states that the only breakthrough so far is an online training module for EIB staff on GBVH, launched in 2023. [36]

5.10 Under the finance contract, the company provides representations and warranties to the benefit of the Bank. These include confirming the compliance of the project with the E&S Standards. They further include confirmation (after due inquiry) on the inexistence of any E&S-related claims or risks of such. It further sets an undertaking for the company to promptly inform the

[35] See Evaluation of EIB Group strategy on gender equality and women's economic empowerment (April 2025).
[36] See Evaluation of EIB Group strategy on gender equality and women's economic empowerment (April 2025), page 28.

EIB of any incident that is likely to have significant adverse effects on E&S matters or of any non-compliance with the E&S Standards. The finance contract also foresees annual reporting by the company including indicators on gender equality and a description of any major issues with E&S impact or operational risk. Nevertheless, this obligation does not require the company to report on the monitoring of labour (including GBVH) risks or on incidents in the workforce, which is not in line with EIB E&S Standard 8 (see paragraph 4.2v).

5.11 **In terms of the EIB's monitoring of the project**, the obligation of annual reporting by the company is not due before end-2025. Notwithstanding this, the finance contract requires the company to promptly report to the Bank any incident that is likely to have significant adverse effects on E&S matters or any non-compliance with the E&S Standards (see paragraph 5.10). Despite this obligation, the EIB was not informed about the SEAH incidents that occurred, and only became aware of those incidents through the complaint submitted to the EIB-CM. After receipt of the complaint, the EIB services actively participated in calls with the EIB-CM and the company. All parties demonstrated good collaboration and transparency, thereby facilitating the assessment of the case.

The company's management of the incidents

5.12 Once becoming aware of the SEAH incidents, in 2024 the company's management hired an independent investigation company and subsequently dismissed four managers in Kenya and Nigeria. This information was corroborated by the complainant. The investigations, which were completed in June and October 2024, confirmed the occurrence of SEAH incidents over the period 2020-2024. Both the company and the complainant also referred to the fact that ten employees, who had been unfairly dismissed, were hired back. As of 24 March 2025, the company had not rehired the employees who were subject to police investigation.

5.13 Moreover, the company provided the EIB-CM with its updated human resources-related policies signed in January 2024. The company reported, in an interview with the EIB-CM and through a written description accompanied with supporting documentation, to have further improved its practices following the SEAH and unfair dismissal incidents. Such improved policies and practices are described below. The EIB-CM was able to verify only part of those policies and practices since they did not go on site.

i. The sexual harassment policy includes guidelines on unacceptable behaviour, reporting mechanisms and consequences.[37]

ii. The whistleblowing policy was reinforced with more avenues to submit complaints through various forms (reportedly boxes, forms, QR code, confidential email and the Chief Executive Officer's personal telephone number).[38]

iii. Centralisation of casual recruitment by a central recruiting team to avoid risk of work offered against sexual favours.

iv. Election of employees' representatives who have weekly meetings with the company's management to discuss workplace concerns.

v. A professional counselling service was contracted to provide support to employees affected by harassment or other workplace issues.

[37] The EIB-CM finds that these elements do exist in the policy and are similar in both versions of the policy (at the time of the EIB's appraisal of the project and the updated signed policy of January 2024).

[38] The EIB-CM finds that the Chief Executive Officer's email and address as well as a speak-up email are available in both versions of the policy, as is the address of the chairperson in case of concerns related to the management. The link to the complaint form is provided in the 2021 policy but not in the 2024 policy, although its link is functional (see BURN Manufacturing Whistle Blowing Form). The EIB-CM did not identify other changes made in the updated version of the policy, which does not mean that the other additional avenues described by the company for whistleblowing complaints (boxes, QR code) are not available on site.

vi. Increase in the frequency of awareness training on sexual harassment in the workplace.[39]

6 CONCLUSIONS AND OUTCOME

6.1 The EIB-CM notes that, in line with the EIB E&S Standards (see paragraph 4.2i-iv), the company has an ESMS in place that includes a set of policies and procedures for the prevention and management of issues such as those reported by the complainant (see paragraphs 5.5 and 5.13). Although the reporting of the incidents seemingly took time to reach the company's management, the SEAH incidents and the related unfair dismissals were eventually handled by the company according to its policies (see paragraph 5.12). The company has also reportedly improved further its processes and practices to increase awareness among the workforce and make its grievance mechanism more accessible (see paragraph 5.13). On this basis, the EIB-CM does not find it necessary to further investigate the company's compliance with the regulatory framework.

