

Environmental and Labor Issues:

This is a category III project according to the IIC's environmental and labor review procedure because it could produce certain effects that may be avoided or mitigated by following generally recognized performance standards, guidelines, or design criteria. The main environmental and labor considerations related to the project are fire safety, spill and leak prevention, emergency response, potential contamination from leaking underground storage tanks (USTs), liquid effluent treatment, labor, occupational health and safety practices, and community health, safety and security.

Environmental and Labor Standards: As a condition for its participation in the project, the IIC requires the completion of an environmental and labor due diligence assessment of the facilities that will be potentially acquired by GB Group from Chevron in Jamaica, in order to ensure compliance with IIC policies and standards applicable to this project. The environmental and labor standards that are applicable to this investment include: the IIC environmental and labor procedure, applicable elements of the Inter-American Development Bank (IDB) Environmental and Safeguards Compliance Policy, the International Finance Corporation (IFC) Environmental, Health, and Safety Guidelines for Retail Petroleum Networks, and the IFC Environmental, Health, and Safety Guidelines for Contaminated Land. Other standards may become applicable in the future should further information suggest such a change.

Environmental Management Systems: Currently, the assets are being operated under Chevron's Operational Excellence Management System, including compliance assurance (Manual of Compliance Procedures and Guidelines); and its Health, Safety, and Environmental Manual for Service Stations.

Chevron Operational Excellence (OE) objectives are to systematically manage OE in order to achieve an incident- and injury-free workplace; promote a healthy workforce and mitigate significant workplace health risks; identify and mitigate environmental and process safety risks; operate with industry-leading asset integrity and reliability; and efficiently use natural resources and assets.

The Compliance Assurance Manual contains the expectations for verifying conformance with company and legal requirements, and ensuring that employees and contractors understand their OE-related responsibilities. Each operating facility or installation shall have a documented OE Compliance Assurance Process to verify conformance with applicable Hazard Elimination Safety (HES) legal and policy requirements. Line management shall determine and provide for appropriate awareness training needs for all employees and contractors to facilitate workforce understanding of HES procedures and requirements. The organization is required to maintain a program in place for reporting of potential noncompliance or observations of potential failure to address OE requirements.

The purpose of the Health, Safety, and Environmental Manual for Service Stations is to provide those who are responsible for the administration of service stations owned by Chevron with a summary of:

- basic concepts pertaining to the nature and characteristics of the combustible products stored and handled in the facilities of the station; and
- the interaction between these products and the hydraulic and electrical storage and dispensing systems, as well as the risks inherent in the handling thereof.

These lead to the establishment and distribution of a series of operating procedures and programs to be followed so as to ensure the smooth performance of the operations, while minimizing the risks

pertaining to safety and health, thus contributing to the reduction of injuries and disease, controlling losses, protecting the environment, and promoting positive attitudes of the personnel in those areas. Moreover, the manual establishes in simple terms and illustrations the principles of OE for service stations, the responsibilities of the Chevron service station's personnel, the nature of petroleum products, safety devices installed in the service stations, areas rated as hazardous locations, safety measures applicable to work performed in the service stations, leak detection, waste management, emergency plans, and unloading procedures.

Spill Prevention and Release Detection/Monitoring: As part of the ESAP the GB Group will be required to develop a renovation plan of the gas stations and older USTs based on a risk assessment matrix, which will describe and prioritize actions to be implemented, related costs, and a timetable. The objective of this plan, which will be reviewed and approved by the IIC, is to prioritize and implement pollution control measures that reduce contamination due to leaks, spills, overflowing, and corrosion of underground storage tanks.

Solid and Liquid Waste: GB Group will be required to implement waste management procedures at the facilities and assets acquired from Chevron. Further, GB Group will be required by the IIC to implement operational programs to improve housekeeping, used oil management, and waste management practices to eliminate existing sources of contamination and reduce the risk of future contamination. GB Group will also ensure that old tanks that are removed from the gas stations are purged, cleaned, and disposed of appropriately. This will also include procedures for removal of old tanks and disposal of the used tanks, as well as installation procedures for new tanks. Handling and disposal of wastes will be described in GB Group's waste management procedures as part of the ESAP and incorporated into GB Group's overall Operating Procedures and Training Manual for Service Stations.

Labor: GB Group has a human resources policy that describes salary, benefits, and working hours. Furthermore, and as part of the ESAP, the policy will be reviewed to ensure coverage of other areas, including information on sick and maternity leave and overtime hours. There are no unions currently at GB Group. However, under Jamaican law, workers are allowed to form and join organizations and bargain collectively.

Occupational Health and Safety: The IIC will require that the appropriate policies, trainings and equipment are in place to ensure that workers have the necessary protective measures (e.g., personal protective equipment) in place to handle leaks and contamination that may impact their health and safety. The IIC will require that the project meet the company regulatory and compliance standards as well as the Jamaican regulatory and compliance standards for occupational health and safety. The IIC will require that employees receive training on operational safety procedures, and tank drivers be required to take a defensive driving course. The IIC will review the content and frequency of GB Group's training program on health and safety and emergency response and will require that modifications to procedures be made as necessary to ensure compliance with good international industry practices. GB Group will also monitor workplace gasoline levels to ensure that they also meet good industry practices.

GB Group will prepare quarterly reports to include accidents, near misses, health, safety, security, environmental and quality issues, as well as priority actions to be addressed each quarter. These reports will include all newly acquired Chevron assets. GB Group will also ensure and monitor that all employees are provided with the appropriate protective equipment. GB Group will continue development of health and safety components of the Management System, including updates and improvements to health and safety procedures for the adequate operation of the newly acquired Chevron assets.

Fire Prevention and Emergency Response: GB Group will ensure that the facilities are equipped with properly maintained firefighting equipment and that adequate fire safety training is conducted at least annually for all GB Group employees. Periodic fire drills will also be held at the airport facilities. GB Group will also ensure that the acquired gas stations, some of which are located near residential areas, have the appropriate number and type of fire extinguishers, that the equipment is properly maintained, that employees receive training and conduct fire drills annually. GB Group will develop an Emergency Response Plan for all acquired assets, including gas stations/commercial sites and the airport refueling facilities.

Monitoring and Reporting: GB Group will develop an ESAP to ensure compliance with any relevant local regulations and the IIC's environmental and workplace health and safety requirements. An annual environmental monitoring report will be submitted to the IIC on the implementation status of the ESAP, including information on retail station renovation plans, liquid and solid waste management, health and safety, accident reporting, fire prevention, emergency response training, and labor issues.