

**Inkaterra Sustainable Tourism – PERU
Environmental and Social Action Plan (ESAP)**

No.	Aspect	Action	Product	Delivery date
PS1: Assessment and Management of Environmental and Social Risks and Impacts				
1.1	Environmental and Social Management System (ESMS)	1. Prepare an ESMS draft including: (i) the existing environmental policy; (ii) internal procedures to identify, assess and manage potential environmental and social (E&S) and occupational health and safety (OHS) risks and impacts associated with each Project activity, both for their own workers and those engaged by third parties (contractors and subcontractors); (iii) internal procedures to ensure compliance with the Environmental Management Plan (EMP); (iv) a description of the organizational capacities and competencies required, including the definition of roles and the allocation of responsibilities for the implementation of such ESMS; (v) emergency preparedness and response protocols, including climate change exposure threats and risks; (vi) stakeholder engagement plans; (vii) an external communication and grievance mechanism; (viii) protocols for the disclosure of information, decision making and education of communities; (ix) protocols for the evaluation and continuous improvement of the ESMS; and (x) guidelines to perform audits and inspections regarding the E&S and OHS requirements under Peruvian regulations.	1. Copy of the proposed ESMS	1. Within 270 days after signing the loan agreement
		2. Implement the ESMS.	2. Evidence of implementation	2. Within 30 days after ESMS approval by senior management, and thereafter as part of the Environmental and Social Compliance Report (“ESCR”)
		3. Evaluate the ESMS implementation ¹ .	3. ESMS evaluation report	3. Within 120 days after ESMS implementation, and thereafter as part of the ESCR
1.2	Identification of risks and impacts	1. Submit the approved environmental certification for the Project’s new hotels and lodges.	1. Copy of the approved environmental certification for each hotel or lodge	1. 30 days prior to the commencement of the construction of each Project hotel or lodge
		2. Submit the certificate of non-existence of archaeological remains, or otherwise, depending on the response of the Ministry of Culture, develop an Archaeological Monitoring Plan.	2. Copy of the certificate of non-existence of archaeological remains or an Archaeological Monitoring Plan	2. 30 days prior to the commencement of the construction of each Project hotel or lodge

¹ Applying the analysis of the Social and Environmental Management System, Implementation Manual – General, IFC, version 2.1, November 2015. E&S Management System Tools, General, IFC, version 1.2, November 2015.

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		3. Implement the Archaeological Monitoring Plan, as required by the Ministry of Culture.	3. Evidence of plan implementation	3. As part of the ESCR
1.3	Management program	1. Develop, as part of the Environmental Management Plan (EMP), a chance find procedure.	1. Chance find procedure	1. 30 days prior to the commencement of the construction of each Project hotel or lodge
		2. Adopt the chance find procedure.	2. Evidence of the adoption of the procedure	2. As part of the ESCR
1.4	Organizational capacity	1. Create an Environmental Management Committee to: (i) identify, evaluate, prioritize and periodically monitor the E&S risks that could affect the Company's operating income or loss significantly; (ii) manage environmental protection and conservation programs; (iii) define sustainable development indicators and review compliance with their goals; (iv) review environmental monitoring and compliance reports required by environmental legislation; and (v) prepare annual sustainability reports.	1. Evidence of creation of the Environmental Management Committee	1. Within 90 days after signing the loan agreement
		2. Prepare an introductory program for all the personnel in charge of managing each property operating at present or in the future, in relation to E&S and OHS risks and impacts, as well as local regulations.	2. Copy of the training program	2. Within 120 days after signing the loan agreement
		3. Carry out the introductory training program.	3. Evidence of training program implementation	3. As part of the ESCR
1.5	Emergency readiness and response	1. Update existing Emergency Contingency Plans (ECP) to: (i) include an analysis of the risk associated with climate change; and (ii) adapt emergency response plans and procedures based on identified risks.	1. Updated EPC of each existing hotel and lodge	1. 15 days after the update of each existing hotel and lodge ECP
		2. Prepare an ECP for the Project's new hotels and lodges, including: (i) a distribution-based risk assessment (including climate change risks); (ii) emergency response procedures including sketches with the evacuation routes and the location of safe meeting points and the firefighting equipment; (iii) the requirements to organize brigades; (iv) a list of emergency contacts as well as of communication systems and protocols; (v) procedures for interacting with local and regional authorities regarding health and emergency resolution issues; (vi) a description of permanent facilities and equipment to deal with emergencies (first aid stations, hoses, fire extinguishers, sprinkler systems, etc.); (vii) protocols for fire trucks, ambulances and other emergency services and vehicles; and (viii) a description of the necessary training exercises (drills and simulations) for the Company's personnel and other stakeholders and affected parties.	2. ECP for each Project's new hotel and lodge	2. 15 days prior to the commencement of operations or occupation of each new hotel or lodge
		3. Implement the ECPs of each Project's new hotel and lodge.	3. Evidence of ECP implementation	3. As part of the ESCR
		4. Develop an annual emergency training program, with the following sessions: (i) first aid (basic life support, bleeding, shock, wounds and burns, fractures, transfer of injured individuals, etc.); (ii) firefighting and prevention (firefighter safety, hose folding, handling of extinguishers, etc.); and (iii) search and rescue, among others.	4. Annual emergency training program	4. Within 120 days after signing the loan agreement
		5. Implement the annual emergency training program.	5. Evidence of training program implementation	5. As part of the ESCR