6.2 The EIB-CM also finds that the Bank appraised the company in line with the then applicable E&S procedures. The 2013 E&S Procedures do not specifically request the assessment of gender risks, except in the context of an ESIA[40] (see paragraph 4.2vi). The EIB-CM also finds that the gender tag carried out by the EIB was prepared in line with the EIB applicable guidance (see paragraph 4.2viii), the objective of which is to support the identification of EIB operations' positive impacts on gender equality. On the other hand, EIB E&S Standard 7 refers to the need fora gender assessment regarding both the potential positive and negative impacts of the project if specific gender risks exist (paragraph 4.2ii). Moreover, internal procedures call for the EIB services to reflect in the ESDS the identified ECS risks (including gender-related risks). According to the services, the Bank did consider gender risks as part of its assessment during the project's appraisal, including through a dedicated meeting with the company. The EIB-CM considers that the available project appraisal documentation does not include clear records demonstrating that an assessment of gender (including GBVH) risks was carried out and of its results; the available evidence shows that the gender assessment carried out by the EIB focused on confirming the gender benefits. As a result, the EIB-CM finds that the Bank's appraisal, despite complying with the then applicable E&S procedures, did not adequately assess and properly reflect the gender (including GBVH) risks of the project in its ESDS (see paragraphs 5.2 to 5.4) as required by other provisions included in the applicable regulatory framework (see paragraphs 4.2ii and vii).

6.3 Regarding the project's monitoring, the fact that the EIB was not informed of the SEAH incidents does not seem to be in line with the requirements under the finance contract (see paragraph 5.11). In addition, the project's periodic reporting requirements set forth in the finance contract include gender positive indicators, but no indicators related to gender risks in the workforce as required under the EIB E&S Standard 8 (see paragraph 5.10). **The EIB-CM** therefore **suggests** that the EIB reminds the company of its incident reporting obligation in a formal communication and that, in line with Standard 8 (see paragraph 4.2iii., v.), complementary gender indicators are agreed to also include gender (including GBVH) risks and related grievances, if any.

6.4 The EIB-CM finds that the absence of clear records in the project appraisal documentation about the EIB's assessment of gender risks and the absence of gender risk indicators required for project regular reporting derive from the EIB having not delivered yet on its commitment made in the 2016 EIB Gender Strategy, and the 2022 ESSF (see paragraphs 4.2i-v and ix-x).In particular, this is to systematically assess gender-related risks in EIB due diligence. In 2023, at the time of appraisal, seven years after the 2016 EIB Gender Strategy and one year after adopting the 2022 ESSF, the EIB had yet to update its E&S procedures and issue a guidance note on assessing and addressing gender risks during project appraisal and monitoring. As of

[39] Evidence of training to the personnel, agents and supervisors was provided by the company to the EIB-CM in the form of training logs.

[40] Which was not requested for this investment since it is not a greenfield project but a loan for existing operations.

July 2025, the updated E&S procedures and the finalisation of a guidance note were still pending. The EIB-CM notes that these findings are shared by the independent evaluation of the EIB Group Strategy on Gender Equality and Women's Economic Empowerment[41]. The Evaluation function of the EIB made a recommendation to the Bank to strengthen EIB social due diligence guidance and procedures to ensure careful consideration of gender-specific risks. An action plan with the services of the Bank is being finalised to implement this and other recommendations issued in the context of this evaluation.[42]

6.5 As mentioned in paragraph 3.4, the EIB-CM finds that it is already able to form an independent and reasoned opinion on the allegations raised in the complaint, and that a further compliance review is not justified. Therefore, the EIB-CM decides to close the complaint with the issuance of this Conclusions Report. The EIB-CM will monitor the implementation by the EIB of the above suggestion for improvement, while the Evaluation function will monitor the implementation by the EIB of their recommendation mentioned above.

EIB Group Complaints Mechanism

[41] See Evaluation of EIB Group strategy on gender equality and women's economic empowerment (April 2025).

[42] See recommendation 2.1., p.42 of the Evaluation of EIB Group strategy on gender equality and women's economic empowerment (April 2025).