

Favorita Fruit (25670)
Environmental & Social Action Plan

#	Action	Responsible	Deliverables	Deadline
1	<u>Develop an Occupational Health & Safety Training Plan:</u> Favorita will implement a training programme in Occupational Health and Safety for new employees at Cartonera Andina, Fertisa, Reysahiwal's dairy farms, and Reysahiwal's saw mill, including the correct use of personal protection equipment, and working procedures to reduce the risk of injuries and/or accidents.	Favorita	Provide IFC with copies of the training materials and a workplan for the implementation of the training programme for current and new employees	6 months after signing of Loan Agreement
2	<u>Update Human Resources Policy:</u> Favorita will update its human resources policy in accordance to Ecuador labour laws and regulations and IFC standards, to specifically include reference to non-discrimination, freedom of association and collective bargaining, and will submit the policy to IFC for review. Favorita will also develop and implement an effective employee grievance redress mechanism.	Favorita	a) Provide IFC the updated human resources policy to IFC for review b) Provide to IFC a copy of the grievance redress mechanism for employees	a) 3 months after signing of Loan Agreement b) 6 months after signing of Loan Agreement
3	<u>Labour Efficiency Study at Cartonera Andina:</u> Cartonera Andina will conduct a labor efficiency study, and will develop a program for minimizing long shifts without reducing income for employees.	Favorita	Present the labour efficiency study to IFC for review	6 months after signing of Loan Agreement
4	<u>Contractors and supply chain:</u> Favorita will develop improved tracking mechanisms to ensure that contractors in all their operations and independent banana suppliers under contract are in compliance with a) workers legal benefits; b) wages paid on time, c) safety regulations, and d) ILO Conventions 138 and 182.	Favorita	Submit a plan and a record keeping mechanism to register supervisory field visits.	6 months after signing of Loan Agreement
5	<u>Operational Safety Plan for site</u>	Favorita	a) Present the site Operational	a) 3 months after signing of Loan

	infrastructure at Fertisa: Favorita will develop and implement a plan for the implementation of pavement markings, traffic signals, regulatory signs, and warning signs, according to international standards, to ensure safety of the workforce.		Safety Plan to IFC for review b) Operational Safety Plan implemented	Agreement b) 9 months after signing of Loan Agreement
6	Housekeeping plan at Reysahiwal's dairy farms: Favorita will develop and implement a plan to address good housekeeping and proper disposal of organic waste, sanitary wastewater, and miscellaneous wastewaters.	Favorita	Provide documented evidence of housekeeping improvements.	6 months after signing of Loan Agreement
7	Develop a stack emissions mitigation plan: Measure stack emissions for all operating generators at the dairy processing plant at Santo Domingo, using standard sampling and analytical procedures, and compare projected levels to IFC General EHS Guidelines for ambient air concentrations, and submit a report to IFC. If measurements exceed IFC limits, Favorita will propose corrective measures, and a schedule to bring all emissions into compliance with IFC guideline requirements.	Favorita	Present to IFC the results of the emissions testing and proposed corrective measures, if required	10 months after signing of Loan Agreement
8	Effluent treatment plan at Reysahiwal Dairy processing plant: The Company will present a plan for IFC's approval to upgrade the current effluent treatment plant to ensure effluents are in compliance with Ecuador regulatory limits and IFC guidelines.	Favorita	a) Submit the plan to IFC b) Upgraded plant in operation	a) 6 months after signing of Loan Agreement b) 2 years after signing of Loan Agreement
9	Chemical/physical/microbiological assessment of groundwater and establishment of a baseline for monitoring: Favorita will conduct a chemical/physical/microbiological assessment of groundwater throughout their farms where effluents originating	Favorita	a) Provide ToR for study to IFC for review and prior approval b) Present the results of the initial chemical/physical/microbiological assessment to IFC c) Conduct continuing assessment of groundwater	a) 1 month after signing of Loan Agreement b) 9 months after signing of Loan Agreement c) Report annually in AMR

	from the dairy processing plants are used for irrigation, and establish a baseline. If continuing assessment indicates deterioration, Favorita will take specific action to mitigate the situation.		quality and take action to mitigate any future deterioration in quality, if observed.	
10	<u>Community grievance mechanism:</u> The Company will develop and implement a community grievance mechanism to address community concerns and/or complaint and to increase public awareness of the project operations and associated risks, as well as include populations in emergency response planning.	Favorita	Community grievance mechanism defined and implemented	9 months after signing of Loan Agreement
11	<u>Sustainable water resource use :</u> Favorita will install remote control computer-based groundwater level monitoring tools in all operating wells at the dairy processing plant at Quevedo.	Favorita	Verification of installation	1 year after signing of Loan Agreement
12	<u>Rio Bimbe hydroelectric project</u> The main actions with regard to this plant are: a) To provide assurance that the minimum ecological flow is maintained throughout the year, Favorita will install a radio-controlled System Control Data Acquisition System (SCADA) to collect real-time flow data, and will develop a public website to provide these monitoring data for public inspection. b) To ensure migration of fish for breeding, Favorita will construct a fish ladder on one side of the weir using river rocks and small boulders, with the ecological flow passed over this area. c) Favorita will conduct further biotic surveys of the area above and below the intake. A baseline for	Favorita	a) Provide IFC with the proof of certification from suppliers that a radio-controlled System Control Data Acquisition System (SCADA) has been installed. Provide website details. b) Provide IFC the detailed structural plans for review and approval c) Provide ToR for baseline study to IFC for review and prior approval d) Submit the plan to IFC for review and approval	a) Condition of project completion b) July 31, 2007 c) 30 days after signing of Loan Agreement d) 6 months after signing of Loan Agreement

	this ecosystem will be developed, and a monitoring evaluation system will be in place. d) Favorita will provide to IFC a detailed plan to develop and implement an Environmental and Social Management System (consistent with ISO 14001 standard) for the Rio Bimbe operation, and specify operating policy requirements for the system as well as operating basic procedures.			
13	<u>Sawdust waste at Reysahiwal saw mill:</u> Favorita will implement a plan following IFC's approval, to ensure disposal of the sawdust waste in compliance with Ecuador regulatory limits and IFC guidelines.	Favorita	a) Submit the plan to IFC for review and approval b) Plan implemented and sawdust waste problem solved	a) 6 months after signing of Loan Agreement b) 2 and a half years after signing of Loan Agreement
14	<u>Sustainable management certification program for independent suppliers :</u> Favorita will develop and implement a phased program to improve agricultural, environmental and social practices on farms of independent contracted banana suppliers, with the ultimate goal of complying with appropriate certification for sustainable management practices pre-established by Favorita, and in compliance with Ecuador regulatory limits and IFC guidelines.	Favorita	a) Standards sent by Favorita b) Annual reporting on progress in each phase c) Completion of certification for independent suppliers.	a) June 20, 2007 b) Verification of progress submitted annually in AMR c) Certification certificates provided by end 2015