

Ingenio La Unión – Guatemala
Environmental and Social Action Plan (ESAP)
Publication date: October 2026

No.	Aspect	Action	Product	Delivery date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts				
1.1	Environmental and Social Management System	1. Strengthen and update ILU's existing environmental and social management system to ensure it covers all Project activities and phases, including construction, operation and maintenance, and incorporates the Project's specific risks and impacts, as well as the corresponding management, monitoring and continuous improvement responsibilities, procedures and mechanisms. The ESMS shall be applicable, as appropriate, to Project contractors and subcontractors.	1. Updated ESMS.	1. Six months after the first disbursement.
1.2	Policy	1. Update the Corporate Management Policy (CMP) to ensure its application to the Project and expressly include the mitigation hierarchy, environmental, social, labor, and community health and safety commitments, compliance with the applicable Performance Standards and their scope to relevant contractors, subcontractors and suppliers.	1. Updated CMP	1. Six months after the first disbursement.
1.3	Risk and impact identification	1. Review and update the existing matrices to specifically incorporate the risks and impacts associated with the Project during construction, operation and maintenance, and ensure their integration into the ESMS and the corresponding management programs.	1. Updated matrices	1. Three months before the start of the construction phase.
1.4	Management programs	1. Prepare a Project-specific Environmental and Social Management Plan (ESMP), integrated into ILU's ESMS, that consolidates the environmental, social, health and safety, community, climate and contractor management measures applicable to the construction and operation of the new biomass plant. The ESMP shall include, among other aspects, measures for the management of wastewater, atmospheric emissions, waste and hazardous materials, as well as the corresponding monitoring, response and continuous improvement procedures.	1. ESMP	1. One month before the start of the construction phase.
1.5	Emergency preparedness and response	1. Update and supplement ILU's existing emergency preparedness and response plans and procedures to incorporate scenarios associated with the Project, including those associated with extreme weather events, ensuring coordination with local emergency services and the periodic testing of emergency response procedures.	1. Updated EPRP	1. One month before the start of the operational phase.
1.6	Monitoring and evaluation	1. Establish and integrate into ILU's ESMS monitoring and evaluation system Project-specific performance indicators, proportional to its main environmental and social risks and impacts, including, as appropriate, environmental, labor, OHS, community and contractor management aspects. The indicators shall define, at a minimum, monitoring parameters, frequency, responsible parties and internal review and reporting mechanisms.	1. KPI monitoring	1. Three months before the start of the operational phase.
PS 2: Labor and Working Conditions				
2.1	Grievance mechanism	1. Update the Workers' Grievance and Complaints Mechanism (GCM) to ensure its application to all contractor and subcontractor workers on the Project. The GCM shall be accessible, confidential, allow for the submission of anonymous complaints where appropriate, prohibit any form of retaliation and be effectively communicated to all workers covered by the mechanism.	1. Updated GCM.	1. One month before the start of the construction phase.
2.2	Occupational health and safety	1. Update and supplement the existing OHSP to incorporate the Project's specific risks during construction, operation and maintenance, including requirements applicable to contractors and subcontractors.	1. Updated OHSP.	1. One month before the start of the construction phase.
2.3	Workers engaged by third parties	1. Develop and implement a labor management procedure for Project contractors and subcontractors, which shall include: (i) criteria for their selection and evaluation, including verification that they are legitimate and reliable companies with adequate capacity to manage their workers; (ii) incorporation into contracts of labor requirements consistent with PS2, including the prohibition of child and forced labor, non-discrimination and adequate working conditions; (iii) supervision and compliance verification mechanisms; and (iv) procedures for the implementation and monitoring of corrective actions in the event of non-compliance.	1. Labor management procedure for contractors and subcontractors	1. One month before the start of the construction phase.

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PS 3: Resource Efficiency and Pollution Prevention				
3.1	Greenhouse gases	1. Prepare a Project-specific GHG emissions estimate, differentiating the construction and operation phases, and integrate said emissions into the corporate inventory.	1. Project GHG estimate and updated corporate inventory.	2. Within 6 months after the start of works.
3.2	Pollution prevention	1. Design, construct and operate the Project's wastewater treatment and atmospheric emissions control systems in accordance with national legislation, PS3 and the applicable World Bank Group EHS Guidelines, adopting the most stringent requirement and incorporating specific limits, control measures and monitoring defined in the ESIA.	1. Technical assessment report and evidence of implementation of required measures.	1. One month before the start of the construction phase.
PS 4: Community Health and Safety				
4.1	Infrastructure and equipment design and safety	1. Update the Community Health and Safety Plan (CHSP) to include risks to communities from infrastructure failures, line falls, explosion, fire, emissions, noise, dust and traffic, and incorporate prevention and emergency response measures.	1. Updated CHSP.	1. One month before the start of the operational phase.
PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources				
6.1	Supply chain	1. Develop and implement a proportionate, risk-based system for the primary sugarcane supply chain linked to the Project. The system shall include: (i) definition of scope and mapping of relevant suppliers; (ii) contractual criteria on child labor, forced labor, significant OHS risks and conversion of natural habitats; (iii) verification of location and historical land use; (iv) risk assessment and classification; (v) monitoring and auditing according to risk level; and (vi) protocols for corrective measures, escalation and purchasing decisions.	1. Primary supply chain management system/procedure.	1. Twelve months after the first disbursement.
		2. Conduct the first review of the system implementation, including the evaluation and, as applicable, audit of suppliers in accordance with their risk level.	2. First supplier review report.	2. 18 months after the first disbursement.