

Cencosud (27322)
Environmental & Social Action Plan

#	Action	Responsible	Deliverables	Deadline
1	<p><u>Develop and implement an integrated management system for social and environmental affairs, quality, and occupational health and safety management (ESMS).</u> Establish an integrated management system based upon internationally recognized management systems (e.g. ISO 9001-2000, ISO 14000, and OHSAS 18000). The management system will address identified environmental, human resources, and occupational health and safety issues associated with the Company operations and their assessment of future expansions. The Company will design the ESMS system to comply with country regulations in Argentina and IFC policies and performance standards. Cencosud will appoint a person to the managerial position of environment and social affairs, responsible for corporate environmental and social performance in all operations. Cencosud will develop a basic environmental management plan which will include all IFC guidelines and performance standards. The Company will implement a training programme on environmental issues for its workforce, as part of the content of the induction process for new employees. The Company will implement a formal system for monitoring and reporting environmental and social issues to senior management.</p>	Cencosud	<p>a) Management system operational b) Provide IFC with a copy of the internal memorandum appointing a person to the managerial position of Environment and Social Corporate Manager c) Present IFC the corporate environmental and social management plan d) Provide IFC with copies of the training materials and a workplan for the implementation of the training programme on environmental issues for current and new employees e) Present IFC the formal system for monitoring and reporting environmental and social issues to senior management</p>	<p>a) 2 years after signing of Loan Agreement Condition of first disbursement c) One year after signing of Loan Agreement d) One year after signing of Loan Agreement e) 6 months after signing of Loan Agreement</p>
2	<p><u>Update Induction Document and implement employee grievance redress mechanism:</u> Cencosud will update its human resources Induction Document. The update shall include references to freedom of</p>	Cencosud	<p>a) Provide IFC with the updated Induction Document for review b) Provide IFC with the letters of the selected national primary suppliers certifying that there is no use of child</p>	<p>a) 9 months after signing of Loan Agreement b) One year after signing of Loan Agreement c) 9 months after signing of Loan Agreement</p>

	<p>association and safeguards to ensure that child labor and forced labor is not used directly or through contractors in their supply chain, and will submit the update to IFC for review. The Company has agreed to randomly select 10 of its larger national primary suppliers in each major business line, and request a letter certifying no use of child labour in their operations. Cencosud will also develop and implement a formal employee grievance redress mechanism and will further disseminate the grievance process.</p>		<p>labour in their operations c) Provide to IFC a copy of the grievance redress mechanism for employees, and the dissemination process</p>	
3	<p>Fire Drills: Cencosud will perform three fire drills per annum in all corporate operating facilities.</p>	Cencosud	<p>Present IFC with the report of the fire drills</p>	<p>As required</p>
4	<p>Energy Saving Plan: Cencosud has agreed to design and implement an energy saving plan in all its facilities, and submit the plan to IFC for approval prior to implementation.</p>	Cencosud	<p>Submit the energy saving plan to IFC for review</p>	<p>a) One year after signing of Loan Agreement</p>
5	<p>Develop a Corporate Community Engagement Plan: Cencosud will develop a corporate formal system for community engagement and grievance mechanism, and will ensure it is clearly communicated by posting on the company website and included in relevant written public communications at the facilities. The Company will provide written information to IFC showing that a community Emergency Planning and Response plan (EPR) has been developed. The Company will develop and implement a training plan to ensure that all employees are knowledgeable of emergency procedures and emergency contingency plans, including evacuation routes to protect customers. Cencosud will</p>	Cencosud	<p>a) Present to IFC a copy of the corporate community engagement and grievance mechanism, including the implementation and public information plan for review b) Provide IFC with the Emergency Planning and Response plan (EPR) for review c) Provide IFC with copies of the training materials and a workplan for the implementation of the employee training plan on emergency procedures and emergency contingency plans d) Submit the Fire and safety plan to IFC to be approved for further implementation by the Company</p>	<p>9 months after signing of Loan Agreement 6 months after signing of Loan Agreement 6 months after signing of Loan Agreement 6 months after signing of Loan Agreement</p>

	retain a qualified Fire and Safety consultant to provide an audit of all its facilities and develop an action plan to be submitted to IFC for review and approval. The plan will be implemented by the Company following IFC approval.			
6	Refrigeration systems: To contribute to international efforts to protect the ozone layer and combat climate change, the Company has agreed to replace R11 by an ozone-friendly refrigerant in all existing refrigeration equipments in its facilities by year 2010.	Cencosud	Verification of installation	a) July 31 st , 2010
7	Sustainable Water Conservation and Management Plan: To add value to its operations and ensure the sustainability of water use, Cencosud will: a) Develop a corporate sustainable water management and implementation plan for IFC's approval; b) Implement in full the corporate water management plan. c) Evaluate the potential to recycle water in a potable form from the treated liquid effluent at Unicenter. A financial feasibility exercise would be part of the review. Based on this assessment the Company will identify capital investments to implement a water recycling system.	Cencosud	a) Provide IFC with the water conservation and management plan for approval b) Water conservation and management plan implemented in full at all existing facilities c) Present to IFC the results of the assessment to recycle water from the treated liquid effluent at Unicenter, and if feasible, Cencosud will develop a scope and schedule to implement a water recycling system.	a) One year after signing of Loan Agreement b) Two years after signing of Loan Agreement c) One year after signing of Loan Agreement
8	"Pabellon Centenario": Cencosud has developed a plan to preserve and refurbish the historical building following national guidelines for this purpose. The Company will implement the plan to preserve the "Pabellon Centenario" and report progress to IFC.	Cencosud	Refurbishing plan implemented by Cencosud	Report annually in the AMR