

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. The main 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

Most of the water used at the winery is for washing grape bins, tanks, pipes, winery implements, floors, and oak barrels. Water is also used in the cooling system. The water is treated by pH correction and aeration and is then used for irrigation.

Solid Waste

Vegetable matter from pruning and rachis from crushing the grapes are turned into the soil. The marc obtained when separating the must after pressing is sent to distilleries for processing. Empty chemical containers are triple-washed, perforated, and buried in keeping with local standards per Cámara de Sanidad Agropecuaria y Fertilizantes de Argentina regulations. Solid domestic-type waste is collected by the municipal service.

Handling of Hazardous Materials

The winery uses caustic soda and sulfurous gas as is standard in the industry. The Company has a storage area for these oenological inputs. Chemicals are stored in small amounts at specific locations. All workers who handle hazardous materials are provided with safety equipment and pertinent training.

Personal Safety and Emergency Response

The Company is drafting an emergency prevention and safety manual. Training in occupational safety and health and fire and accident prevention is provided. The winery has fire detection and firefighting systems. Emergency exits and evacuation routes are marked by signs.

Labor Practices

Fincas Patagónicas is in compliance with domestic labor laws and International Labour Organization (ILO) standards. The employees do not belong to a labor union, but their working conditions are in keeping with the collective labor agreements in place for vineyard and winery workers, respectively. There is mandatory life insurance for all employees, as well as occupational accident insurance (ART, for its name in Spanish: Aseguradora de Riesgos del Trabajo).

Monitoring and Reporting

Fincas Patagónicas will 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 shall provide for a yearly report on (i) solid waste management; (ii) health, occupational safety, and emergency response training; and (iii) accidents.