

Environmental and Social Action Plan
November 3, 2008

Task	Responsibility	Schedule for Action
1. Development and implement a comprehensive environmental and social management system (ESMS) to meet IFC requirements. (a) Hire a contractor to provide technical support in achieving independent certification to ISO 14001 and OHSAS 18001 standards (or their equivalent) (b) Achieve independent certification to ISO 14001 and OHSAS 18001 standards (or their equivalent).	Senior management	(a) Prior to disbursement (b) Within 2.5 years after project commitment
2. (a) Prepare a formal, written human resources policy statement, which covers rights and responsibilities of all workers, including worker grievance procedures, specific company requirements regarding child labor (specifying a time frame to phase out legal hiring of those between 14 and 17), working hours, forced labor, and discrimination, and collects all existing human resources procedures the company has developed separately, and ensure that this is distributed to all employees. (b) For those between the ages of 14 and still not yet 18 that are legally part of the workforce, carry out an analysis of working conditions and hours and schooling opportunities available, and ensure that all children are not working hours or jobs that could affect their health and opportunities for school. The objective is to, over time, eliminate any reasons for these under 18 years old to be in the workforce. (c) Based on the above study, for any cases where children cannot attend school, the company will develop and implement a time-bound action plan to provide transportation to schooling. (d) The company will amend the contract for its palm oil third-party producers such that Cukra will only buy from producers that adhere to national law in terms of both permits to clear new land and to avoidance of cases of harmful child labor as a condition of working with Cukra.	Senior management	(a) Dec. 31, 2009 (b).1 By December 31, 2008, TORs for study and a schedule for carrying it out. (b) 2 completion of study and copy sent to IFC June 30, 2009 (c) September 30, 2009 (d) June 30, 2009
3. Prepare a comprehensive Pesticide	Senior management	Dec. 31, 2009

Management Plan (including explicit written procedures, requirements for use of PPE, training programs, and monitoring and reporting requirements) and provide plan to IFC. Report on plan implementation as part of regular annual reporting.		Ongoing in regular annual reporting
4. Carry out a study of boiler emission dispersion and potential impact on community health, and agree with IFC on an appropriate emission limits and timetable for implementation of agreed measures.	Senior management	6 months after disbursement
5. <u>Liquid Effluents</u> Develop a plan, for IFC's approval, to upgrade the effluent treatment system in order to comply with IFC General EHS guidelines for pH, BOD, COD, Total Suspended Solids (TSS), Total Nitrogen and Total Phosphorus. This plan will include specific actions, responsible people, budget and timeline. Implement mitigation measures		6 months after disbursement 18 months after disbursement
6. Prepare a "chance finds" procedure for any cultural heritage sites or artifacts, to be included as part of the company's operational procedures manual.	Senior management	Dec. 31, 2009
7. Develop a Land Acquisition Protocol which spells out the procedures the company follows to ensure that all land acquisitions are fair, legal, and adhere to willing-buyer, willing-seller principles	Senior management	Dec. 31, 2009
8. The Company will formalize its process to deal with external queries, concerns, and grievances and a means to disseminate it formally (posting at company offices and at community meetings) and included in relevant written public communications	Senior management	Draft to be sent to IFC within 6 months of commitment
9. Occupational Health and Safety Carry out a study of occupational health and safety in the mill and in supporting facilities for the plantation, identifying fire prevention and control needs, physical hazards (such as oily floors, exposed wiring, open floor drains), housekeeping, and use of PPE, and specify a plan and schedule for addressing deficiencies. Implement the plan and provide report to IFC		6 months after disbursement 12 months after

documenting results		disbursement
10. Sustainable Management Certification Apply for and obtain RSPO (Roundtable on Sustainable Palm Oil) certification for sustainable oil palm plantation management		Within 6 months after a national or regional interpretation of the RSPO Principles and Criteria is approved by RSPO for application in Nicaragua or the region, evaluate all oil palm plantations and prepare a plan and schedule, for IFC's approval, for achieving certification within the following three year period. In the case of extenuating circumstances, with IFC's approval, the period for achieving certification may be extended.