

Sociedad Agrícola Virú (SAV 26076)
Environmental & Social Action Plan

#	Action	Responsible	Deliverables	Deadline
1	<u>Develop and implement an integrated management system for social and environmental affairs, quality, and occupational health and safety management.</u> Establish an integrated management system based upon internationally recognized management systems (e.g. ISO 9001-2000, ISO 14000, and OHSAS 18000). The Company will design the system to comply with Peruvian regulations and IFC policies and performance standards. SAV will appoint a qualified professional to manage environmental and social affairs, responsible for environmental and social performance in all operations. The environmental management plan (PAMA) of SAV will be updated to include all IFC guidelines and performance standards.	SAV	a) Management system operational b) Provide IFC with a copy of the internal memorandum indicating the appointment of the Environment and Social Manager c) Environmental management plan (PAMA) updated	a) June 30, 2008 b) October 15, 2007 c) January 31, 2008
2	<u>Update of the Occupational Health & Safety Plan:</u> SAV will update its OH&S policy for the plant and fields in accordance to international recognized standards (i.e. OSHAS 18001) and IFC OH&S guidelines and present an Action Plan detailing activities and budget. It should include an Emergency and Contingency Plan.	SAV	Present to IFC a copy of the updated health and safety policy and plan for review	January 31, 2008
3	<u>Contractors and supply chain:</u> The Company will develop more rigorous reporting requirements in order to ensure that contractors in all their operations and that suppliers are in compliance with a) workers legal benefits; b) wages paid on	SAV	Submit a plan and a record keeping mechanism to register supervisory field visits	November 30, 2007

	time, c) safety regulations, and d) ILO Conventions 138 on Minimum Age, and 182 on Worst Forms of Child Labour.			
4	<u>Evaluation and monitoring of work stations: ambient noise, temperature, and ergonomics:</u> SAV will evaluate and monitor working stations for noise levels, submit a report to IFC, and implement mitigation actions if so required. Further, SAV will evaluate exposure to temperature, and conduct a study on ergonomics for the workforce in the processing lines, and submit the report to IFC. Mitigation actions will be implemented by SAV.	SAV	Submit to IFC reports of work station noise monitoring, exposure to temperature, and ergonomics, and a plan for mitigation actions	March 31, 2008
5	<u>Catering service operations for employees:</u> The field appraisal indicated a need for housekeeping improvement in the kitchen area and SAV will present and implement plan for IFC approval that will include: a) periodic health assessment for all cooks and support personnel working in the kitchen, b) use of protective garments to cover head and mouth, c) training on proper methods for washing and grease removal of plates, cutlery, and glassware, using antibacterial detergent, and d) adequate storage and handling of raw ingredients.	SAV	Submit and implement a plan for housekeeping improvement and monitoring in the kitchen area	November 30 2007
6	<u>Develop a particulate stack emissions mitigation plan:</u> Conduct particulate stack emissions measurements for all operating boilers in Trujillo and Chincha, and compare projected levels to IFC General EHS Guidelines for ambient air concentrations (particulate matter limit (PM ₁₀) of 100 mg/Nm ³ ; NO _x of 460 mg/Nm ³ ; SO _x of 2000 mg/Nm ³), and submit a report to IFC. If measurements exceed IFC limits, SAV will propose	SAV	Present to IFC the results and corrective measures for the particulate stack emission measurements	November 30, 2007

	corrective measures, and a schedule to bring all emissions into compliance with IFC guideline requirements.			
7	<u>Effluent Treatment Plan:</u> The Company will present prior to disbursement a plan for IFC's approval to install an effluent treatment plant in Trujillo, and a second at the new plant to be constructed in Chinchá, to ensure effluents are in compliance with Peruvian regulatory limits and IFC guidelines.	SAV	Submit the plan to IFC	Condition of Disbursement
8	<u>Cleaner production audit at Trujillo to reduce water use and disposal:</u> SAV is concerned with appropriate natural resource use, and will conduct a cleaner production audit to reduce water use. The study shall provide recommendations to reduce wastewater flows and will propose a plan to implement a water conservation programme to reduce the impact on groundwater.	SAV	Submit the plan to IFC	June 30, 2008
9	<u>Pesticide use and management:</u> The Company has elements of a comprehensive integrated pest management system (IPM) and some on disease management (IDM). SAV aims to protect the environment, and will develop a proposal to further upgrade this IPM/IDM system through research and technology acquisition to formalize and create guidelines and procedures.	SAV	Present the proposal to IFC	November 30, 2007
10	<u>Sustainable Water Resource Use:</u> To ensure the sustainability of the water supply, the Company will install remote control computer-based groundwater level monitoring tools in all wells to track future trends in groundwater availability.	SAV	Verification of installation and operation	1 year after signing of Loan Agreement
11	<u>Sustainable agricultural practices and environmental assessment of suppliers:</u> SAV will collect and submit	SAV	Annual reporting on progress	Verification of progress submitted annually in AMR

	baseline data of their contracted suppliers once a year to obtain data on contamination of soil and groundwater; integrated pest and disease control programs; detailed analysis of agrochemical use and management; use of PPE; storing and recycling of agrochemicals and packages; level of training on agrochemical use; triple washing of containers; improvements in occupational health and safety; improved quality assessment and monitoring of product; and waste management practices. SAV will report to IFC on implementation of this plan as part of its regular annual reporting.			
12	<u>Develop a chance finds procedure and protection plan for Cultural Heritage:</u> SAV will limit transit of vehicles and farm machinery into the pre-Inca archeological sites ("huacas"), and will implement a Chance Finds Procedure. In addition, the Company will prepare an Archeological Survey and Protection Plan, and sign a letter of agreement with the Peruvian National Institute of Culture (INC) to ensure that all existing or newly found archeological sites within their property, will not be affected by business operations	SAV	a) Operational Safety Plan for the pre-Inca archeological sites implemented b) Submit a Chance Finds Procedure in agreement with Peru INC guidelines c) Submit the Archeological Survey and Protection Plan to IFC d) Provide a copy to IFC of the letter of agreement between SAV and Peru INC	a) November 2007 b) February 15, 2008 c) April 30, 2008 d) April 30, 2008