## **Environmental and Labor 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. The main environmental and labor considerations related to the project include liquid effluent and air emissions management, noise, solid waste management, labor practices, fire safety, personal safety, and emergency response.

**Liquid effluents.** Liquid effluents from the company's industrial plants are from the restrooms and washing the floor; they contain some nonhazardous compounds (solutions containing rubber). The effluent's only pollutant is its organic load. At the Pilar plant, effluents are treated by aeration, decanting by adding flocculants, and chlorination before discharge into the industrial park's common collection system. The Monte Chingolo plant uses aeration ponds; effluents are then chlorinated before being discharged into the Las Perdices stream, which runs through a pipe. The company is studying whether to replace this system with a compact biological treatment plant.

The plant generates smaller volumes of solvent, oil, enamel, lacquer, and varnish waste and water contaminated with these products or with hydrocarbons, which are disposed of as special waste through authorized companies in keeping with regulations.

**Air Emissions.** Coater and printer driers run on natural gas. The principal air pollution risk is from the dye, varnish, and paint drying processes. These gases contain volatile organic compounds (VOCs) that are emitted by solvents as they evaporate. They are captured and burnt using natural gas as fuel. Post-combustion VOC levels are in line with national and international regulations.

**Noise.** Cutting, printing, and handling metal containers is noisy. Additional noise is generated by such auxiliary equipment as compressors and vacuum pumps. All plant personnel are required to use hearing protection equipment.

**Solid Waste Management.** The company generates large volumes of recyclable solid waste, such as scrap metal and wood from pallets. Metal is valuable and is returned to the tinplate supplier for recycling. Enamel, lacquer, and varnish drums are collected by authorized recyclers. Hydrocarboncontaminated rags are disposed of as special waste.

**Fire Safety, Personal Safety, and Emergency Response.** The plants have firefighting systems and equipment. The area that houses power transformers has smoke detectors connected to sound and light alarms. The flammable products warehouse has a fixed foam-water system. The company has fire brigades trained by fire department staff. There is an emergency manual that covers accidents, fires, explosions, floods, and service interruption.

**Labor Practices.** Corandes 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. Corandes' employees are unionized. They have health insurance through Obra Social (group health insurance and other benefits scheme) and occupational accident insurance (ART). Employees receive workplace health and safety training annually.

**Monitoring and Reporting.** Corandes 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, air emissions, and solid waste management; health, occupational safety, and emergency response training; and accident reporting.