

1. Environmental Classification

This is a category III project according to the IIC's environmental 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 water sources, management of liquid effluents, handling of hazardous waste, solid waste management, labor practices, personal safety, and emergency response.

The company has international certifications of good agricultural and manufacturing practices for both its fields and its packing plants, allowing it to enter European and North American markets. These include the following: BRC Global Standard for Food Safety, SA 8000:2001, BASC, LEAF, GlobalGAP, Tesco Nurture, SMETA and Fundo Verde (SENASA - Peru).

Each farm has its own environmental plan containing an environmental assessment, a description of activities, and guidelines for managing soil, water, crops, fertilization, pest control, waste management, energy use, protection from occupational risks, and environmental protection. IPSA carries out integrated pest control for which it has laboratories that grow beneficial insects and fungi, as well as biological areas and corridors allowing beneficial birds, mammals, reptiles, and insects to develop.

2. Main Environmental Impacts

Sources of Water

IPSA takes its water from wells properly registered with the national water agency Autoridad del Agua, a division of Peru's Ministerio de Agricultura. Both chemical and microbiological water quality studies are performed periodically on water for the packing plants and for irrigating the crops.

Liquid Effluent Management

Water is used in the asparagus packing plant for washing the product and the plant itself. Waste water with low organic material content is used for irrigation. Domestic type effluent from the washrooms empties into septic tanks from which it is pumped by authorized companies.

Other hazardous liquid effluents such as used oils are removed for final disposal by companies authorized by the environmental health office Dirección General de Salud Ambiental (DIGESA), a division of Peru's Ministerio de Salud.

Solid Waste Management

The principal solid waste produced in the fields is plant waste from agricultural activities. IPSA uses this plant material to produce compost. This has significant advantages for the soil, improving its physical, chemical, and microbiological structure, as well as for the atmosphere in that it reduces the emission of greenhouse gases (methane). The plant waste from the asparagus processing plant is used as feed for dairy cows.

Empty containers from the chemicals that are used on the crops and are suitable for

reuse are triple washed and removed by an organization that uses them. Containers that cannot be reused, along with expired products, used uniforms and protective gear, used PVC boots, application equipment that is no longer used, and any other item considered hazardous are disposed of through a service provider company authorized for the purpose.

Uncontaminated materials that are not recyclable or reusable (metals, plastic, wood, paper) are removed by recycling companies. Used vehicle and machinery batteries are recycled. Non-hazardous waste is sent to the municipal dump. The environmental plan details the origin, classification, and ultimate destination of each type of solid waste.

Handling of Hazardous Materials

Chemical products are handled by specialized personnel, both in storage and when used in the field. Personnel receive training and have all the necessary safety equipment. Chemical product storage areas are locked, have impermeable floors and spill containment systems, and adequate ventilation.

3. Personal Safety and Emergency Response

The packing plants have fire alarm systems, emergency lighting, and adequate signage, as well as a network of extinguishers. There is an evacuation plan in place and earthquake and fire drills are conducted periodically. There are fire, first aid, and evacuation brigades. All personnel receive annual training on safety issues.

4. Labor and Social Issues

IPSA complies with national labor laws, as well as the standards of the International Labour Organization (ILO). Mandatory core labor standards include social security benefits, freedom of association, organization of workers' unions, and nondiscrimination in the workplace. All workers doing field work are company employees, whether temporary or permanent. Outsourced personnel are not used. Employees are not affiliated with any union, although there is an employees' delegates committee that represents them before the company and the authorities.

All employees have medical coverage from the government (ESSALUD) or private entities. The company has nurses and social workers to provide care to the employees.

5. Monitoring and Reporting

IPSA 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 shall provide for a yearly report on liquid effluent and solid waste management; health, occupational safety, and emergency response training programs; and accident reporting.