

1. Environmental Classification

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. The main environmental and labor considerations related to the project are: liquid effluent and air emissions management, noise, solid waste management, labor practices, fire safety, personal safety, and emergency response. The company is ISO 9001:2008 certified for manufacturing high capacity wind power equipment.

2. Main Environmental Impacts

Liquid Effluent Management

Liquid effluents from the company's manufacturing plants come from the washrooms. Organic load is the only pollutant in the effluent. After being filtered, it passes through an anaerobic reactor and, through a second anaerobic filter before it is discharged into a watercourse. Sludge is separated by gravity and removed for subsequent reuse as fertilizer by an authorized company. WPE plans to add a chlorination unit prior to final disposal of the liquid effluent in a watercourse.

Air Emissions

The most significant air emissions are related to the application of resins and varnish to the stator coils and their subsequent oven-drying, which can cause the release of Volatile Organic Compounds (VOC) into the atmosphere. An assessment of the facilities did not reveal any health risks for the workers. The facilities have permits from the local regulator (Companhia Pernambucana de Meio Ambiente - CPRH). Risks are mitigated by filtering the air emissions and adopting adequate protective measures.

Solid Waste Management

Most solid waste consists of packing materials for various supplies on the assembly line. This is not hazardous waste, and most of it is recyclable (metal, wood, paper, plastic, etcetera). A company is engaged to recycle the waste.

Domestic waste is sent to a sanitary landfill, while special waste (resin scraps; chemical ink, varnish, and solvent containers; contaminated rags; and used boots, gloves, masks, and helmets) is removed by a specialized company for incineration. An annual statement of industrial solid waste (Declaración Anual de Residuos Sólidos Industriales-DARSI) is submitted to CPRH.

Handling of Hazardous Products

In addition to resins, varnishes, and paint, WPE uses some chemicals for cleaning parts and as solvents that are considered hazardous. Because some of these products are regulated, WPE has a business license from the Brazilian federal police. Chemicals are stored in a special, controlled location with impervious floors and anti-spill compartments. The personnel that handle the chemicals receive specific training and adequate protective gear.

3. Personal Safety and Emergency Response

The plants have a pressurized firefighting system with hydrants and sprinklers, in addition to extinguishers throughout the plant. There are smoke detectors and manual fire alarm buttons.

The company has internal brigades that handle emergencies, take prevention measures, and tend to and evacuate accident victims in the event of an emergency. There is an emergency manual for accidents, fires, and environmental hazards (spills and leaks). The manual describes the responsibilities assigned to the emergency coordinator and his/her collaborators, as well as the procedures to follow in each case and the communication systems to be used.

For work accidents in particular, a manual establishes the procedures to follow, the communications system to use, as well as the information to be recorded to enable assessment and follow-up of the accident. The internal accident prevention council (Comisión Interna de Prevención de Accidentes -CIPA) consists of members selected by personnel and the company. CIPA continually oversees security conditions, analyzes accidents, and makes recommendations for the company to implement. A plant risk map is used to work on accident prevention measures.

4. Labor and Social Issues

WPE complies with domestic labor laws. Mandatory core labor standards include social security benefits, freedom of association, organization of workers' unions, prohibition of forced labor and exploitative and abusive child labor, and nondiscrimination in the workplace. WPE employees have voluntary union membership and a collective labor agreement with Sindicato de Metalúrgicos de Pernambuco.

WPE employees and their dependents have medical, hospital, and dental coverage through a private insurer. They also have life insurance. Employees are required to submit to a medical checkup when they first join the company, and to annual medical checkups. The types of medical tests depend on each employee's specific work functions.

5. Monitoring and Reporting

WPE will prepare an Environmental Management Plan (EMP) to ensure compliance with domestic regulations and the IIC's environmental and workplace safety and health guidelines. The EMP shall provide for a yearly report on liquid effluent and solid waste management; health, occupational safety and emergency response training programs; and accident reporting.