

MASISA - CHILE
Environmental and Social Action Plan (ESAP)

No.	Action	Deliverable	Delivery date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts			
1.1	Policy		
1.1.1	Update the Company's Sustainable Development Policy, including community health and safety requirements.	Updated Sustainable Development Policy Document.	120 days after signing the loan agreement.
1.2	Identification of Risks and Impacts		
1.2.1	Specify goals and key performance indicators (KPIs) for gender risks.	Goals and key performance indicators (KPIs) for gender risks.	Two years into entering the loan agreement.
1.2.2	Develop a Company protocol for the prevention, sanction, and eradication of abuse, workplace and sexual harassment of employees.	Protocol for the prevention, sanction, and eradication of abuse, workplace and sexual harassment.	90 days after signing the loan agreement.
1.2.3	Disclose the protocol for the prevention, sanction, and eradication of abuse, workplace and sexual harassment of employees.	Evidence that the protocol has been disclosed.	180 days after signing the loan agreement and afterwards as part of the Environmental and Social Compliance Report (ESCR).
1.3	Emergency Preparedness and Response		
1.3.1	Update the Mapal Plant Emergency Response Plan, including: i) the identification and assessment of natural disaster risks (earthquakes and flooding); and ii) action and response protocols.	Updated Mapal Plant Emergency Response Plan.	180 days after signing the loan agreement.
1.3.2	Update the Cabrero Plant Emergency Response Plan, including: i) the identification and assessment of natural disaster risks (earthquakes and flooding); and ii) action and response protocols.	Updated Cabrero Plant Emergency Response Plan.	180 days after signing the loan agreement.
1.4	Stakeholder Engagement		
1.4.1	Update the Company's Corporate Social Management and Community Relations Procedure, incorporating relevant information on related plans and expected impacts.	Updated Corporate Social Management and Community Relations Procedure.	180 days after signing the loan agreement.
1.4.2	Communicate the Corporate Social Management and Community Relations Procedure.	Evidence that the Corporate Social Management and Community Relations Procedure has been communicated.	360 days after signing the loan agreement.
1.4.3	Where applicable based on the results of point 1.4.2., adapt action plans in line with the social management levels outlined in the Corporate Social Management and Community Relations Procedure: i) basic; and ii) development.	Adapted Social Management Action Plans.	Once a year, as part of the ESCR.
1.4.4	Implement the adapted social management action plans.	Evidence that the Social Management Action Plans have been implemented.	Once a year, as part of the ESCR.
1.5	External Communication and Grievance Mechanisms		
1.5.1	Adjust the external grievance management procedure, including the following items: i) receipt mechanisms; ii) registration, monitoring, and analysis procedures; iii) response mechanisms; iv) mechanisms for communication and disclosure to external stakeholders; v) review procedure carried out by senior management to assess the system's effectiveness; and vi) procedure for incorporating the results of processed grievance in public reports.	External grievance management procedure.	360 days after signing the loan agreement.
1.5.2	Periodically report on the implementation of the external grievance procedure.	Report on the external grievance mechanism.	Once a year, as part of the ESCR.

PS 2: Labor and Working Conditions			
2.1	Internal Grievance Mechanism		
2.1.1	Develop an internal grievance procedure, specifying the following: i) mechanisms for receiving grievances from Company employees, as well as the employees of contractors and subcontractors; ii) the means of assessing these grievances; iii) the way in which grievance resolution is monitored; iv) the way in which the mechanism is assessed and improved; and v) the way in which the mechanism is communicated and disclosed.	Internal grievance procedure.	180 days after signing the loan agreement.
2.1.2	Implement a training program on the use of this mechanism, to be implemented and disclosed among all personnel.	Evidence of training on use of the internal grievance mechanism.	360 days after signing the loan agreement and afterwards as part of the ESCR.
2.1.3	Periodically report on the implementation of the internal grievance procedure.	Report on the internal grievance mechanism.	Once a year, as part of the ESCR.
2.2	Supply Chain		
2.2.1	Request compliance of wood fiber suppliers with the protocol established by the Chilean Wood Corporation (CORMA).	Certificate of Compliance with the CORMA Protocol.	Once a year, as part of the ESCR.
PS 3: Resource Efficiency and Pollution Prevention			
3.1	Resource Efficiency		
3.1.1	Carry out an inventory of greenhouse gas (GHG) emissions from all of the Company's activities in Chile.	Inventory of GHG emissions.	After completing the first year upon entering into the loan agreement.
3.1.2	Update the GHG emissions inventory annually (Scope 1 emissions from stationary sources).	Annual report on GHG emissions.	Once a year, as part of the ESCR.
3.1.3	Incorporate Scope 3 (value chain) estimations.	Annual GHG emissions report.	Once a year, as part of the ESCR.
3.2	Pollution Prevention		
3.2.2	Monitor air quality in accordance with the stipulations of local regulations and the IFC/World Bank Environmental, Health, and Safety Guidelines for Sawmilling & Manufactured Wood Products.	Air quality monitoring reports.	Once a year, as part of the ESCR.
3.2.3	Monitor wastewater effluent quality to ensure compliance with local regulations and the limits established in the IFC/World Bank General Environmental, Health, and Safety Guidelines.	Monitoring report on wastewater discharge to a body of water.	Once a year, as part of the ESCR.
PS 4: Community Health, Safety, and Security			
4.1	Emergency Preparedness and Response		
4.1.1	Inform communities, when applicable, of the results of risk assessments and emergency response drills carried out by the Company at the Cabrero Plant.	Evidence of having communicated these results to the Cabrero Plant community.	Once a year, as part of the ESCR.
4.1.2	Inform communities, when applicable, of the results of risk assessments and emergency response drills carried out by the Company at the Mapal Plant.	Evidence of having communicated these results to the Mapal Plant community.	Once a year, as part of the ESCR.
4.2	Security Personnel		
4.2.1	Prepare a Physical Security Management Manual which includes issues such as professional ethics and human rights, in accordance with the IFC Good Practice Handbook on the Use of Security Forces.	Physical Security Management Manual.	180 days after signing the loan agreement.
4.2.2	Provide formal training to security personnel on human rights issues, in accordance with the IFC Good Practice Handbook on the Use of Security Forces.	Training records.	Once a year, as part of the ESCR.