

**UPDATE OF DRAFT FOR CONSULTATION DINANT ENHANCED ACTION PLAN
April 2015**

Proposed Action	Responsibility	Estimated Timeline (From April 2014)	Status (October 2014)	Status (April 2015)
<p>A. Security Action Plan</p> <p>Dinant has committed to Good International Industry Practice (GIIP) in the use of its security forces as follows:</p>	<p>Dinant to implement.</p> <p>IFC will monitor and supervise.</p>	<p>Estimated 9–12 months.</p>	<p>IFC advisors Foley Hoag, LLP hired in September 2014.</p>	<p>FH has completed 5 trips to Honduras since November 2014.</p>
<ul style="list-style-type: none"> Develop and implement a Corporate Security Management System, consistent with Performance Standards 4 (PS4) and VPSHR following a third party verification.* (See further information below.) 		<p>The Voluntary Principles on Security and Human Rights (VPSHR) adopted by Dinant November 2013. Review to take place and implementation by December 2014.</p> <p>The Security Consultant visited Dinant three times in 2012, three times in 2013, and most recently in February 2014.</p> <p>Full implementation expected by end of December 2014.</p>	<p>Ongoing. Review undertaken by Dinant Security Consultant. Report to IFC expected in October 2014. Full implementation expected by end of December 2014.</p> <p>Dinant Security Protocol Manual completed and implementation underway. IFC advisors will review beginning in October 2014 for any further amendments, if needed.</p> <p>Guards disarmed at Aguan and Leon Plantations and Snack SPS facilities. Guards given nightsticks, cell phones, other equipment to enhance protection.</p> <p>VPs and Dinant Policies Security and Human Rights posted at all sites. Protocols posted at all guard posts.</p>	<p>Annual Progress Report on the Implementation of Dinant Security and Human Rights Program completed Nov. 2014. FH reviewed and made recommendations. Disclosed web site January 2015.</p> <p>New Security Head (ex LAPD-US) started in November 2014. Dinant will be hiring new contractor Private Security, who will be vetted and trained on the new Security Policy and Procedures (Security Management Plan - completed).</p> <p>Aguan Valley to have all in-house direct hire Security which enables Dinant to have control over training, vetting, supervision, equipment and avoids rotational issues.</p> <p>FH has received very positive feedback re: disarming from the guards, who feel safer themselves and more trusted by communities. All weapons have</p>

			Security Consultant has satisfactorily tested guards on knowledge of protocols.	<p>been removed from all but one of the Aguan and Leon Plantations, and the only remaining weapons are locked up in a warehouse to which the guards do not have access until they can be safely transported and sold.</p> <p>FH have verified that the guards have been trained on the VPs and have a good understanding of the requirements, some suggestions made to further enhance training around various scenarios guards might encounter has been suggested and will be completed. In addition, an internal and external monitoring system will be set up to track and verify frequency, effectiveness and type of training.</p>
<ul style="list-style-type: none"> Develop and implement a comprehensive vetting process for security personnel (in-house and third party). 		Improved process adopted with further enhancements underway, to be implemented by December 2014.	Completed. All security and contractors re- vetted and complete files on record. No human rights abuses found, some guards released for domestic violence and other petty criminal activity on record.	Dinant is moving to have more in house security and limited Private Security Contractors. This process is currently underway. In the Aguan, all guards will soon be in-house. The total number of in house Security will be 244 and the Contracted Private Security will be 43. They will all be vetted and trained on the new Dinant Security Pan (Policies and Protocol.
<ul style="list-style-type: none"> Develop and implement a training program for in-house and third party security and management. 		Managers training completed February 2014. In-house and third-party security contractors	Completed, but reinforcement training ongoing for all 342 security staff. In 2014, 2200 hours of training for both contractors and in	Re-enforcement training ongoing on all modules, constant refreshers for both in house and third party guard force.

