

SAN MIGUEL III (#30846) - ENVIRONMENTAL AND SOCIAL ACTION PLAN
APRIL 20, 2011

Tucuman and Famailla Argentina/ SaMiMobilization/#30846		
Task	Indicator of Completion	Required Completion Date
PS 1 Social and Environmental Assessment and Management Systems		
1. <u>Develop Community Grievance Mechanism (GM).</u> Develop a community grievance mechanism to record, review and respond to community grievances.	a) Provide IFC with a summary of the Community GM b) Publicize the Community GM (on the Company's website and at company locations for the general public to see) – send IFC relevant web link and photographic evidence of public posting	a) 9 months from commitment b) 9 months from commitment
2. <u>Implement Community Grievance Mechanism (GM).</u>	a) Provide a summary of community grievances received in prior year in the AMR.	a) AMR - ongoing
3. <u>Plan a water audit of the La Famailla plant.</u> The water audit will provide a quantification of incoming water, water used and consumed within the plant and waste water generated at La Famailla industrial operations (for all production areas, products and in all support services such as boilers, cleaning, refrigeration, etc.); the audit will provide recommendations for water efficiency measures to be implemented during peak and off-peak production periods.	a) Summary of proposed approach, methodology, etc. submitted to IFC	a) 3 months from commitment
4. <u>Conduct the water audit of the La Famailla plant.</u>	a) Provide IFC with a completed water audit, including recommendations for water efficiency measures for operations at La Famailla.	a) December 31, 2011
5. <u>Conduct joint meetings between E&S management and other departments.</u> Ensure better communication between E&S and key departments, such as production to ensure both routine and non-routine events are considered for their impacts upon natural resources, compliance with regulatory and IFC E&S requirements.	a) Summary of management meetings (agenda, key decisions, etc.) held between key departments (e.g. production) and E&S management to be provided in the next AMR.	a) Ongoing
PS 2 Labor and Working Conditions		
6. <u>Develop Employee Grievance Mechanism.</u> Develop, implement and publicize an employee grievance mechanism.	a) Develop an Employee GM to meet the requirements of PS 2	a) 9 months from commitment
7. <u>Implement Employee Grievance Mechanism.</u>	a) Implement the Employee GM b) Publicize the existence of the GM (add a description of the GM in the 2012 version of the HR induction booklet, induction presentation and publicize its existence to existing employees)	a) Beginning 9 months from commitment b) Submit 2012 induction booklet and induction presentation upon creation; photographic evidence of posting of GM notification for employees
PS 3 Pollution Prevention and Abatement		
8. <u>Nominate SA SM Staff to interface with Aquacorp on Analysis of Emerging Phase II Treatment Data and Ultimate Generation of Options Recommendations for Phase III.</u>	a) Copy of internal notification of staff	a) Commitment
9. <u>Keep IFC informed of Consulting Engineering Firm Aquacorp progress and findings on Analysis of Emerging Phase II Treatment Data.</u> Consultant shall report to SASM with data analysis and conceptualization of	a) Provide IFC with consultant's interim report showing analysis and provisional recommendations regarding Phase III treatment and/or Phase II effluent reuse b) Provide IFC with consultant's final report showing full analysis and final recommendations	a) September 30, 2011 b) November 30, 2011

potential alternatives to manage Phase III of industrial wastewater and off season wastewaters not requiring treatment in Phase I and Phase II treatment system.	regarding Phase III treatment and/or Phase II effluent reuse	
10. <u>Contract Phase III (Aerobic Wastewater treatment process) Engineering Design for Famailla.</u> Based upon data analyses of Phase I and Phase II the selected design should be non-energy intensive or entail a reuse scheme as preferred alternatives to manage Phase III of industrial wastewater and off season wastewaters not requiring treatment in Phase I and Phase II treatment system.	Provide IFC with a technical information package including treatment system unit processes. Provide signed contract for engineering, procurement and construction. Provide evidence of substantial payment for services.	31 December 2011
11. <u>Commence Construction of Phase III (Aerobic Wastewater treatment process) at Famailla.</u>	Provide photo documentation evidence of installation of wastewater management system.	31 May 2012
12. <u>Demonstrate Fully Operational Phase III (Aerobic Wastewater treatment process) Wastewater Management System at Famailla.</u> Demonstrate that final effluent complies with WBG's effluents value for COD, BOD5 and suspended solids. Alternatively demonstrate that reuse scheme complies with local requirements.	Provide photo documentation and analytical laboratory evidence that effluent complies with Argentine regulatory and WBG's effluents guideline value for COD, BOD ₅ and suspended solids	31 December 2012