

#27963 MODERN KARTON
ENVIRONMENTAL AND SOCIAL ACTION PLAN – May 15, 2009

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NO	ACTION	DUE DATE
	Social and Environmental Management Systems	
1	Develop and maintain an environmental permit register for Eren Holding companies. (After first submission to IFC, the updated version will be regularly provided together with the Annual Monitoring Report.)	Dec. 2009
2	Revise the Eren Holding Paper and Packaging Group's organization to create corporate Health, Safety and Environmental (HSE) management function to ensure consistent HSE approach and performance tracking throughout its plants.	Dec. 2009
3	Formalize a requirement to conduct an environmental and social due diligence of the facilities and lands where the operations are terminated. Provide IFC with the draft procedure for due diligence. The due diligence will be conducted prior to use for other purposes and / or transition to third parties of the facilities and/or lands. Unless other conditions occur, this will primarily apply to Modern Karton equipments, buildings and relevant facilities of PM 1-2 lines which have been closed.	Prior to any transition or sell out
4	Complete establishment of integrated and systematic health, safety, environmental and social accountability management systems for all paper and packaging operations and relevant facilities in compliance with international management system standards as well as with IFC's Performance Standards. Achieve certifications for ISO 14001, OHSAS 18001 and SA 8000.	Dec. 2010
	Labor and Working Conditions	
5	a. Establish a documented retrenchment framework as defined in the ESRS. b. Develop a corporate Human Resources Policy which explicitly incorporates the core labor standards and labor rights including freedom of association as well as management responsibilities of non-discrimination and provision of equal opportunity. The draft policy will be shared with IFC before publishing. c. Publish the agreed policy and ensure effective communication to the employees. The policy will be made visible at the workplaces of paper group companies and associated facilities. d. Conduct a labor audit to review current Human Resources policies and procedures, and compare with current labor laws and regulations as well as with IFC's PS2 requirements. of IFC, for the operations in the paper group and associated facilities considering both direct and contracted workforce. Share with IFC the results and agree a Labor Action Plan developed accordingly to close gaps if any identified by this audit. e. Implement the Labor Action Plan. Commission an agreed independent labor expert to review compliance of Human Resources policies, procedures and practices in line with the Labor Action Plan, local requirements and PS2. The audit findings will be reported to IFC and if any gaps remain, a supplemental action plan will be agreed with IFC to close the gaps. The implementation of this supplemental action plan will be under IFC's supervision.	Condition of first disbursement (Items 5.a, b, c,d) Condition of second disbursement (Item 5.e)
6	Develop and implement a mechanism to assess and control potential child labor risks in the supply chain in relation with the waste paper collection operations.	Dec. 2009
7	Make a specific assessment on machine guarding at all operations and implement upgrading program accordingly.	June 2010
8	a. Amend medical emergency response conditions; i. increase the number of first aid team members to represent at least 10% of the workforce at Modern Karton, ii. review the infirmary services' adequacy and the occupational physician's service duration at all plants, make accordingly re-organization and provide additional resources as necessary. b. Ensure audiometric tests are included at pre-hire health checks.	Dec. 2009
9	Extend Behavioural Safety Programs to all facilities and increase employee awareness through encouraging and promoting reportings on near miss accidents, observations on behavioural safety, job safety analysis, tool box talks, and other communication needs as readily implemented at Modern Ambalaj)	March 2010

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10	Ensure work permit and lock-out/tag-out procedures (primarily for dangerous tasks of hot work / welding, work at height, confined space entry and work at chemical and/or energized lines) are in place and safe working rules including use of PPEs are always respected. Extend current procedures and practices at Modern Ambalaj Corlu to the other plants. Develop an inspection system to ensure full implementation by the employees and contractors.	Dec. 2009
11	a. Complete at all locations revision of fire safety and emergency plans to be submitted to the authorities. b. Complete contract agreement for the preventive maintenance of the fire safety installations and implement the maintenance program at Modern Karton and other plants as necessary. c. Commission a fire safety professional to review fire safety installations and make additional provisions as necessary at the facilities of Modern Karton, Ambalaj and Enerji. (Primarily improve fire fighting means in Modern Enerji Control Room). d. As planned, install fire detection and alarm systems at Modern Ambalaj facilities as a minimum protection measure.	Dec. 2009 Dec. 2009 Dec. 2009 Dec. 2010
12	Review preventive maintenance program and ensure that all safety critical equipment are operated and maintained by certified professionals.	Dec 2009
13	Review risk assessment and ensure that work with pressurized air, safe storage of paper rolls, adequacy of emergency showers at bulk chemical storage areas, stand-alone workplaces are included and mitigation measures are taken at Modern Karton, Ambalaj and Enerji facilities.	June 2010
14	Ensure a systematic, extended workplace monitoring plan is in place for all Modern Karton, Ambalaj and Enerji facilities at each processing area and warehouses. The monitoring plan will include indoor air pollution control, noise and illumination measurements.	June 2010
	Pollution Prevention and Abatement	
15	a. Complete documentation of wastewater treatment and monitoring procedures at Modern Karton, Ambalaj and Enerji facilities to ensure that; i. all parameters within the local pollution control regulations and IFC guidelines are monitored (AOX, total N, total P, heavy metals, toxicity to be added to the current monitoring program), performance tracked, and upgrades implemented accordingly where required in line with the industry best practices. ii. permanent monitoring system is established for critical parameters (pH in priority) before final discharge, automated sampling is conducted and frequent (daily) analysis including the final discharge point of treated wastewater are made. This will enable identification of abnormal conditions and proactive troubleshooting at the wastewater treatment plants. iii. sludge is analyzed and disposed in compliance with Turkish regulations. b. Complete acquisition of the discharge permits according to the new regulations and provide IFC with the copies. c. Provide monitoring program for condense waters at Modern Enerji . Establish a treatment system for reuse of condense waters and ensure there is no discharge to the environment prior to treatment according to local regulations and IFC requirements. d. Review biological treatment systems at all plants and make sure a tertiary treatment (eg: chlorination, ozone treatment) and monitoring are in place where the treated effluents are discharged to the environment.	June 2010 Dec. 2009 June 2010 June 2010

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16	a. Provide IFC with the updated air emissions report for Modern Karton and the latest report for the co-generation plant. b. Send IFC the air emissions permits for Modern Karton, Modern Ambalaj and Modern Enerji. c. Review air emission monitoring reports and conduct additional analysis as necessary to ensure that all parameters are covered in line with the IFC's requirements and actions are taken for compliance.	Sept. 2009 Dec. 2009 June 2010
17	a. Establish a procedure to ensure appropriate disposal of the obsolete equipment containing ozone-depleting substances and other hazardous materials including asbestos, PCBs, etc. b. Replace halocarbon containing fire extinguishers with those with non-ozone depleting chemicals. c. Complete replacement of R-12 and R-22 containing refrigerants with non-ozone depleting refrigerants.	Dec.2009 Dec. 2010 Dec. 2010
18	Review hazardous chemicals handling and storage practices and procedures. Provide adequate spill containment measures (ie. Secondary containment, adsorbent material) at all areas where chemicals are handled and stored.	March 2010
19	Review technical feasibility to replace hazardous chemicals used in the processes and in maintenance activities with non-hazardous or –if this is not possible- with less hazardous materials. (Priority to be accorded to the replacement of trichloroethylene and completion of the on-going feasibility study for use of enzyme based decoloring agents.)	June 2010
20	Provide within Annual Monitoring Reports (AMRs) information describing energy and water use and conservation measures implemented and planned, and greenhouse gas emissions.	At AMR submission dates as defined