<ul style="list-style-type: none"> • Enter into any Memorandums of Understanding (MoUs) with military and police regarding any support to Dinant, outlining the roles and responsibilities of each party. 		<p>training underway to be completed by June 2014.</p> <p>Use of Force training by the International Committee of the Red Cross (ICRC) by May 2014.</p> <p>By September 2014.</p>	<p>house security.</p> <p>Completed. Actions in Confrontation and Proportionate Use of Force training by the International Committee of the Red Cross (ICRC) completed by July 2014 for all Dinant security staff.</p> <p>Ongoing. Dinant currently discussing MoUs with Government.</p>	<p>Dinant discussing MoU with GoH and Public Authorities who have not agreed to resign current MoU (Acuerdo) which previous Xatruch commander signed. Dinant has shared its expectations regarding the responsible provision of security with the armed forces and police. FH advising company of options.</p> <p>The role of Public Forces, responsibilities and the shed that Dinant has loaned the military on their property for use by Xatruch are all issues under discussion. There is a procedure developed to handle requests for support by GoH.</p>
<p>*Independent Assessment and Verification of Security Protocols:</p> <p>Dinant will:</p> <ul style="list-style-type: none"> • Engage a third party to verify their Security Management System 	<p>Dinant will engage a reputable third party with experience in the VPSHR and PS4.</p> <p>IFC will monitor and supervise.</p>	<p>May–December 2014.</p>	<p>Completed. Dinant engaged Security Consultant for ongoing advice.</p> <p>IFC retained Foley Hoag as advisors in September 2014. They will review</p>	<p>FH has reviewed the Dinant Security Management Plan and made recommendations. As</p>

<p>and develop security protocols, including an internal investigation protocol to be applied in any future incidents involving Dinant's security forces.</p> <p>Compliance Investigation of Allegations of Past Security Forces Incidents:</p> <p>In accordance with IFC's 2006 PS4 requirement that, "the client will investigate any credible allegations of unlawful or abusive acts of security personnel, take action (or urge appropriate parties to take action) to prevent a recurrence, and report unlawful and abusive acts to public authorities when appropriate,"</p> <p>Dinant will undertake the following approach:</p> <ul style="list-style-type: none"> • As per PS4, Dinant will engage a third party to conduct an investigation of credible allegations of past incidents involving its security forces to identify any non-compliance. • Where any non-compliance is found, Dinant will take corrective actions, which may include compensation and/or 	<p>Dinant will engage a reputable third party and develop a terms of reference, both acceptable to IFC.</p> <p>IFC will monitor and supervise.</p>	<p>September 2014–March 2015.</p>	<p>Dinant Security Protocol Manual, implementation of PS4/VPSHR, and other tasks as per ToR from October 2014 onward.</p> <p>Ongoing. Foley Hoag to advise IFC from Oct. 2014.</p>	<p>well, after each of their 4 trips they have made recommendations to the company on where Dinant could improve procedures. (50%)</p> <p>FH has reviewed Dinant incident reports as well as interviewed some security managers and guards about certain events and the procedures followed during the time of the allegations of past security incidents involving Dinant.</p> <p>At this time many of the former private Security Guards are no longer employed by Dinant.</p>
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<p>disciplinary actions as appropriate, as well as measures to prevent recurrence.</p> <ul style="list-style-type: none"> • Disclose a summary of the process, key findings and corrective actions. • Report any information related to unlawful or abusive acts to the appropriate authorities in charge of criminal investigations. 				
<ul style="list-style-type: none"> • Dinant will fully cooperate with the Government of Honduras special investigative unit for the Aguán Valley and actively monitor the status of investigations and press for their proper resolution. <p>This Security Action Plan will be shared and discussed with local communities as part of the community engagement process and may be revised as needed based on feedback from communities.</p>		<p>Ongoing.</p>	<p>Ongoing. Government of Honduras investigations by Special Prosecutorial Unit continue in Aguan Valley.</p> <p>Ongoing. To be completed in coordination with Foley, Hoag, Consensus Building Institute (CBI), Dinant and SNV from October 2014 onward.</p>	<p>FH has meet with the local office of the Special Prosecutorial Unit in the Aguan Valley during February 2015 field visit to notify it of Dinant's plans to investigate.</p> <p>Meeting with Attorney General in March 2015 to discuss Dinant's planned investigation and ensure that it meets national requirements.</p> <p>Delayed because CBI efforts to envision and socialize a coherent and legitimate framework for stakeholder engagement and joint problem solving / value creation (now in draft) has taken longer than expected.</p> <p>CBI and FH have jointly with members of the Plataforma Agrarian Campesino group during Feb. and /March 2015 trips, as well as other community members, to the extent possible.</p>

