

Environmental and Social Action Plan
Belcorp – Colombia - 29549
October 31, 2011

#	Action	Deliverables	Due Date
Environmental and Social (E&S) Assessment and Management Systems			
1	Belcorp will expand the coverage of the Environmental and Social Management Systems (ESMSs) to the new production plants. Belcorp will reinforce its Environmental and Occupational Health and Safety (OHS) unit(s) to ensure consistency in the management of environmental and social issues across the existing and new manufacturing sites (including during construction). The ESMS will include but not be limited to: • Optimization in the use of resources such as water and energy; • solid waste reduction, classification and disposal; • Management of liquid effluents; • Control of air emissions from boilers and potential Volatile Organic Compounds (VOCs) sources; • Management of hazardous materials; and • Emergency response plans.	Corporate environmental and OHS unit reinforced. Copy of structure and responsibilities	March 2012
		Time-bound action plan for the implementation of the management system (i) Colombia (ii) Mexico	6 months before operations begins for each plant
		Reports on implementation Environmental and Social Management Systems (ESMSs)	Once the plant is operational. Report annually in the AMR
		Internal or external audit results showing implementation of the ESMS management system (i) Colombia (ii) Mexico	18 months after operations begins for each plant
2	Belcorp will implement a mechanism to assess and follow up on labor, environmental and occupational health and safety elements of the Third Party Manufacturers (TPMs).	Copy of the assessment framework, including checklists and proposed follow up mechanism.	March 2012
		Sample of a conducted assessment and corrective actions proposed.	August 2012
		Reports on implementation of the mechanism	Report annually in the AMR
3	Belcorp will further develop and detail the E&S management plans to mitigate potential environmental and social impacts during construction of the Project. Belcorp will obtain and submit copies to IFC of the locally required environmental and social studies, permits and licenses for the construction and operation of the new production facilities previous to initiate the construction, installation and operation of the projects.	Environmental management plan submitted to IFC (i) Colombia (ii) Mexico	Three months before construction begins for each plant
		Copies of the environmental and social permits and licenses for both plants.	As Project develops
Labor and Working Conditions – Occupational Health and Safety			
4	The company will complete the implementation of the recommendations of the explosive atmospheres study/program in the Tocancipa plant aligned with the construction of the new plant; an interim corrective action plan to address urgent aspects will be implemented.	Interim corrective action plan to address urgent aspects.	March 2012
		Interim action plan completed	August 2012
		Report on the implementation of the electrical risk study/program	Once the new plant in Colombia is operational.
5	The company will undertake a risk assessment of areas where flammable solvents and materials are handled, including the nail polishers filling and packaging area of at the Tocancipa plant; considering fire safety and occupational exposure of employees, a corrective action plan will be agreed and implemented.	Copy of the Risk and OHS assessment, with corrective action plan.	March 2012
		Report on the implementation of corrective actions	August 2012

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6	Belcorp will identify and implement mechanisms to reinforce the workplace housekeeping program in the Tocancipa plant. The program will include but not be limited to ensure adequate assemble of temporary hoses/pumps, electrical arrangements and control of product leaks/spills.	Copy of the strategy and actions to be implemented	March 2012
		Reports on the implementation of the corrective actions	Report annually in the AMR
7	An independent OHS audit will be performed at the largest TPM in Peru and corrective actions implemented. The audit must include at a minimum an assessment of fire hazards, chemical hazards (including exposure to solvents and extraction systems), explosive atmospheres, machinery guarding, management of cranes and mobile equipment, and ergonomics.	Audit results and corrective action plan agreed between the TPM and Belcorp	March 2012
		Reports on the implementation of the corrective actions	December 2012
8	Belcorp will implement mechanisms to ensure that contractors performing construction activities for the project maintain health and safety plans, train and provide their employees necessary safety protection, follow OHS procedures and overall comply with their labor and OHS obligations according to local law and IFC's PS2 requirements	Description of the mechanisms defined to ensure compliance	Three months after signature of loan agreement
		Copy of contracts including labor and OHS obligations and procedures of implementation of mechanisms defined above (i) Colombia (ii) Mexico	Prior to signature of the construction contracts
Pollution Prevention and Abatement			
9	Belcorp will consider local and WBG limits for the design of the emissions and effluents controls for the new manufacturing plants and will monitor and report to IFC the air emission levels (including volatile organic compounds where indicated by process requirements) and liquid effluents parameters to ensure compliance with local and WBG limits when operating at normal conditions.	Monitoring reports for air emission levels and liquid effluent parameters showing compliance with WBG limits (i) Colombia (ii) Mexico	10 months after each plant starts operations
10	Belcorp will review and upgrade the storage of flammable materials in the Tocancipa plant, providing adequate conditions of ventilation and fire and spill protection. If required, a new flammable warehouse will be constructed.	Report on storage conditions for flammable materials and action plan acceptable to IFC to correct deficiencies identified.	March 2012
		Report on the implementation of the action plan and implementation of the upgrades.	6 months after the Colombian plant begins operations.
Community Health, Safety and Security			
11	Emergency plans for the new production plants will be developed and training provided to employees and as needed to nearby communities.	Emergency plans and evidence of training. (i) Colombia (ii) Mexico	6 months after each plant begins operations.
Community Engagement			
12	The company will continue to maintain transparent communication with the beauty consultants, the company will reinforce its ethics code and policies and will review its external grievance mechanism to guarantee that complaints regarding its sales model are addressed.	Updated grievance mechanism for beauty consultants	August 2012
		Report on enforcement practices and grievance mechanism.	Report annually in the AMR

AMR: Annual Monitoring Report