

October 27, 2008

Environmental and Social Action Plan: Dinant Corporation

Management Measure:		Deadline
1. Management Systems		
1.1.	Develop and implement a comprehensive Environmental and Social Management System (ESMS) which covers all business operations and is consistent with international standards (ISO 14001, OHSAS 18001) and IFC's Performance Standard 1. - Assign experienced, corporate-level staff to lead the ESMS development and implementation on both environmental and occupational health and safety issues. - Prepare a detailed plan for development and implementation of all aspects of the ESMS, including definition of roles and responsibilities along with schedule for actions, for review and approval by the lenders. - Obtain certification to ISO 14001 and OHSAS 18001 standards for the ESMS.	Within 24 months of commitment Prior to first disbursement Prior to first disbursement Within 36 months of commitment
1.2.	<u>Human Resources</u> Obtain approval from the Minister of Labor and Social Security for the draft Labor Manual, which fully incorporates the Honduran Labor Code and was submitted on July 10, 2008 and develop and implement procedures to ensure the full application of all measures. - As part of the above review and revision, comply with pregnancy and maternity requirements in accordance with the Honduran Labor Code. - As part of the above review and revision, develop an alternative working model to find a better option to regulate the maximum allowed working hours per shift (day and night) and per week. - Develop and implement a formal grievance mechanism for all workers	Within 12 months of commitment Prior to first disbursement Develop a proposal and timeframe prior to first disbursement Within 6 months of commitment

Management Measure:		Deadline
1. Management Systems		
	Undertake an independent labor audit in order to assess progress and identify any gaps remaining in implementing Dinant's new Labor Manual, and ensure compliance with national law and IFC's Performance Standard 2.	Within 12 months of commitment

Management Measure:		Deadline
2.	Pollution Prevention and Occupational Health & Safety	
2.1.	<u>Waste Management</u> - Carry out a study of stack emissions from all boilers, and prepare a plan, with costs and schedule, to address any noncompliance with Honduran laws and regulations and with IFC guidelines for PM, SO₂ and NO_x. - Implement the agreed plan to bring all stack emissions into compliance, as per the agreed schedule. - Plan and implement measures to bring all wastewater discharges to public surface waters into compliance with Honduran laws and regulations and with IFC guidelines.	Prior to first disbursement As scheduled Within 24 months of commitment
2.2.	<u>Distribution Network and Warehouses</u> - Undertake a rapid internal assessment of EHS risks (including traffic safety, emergency planning, fuel storage, waste management, etc.) covering the entire network of warehouses and vehicles owned and operated by Dinant Corporation, using a questionnaire and reviewing the accident statistics, and develop an annual internal monitoring procedure for these facilities and vehicles. - Develop and include standard language for traffic safety and fuel storage requirements in contracts with any transportation subcontractors.	Within 12 months of commitment Within 12 months of commitment

Management Measure:		Deadline
2.3.	<u>Fire and Life Safety</u> Carry out a formal fire and life safety review, according to IFC Guidelines, of all facilities by a certified professional, and prepare a plan for implementation of any required corrective actions within a time frame acceptable to the lenders.	Within 6 months of commitment

Management Measure:		Deadline
3.	Community Health and Safety	
3.1.	Develop and implement a formalized grievance mechanism in accordance with IFC's Performance Standard 1 and international good practice in order to ensure that specific concerns of communities are received and addressed (also see IFC's Stakeholder Engagement Good Practice Handbook for guidance).	Within 6 months of commitment
3.2.	- Carry out a rapid community risk and impact assessment for all of Dinant's operations. - Develop a corporate-wide community engagement strategy commensurate with identified risks and impacts that is satisfactory to the lenders.	Within 12 months of commitment Within 12 months of commitment
Management Measure:		Deadline
4.	Sustainable Agriculture	
4.1.	Audit all palm oil production and processing operations and prepare a workplan and schedule for meeting international standards for sustainable palm oil production (including the RSPO Principles and Criteria, and other standards as available) and achieving independent certification. - Obtain RSPO certification, or equivalent, for sustainable palm oil production. - Obtain sustainable agricultural management certification (GlobalGAP or other equivalent certification acceptable to the lenders) for good agricultural management of other crops as appropriate for each of them.	Within 4 months of commitment Within 36 months of commitment Within 36 to 48 months of commitment

Management Measure:		Deadline
4.2.	- Develop and implement a formal Pesticide Management Plan covering pesticide selection and handling, application and storage, staff training, safety requirements including health monitoring, disposal of containers, and related issues, consistent with Honduran laws and regulations, IFC policies and guidelines, and FAO guidance. - Suspend the use of any pesticides that are listed in the Stockholm Convention, and dispose of any remaining stocks as appropriate.	Within 12 months of commitment Prior to first disbursement Within 6 months of commitment
4.3.	Develop a land acquisition protocol which specifies procedures to ensure that all land acquisition complies with company policies on land acquisition and land use, and IFC Performance Standard 5.	
4.4	<u>Supply Chain Management:</u> - Develop environmental and social criteria for the evaluation of existing and prospective independent producers of palm oil - Develop and implement a training program for independent producers of palm oil (especially small holders) regarding the correct application, handling, storage, and disposal of pesticides as well as other agricultural practices	Within 24 months of commitment Within 36 months of commitment