

ENVIRONMENT AND SOCIAL ACTION PLAN (ESAP)

FE INDORAMA AGRO LLC (INDORAMA AGRO)

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
PS 1 Assessment and Management of Environment and Social Risks and Impacts							
1.1	Retain a qualified and experienced team of experts, to undertake independent, semi-annual external monitoring to assess the performance of mitigation measures and to identify the need for additional or modified mitigation measures that may be necessary to meet the requirements of the environmental and social management plan (ESMP – see 1.3 below) and the ESAP. The expert will be selected by the Company in concurrence with EBRD and IFC and report directly to both the borrower and the Lenders. Lenders will provide ToR for the scope of work for independent E&S monitoring consultant.	Monitoring of EHSS risks and impacts Improved EHSS management	EBRD PR1 IFC PS1	Company resources Independent EHSS consultant	Mobilised 3 months post signing and initial desk review within a month of mobilisation. First site visit during cotton harvest in 2021 (September October 2021) Submission of site visit report by November 2021 Semi-annually over the first 2 years thereafter.	EHSS consultant identified and approved by Senior Lenders. Monitoring visits by EHSS consultant completed and reports shared and reviewed by Senior Lenders.	<ul style="list-style-type: none"> Completed. WSP appointed as E&S monitoring consultant in April 2022. First site visits for E&S monitoring completed in June and October 2022. Independent monitoring will continue twice a year.

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
					Annually starting 2024.		
1.2	<p>Fully develop and implement an integrated environmental and social management system (ESMS) in line with EBRD PR/IFC PS requirements for the operational phase. The system shall include all relevant EHSS policies, procedures, and resources to ensure appropriate identification, mitigation, monitoring and reporting of environmental and social issues associated with the Project.</p> <p>Integrate consideration of occupational health and safety and labour issues into the ESMS to ensure that environmental, social, labour, and health and safety issues are considered in an integrated manner</p> <p>The ESMS should be aligned with international best practice such as ISO 14001 and ISO 45001.</p>	Systematic management of EHSS impacts Best Practice	<p>EBRD PR 1</p> <p>IFC PS 1</p> <p>Best practice Assign responsibilities</p>	Company resources	<p>Prior to first disbursement July 2022</p> <p>July 2022</p>	<p>ESMS framework which identifies all the existing and planned EHSS policies, procedures and resources required.</p> <p>Full EHSS management system in place and implemented by July 2022.</p> <p>Full list of system documents and sample procedures provided to the Senior Lenders.</p>	<p>Completed: ESMS Framework completed in June 2021.</p> <p>Full EHSS management system draft develop by October 2022, final ESMS and implementation in progress.</p> <p>Core management plans in place. Additional plans in progress and being updated in parallel with E&S monitoring review.</p> <p>Internal Management System Internal Audits completed.</p> <p>External ISO Audit by Feb 2023.</p>

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
1.3	<p>Develop the complete set of management plans, listed in the ESIA Vol III ESMP, to the satisfaction of all the Lenders. Operational ESMPs (O-ESMPs) will include technical requirements and monitoring procedures for both direct farms and contracted farms, as well as clear designation of roles and responsibilities in the organizational structure. Monitor the implementation of construction ESMPs (C-ESMPs) by contractors. Monitor the implementation of construction ESMPs (C-ESMPs) by contractors.</p> <p>Implement and maintain such plans for the life of the Project.</p>	<p>Management and monitoring of environmental, social, health and safety issues through implementation of appropriate management and monitoring plans.</p>	<p>EBRD PR 1</p> <p>Best practice</p>	<p>Company resources</p> <p>Assign responsibilities</p>	<p>May 2021</p> <p>Aug 2021</p>	<p>Fully developed C-ESMPs and O-ESMPs received, reviewed, and approved by lenders.</p> <p>August 2021 (O-ESMPs)</p>	<p>Core management plans in place. Additional plans in progress and being updated in parallel with E&S monitoring review.</p>
1.4	<p>Establish a centralized commitment register and performance tracking system to track the progress and implementation performance of all ESMPs.</p>	<p>Monitoring of EHSS risks and impacts</p> <p>Improved EHSS management</p>	<p>EBRD PR1</p> <p>IFC PS1</p>	<p>Company resources</p>	<p>Sept 2021</p>	<p>Commitment register and tracking system received and approved by EBRD and IFC.</p>	<p>Draft completed and being updated in parallel with E&S monitoring review.</p>