				Strong expressions of support from all stakeholder categories. Explicit support from the Plataforma still pending.
<p>B. Community Engagement Action Plan</p> <p>Dinant has committed to follow Performance Standard 1 with regards to their approach to community engagement, as follows:</p> <ul style="list-style-type: none"> In accordance with PS1, develop and implement a Community Engagement Plan in all Dinant's identified communities in the four regions where Dinant has operations. Communities will be given prior notice of consultation and receive relevant information in a culturally appropriate manner prior to consultation. Undertake "conflict mapping" of the Aguán Valley communities, including mapping of stakeholder groups and sources of conflict, to help inform the consultation process and identify risks, including any 	<p>Community consultations will be facilitated by reputable third party consultant with the participation of Dinant and IFC representatives.</p> <p>IFC will also engage its own consultants with experience in conflict mapping and mediation skills to support the community engagement process, undertake conflict mapping, and support Dinant consultants in developing appropriate grievance mechanisms for affected communities in the Aguán Valley.</p> <p>IFC will supervise and monitor.</p>	<p>Ongoing from January to December 2014.</p> <p>Dinant will continue with appropriate level of community engagement such as holding community forums on a regular basis, for the life of the loan.</p> <p><i>(Approximately a quarter of the total number of communities surveyed are located in the Aguán Valley and will be given priority in the roll out of the community engagement process.)</i></p> <p>By July 2014.</p>	<p>Ongoing. IFC advisor Consensus Building Institute (CBI) hired in June 2014.</p> <p>Ongoing. CBI has conducted three trips to Honduras for Pre-Participatory Engagement Process discussions.</p> <p>Meetings with multiple stakeholders including international and local NGOs, GoH agencies, farmers organizations (such as MUCA/MARCA) and other stakeholders.</p> <p>Next stage of Participatory Engagement with all stakeholders and conflict mapping expected October 2014 to February 2015.</p>	<p>Ongoing. CBI continuing role as advisor as well as facilitating the stakeholder dialogue to bring parties to the table to ultimately discuss various issues identified through the initial phase of engagement.</p> <p>CBI has undertaken 10 trips to Honduras – 6 of which have been to the Aguán Valley for meetings with Stakeholders, primarily the Plataforma (group of Campesino Organisations), as well as meetings with other community members, Government Officials, NGOs, and Bi-laterals, World Bank/IFC.</p> <p>A road map has been presented to each of the stakeholders to gauge willingness to take the discussion forward on three areas of thematic engagement – 1) enhanced consultation in Dinant zone of influence on VPs implementation / grievance mechanism adaptation / and security protocol; 2) independent observation and oversight on impunity and land tenure issues; and 3) joint visioning on inclusive development for the Aguán valley region.</p> <p>This phase has been extended by 2 months to allow for bilateral discussions with various</p>

<p>related to indigenous communities.</p> <ul style="list-style-type: none"> Complete socio-economic baseline survey of affected communities to identify current or potential negative environmental and social impacts resulting from Dinant's agricultural and industrial operations. 		<p>Dinant and consultants have completed 2,500 surveys in 44 communities affected by Dinant operations in four regions (i.e., Lean, Aguán, S. Pedro Sula, and Comayagua). Eighteen communities were surveyed in the Aguán Valley. There were seven Focus Groups held with members of the 18 Aguán Valley communities, three of these took place in areas which had a significant proportion of their population identifying as indigenous peoples (i.e., Limon, Moradel, and Silin) as of end of March 2014.</p>	<p>Ongoing. Analysis of data completed by geographical zone, reports being finalized by SNV and will be sent to IFC/CBI to review in October 2014.</p> <p>Community engagement plans to be developed based on final reports. Methodology to be sent to IFC/CBI for review expected October 2014.</p>	<p>stakeholders listed above on the CBI proposed roadmap.</p> <p>Conflict mapping still to be completed.</p> <p>SNV/Dinant have completed Socio-Economic Baseline Studies on all Dinant impacted communities with exception of 2 located in the Aguan Valley (Panama and Guadelope de Carney).</p> <p>Community Engagement Plans are in completed and to be cleared by Dinant Management (pending). They will be publically disclosed. At Comayagua meetings results were presented to communities during presentations of the GM.</p>
<ul style="list-style-type: none"> Disclose report findings to communities during the consultation process. 		<p>Draft Report to IFC May 2014.</p>	<p>Ongoing. To be finalized in October 2014 and disclosed thereafter.</p>	<p>Community meetings held to discuss Socio-economic findings with Comayagua. SPS/Leon planned March 2015. Aguan to be coordinated with CBI.</p> <p>Training by Monkey Forest International to Dinant Social Team and new Community Liaison Officers (CLO) hired for Comayagua and Lean consultation.</p>
<ul style="list-style-type: none"> Establish a corporate-level grievance mechanism (GM) for the handling of community complaints. 		<p>In progress, with consultations to begin in May 2014.</p>	<p>Ongoing. Draft GM procedures completed in April 2014.</p> <p>Focus group discussions with Comayagua</p>	<p>Grievance Mechanism (GM) reviewed by IFC, and CBI, and recommendations provided to Dinant. Final Draft cleared by Sr. Management and disclosed in Spanish and English on</p>

