

**Improving Waste Management and Resource Efficiency in Brusque, Santa Catarina – Brazil
Environmental and Social Action Plan (ESAP)**

No.	Aspect	Action	Deliverable	Delivery date
PS 1: Environmental and Social Risk and Impact Assessment and Management				
1.1	Environmental Licenses	1. Submit documentation to confirm compliance with environmental, water abstraction, and any other applicable licenses related to the Materials Recovery Facility (MRF), including updates.	1. Documentation demonstrating compliance with the requirements of licenses applicable to the MRF.	1. Prior to initial disbursement and thereafter as part of the Environmental and Social Compliance Report (ESCR).
		2. Submit documentation confirming compliance with Environmental License requirements for the Waste Management Central (WMC).	2. Documentation demonstrating compliance with Environmental License requirements for the WMC.	2. Prior to initial disbursement and thereafter as part of the ESCR.
		3. Obtain the required water abstraction permits, if drilling a new well or using an existing well for water supply becomes necessary.	3. Water abstraction permit.	3. Before drilling or using water from an existing well.
1.2	Environmental and Social Management System (ESMS).	1. Develop an Environmental and Social Management Policy.	1. Environmental and Social Management Policy.	1. Before initial disbursement.
		2. Disseminate the Environmental and Social Management Policy to all employees and contractors who work on site.	2. Evidence of dissemination.	2. In ESCR.
		3. Develop an Environmental and Social Risk and Impact Identification Matrix, including management measures to control potential risks and impacts.	3. Environmental and Social Risk and Impact Identification Matrix.	3. Eight months after initial disbursement.
		4. Incorporate all existing Environmental and Social Risk and Impact Management Procedures and Plans developed for the WMC into the ESMS, or new procedures, as applicable, to ensure complete coverage of previously identified risks and impacts.	4. Environmental and social risk and impact management procedures, instructions, and plans.	4. Six months after initial disbursement.
		5. Implement Environmental and Social Risk and Impact Management Procedures, Instructions, and Plans.	5. Evidence of implementation.	5. In ESCR.
		6. Demonstrate organizational competence and capacity to implement the ESMS's commitments and procedures by engaging a qualified environmental professional or an environmental and social consulting firm with experience to manage all the Project's environmental and social commitments during construction and operation.	6. Proof of engagement of a qualified environmental professional or consulting firm.	6. One month after initial disbursement.
		7. Update the WMC's existing Emergency Action Plan (EAP) to include other possible emergency scenarios associated with the construction and operation of the Materials Recovery Facility (MRF).	7. Updated EAP.	7. Eight months after initial disbursement.
		8. Prepare an emergency drill schedule.	8. Emergency drill schedule.	8. Eight months after initial disbursement.
		9. Submit drill and emergency results, including: i) a drill performance evaluation; and ii) reports on emergencies, including a description of each emergency, the response, an analysis of root causes and action plans to improve preparedness to respond to emergencies.	9. Reports on emergencies.	9. In ESCR.
		10. Prepare a Stakeholder Engagement Plan (SEP) that includes: i) stakeholder mapping; ii) identification of points of contact; iii) strategy and	10. SEP.	10. Six months after initial disbursement.

