

## 6. Environmental and Social Action Plan

Task Title/Description	Anticipated Completion Date	Indicator of Completion
<p>ESMS Policy: The overarching Policy statement will be strengthened to align with the 2012 Performance Standards. Once updated, the policy will be communicated to contractors and suppliers</p>	11/30/2017	ESMS Policy Updated and communicated to all staff, contractors and suppliers.
<p>ESMS Identification of Risks and Impacts: Gandules will update its risk management process to (a) Review its risk assessment whenever there is a change in processes, technology, activities or an expansion; (b) Improve identification of risks and impacts of its operations to communities on a periodic basis</p>	<p>a) 11/30/2017 b) 11/30/2017</p>	<p>a) Risk assessment process reviewed b) Upgraded risk management procedure addressing communities</p>
<p>ESMS Management Programs: Gandules shall: a) Formalize ESMS management procedures for community engagement including on-going reporting to communities; and a community grievance mechanism; b) Formalize management procedures for supply chain management; c) Implement ESMS management procedures for integrated pest and disease management; d) Implement ESMS management procedures for a Code of Conduct for the security personnel at the Company facilities, and manage each identified risk in alignment with the Voluntary Principles (VPs) on Security Forces and Human Rights of the United Nations</p>	<p>a) 12/15/2017 b) 03/30/2018 c) 8/30/2018 d) 11/30/2017</p>	<p>a) ESMS procedure for community engagement including on-going reporting to communities; and a community grievance mechanism b) ESMS procedure for supply chain management c) ESMS procedure for integrated pest and disease management d) ESMS procedure for Code of Conduct for the security personnel</p>
<p>ESMS Organization Capacity and Competency: Gandules will present to IIC a copy of the internal memorandum appointing a corporate level environmental and social person with managerial responsibilities exclusively for environmental and social issues, reporting to Corporate Human Resources Manager</p>	10/31/2017	Copy of Memorandum appointing a corporate level environmental and social person
<p>ESMS Emergency Preparedness and Response: Update its emergency preparedness and response procedures to: a) Account for emergency planning to involve communities; b) Regular review of the</p>	<p>a) 12/15/2017 b) 03/31/2018</p>	a) Updated Emergency Preparedness and Response procedures

<p>training programs for Emergency Preparedness and Response; c) Review its emergency response procedures whenever there is a change in processes, technology, activities or an expansion</p>	<p>c) 12/15/2017 and Duration of Loan</p>	<p>for external emergency management b) Procedure for the review of training program c) Procedure to update emergency response</p>
<p>ESMS Stakeholder Engagement: a) The Company will enhance environmental and social communication with external stakeholders. b) Enhance its existing website to keep external parties informed and include a clearly visible tab and name of contact person at Gandules for accessing a grievance mechanism's contact points and associated information to express concerns and complaints about Company operations; c) Issue annually in the website, a report meeting the Global Reporting Initiative's Guidelines</p>	<p>a) 04/30/2018 b) 06/30/2018 c) 06/30/2018 and Duration of Loan</p>	<p>a) Updated communication procedure with external stakeholders b) Website updated with name of Gandules contact person for accessing a grievance mechanism's contact person and associated information to stakeholders c) Website annual report meeting Global Reporting Initiative's Guidelines</p>
<p>ESMS Community Grievance Mechanism: The Company will: a) Develop, operationalize, ensure training for all staff, and publicize a Corporate Community Grievance Mechanism (GM) at all locations. The GM shall be designed to receive, accept, analyze and respond to complaints from affected communities, and the general public regarding its operations and transport operations. The implemented mechanism shall include public external communication to public for dissemination of the grievance mechanism and how individuals may register grievances publicly or anonymously with the Company, brought to the attention of senior management, and resolved; b) Any event will be recorded in the Annual Report to IIC</p>	<p>a) 03/31/2018 b) Duration of Loan</p>	<p>c) Corporate Community Grievance Mechanism implemented. d) Report any GM events in the Annual Report to IIC</p>
<p>PS 1 ESMS Compliant: a) The Company is required to demonstrate a 2012 PS1 compliant Corporate Environmental and Social Management System (ESMS). To close gaps and demonstrate compliance of the ESMS, Gandules will provide to IIC its Procedures Manual for review and clearance; b) Compliance with the 2012 PS1 ESMS</p>	<p>a) 11/30/2018 b) 03/31/2019</p>	<p>a) Procedures manual for the ESMS b) PS1 ESMS Compliant</p>

