

ENVIRONMENTAL AND SOCIAL ACTION PLAN (ESAP)

KS Hotel (#27367)

22 May, 2009

Item	Action	Completion Indicator	Timetable
PS1: Social and Environmental Assessment and Management Systems			
1	<p>KS Group will develop its own corporate Environmental and Social Management System to manage E&S risks of its properties in concert with hotel operators. The ESMS will include but not be limited to the following elements:</p> <ul style="list-style-type: none"> • Provisions to ensure operators put into place mechanisms for staff to provide feedback or voice concerns with management in a way that does not result in repercussions for the staff. • Fire safety requirements • A system to manage contractor E&S performance • Guidelines and procedures on pollution management • Land acquisition procedures and requirements • Guidelines and procedures on cultural heritage protection • Guidelines and procedures on food and environmental hygiene • Community engagement requirements and grievance mechanisms <p>KS is committed to consistent application of IFC performance standards and compliance to specified guideline parameters at hotels it owns and where it has leverage.</p>	<p>ESMS is in place, signed off by the board of directors and approved by IFC:</p> <ul style="list-style-type: none"> • Records of staff feedback and documentation of mechanisms in place • Records of fire safety monitoring of KS hotels • Records of monitoring of contractor E&S performance • Records of recording pollution discharge and management • Records of measures taken to protect cultural heritage • Records of monitoring food and environmental hygiene • Records of community engagement <p>Records of E&S management and monitoring of KS hotels.</p>	<p>Nine months after commitment.</p>
PS2: Labor and Working Conditions			
2	<p>The sponsor will ensure its project manager and construction contractors observe the following:</p> <p>I) Provide hygienic and safe living conditions for all workers employed by construction contractors and their sub-contractors;</p> <p>II) Regularly check and keep records of the identity cards of the entire construction workforce to ensure that all workers are above national minimum working age;</p> <p>III) Ensure all workers have adequate accident insurance coverage;</p> <p>IV) Ensure reasonable terms of employment, and that wages and overtime payment are made to all workers on time.</p>	<p>Pictures of construction worker living quarters.</p> <p>Records of ID cards kept by Sponsor.</p> <p>Records of worker insurance provided.</p>	<p>Prior to and during construction of hotels.</p>

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PS3: Pollution Prevention and Abatement			
3	The sponsor will ensure its project manager and construction contractors monitor their waste disposal practices to ensure proper handling.	Monitoring records in place.	Three months after completion of construction.
PS5: Land Acquisition and Involuntary Resettlement			
4	If the 4-star hotels are confirmed as part of this investment, KS Group will undertake to ascertain whether any involuntary settlement of local communities had occurred at the sites, when the previous land title holders acquired the land from local communities. It will confirm whether proper compensation arrangements were made to local community members, and take necessary steps to fulfil PS5 requirements – including the commissioning of a land resettlement audit where necessary.	Report of investigation into involuntary settlement produced. Where necessary, remedial actions taken to fulfil PS5 requirements.	As a condition of first disbursement
PS8: Cultural Heritage			
5	In respect of the Alila Luang Prabang site, KS Group is committed to ensuring the following undertakings by the project manager and operator: i) All survey results and measures taken to preserve, protect and restore cultural aspects of the sites during construction and operation are recorded. ii) Retain records of interviews with locals to ascertain the cultural history of the hotel sites.	Documentation of survey results and measures taken to preserve, protect and restore cultural aspects of the hotel sites. Records of interviews with local residents are kept.	3 months from commitment.