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
1.5	Establish a dedicated E&S department with adequate resources to oversee development and implementation of the ESMS and ESMPs. The department should include an experienced Stakeholder relation and communications manager to ensure proactive engagement with impacted and interested stakeholders, Provide clear roles and responsibilities and job descriptions for each of the E&S positions.	Implementation of the environmental, social, health and safety management systems.	EBRD PR 1 IFC PS 1	Company resources	July 2021	EHS manager and direct reports appointed to the Project. Stakeholder relations and communications manager appointed to the Project.	Completed. <ul style="list-style-type: none"> • Quality Assurance joined in March 2022. • ESG Manager joined in May 2022. • Senior ESG Manger joined in June 2022 • Grievance Regress management Officers for Syrdarya and Kashkadarya joined in Aug 2022. • Two Community Liaison Officers joined in May and April 2022. • Recruitment of CSR Manager to manage livelihood restoration in progress.

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
1.6	Undertake in-depth gender-based violence and harassment assessment to identify risks to workers in the workplace and communities interacting with project workers in relation with the project and develop prevention and mitigation measures.	Prevention and mitigation of gender-based violence	EBRD PR1, PR2 and PR4 IFC PS1, PS2 and PS4	Indorama Agro Expert consultant	Aug 2021	(Assessment report shared and agreed with EBRD and IFC). January 2022 (Reports of GBVH incidents and allegations provided to EBRD and IFC in safe and confidential manner).	In progress

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
PS 2 - Labour & Working Conditions							
2.1	<p>Formalize Indorama Agro's approach to the prevention and mitigation of Gender-Based Violence and Harassment (GBVH) in policy provisions and procedures and articulate the requirements in the Human Resources policy. Publicize the requirements to all Indorama Agro workers, and work with contract farmers to develop their own requirements in line with Indorama's standards.</p> <p>Ensure the worker grievance mechanism is accessible to all direct workers, as well as contract farm workers, and is equipped to handle reports of GBVH in a safe and confidential manner.</p> <p>Deliver capacity building and training to key human resources personnel.</p>	Minimise risks related to GBVH for the Company, its workers, and contractors	<p>EBRD PR 2</p> <p>IFC PS 2</p>	Company resources	<p>Sept 2021</p> <p>Dec 2021</p> <p>Jan 2022</p> <p>Dec 2021</p>	<p>(Policy received, reviewed, and approved by the Senior Lenders).</p> <p>(Enhanced grievance mechanism to safely receive workplace reports of GBVH).</p> <p>Implementation of capacity building; record keeping of training carried out.</p>	<p>Same status as above 1.6.</p> <p>Grievance Mechanism is accessible to all workers in direct and contract farming operations. Grievances Mechanism recording, investigation and closing grievances.</p> <p>Grievance Mechanism is currently being reviewed and updated to enhance handling of GBVH related grievances.</p> <p>Implementation of capacity building:</p> <ul style="list-style-type: none"> • Training ongoing. • Training Conducted for all Key HR Personnel.

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
	addressing female employees' affordable childcare needs; engaging brigade leaders and agronomists to help stimulate hiring of women farm workers; and collecting gender-disaggregated data on key recruitment, retention and job progression outcomes to improve monitoring and guide decision-making.						
2.3	Develop Harassment-Free and Respectful Workplace policy and procedure and provide training to all employees.	Prompt handling of improper behaviour	EBRD PR 1 EBRD PR 2 IFC PS 1	Company Resources	July 2021	Policy received, reviewed, and approved by the Lenders. Implementation responsibilities assigned and training provided across all operations. Training records provided to EBRD and IFC.	Policy Completed in August 2021. Training ongoing
2.4	The updated HR policy will be communicated widely to workers, including the right to join multiple workers' organisations of their choosing, and steps will be taken to train all relevant managers on Freedom of Association and Collective	Ensure FACB rights are respected	EBRD PR 2 IFC PS 2	Company Resources	Sept 2021	Training provided across all operations. Training records provided to EBRD and IFC.	Completed