<ul style="list-style-type: none"> • Draft GM to be reviewed by IFC and shared and discussed with communities as part of community engagement process, and revised as needed based on community feedback. • GM will cover security-related grievances. 			<p>Communities on GM, some refinements suggested in July 2014.</p> <p>Updated draft shared with IFC/CBI for feedback in September 2014. Input by Foley Hoag expected October 2014.</p> <p>Final GM to be rolled out October 2014 onward.</p>	<p>Dinant Website in March 2015, and disclosed to local communities on the ground as community engagement meetings are held.</p> <p>Ongoing. GM presented to communities in Comayagua in December 2014. SPS/Leon March 2015. Aguan to be coordinated with CBI/FH, in recognition of need for potential adaptations that could enhance shared community confidence in the mechanism as problem solving tool.</p>
<ul style="list-style-type: none"> • Complete and implement a Community Investment Strategy. 		September to December 2014 in consultation with local communities.	Ongoing. Draft strategy being developed by SNV, to be completed by December 2014.	Draft report reviewed by Dinant, Final Report expected March 2015.
C. Progress on Corrective Actions from existing Dinant Environmental and Social Action Plan (ESAP)	<p>Dinant to implement with consultant support.</p> <p>IFC to supervise and monitor.</p>	Ongoing.	Ongoing. IFC planned supervision once plants/boilers are up and running.	Supervision visit March 23 -27, 2015 by Environmental Specialists, Environmental Consultant and Social Specialist.
<ul style="list-style-type: none"> • Certification of Environmental and Social Management System (ISO 14000/18000). 		In progress, certification expected by end of December 2014.	Ongoing. Certification expected by December 2014 for all 13 sites. Once completed Dinant will be the first company in Honduras and Latin America to do so.	<p>Certification completed for all 14 facilities by December 2014.</p> <p>Completion 100%</p>
<ul style="list-style-type: none"> • HACCP from SQF (Level II): Certification 		Completed.		

for Food Safety to enable imports to the US.				Completion:100%
• Complete and implement Pesticide Management Plan.		Completed.		Completion: 100%
• Labor Audit completed by COVERCO in Aug. 2012, implementation of corrective actions ongoing.		In progress, to be completed by December 2014.	Ongoing. As part of OHSAS 18001 Certification above, to be completed by December 2014.	Corrective Actions implemented as part of the OHSAS 18001 and completed. Review of COVERCO Audit to ensure all issues addressed, and CAP prepared if not.
• Audit of all palm oil production and processing operations and preparation of a work plan and schedule for meeting international standards for sustainable palm oil production (including the RSPO Principles and Criteria, and other standards as available) and achieving independent certification.		In progress, to be completed by December 2015.	Ongoing. Discussion with RSPO re-initiated in September 2014. Work done for ISO/OHS certification (mentioned above) will pave the way toward preparation of RSPO Certification.	Ongoing. Dinant had meetings with RSPO March 2-6 2015, optimistic that they will be asked to participate in RSPO National Interpretation Process.
• Complete work on air emissions and replacement of boilers.		In progress, to be completed by September 2014.	Ongoing. Leon Boilers 95% and Aguan Boilers 80% completed, testing underway.	Leon/Aguan Valley final testing phase underway, to be verified by IFC supervision. Completion: Implementation 95% - Stabilisation ongoing.
• Complete occupational health and safety assessment including work on life and fire safety) and implement any necessary corrective actions.		In progress, completion expected by July 2014.	Ongoing. Part of the OHSAS 18001 certification process, mentioned above.	Implementation of L and FS Audit Corrective Action Plan (CAP) underway.
• Complete Waste Water Treatment		In progress, rolling out through all plants, to be	Ongoing. WWTP San Pedro Sula Snacks 75%	SPS Snacks ongoing. All other WWTP construction

Plants (WWTP) at all operations.		completed by April 2015.	completed, WWTP Comayagua (Veg.) 90% completed, Aguamar (Soaps) 95%, Choloma expected completion end of Nov. Aguan and Leon Fertigation systems 80% completed.	completed, in final testing phase: Comayagua, Abumar (Soaps) and Choloma. Fert-irrigation Aguan and Leon Plants system obtaining zero discharge.
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