

Approved by:  
Chairman of Board of Directors  
of Agroindustrial Holding Company  
BEZRK Belgrankorm  
[signature] A.V. Orlov  
November 6, 2007

**OOO Belgrankorm**  
**Environmental and Social Work Plan**

***1. Environmental and Social Principles***

- Respect for the human right to a benevolent environment;
- Acknowledgement of the need to address environmental, social, occupational health and safety problems in the course of the company's business activity;
- Striving for meeting the level of best Russian and international practices for resolving environmental, social, occupational health and safety problems;
- Development of systems and procedures to provide awareness of the assumed obligations among the personnel, partners and contractors;
- Ensuring occupational and industrial safety for the personnel and contractors; improvement of personal and collective protective equipment; personnel training in using protective equipment;
- Priority hiring of personnel from among residents of areas in close proximity of the industrial facilities of our agroindustrial holding;
- Prohibition on hiring minors and underage citizens;
- Strict compliance with the rights of women workers and protection of their interests;
- Organization and development of the personnel education in environmental and occupational safety issues;
- Solution of problems relating to environmental pollution and environmental impact risks arising from manufacturing processes implemented at our production facilities; taking measures to avoid or minimize the adverse impact of the production facilities of the agroindustrial holding on the health and safety of the population in its zone of influence;
- Environment monitoring; waste, sewage and industrial emissions analysis; striving for better environmental characteristics of the company's operations;
- Organization of the company's production operations strictly in compliance with the environmental legislation and on the basis of the appropriate regulatory, legal, licensing and technical documentation specifically developed for our production facilities.
- Lessening the load on the environment through recycling industrial and communal waste; delivery of specific waste types to specialized reprocessing companies;
- Preservation of the primordial fertility of agricultural (arable) land;
- Land reclamation;
- Protection, reproduction and efficient management and accounting of utilized natural resources;
- Conservation of natural landscapes and of floral/faunal biodiversity;
- Reporting on operations, the scope of impact on the environment and the material inputs of our company into environmental protection
- Protection, conservation and development of the cultural heritage of the territories near the company's production facilities;
- Neighborliness. Consulting on environmental and social issues; disclosure of information about the company's activities; prompt response to the locals' claims and proposals.

## ***2. Scope of Assessment of New Projects (Assets) (in compliance with the IFC Action Standards and Recommendations)***

In designing projects to build new properties (assets) or reconstruct the existing ones, OOO Belgrankorm assumes the obligation to develop *Environmental Impact Statements* for every project taking the best possible account of all related risks; such statements will be based on the IFC Recommendations (proposed problematic issues), on the IFC Action Standards requirements, on proposals for eliminating or minimizing the adverse impact of the new/reconstructed property on the environment, human safety and health.

## ***3. Management System and Standards***

- Enhancement of the management system of the company's economic sectors.
- Study of the IFC regulations (translated from English) for the following industry sectors: cattle breeding, poultry farming, crop production (annual crops), milk processing, meat processing, poultry product processing; analyzing, generalizing and comparison of the above regulations with the current RF legislation; development of the corporate branch-specific compulsory regulations; training of relevant specialists and providing of production management with the sets of the above documents to create the base for organization of activities to ensure compliance with the requirements therein.

## ***4. Organizational Potential***

- Enhancement of the holding company's organizational chart and management system (alterations and additions to production units' staffing schedules to be made);
- Redistribution of responsibilities and powers of the environmental specialists and managers (alterations and additions to the provision on affiliates (production facilities) to be made);
- Formulation of the duties and responsibilities of the particular officials and the bounds of their competencies and terms of reference regarding social and environmental issues (an order to be issued on appointment of persons in charge with simultaneous formulation of their responsibilities);
- Ensuring of sufficient human resources (by hiring of necessary specialists);
- Ensuring of sufficient financial resources for solution of social and environmental issues (to be provided for as current and long-term finance plans are developed);
- Ensuring of the management's constant attention and support in solution of social and environmental issues (control over and consideration of progress of actions aimed at solution of social/environmental issues at conferences, meetings, boards of directors and other official events);
- The above mentioned actions and efforts will give purpose and consistency to efforts to resolve whatever issues may arise.