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1.6	Stakeholder engagement	1. Prepare a community relations management procedure that: (i) establishes effective strategies for communicating and maintaining good relations with the population in the area of influence of each Project property; and (ii) define protocols for (a) conducting interviews with authorities and stakeholder representatives, (b) holding informational meetings with stakeholders, and (c) managing media and social networks.	1. Community relations management procedure	1. Within 180 days after signing the loan agreement
		2. Appoint the work team in charge of implementing the community relations management procedure.	2. Administrative instruments used to appoint the work team	2. Within 180 days after signing the loan agreement
		3. Implement the community relations management procedure.	3. Evidence of implementation of the procedure	3. As part of the ESCR
1.7	External communications	1. Prepare a corporate communications policy, which shall ensure that all communications addressed to external audiences are delivered in a careful, responsible, and efficient manner.	1. Corporate communications policy	1. Within 180 days after signing the loan agreement
		2. Adopt the corporate communications policy.	2. Evidence of policy adoption	2. As part of the ESCR
1.8	Grievance mechanism for communities	1. Update the grievance mechanism to include details of how grievances were recorded, classified, processed, assessed, investigated, resolved, monitored and closed.	1. Updated grievance mechanism	1. Within 210 days after signing the loan agreement
		2. Implement the updated grievance mechanism.	2. Evidence of implementation of the updated mechanism	2. As part of the ESCR
PS 2: Labor and Working Conditions				
2.1	Internal grievance mechanism	1. Update the internal grievance mechanism, so that it: (i) is culturally appropriate; (ii) can be easily accessed to at any time; (iii) allows making anonymous reports; (iv) prohibits all forms of retaliation; and (v) provides access to other applicable legal or administrative resources.	1. Updated grievance mechanism	1. Within 210 days after signing the loan agreement
		2. Adopt the updated grievance mechanism.	2. Evidence of the implementation of the mechanism	2. As part of the ESCR
		3. Prepare a grievance mechanism management procedure that: (i) defines the guidelines and terms to ensure that all grievances received are addressed and investigated in a timely manner, (ii) creates and maintains an adequate control environment based on the values and the Internal Work Rulebook ("IWR"); and (iii) establishes the functions and form of participation of each person involved in the process (reception, classification, review, analysis, investigation, development of an action plan with the person reported, monitoring, management and presentation of performance indicators).	3. Grievance mechanism management procedure	3. Within 210 days after signing the loan agreement
		4. Adopt the grievance mechanism management procedure.	4. Evidence of the adoption of the procedure	4. As part of the ESCR

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2.2	Workers engaged by third parties	1. Develop a Policy for Outsourced Staff Contracting and Service Provision clearly setting the compliance with Peruvian labor legislation and ILO international conventions, allowing to: (i) ensure that contractor companies are legally incorporated; (ii) ensure that outsourced workers are contracted and dismissed in accordance with local legislation (including the ILO conventions ratified by Peru), especially those referring to the prohibition to use child labor or forced labor; (iii) follow-up on the performance of contractors and suppliers through commercially reasonable measures incorporated into contractual agreements, and (iv) ensure that the workers contracted by third parties have access to the grievance mechanism, either the contractor's or Inkaterra's.	1. Policy for Outsourced Staff Contracting and Service Provision	1. Within 180 days after signing the loan agreement
		2. Adopt the Policy for Outsourced Staff Contracting and Service Provision.	2. Evidence of policy adoption	2. As part of the ESCR
		3. Prepare a training program on the Policy for Outsourced Staff Contracting and Service Provision for its contractors and subcontractors.	3. Training program on the Policy for Outsourced Staff Contracting and Service Provision	3. Within 180 days after signing the loan agreement
		4. Implement the training program on the Policy for Outsourced Staff Contracting and Service Provision.	4. Evidence of training program implementation	4. As part of the ESCR
2.3	Supply chain	1. Develop a Sustainable Procurement Policy that: (i) regulates the purchase of goods and inputs (consumer products, materials and equipment) and the contracting of services, and (ii) demands suppliers to comply with applicable labor requirements (specifically the prohibition of child and forced labor, and the exclusion from their business activities of any product or service using child and forced labor), as well as environmental and OHS requirements applicable in Peru.	1. Sustainable Procurement Policy	1. Within 210 days after signing the loan agreement
		2. Adopt the Sustainable Procurement Policy.	2. Evidence of policy adoption	2. As part of the ESCR
		3. Prepare, as part of the Sustainable Procurement Policy, a supplier and contractor registration procedure to select, control and evaluate suppliers or contractors based on the environmental, labor and OHS criteria established under Peruvian national legislation.	3. Supplier and contractor registration procedure	3. Within 210 days after signing the loan agreement
		4. Implement the supplier and contractor registration procedure.	4. Evidence of implementation of the procedure	4. As part of the ESCR
PS3: Resource Efficiency and Pollution Prevention				
3.1	Greenhouse gases (GHG)	1. Update the annual GHG emission inventory of each hotel (including new projects) to include emissions from their use of fuel (Scope 1) and electricity consumption (Scope 2) and explain the variations detected with respect to the base year.	1. Annual GHG emission inventory, including all properties	1. As part of the ESCR
		2. Prepare a methodology to quantify scope 3 GHG emissions, which derive from the transportation of services provided by third parties (e.g. transporting guests, and materials and goods acquired from its supply chain).	2. Methodology to quantify scope 3 GHG emissions	2. When submitting the first annual GHG emission inventory
		3. Adopt the methodology to include the Scope 3 in the annual GHG emission inventory.	3. Evidence of its adoption	3. As part of the ESCR

