

Environmental and Social Action Plan - SLV Ltd Bolivia

#	Description of Task	Indicator of Completion	Required Date
1	Conduct an independent assessment of all prospective Indigenous Forestry Associations (IFA's) to determine compliance and conformity with sustainable forestry practices and standard.	(i) Executed <u>contract</u> with FSC-accredited certifying body for FSC pre-assessment of prospective Indigenous Forestry Associations; (ii) <u>confirmation</u> that pre-assessments have been fully initiated; and (iii) pre-assessment <u>reports</u> establish baseline conformity with FSC Principles & Criteria	(i) Prior to Commitment (ii) Prior to 1 st Disbursement (iii) 1 st Disbursement + 90 days
2	Develop and implement a comprehensive step-wise plan to assure conformity with internationally-recognized forest certification system(s)	(i) <u>Action Plan and Schedule</u> for FSC implementation and certification with consideration of pre-assessment results and consultation with affected communities and (ii) annual assessment <u>report</u> of FSC conformity publicly disclosed by certifier; and (iii) certified product sales <u>reports</u> indicate volumes of FSC-Labeled products	(i) 1st Disbursement + 90 days (ii) Annually (iii) 1 st Disbursement + 90 days, quarterly thereafter
3	Routinely update supply chain legality and traceability to include all self-owned facilities and product lines	(i) Executed <u>contract</u> with FSC-accredited certifying body to undertake a Chain of Custody assessment ; (ii) CoC <u>assessment report</u> provided to IFC for review; (iii) FSC CoC conformity assessment <u>report</u> provided to IFC in <u>AMR</u> ; and (iv) Independent assessment <u>report</u> of Verification of Legal Origin (VLO) on all wood procured;	(i) Prior to 1 st Disbursement (ii) 1 st disbursement + 90 days (iii) Annually in AMR (iv) Annually in AMR
4	Develop operational social engagement strategy and planning process which provides clear direction for Company commitments to indigenous territories and communities	(i) Social engagement <u>strategy</u> for affected communities developed; (ii) <u>SOP's</u> for social engagement requirements included in Operating Procedures Manual; (iii) Letters of intent and wood purchase <u>contracts</u> indicate consultation and mutual expectations	(i) Within 90 days of 1 st Disbursement (ii) 1 year from 1st Disbursement (iii) All IFA contracts
5	Reactivate FSC certification on any and all concessions to be harvested	(i) FSC Certification assessment <u>report</u> completed; and (ii) major corrective actions <u>closed-out</u> by certifier.	(i) Prior to onset of harvest and (ii) as specified in assessment
6	Standardize OHS procedures and practices across all operations and facilities	(i) OHSAS 18001 <u>certification summary</u> for veneer and plywood manufacturing operations (ii) OHSAS 18001 <u>certification</u> expanded to include owned forestry operations (iii) Annual OHSAS 18001 <u>audits</u> conducted annually	(i) January 1, 2012 (ii) January 1, 2013 (iii) Results provided in AMR
7	Ensure harvesting and logistical	(i) Internal OHS <u>audit</u> of forestry operations conducted,	(i) Within 180 days of

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	contractor compliance with Company OHSAS policies, procedures and management system	summarized and reviewed by senior management and provided to IFC for comment; and (ii) contractor performance included into OHSAS 18001 system and verified for conformity	Commitment (ii) within 18 months of 1 st Disbursement
8	Install a surface water monitoring program to detect the presence of potential groundwater contaminants and take remedial actions as necessary	(i) Independent <u>testing and review</u> of surface water (ii) Establish water monitoring system and measurement requirements; and (iii) Conduct water testing conducted.	(i) Prior to 1 st Disbursement (ii) within 90 days of 1 st disbursement (iii) lab results in AMRs
9	Verify the specifications, capacity and maintenance requirements of sanitation water facilities in Warnes	Summary of findings and/or remedial <u>action plans</u> necessary provided to IFC.	Prior to 1 st disbursement
10	Logistics/transportation safeguards improved	Operating Procedures Manual (OPM) includes specific OHS <u>requirements</u> for the selection, approval and monitoring of transportation contractors.	Prior to 1 st disbursement
11	Develop a standardized procedure for ensuring that wood purchase contracts are conducted with authorized agents holding legal access	(i) OPM includes a <u>review procedure</u> and <u>internal document control requirements</u> for all wood procurement and extraction; and (ii) <u>Summary information</u> for wood procurement provided to IFC.	(i) Prior to 1 st disbursement (ii) Quarterly subject to review