### **- 4.1. OOO Belgrankorm Environmental Management Chart:**

- Deputy General Director: general management;
- Production Facility Managers: organization of the on-site environmental actions;
- Environment, Labor Safety and Health Administration: supervision and coordination of production facilities' environmental actions;
- Production Facility Environmental Officers: implementation of on-site environmental actions and monitoring (Table 1).

Table 1

No.	Production Facility	Staff member in charge of environmental issues	Responsibility	Training in the current year	Training in the next year	Remarks
1	Melovskoye	I.A. Reshetnyak	See Table 1.1	-	According to the plan	
2	Rodina	R.A. Saenko, Deputy Director	See Table 1.1	-	According to the plan	
3	Freight transport and special vehicles	M.N. Denezhko, Chief Engineer	See Table 1.1	-	According to the plan	
4	Rakitiyanskaya svinnina 1	A.I. Erokhin, Leading Power Engineer	See Table 1.1	-	According to the plan	
5	Rakitiyanskaya svinnina 2	V.I. Rybtsov, Mechanical Engineer	See Table 1.1	-	According to the plan	
6	Rakitiyanskaya svinnina 3	E.I. Belousov, Chief Engineer	See Table 1.1	-	According to the plan	
7	BGK Rakitnoye 1	S.A. Krugovoi, Deputy Director	See Table 1.1	-	According to the plan	
8	BGK Rakitnoye 2	E.P. Proskurin, Deputy Director	See Table 1.1	-	FOGU	
9	BGK Rakitnoye 3	V.S. Bondarev, Chief Power Engineer	See Table 1.1	-	According to the plan	
10	BGK Rakitnoye 4	A.M. Kostin, Deputy Director	See Table 1.1	-	According to the plan	
11	BGK Rakitnoye	V.A. Djachkov, Chief Veterinarian	See Table 1.1	-	According to the plan	
12	BGK Ecologia	N.I. Kurbatov, Chief Engineer	See Table 1.1	-	According to the plan	
13	Semkhoz Rakitiyansky	M.B. Shapovalov, Chief Engineer	See Table 1.1	-	According to the plan	
14	PPZ and GPP (Rakitnoye)	D.L. Semikopenko, Leading Engineer	See Table 1.1	-	According to the plan	
15	PPZ and GPP (Belgorod)	Yu.F. Shevchenko, Chief Mechanist	See Table 1.1	-	According to the plan	
16	Yasnozorenskoye	N.I. Starukhin, Chief Engineer	See Table 1.1	-	According to the plan	
17	Lopanskoye	F.V. Getalov, Deputy Director	See Table 1.1	-	According to the plan	
18	Belgorodskoye	N.I. Kovalenko, Chief Engineer	See Table 1.1	-	According to the plan	
19	Tomarovskaya svinnina	Yu.V. Ignatov, Gas Equipment Engineer	See Table 1.1	-	According to the plan	
20	Shebekinskaya svinnina	V.V. Tonkikh, Foreman	See Table 1.1	-	According to the plan	
21	Rassvet	M.I. Kuchmenko, Chief Engineer	See Table 1.1	-	According to the plan	
22	Yasnye Zori 2	A.V. Gortovanov, Chief Engineer	See Table 1.1	08.11.2007 FGOU VPO BGSMA	According to the plan	
23	PPR Maysky	S.D. Varenykh, Deputy Director	See Table 1.1	-	According to the plan	
24	Gruzchanskoye	P.G. Belokon, Chief Engineer	See Table 1.1	-	According to the plan	
25	Yakovlevskoye	V.V. Sodorov, Director	See Table 1.1	-	According to the plan	
26	Tomarovskoye	A.N. Latyshev, Director	See Table 1.1	-	According to the plan	
27	BEZRK	Yu.P. Kokhanov, Chief Power Engineer	See Table 1.1	-	According to the plan	