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		communication channels with each stakeholder; and iv) a description of the mechanism to receive, address, and respond to complaints and grievances.		
		11. Implement the SEP.	11. Evidence of implementation of the SEP.	11. In ESCR.
		12. Prepare an ESMS audit procedure that includes details of noncompliance's found, an evaluation of root causes and action plans to improve ESMS performance.	12. ESMS audit procedure.	12. One year after the first ESCR.
		13. Implement the ESMS audit procedure.	13. ESMS audit reports.	13. One year after the first ESCR.
PS 2: Labor and Working Conditions				
2.1	Human Resources Policy	1. Develop a Human Resources Policy that establishes employment conditions and guidelines, including: i) a summary of labor regulations that must be complied with; ii) work hours; iii) remunerations and benefits; iv) worker protection principles; v) the principle of nondiscrimination and equal opportunity; and vii) the principle of workers' freedom of association.	1. Human Resources Policy	1. By the start of operations.
		2. Disseminate the Human Resources Policy among all existing workers and recent hires.	2. Evidence of dissemination.	2. In ESCR.
		3. Developing a Human Rights and Anti-Harassment Policy that establishes the commitment to zero tolerance with respect to retaliations against claimants and includes provisions against: i) moral harassment; ii) sexual harassment; iii) gender violence; iv) child labor; and v) modern slavery.	3. Human Rights and Anti-Harassment Policy.	3. Before initial disbursement.
		4. Train the Project's workers (direct-hire and outsourced) in the Human Rights and Anti-Harassment Policy.	4. Evidence for training.	4. Eight months after initial disbursement.
		5. Disseminate the Human Rights and Anti-Harassment Policy.	5. Evidence of dissemination.	5. In ESCR.
2.2	Grievance Channel	1. Develop an internal grievance mechanism to receive and address complaints from the Project's direct-hire and outsourced workers that establishes: i) grievance capturing channels; ii) a list of staff responsible for managing the mechanism; iii) details on the review process; iv) reporting procedures; and v) a policy on consequences.	1. Internal grievance mechanism	1. Five months after initial disbursement.
		2. Disseminate the grievance mechanism in the workplaces, work sites, administrative offices, receptions, and other pertinent areas.	2. Evidence of dissemination.	2. In ESCR.
		3. Submit statistics regarding the internal grievance mechanism, including: i) number and types of complaints received; ii) action plans to address complaints; iii) instances of implementation of the policy on consequences.	3. Report on the complaint channel.	3. In ESCR.
2.3	Health, Safety, and Security	1. Preparing a health, safety, and security risk assessment for the construction and operation of the MRF.	1. Health, Safety, and Security Risk Assessment	1. The assessment of risks during the construction phase must be submitted three months after initial disbursement. The assessment of risks during the operational phase must be submitted by 6/30/2026.
		2. Revise the WMC's existing health, safety, and security procedures to ensure that all relevant risks arising from the construction and operation of the MRF are duly contemplated.	2. Review of the WMC's health, safety, and security procedures.	2. Before initial disbursement.

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		3. If necessary, implement the additional Health, Safety, and Security procedures that may result from the revision of current procedures.	3. Evidence of implementation of the additional health, safety, and security procedures.	3. Three months after the start of operations, if applicable.
		4. Submit evidence of third-party contractors' compliance with health, safety, and security requirements during Project construction.	4. Report on third-party contractors' compliance with health, safety, and security requirements.	4. In ESCR.
		5. Submit evidence of compliance with the WMC's health, safety, and security requirements during Project operations.	5. Report on the WMC's compliance with health, safety, and security requirements.	5. In ESCR.
		6. Submit periodic statistics on accidents involving the Project's workers (direct-hire and outsourced), including: i) number of accidents; ii) total number of lost work days; iii) frequency of injuries with time loss; iv) severity rate of injuries with time loss; v) fatalities; vi) vehicle collisions; vii) evaluation of root causes of accidents with time loss, incapacitating accidents, and fatalities; viii) action plans to improve health, safety, and security management; and ix) health, safety, and security training, including schedules, training courses, length, and frequency.	6. Report on Health, Safety, and Security Indicators.	6. In ESCR.
2.4	Third-party Workers	1. Incorporate clauses into the corresponding contracts to ensure that third-party contractors comply with the Project's commitments with respect to: i) labor laws; ii) health, safety, and security requirements; iii) human rights; and iv) environmental management procedures.	1. Copies of contracts templates.	1. Eight months after initial disbursement.
		2. Develop an inspection procedure to evaluate whether the Project's third-party contractors are complying with: i) labor regulations; ii) health, safety, and security regulations; iii) human rights; and iv) environmental management procedures.	2. Third-party contractor inspection procedure.	2. Before initial disbursement.
		3. Implement the third-party contractor inspection procedure.	3. Evidence of implementation.	3. In ESCR.
		4. Conduct periodic workplace inspections to verify whether contractors are complying with occupational health, safety, and security standards, as well as human rights.	4. Report on third-party contractors' performance.	4. In ESCR.
		5. Ensure contractors' access to grievance mechanisms that receive and address individual or Project complaints.	5. Proof of third-party workers' access to grievance mechanisms.	5. Six months after initial disbursement.
		6. Including third-party workers' complaints in the Project's grievance channel statistics.	6. Evidence of inclusion of third-party workers in the grievance channel.	6. In ESCR.
PS 3: Resource Efficiency and Pollution Prevention				
3.1	Resource Efficiency	1. Increase the share of renewable energy in the Project by buying energy in Brazil's Open Energy Market to reduce CO ₂ emissions.	1. Evidence of implementation.	1. Eight months after the start of operations.
3.2	Greenhouse Gases	1. Prepare Greenhouse Gas (GHG) Monitoring Reports, considering Scope 1 and 2 emissions.	1. Greenhouse Gas (GHG) Monitoring Reports	1. One year after initial disbursement and thereafter in the ESCR.
3.3	Pollution Prevention	1. Submit a summary of the MRF's efficiency detailing: i) total quantities of solid waste processed per month; ii) types and quantities of recycled materials sorted per month; iii) monthly disposal of recycled materials; and iv) monthly quantities of waste disposed of in landfills.	1. Reports on the MRF's efficiency.	1. In ESCR.
		2. Submit periodic reports on underground water quality monitoring using the existing Underground Water Monitoring Plan developed for the WMC.	2. Underground water monitoring reports.	2. In ESCR.
		3. If any contamination is detected in underground water, propose underground water pollution control measures with the WMC and the Project's stakeholders.	3. Reporting underground water pollution reduction measures, if applicable.	3. In ESCR, if applicable.

