

**LAREDO EXPANSION (24051)**  
**Environmental & Social Corrective Action Plan (CAP)**

| #                                       | Action                                                                                                                                                                               | Responsible | Deliverable                                                                                                                      | Deadline                  |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| <b>Labor and working conditions</b>     |                                                                                                                                                                                      |             |                                                                                                                                  |                           |
| 1.                                      | <b><u>Grievance Mechanism for workers:</u></b> Develop a mechanism that can be accessed by all employees, addresses concerns promptly, using a transparent and impartial process.    | Laredo      | Provide IFC with a copy of the grievance mechanism that has been endorsed by Laredo's highest-level management and by the union. | Condition of disbursement |
| 2.                                      | <b><u>Human Resources Policy:</u></b> Include references to non-discrimination, freedom of association and collective bargaining, child labor, and forced labor in the supply chain. | Laredo      | Provide IFC a copy of the new human resources policy that has been endorsed by Laredo's highest-level management.                | Condition of disbursement |
| 3.                                      | <b><u>Supply Chain:</u></b> Develop a statement regarding the use of child and forced labor in the supply chain. Insert this statement into the contractual agreement.               | Laredo      | Provide IFC a copy of the statement that has been endorsed by Laredo's highest-level management                                  | Condition of disbursement |
| <b>Occupational Health &amp; Safety</b> |                                                                                                                                                                                      |             |                                                                                                                                  |                           |
| 4.                                      | <b><u>Occupational Health &amp; Safety:</u></b> Reinforce the OHS training and the use of PPE at all plantations, especially to the workers handling chemicals and fertilizers.      | Laredo      | Provide list of action taken to improve OHS in the field                                                                         | December 2006             |
| <b>Air Emissions</b>                    |                                                                                                                                                                                      |             |                                                                                                                                  |                           |
| 5.                                      | <b><u>GHGs emissions:</u></b> Laredo will annually monitor and quantify direct emission of GHGs from facilities owned.                                                               | Laredo      | Include monitoring report in AMR and send to IFC                                                                                 | AMR 2006                  |
| <b>Water Usage</b>                      |                                                                                                                                                                                      |             |                                                                                                                                  |                           |
| 6.                                      | <b><u>Minimize and reduce consumption of water:</u></b> Through a study, Laredo will assess alternatives to reduce water                                                             | Laredo      | Include study into AMR and send to IFC                                                                                           | AMR 2007                  |

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|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------------------------------------------|---------------------------|
|                          | usage per ton of sugar cane processed and water usage at plantations.                                                                                                                                                                                                                                                                                                                                                                                      |        |                                            |                           |
| <b>Effluent</b>          |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        |                                            |                           |
| 7.                       | <b>Effluent from mill:</b> Laredo will continuously improve the quality of their effluent in order to meet the applicable WBG/IFC policies and guidelines. Laredo will develop and present an annual groundwater monitoring report for the area impacted from irrigation with process wastewater. This report will include groundwater level (nivel freático) from “Chavimochic” and water quality from wells operated by “Sedalib” in the described area. | Laredo |                                            |                           |
| (a)                      | Task 1: Plan to improve quality of effluent                                                                                                                                                                                                                                                                                                                                                                                                                | Laredo | Provide improvement plan to IFC for review | AMR 2007                  |
| (b)                      | Task 2: Report groundwater quality data                                                                                                                                                                                                                                                                                                                                                                                                                    | Laredo | Provide report to IFC for review           | AMR 2007                  |
| <b>Cultural Heritage</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        |                                            |                           |
| 8.                       | <b>Chance finds procedure for Cultural Heritage:</b> Due to the fact that Arena Dulce is located in an area where cultural heritage might be found, Laredo needs to implement a Chance Finds Procedure.                                                                                                                                                                                                                                                    | Laredo | Present procedure to IFC                   | Condition of disbursement |