Table 1.1

### Responsibility of Staff Member in Charge of Environmental Issues

No.	Responsibilities
1	To follow: the environmental legislation; the directions of the Administration for Environmental and Engineering Supervision of Belgorod Regional RosTekhNadzor and of the Regional Environment Inspectorate; the IFC Action Standards.
2	To fulfill routine inspections of: the territory (including adjacent zone); the state of hazardous waste storage sites, storage and handling conditions; observance of sanitary standards and regulations during storage, transportation and reclamation of wastes; to take remedial measures if necessary.
3	Organization and control over timely delivery of specific waste types to authorized municipal dumps; ensuring of observance of processing regulations for certain wastes recycling (including dung).
4	To ensure accuracy, timeliness and completeness of paper work on treatment of production and consumption wastes: the wastes movement, passing of wastes to other legal entities or private entrepreneurs for use, treatment, storage or disposal; to collect initial waste-related data for preparation of consolidated report on form '2TP-wastes'; to present the report at a stated time to the Administration for Environment, Occupational Health and Safety of OOO Belgrankorm for preparation of a summary report.
5	At detection of violations of legislation on hazardous wastes handling, to instruct department managers on obligatory remedy actions.
6	To develop draft environmental plans; to control implementation of the plans.
7	To control development and timely updating of regulative and licensing documentation in the field of nature management and wastes handling.
8	To organize and ensure timely monitoring of environment (soil, air, waters); to suggest on organizational and technical actions for reduction of actual figures to standard requirements.
9	To take measures to meet the conditions of subsurface use (underground fresh water recovery).
10	To train the personnel and to provide them with reliable information on environmental issues.
11	To take part, in cooperation with the other production specialists, in working out of suggestions on elimination or minimization of adverse impact of production processes on humans and environment.
12	To keep appropriate records and to timely present it to the interested organizations.
13	To treat the local citizens' claims and suggestions on environment pollution or adverse impacts in the zone affected by production facilities.
14	To keep and store environmental documentation.
15	To suggest on bringing to disciplinary liability of persons violating environmental regulations and polluting the environment.
16	To bar formation of non-authorized dumps of production/consumption wastes within the site and/or outside it.
17	To cooperate with supervising authorities; to facilitate organization of relevant inspections.
18	To participate in investigations on violation of environmental legislation and sanitary regulations.

#### **5. Training**

5.1. Training of staff members in charge of environmental safety in specialized educational institutions.

5.2. Holding of meetings to discuss the IFC action standards and branch regulations.

5.3. Holding of annual meetings/seminars for staff members in charge of environmental protection and safety.

5.4. Development of a plan and program for the on-site environmental education of the personnel.

#### **6. Monitoring**

6.1. Conclusion of contracts with Federal State Institution Center for Laboratory Analysis and Technical Measurements in the Central Federal Okrug (FGU TsLATI po TsFO) for fulfillment of chemical and biological analyses of:

- industrial discharges of pollutants from stationary sources;
- soil near the sites of massive accumulation of industrial wastes (dung-yards; pig dung settlement ponds; aeration grounds; places of treated sewage land disposal, etc.);

- biotesting of hazardous wastes;
- sewage (according to the FGU TsLATI po TsFO schedule for sewage-generating production facilities);
- underground waters (monthly sampling to monitor content of nitrates and phosphates) around the settlement ponds at the meat-processing plant in Rakitnoye.

### **7. Accounting**

- 7.1. Reporting in accordance with the IFC "Annual Monitoring Report" form;
- 7.2. Mandatory regular reporting on environmental issues stipulated by regulations of the RF statistic and supervising authorities;
- 7.3. Publication, in part or in full, of reports on solution of social and environmental issues in the corporate newspaper *Nasha Letopis*;

### **8. Consulting** *(by means of: local residents' gatherings; mass media announcements and articles; Internet; reception of citizens by the management of the holding company and production units)*

- 8.1. Discussion of potential environmental risks, positive and negative impacts of construction/reconstruction of production facilities on the local residents;
- 8.2. Discussion of the actions planned for mitigation, minimization, elimination of adverse impacts of production facilities on the local population; or offer of certain indemnities;
- 8.3. Discussion of the measures for the protection of the environment, including flora and fauna.

General Director  
OOO Belgrankorm  
[signature]  
E.A. Nozdrin