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
	Bargaining (FACB) rights with a view of developing a climate of mutual understanding and constructive engagement.						
2.5	<p>Conduct a labour assessment covering Indorama's workforce at directly operated cotton farms and cotton gins. Lenders to approve on the ToR and consultants.</p> <p>Based on the labour assessment findings if needed develop a corrective action plan with deadlines and dedicated resources to address all findings.</p>	Appropriate management of labour standards for direct employees	EBRD PR2/PR4	Company Resources	<p>Sept 2021</p> <p>Nov 2021</p>	<p>Labour assessment provided to Senior Lenders for approval.</p> <p>Corrective action plan approved by Lenders.</p>	<p>Labour report completed</p> <p>Corrective action plan developed in Oct 2022.</p>

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
2.6	<p>Develop and implement a monitoring system to assess the labour conditions of contract workers in contract farms during harvesting, including but not limited to, forced and child labour, and hours worked by contract farm workers.</p> <p>Provide guidance and orientation to contract farmers to follow required labour standards on contract farms and carry out regular monitoring of working conditions of both permanent workers and seasonal workers.</p>	Appropriate management of labour standards on contract farms	<p>EBRD PR2</p> <p>IFC PS 2</p>	Company Resources	June 2021	<p>Monitoring system reviewed and approved by lenders.</p> <p>Verified by independent monitoring (e.g., through independent NGOs, the ILO TPM/Decent Work programme, etc.)</p>	Contract Farming Monitoring System to assess the labour conditions developed and implemented over the two harvest seasons.
PS 3 – Resource Efficiency & Pollution Prevention							

					1.c) September 2021 and ongoing	operational subdistricts/completed redevelopment	
--	--	--	--	--	--	--	--

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
	<p>2. Continue to engage with different stakeholders through the existing Water Consumer Associations (WCA) including government and water users. In coordination with the Ministry of Water Resources and the existing WCA, Indorama Agro shall establish and implement a Water Stewardship Program to ensure allocation of sufficient water resources without compromising access by other users in all districts. This program will be based on findings of the Water Balance Model and the ongoing monitoring of water distribution for the agricultural operations.</p>				<p>2.a) By end September 2021</p> <p>2.a) By end September 2021</p> <p>2.a) Starting September 2021 and ongoing.</p>	<p>2.a) Water Stewardship Program is developed in consultation with relevant stakeholders including Ministry of Water Resources, WCA and other users in project area.</p> <p>2.b) Water Stewardship Program is implemented, across Indorama's agricultural lands currently under production, including relevant stakeholders (Ministry of Water Resources and other water users in project areas).</p> <p>2.c) Indorama Agro to submit meeting records and action items relevant to different Water Consumer</p>	<p>Water Stewardship Plan developed by October 2022</p> <p>a) Adoption of Efficient Irrigation Practices</p> <p>b) Laser guided land levelling</p> <p>c) Installed 4 nos of Rubicon meters for water consumption monitoring.</p>

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
						Associations across four districts covering Indorama Agro project areas, addressing two priorities issues; (i) Reliability and volume of releases from government delivery channels, and (ii) Transmission losses between the main canals.	
	3. Check quality of water consumed for drinking and domestic uses in the Project premises, and if necessary, treat in line with WHO drinking water standards.				3. Starting December 2021 and ongoing (to be completed before facilities become operational).	3. Results of drinking water quality tests in line with WHO standards. Treatment facility established if needed.	Water monitoring initiated and results share with Lenders in October 2022.
3.2	Drainage: Introduce strict instructions on preparation of fertilizers, pesticides, and other agrochemicals solutions. Undertake accurate identification of crops needs.	Prevent negative impacts from water drainage	EBRD PR 3 IFC PS 3	Company resources	December 2021	Training provided to Indorama Agro staff handling agrochemicals material including application and drainage limits, including monitoring records.	Completed