element requirements will be verified by IIC through a site supervision visit		
<p>Outstanding labour lawsuits:</p> <p>Every six months, Gandules will report to IIC the progress in solving each of the pending labour lawsuits of former employees</p>	01/31/2018 and onwards	Report to IIC every six months showing progress in solving pending labour lawsuits
<p>Training Sessions on Labour Law 27360: Gandules will:</p> <p>a) Ensure that details of Law 27360 are explained thoroughly during induction, when addressing the labour and working conditions; b) Provide continuous refreshment sessions on Law 27360 to workers</p>	a) and b) 01/31/2018 and Duration of Loan	Annual report to IIC with section showing number of training sessions on Labour Law 27360
<p>Employee Grievance Mechanism (GM):</p> <p>Gandules will:</p> <p>a) Revise and review the GM procedure to ensure that worker grievances can be presented anonymously; b) Records will be maintained on actions taken by Gandules, feedback provided, and signed agreement by the employee on resolution of each grievance</p>	a) 10/31/2017 b) 10/31/2017 and Duration of Loan	<p>a) Updated Employee GM procedure to ensure grievances can be presented anonymously</p> <p>b) Records of all GM incidents reported in Annual Report to IIC</p>
<p>Fire Safety:</p> <p>At all locations, fire drills will be performed regularly with participation of the local fire department</p>		Annual report to IIC with section showing number and details of fire drills, with documentary photographic evidence of participation of the local fire department
<p>Supply Chain:</p> <p>Gandules will implement:</p> <p>a) A corporate supply chain policy to ensure sustainable purchasing procedures. b) Conduct field audits and follow up procedures by the Company will ensure adoption of PS6 and PS2 requirements and that there will be no events involving illegal land clearance or child labour in their supplier operations (compliance with ILO</p>	a)10/31/2017 b) Duration of Loan	<p>a) Corporate supply chain policy</p> <p>b) Annual Report to IIC with section of field audits showing contract growers compliance with PS6 and PS2 requirements, and</p>

Conventions 138 on Minimum Age, and 182 on Worst Forms of Child Labour). Gandules will also ensure that contracted growers/suppliers implement environmental and social practices in line with the 2012 Performance Standards		their operations aligned with the 2012 Performance Standards
Women at Gandules:  Gandules will adhere and follow the standards of the Economic Dividends for Gender Equality (EDGE). The Company might consider several activities to enhance existing women welfare and opportunities at work	01/31/2019	Operating procedures implemented in accordance with EDGE, with a plan to enhance existing women welfare and opportunities at work
Resource Efficiency:  The Company will develop and implement a management system procedure to align energy and water consumption at the processing facilities with international industry benchmarks	Duration of Loan	Annual Report to IIC with section showing targets for water and energy resource efficiency
Irrigation Water and future Land Expansion:  At San Pedro, any envisioned increase in cropping area beyond 732 Ha will require hydrological and hydrogeological studies, and numeric modeling, showing sustainability of the water resource use, without negative impacts on other water users (farmers, communities)	Duration of Loan	Hydrological and hydrogeological studies, and numeric modeling, showing sustainability of the water resource use
GHG emissions:  Gandules will implement a Management System procedure for Emissions Inventory of Greenhouse Gases to be reported annually to IIC	07/15/2018 and Duration of Loan	Report to IIC GHG footprint annually
Wastewater Management:  The Company will assess wastewater quality at the points of discharge, and compare against regulatory standards for Peru, applicable WBG General EHS guidelines for soil and fresh water discharge, establish a baseline, and report to IIC. If continuing assessment indicates deterioration, Gandules will take specific action to mitigate the situation	10/31/2017 and Duration of Loan	Annual Report to IIC with section on wastewater quality reports at the points of discharge
Pesticide Management:  Gandules shall a) eliminate the use of WHO Class 1a/1b; b) provide adequate PPE based upon MSDS and/or ICSCs for the materials used; c) present to IIC documentary evidence of the training of employees	a) Duration of Loan b) Duration of Loan	a) WHO Class 1a/1b and Class2 chemical formulations eliminated

