

## **Environmental Classification and Issues**

This is a category III project according to the IIC's environmental and labor review procedure because it could produce certain effects that may be avoided or mitigated by following generally recognized performance standards, guidelines, or design criteria. Environmental and labor considerations related to the project include management of liquid effluents and solid waste, handling and storage of hazardous materials, personal safety, and emergency response.

### **Liquid Effluents**

The vessels that dock at Puerto SAE do not clean their bilges or tanks. Bilge water is occasionally drained by an authorized local company, which treats and disposes of it. The following documents are always prepared: off-loading manifest, special waste transport manifest, certification of receipt of waste at the plant, and certification of treatment and final disposal of waste. These procedures fall under the oversight of the Prefectura Naval Argentina.

Specific control procedures have not yet been implemented at Terminal de Bahía Blanca, but the procedures will be the same.

### **Solid Waste**

The Company's operations do not generate a significant volume of solid waste. The waste that is generated is not hazardous. At Puerto SAE, solid waste is collected by an authorized company that dumps it in a municipal landfill. At Terminal Bahía Blanca, solid waste is collected by a company under contract to the Consorcio de Gestión Puerto Bahía Blanca, an agency that regulates, controls, and oversees port activities at Bahía Blanca.

### **Handling of Hazardous Materials**

Because Puerto SAE deals almost exclusively with fruit, the only hazardous material handled on the premises is the ammonia used in the cooling equipment. Ammonia is transported in standard cylinders. The ammonia tanks are in an outside location. The machine rooms are ventilated and have emergency exits. Workers receive appropriate training and are provided with protective masks as well as contingency plans. The contingency plans for ammonia leaks are set out in the Company's Occupational Safety and Health Manual.

The forklifts used for loading and offloading trucks are electric. There is a special battery charging area that is separate from the other buildings. It is appropriately ventilated and has a system of troughs that drain any fluid spills into a blind chamber for subsequent treatment.

### **Personal Safety and Emergency Response**

The Company's safety policies and procedures are set out in its Occupational Safety and Health Manual, which is currently being revised. The manual covers organization, safety policy, general safety standards, procedures, risk evaluation, and training. The standards also apply to contractors working on Company premises.

The contingency plans cover fuel leaks, fire, person overboard procedures, ammonia leaks, and sodium carbonate spills. The plans define responsibilities and provide basic information on potentially affected areas and resources, and suggest courses of action.

The terminal has an alarm system and firefighting equipment in the dock facility. There is also a pressurized fire extinguisher network that covers the entire port facility. Emergency exits and

evacuation routes are marked by signs.

### **Labor Practices**

Terminal Patagonia is in compliance with domestic labor laws and International Labour Organization (ILO) standards. Terminal employees are members of four different unions. Each union has a collective labor agreement for its members.

In addition to mandatory participation in health plans established by law, Terminal Patagonia provides a specialist in occupational medicine. Workers receive regular check-ups and a post-employment medical examination. There is mandatory life insurance for all employees, as well as occupational accident insurance (ART, for its name in Spanish: Aseguradora de Riesgos de Trabajo).

### **Monitoring and Reporting**

Terminal Patagonia shall develop an Environmental Management Plan (EMP) satisfactory to the IIC to ensure compliance with domestic regulations and the IIC's environmental and workplace safety and health guidelines. The EMP will include a timeline for implementing environmental and safety and health procedures for Terminal de Bahía Blanca, following guidelines similar to those in place at Puerto SAE. Terminal Patagonia will also submit a yearly report on (i) liquid effluent and solid waste management; (ii) health, occupational safety, and emergency response training; and (iii) accidents.