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
3.3	<p>Wastewater:</p> <p>Follow good international industry practice (GIIP), as set out in the IFC EHS Guidelines to ensure sanitary and industrial wastewater discharges are compliant with IFC's requirements, as the minimum level of mitigation in the absence of national legislation or applicable international guidance.</p>	Prevent negative impacts from water drainage	<p>EBRD PR 3</p> <p>IFC PS 3</p>	Company resources	December 2021	Wastewater monitoring records in line with IFC EHS guidelines.	Wastewater monitoring initiated and results share with Lenders in October 2022.
3.4	<p>Agrochemicals Use and Management:</p> <p>Amend existing Agro-pesticide Management Policy and Integrated Pest Management to:</p> <p>1. Develop a screening procedure, as part of the management plan for agrochemicals/pesticides, to regularly review active ingredients in use against WHO and EU databases to identify plant protection products which are classified as extremely or highly hazardous, or subject to phase-out or ban. In such cases,</p>	Prevent negative impacts from water drainage	<p>EBRD PR 3</p> <p>IFC PS 3</p>	Company resources	December 2021	<p>Plan for the management of agrochemicals/pesticides storage and use, including screening procedure.</p> <p>Storage and Emergency Action Plan for accidental discharge of agrochemicals.</p>	<p>Pesticides Management Plan</p> <p>Community Health and Safety Plan</p> <p>Emergency Response Plan are in place by October 2022.</p>

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
	<p>Indorama Agro will seek legally approved alternatives and utilize in accordance with the management plan for agrochemicals/pesticides.</p> <p>2. Avoid soil contamination, Indorama Agro shall (i) store hazardous materials in a manner that prevent leaks and spills with adequate bunding provided for all fuel and chemicals storage; (ii) fertilizers and pesticides solutions will be prepared in application machinery tanks or at a dedicated site with impermeable paving and a drainage system.</p> <p>3. Develop an Emergency Action Plan to respond to accidental discharge of petroleum products, pesticides and other agrochemicals into soil, drainage collectors and irrigation canals.</p>						
PS 4 - Community Health, Safety and Security							

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
4.1	<p>Undertake detailed assessment of potential community health and safety risks and impacts and develop a Community Health and Safety Management Plan covering, as necessary, issues including (but not limited to):</p> <ul style="list-style-type: none"> - Expatriate worker accommodation - Transportation, storage and use of agrochemicals and other hazardous substances - Use of security guards - Road safety measures pertaining to movement of Project Vehicles. <p>Lenders will review and approve the ToR for the assessment.</p>	Prevent or address any adverse impacts on the health and wellbeing of	EBRD PR4 IFC PS4	Company Resources Independent EHSS	August 2021	(Community health and safety management plan reviewed by and agreed with EBRD and IFC).	New completion date of April 2023.
PS - Land Acquisition and Involuntary Resettlement							
5.1	Hire a senior international resettlement specialist to extrapolate baseline information, aiming to: 1) establish a profile of the	Livelihood restoration	EBRD PR5 IFC PS5	Indorama Agro Senior international	July 2021	(International resettlement expert selected by IFC and EBRD and hired by Indorama Agro).	1) LRP Consultant on board. Baseline survey completed.

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
	<p>previous cotton farm leasers, including name, age, land areas, and current livelihood status (to the extent they are traceable and data on livelihood are available); 2) establish a profile of the farm workers on the Project, include numbers, earning levels and livelihood post the land acquisition; 3) identify and map the dimension of impacts on those farm workers and former land leasers to the extent there is reliable data available on them; 4) develop a Livelihood Restoration Plan (LRP) to mitigate and address impacts identified to meet IFC's PS5 and EBRD's PR5 requirements on livelihood restoration with timeline, budget, and detailed monitoring plan. Indorama Agro will allocate adequate resources (including financial resources) to implement the livelihood restoration plan developed.</p>			resettlement expert	September 2021	(Livelihood restoration plan developed, reviewed and approval by Senior Lenders).	3) Draft LRP Report is being finalized
5.2	Update the Community Asset Programme (CAP) with income generation	Provide additional benefits for	EBRD PR1 & PR5	Indorama Agro	September 2021	(Updated CAP received, reviewed,	After acceptance of LRP report by Lenders.