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		4. Implement underground water pollution reduction measures.	4. Evidence of implementation.	4. In ESCR.
		5. Submit results from the Effluent Monitoring Program developed for the WMC to demonstrate compliance with CONAMA Resolution No. 430/2011 and/or other applicable regulations.	5. Effluent Monitoring Program Reports.	5. In ESCR.
		6. If treated effluent monitoring results are not in compliance with legal requirements, implement corrective actions to adjust the treatment.	6. Report on the implementation of corrective actions, if necessary.	6. In ESCR.
		7. Submit results from the Water Quality Monitoring Program developed for the WMC to verify compliance with CONAMA Resolution 357/05.	7. Water Quality Program Report.	7. In ESCR.
		8. Submit reports on the Construction Waste Management Plan (CWMP) implementation, including hazardous and non-hazardous waste at the Project's site, and documenting: i) waste inventory; ii) conditions at temporary storage facilities; iii) environmentally safe transportation; iv) environmentally acceptable disposal; v) accidents or spills involving hazardous waste.	8. Reports on Construction Waste Management.	8. In ESCR.
		9. Submit on-site hazardous waste management reports, including: i) hazardous waste inventory; ii) quantities and types of hazardous waste stored at temporary storage facilities; iii) hazardous waste transportation manifests; iv) final hazardous waste disposal certificates; v) spills and accidents involving hazardous waste.	9. Report on hazardous waste.	9. In ESCR.
		10. Incorporate into service contracts with pest control companies' clauses prohibiting the use of Class Ia (extremely hazardous) and Ib (highly hazardous) under the WHO Recommended Classification of Pesticides by Hazard.	10. Copies of types of contracts.	10. As of the start of the operational phase .
		11. Verify that the pest control service has not used any WHO Class Ia or Ib pesticide.	11. Proof of verification.	11. In ESCR.
PS 4: Community Health, Safety, and Security				
4.1	Traffic Safety	1. Develop a Traffic Safety Plan to reduce risks of accidents, including: i) using best efforts to implement traffic signage, adopting and monitoring speed limits along the WMC access road. If the above items cannot be implemented, donate the appropriate items to the city government of Brusque, including traffic signs; ii) raising truck drivers' awareness about alcohol and drug usage and aggressive driving, among other practices.	1. Traffic Safety Plan.	1. One year after initial disbursement.
		2. Implement the Traffic Safety Plan.	2. Evidence of implementation	2. In ESCR.
4.2	Security Personnel	1. Develop a training plan for the WMC's security team on the United Nations Voluntary Principles on Security and Human Rights.	1. Training plan and schedule.	1. By the start of operations.
		2. Implement the training plan on the United Nations Voluntary Principles on Security and Human Rights.	2. Evidence of implementation.	2. In ESCR.
PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources				
6.1	Biodiversity Protection and Conservation	1. Establish a partnership with a Non-Governmental Organization (NGO) or specialized company to reforest a 2,000 m ² area using native Atlantic Rainforest species and monitoring it for 3 years.	1. Agreement, partnership, or contract.	1. Six months after initial disbursement.
		2. Implement the agreement, partnership, or contract.	2. Reforestation monitoring reports.	2. In ESCR.
		3. As part of the Traffic Safety Plan, install warning signs to prevent wild and domestic animals from being run over on the WMC access road.	3. Proof of warning sign installation	3. One year after initial disbursement.

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		4. Prepare an awareness-raising campaign among truck, bus, and small vehicle drivers to reduce the incidence of accidents involving wild animals.	4. Communication materials.	4. Before initial disbursement.
		5. Implement awareness-raising campaign among vehicle drivers.	5. Evidence of implementation.	5. In ESCR.