<p>handling pesticides specifically in the use of adequate Personal Protection Equipment (PPE) based upon MSDS and/or ICSCs; d) will continuously monitor the cholinesterase levels in workers applying pesticides</p>	<p>c) Duration of Loan d) Duration of Loan</p>	<p>b) Report on PPE use based on MSDS and/or ICSCs pesticide hazard c) Annual Report to IIC with documentary evidence of the training of employees handling pesticides d) Annual Report to IIC with annual cholinesterase report</p>
<p>Integrated Pest and Disease Management (IPDM): Gandules will: a) engage a team of international Ph.D. level multidisciplinary consultants (fungal, viral, bacterial plant pathogens, entomology, and parasitic nematodes) to develop and implement an Integrated Pest and Disease Management Programme (IPDM); b) Gandules will implement the IPDM Programme as designed by international consultant's report; c) The Company will fully incorporate integrated pest and disease management procedures into the ESMS Procedures Manual; d) the IPDM programme shall be also implemented at Gandules contracted grower/suppliers operations</p>	<p>a) 12/15/2017 b) 07/15/2018 and Duration of Loan c) 08/30/2018 d) 11/30/2018 and Duration of Loan</p>	<p>a) Copy of contract of team of international Ph.D. level multidisciplinary consultants b) Integrated pest and disease management Programme implemented c) IPDM procedures into the ESMS Procedures Manual c) Report on IPDM programme implemented at contracted grower/suppliers operations</p>
<p>Community Health, Safety and Security: Gandules will: a) develop a Community Engagement Plan and Company Code of Conduct for community engagement; b) further enhance procedures to ensure transport minimizes community health and safety risks, including accident prevention measures, such as appropriate speed limits and safe driving practices</p>	<p>a)and b) 01/31/2018</p>	<p>a) Evidence of implementation of Community Engagement Plan and Company Code of Conduct b) Procedure for safe transport</p>
<p>Community Grievance Mechanism (GM): Gandules will develop a community grievance mechanism (GM) that may be used by the community to express concerns about the company operations and impacts. As part of the ESMS, Gandules will formalize and operationalize a Community Grievance Mechanism to collect and act upon any complaints or concerns of communities. The implemented</p>	<p>03/31/2018</p>	<p>ESMS procedure for Community Grievance Mechanism</p>

<p>mechanism shall include dissemination of the GM, training of workers on the GM, and how individuals may register grievances publicly or anonymously, brought to the attention of senior management, and resolved</p>		
<p>Security Management Plan and Operating Procedures: Gandules will manage security forces in accordance with PS4 requirements as described in paragraph 12 – 14, and will provide a means for communities to channel complaints about the Company’s security arrangements or personnel. Develop a Code of Conduct and Security Management System procedures for security personnel, provide human rights training, and prepare a corporate level procedure to address and manage each identified risk in alignment with the Voluntary Principles (VPs) on Security Forces and Human Rights of the United Nations</p>	<p>03/31/2018</p>	<p>Security Operating procedures in accordance with PS4 requirements, including alignment with the UN Voluntary Principles on Security Forces and Human Rights</p>
<p>Chance Find: Gandules is required in the ESAP to develop provisions for managing chance finds through an ESMS “Chance Find Procedure” which will be applied in the event that cultural heritage is discovered. The Company shall obtain CIRA certificates (Certificate of non-existence of archeological remains), following Peru’s national legislation from the Ministry of Culture. At the end of the Chance Find assessment, the Company will present to IIC the report duly approved and endorsed by Peru’s Ministry of Culture</p>	<p>Duration of Loan</p>	<p>ESMS Chance Find Procedure and CIRA certificates obtained</p>