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
	programmes with concrete steps for implementation. Include a clear definition of beneficiaries to best possible extent and a monitoring program to assess impacts.	affected communities	IFC PS1 & PS5	IFC Advisory Services		and approved by IFC and EBRD).	
5.3	Monitor implementation of LRP.	Livelihood restoration	EBRD PR1 & PR5	Indorama Agro	Ongoing on a semi-annual basis; first report to be delivered by March 2022 (6 months after approval of LRP)	Monitoring reports submitted for review and approval by lenders.	Once report is finalised and accepted by all parties, IAL will develop and implement the monitoring plan.
5.4	Evaluation by an independent resettlement expert of LRP implementation progress and completion.	Ensure livelihoods are restored	EBRD PR5 IFC PS 5	Independent resettlement expert	June 2022 June 2026	Evaluation reports submitted for review and approval by lenders. Completion audit submitted for review and approval by lenders.	New completion date of July 2023. July 2026
5.5	Update the land acquisition and livelihood restoration framework for future land acquisition.	Ensure future land acquisition is managed in line with	EBRD PR5 IFC PS 5	Independent resettlement expert	January 2022	Land acquisition and livelihood restoration framework approved by Lenders.	After finalisation of LRP.

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
		Lenders' requirements					
PS 6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources							
	<p>1) BCI principles and criteria training and independent verification – Indorama Agro will prepare a Plan with detail of activities to expand full suite of BCI principles training to all existing and future contract farmers.</p> <p>2) Indorama Agro will engage a third party to independently verify implementation of the full suite of BCI principles and criteria in both direct and contract farms. The third-party independent verification activities will follow the Better Cotton Standard System assurance process.</p> <p>3) BCI approved verification organisation will be hired. Terms of reference for its engagement will be drafted and agreed with</p>	Apply Good International Practice (GIP) to cotton farming.	<p>IFC PS 6</p> <p>EBRD PR 6</p> <p>GIP</p>	<p>Indorama Agro</p> <p>Independent BCI auditor</p>	<p>July 2021 for items i to iii</p> <p>Item iv: August 2021 work plan for verification activities</p> <p>Ongoing external verification</p>	<p>i. Plan for training roll out agreed with IFC and EBRD.</p> <p>ii. Terms of reference for third party verification agreed with IFC and EBRD.</p> <p>iii. Third party verification organization appointed.</p> <p>iv. Work plan for verification activities agreed with IFC and EBRD.</p>	<p>Completed Trainings are provided on regular basis for following topics.</p> <ul style="list-style-type: none"> • HR administration in accordance with labour legislation • Procedure to familiarize farm workers with the cotton farm documents • Role of trade Unions • Occupational Health and Safety regulations • Decent Work principles for cotton pickers and farm workers. <p>During 2022 the following training workshops have been delivered in Uzbek:</p>

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
	IFC and EBRD. A work plan for verification that follows BCSS assurance process will also be prepared and agreed with IFC & EBRD.						<ul style="list-style-type: none"> • IAL Production Unit team during Feb -- April 2022. • Contract farmers and their workers during April -- June 2022. • Picker group leaders during Aug 2022. <p>Completed BCI Audit for Decent working conditions and licensing part completed for all 4 districts in Sept & Oct 2022.</p>
PR 10 - Information Disclosure and Stakeholder Engagement							
10.1	Recruitment of two female Community Liaison Officers (CLOs) reporting directly to the Company Director. Training of CLOs to have the competences to safely address any reports of gender-based violence and harassment.	Management/ monitoring of social risks	EBRD PR1 and PR10 IFC PS1	Company resources	June 2021 September 2021	(Evidence of hiring of two female CLOs). (Training records shared).	Completed: <ul style="list-style-type: none"> • Syrdarya CLO joined May 2022. • Kashkadarya CLO joined April 2022. • POSH & GBVH training provided to CLOs Aug 2022.
10.2	Undertake regular community consultations for the	Management/ monitoring of	EBRD PR1 and PR10	Company Resources	Consultation	Development of time bound plan for the	Updated Stakeholder Engagement Plan

No.	Action	Environment & Social Risk (Liability Benefits)	Requirements (Legislative, EBRD PR, IFC PS, Best Practice)	Resources	Timetable	Completion Indicator	Status
	and risks, how they were mitigated and key indicators of E&S performance (including incidents, grievance resolution etc.) in a format accessible to stakeholders.	project affected communities	IFC PS1			<p>agreed with the lenders.</p> <p>b) First annual E&S report made public on Company website and locally.</p>	February 2023.