

1. Overview of Scope of IIC E&S Review The environmental and social due diligence on the Securepharma expansion project was conducted during the months of August and September 2016 with a field visit on September 13, 2016, and a review of the documentation provided by the company.

2. Environmental and social classification and rationale According to the IIC Environmental and Social Sustainability Policy, this is a Category B project, as potential environmental and social risks and impacts are generally limited to the project site, are largely reversible, and can be mitigated via measures that are readily available and feasible to implement in the context of the operation.

3. Environmental and Social Context The new local production facilities will be built in an existing storage facility on land already owned by the company in an industrial area in the outskirts of Santiago de Los Caballeros. As of the preparation of this summary, the work is in progress, and operations are expected to begin toward the end of the year.

4. Environmental risks and impacts and proposed mitigation and compensation measures

4.1 Assessment and Management of Environmental and Social Risks and Impacts

a. Environmental and Social Management System: Securepharma is designing an environmental and social management system to comply with the following regulations currently in force: the “General Law on the Environment and Natural Resources” (64-00) and “Regulations on Industrial Health and Safety” (522-06). It plans to implement it prior to the start of operations. The company is seeking its ISO 9000 certification (quality management system) and, in a second step, the OHSAS 18001 certification. In September 2016, Securepharma approved a series of relevant policies including a social responsibility policy, an occupational safety and health policy; a recruiting and hiring policy, and a hiring policy. Once the new production lines are operating, the company will have a person in charge of safety and the environment and a person in charge of physical safety. Both will report to the company’s general manager.

b. Stakeholder engagement, external communications, and grievance mechanism Securepharma has a social responsibility policy that establishes and regulates its activities in order to actively and voluntarily contribute to social, economic, and environmental betterment. Due to the location of the land between a highway and industrial sites, no communities will be directly affected. One possible effect could be from traffic from the trucks providing service to the company. This is mitigated by placing stickers on the trucks that give the company’s information and a number to call to lodge complaints. As part of the Project’s environmental and social action plan (ESAP), the company will formalize its procedures for receiving complaints.

4.2 Labor and Working Conditions

a. Working Conditions and Management of Worker Relationship The social responsibility policy includes a general commitment to supervise the working and health conditions of workers. The provisions are detailed in the occupational health and safety policy, approved in September 2016. The company declares itself to be fully compliant with the legal provisions in force as established in the Workplace Health and Safety Regulations (Regulations 522-06) of the Dominican Republic. Securepharma also has a recruiting and hiring policy and a code of conduct that must be formally signed by all its employees and contractors. New employees go through an orientation covering the code of conduct and other labor issues. A number of managers and/or responsible individuals are certified by the Administration for Health Risks at Work (Administradora de Riesgos Laborales de Salud), and attend annual training. The company also offers all staff annual training on labor and health risks. Securepharma ensures non-discrimination and equal opportunities in both its recruitment and hiring policy and its training policy, both approved in September 2016. A suggestion box is available to employees should they wish to submit a complaint or suggestion and forms part of a grievance process in which the employee will receive a response from management within a certain amount of time. This right is established in the code of conduct.

4.3 Resource Efficiency and Pollution Prevention

a. Resource Efficiency The company’s social responsibility policy commits to general concepts of efficiency in the use of resources, including reviewing the company’s energy efficiency; correct use of water; the fight against climate change; environmental and social risk assessment; and supervision of supply chain adjustment. Securepharma’s production does not result in hazardous waste. No liquid chemicals are involved, and the water it uses will pass through a treatment plant before being directed to the drainage system that leads to the city’s wastewater

system. The main solid waste includes cardboard, plastics, and scraps of Spulance (the raw material used to make the wipes), which will be recycled or reused. 4.4 Community Health and Safety a. Community Health, Safety and Security Due to the aforementioned location of the company's land in an industrial area and next to a highway, no communities are directly and negatively affected by Securepharma's production. The company is establishing a procedure for putting up evacuation signs, and the fire department will be inspecting the factory annually once it starts operating. b. Security personnel Securepharma hires security personnel from a specialized company. To comply with the Project's ESAP, the company will develop a policy and protocol on the use of security guards that includes hiring requirements. Security personnel will have to go through orientation on the Voluntary Principles on Security and Human Rights.