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PS4: Community Health, Safety and Security				
4.1	Community health, safety and security	1. Update the comprehensive service agreements for the construction of the Project hotels and lodges to include specific clauses binding contractors or service providers to manage all claims and to take responsibility for any damage caused by their actions to private, community or state property (if any).	1. Updated comprehensive service agreements for the construction of the hotels and lodges	1. 15 days prior to the commencement of the construction of each Project hotel or lodge
4.2	Fire protection system	1. For each new work site, submit a certification issued by a competent professional, stating that: (i) they were built in conformity with the approved life and fire safety systems (L&FS) design; (ii) all the L&FP devices were installed in conformity with the design; and (iii) all the L&FP devices were approved following international requirements.	1. Certification of new properties starting to operate	1. 15 days prior to the commencement of operation or occupancy of each property
4.3	External safety protocols and policy	1. Include in the contracts signed with private physical security companies, provisions that allow: (i) conducting investigations to ensure that security personnel have no criminal records and have not been involved in cases of abuse; (ii) verifying that such personnel were trained in the use of force; (iii) verifying restrictions on the use of firearms; and (iv) verifying that personnel were trained in environmental and human rights issues.	1. Contracts signed with security and surveillance companies	1. 15 days prior to the operation or occupancy of new properties, and within 15 days after renewal of the existing contracts
PS6: Biodiversity Conservation and Natural Habitats				
6.1	Legally protected areas and internationally recognized areas	1. Prepare, for the new lodges in the Madre de Dios region, a Biodiversity Impact Management Plan that will include: (i) the development of a detailed study of the habitats and ecosystems in the area of direct influence of each lodge, so as to determine the environmental risks and impacts of each stage of the Project; (ii) measures to minimize and compensate for impacts on biodiversity; (iii) monitoring and follow-up measures to ensure that the Project execution will not generate a net loss in biodiversity; (iv) the performance of a public consultation with all stakeholders (local authorities, the community in the area of direct influence and other Tambopata Reserve stakeholders); and (v) the execution of programs to promote and enhance the protection and conservation goals, and effective management of the reserve.	1. Biodiversity Impact Management Plan for the new lodges in the Madre de Dios region	1. 15 days prior to the commencement of the construction of each Project hotel or lodge
		2. Implement the Biodiversity Impact Management Plan.	2. Evidence of plan implementation	2. As part of the ESCR
6.2	Invasive alien species	1. Develop an Invasive Alien Species Monitoring Plan, including measures to prevent the entry of alien species in food and passengers' baggage and to: (i) enable the inspection at the place of boarding and disembarking; (ii) require a declaration to the sanitary authority at the ports of origin and destination (as appropriate); (iii) require the transport of food and cargo in inert, resistant, clean and well-closed packaging and containers; avoid, as much as possible, the use of wooden packages; (iv) require products to be in good sanitary or phytosanitary conditions, clean, free of dirt, free of foreign seeds, free of insects and other organisms and microorganisms; and (v) require obtaining the sanitary or phytosanitary guide if the inspection is satisfactory at the port of origin (as applicable).	1. Invasive Alien Species Monitoring Plan	1. Within 120 days after signing the loan agreement
		2. Implement the Invasive Alien Species Monitoring Plan.	2. Evidence of plan implementation	2. As part of the ESCR