



Alliance for Water Stewardship Assessment Report

Prepared for AGRICOLA PECUARIA DEL PACÍFICO S.A.

Prepared by: SGS
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REPORT DETAILS

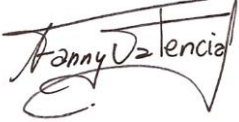
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DATE SUBMITTED:	July 01 & 16, 2021
CLIENT:	<p>AGRICOLA PECUARIA DEL PACÍFICO S.A. The certification is a Single Certification and include the sites:</p> <ul style="list-style-type: none"> Site1: Finca Agrícola del Pacífico: Dirección: Payo km. 2.5 vía a Marcelino Maridueña. Guayas - Ecuador
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1 EXECUTIVE SUMMARY

The scope of services covers the conformity assessment in compliance with the AWS International Water Stewardship Standard Version 2.0 for AGRICOLA PECUARIA DEL PACÍFICO S.A., as a stated The certification is a Single Certification and include the site:

- **AGRICOLA PECUARIA DEL PACÍFICO S.A., - Farm Agricola del Pacífico**

The assessment has been completed in compliance with AWS Certification requirements, Version 2, December 2019. This visit was carried out as **On-site audit**, and also a remote audit, using information technology tools only for documentary review due to the existing restrictions in Ecuador to avoid contagion by the COVID19 Pandemic.

In addition, the audit was conducted during the COVID period, it was followed the “Revised RECERT Interim Offsite Policy FINAL 28 June 2021”, where the requirements were fulfilled:

- It was requested an authorization for a remote audit which was granted prior to the start of the audit.
- Use of technology that will enable virtual site
- The minimum 30-day stakeholder outreach criteria: We made into a4ws.org website, the public publication for this recertification audit. Until now, we do not receive any comment for this topic. The organization published on its social networks, and they only received a good comment for this process.
- We made a 06 interview's to internal / external stakeholders defined in the stakeholder mapping

SGS has not been received any voluntary feedback from stakeholders (such as complaints, claims).

In addition, after our internal risk assessment, we made **visit on-site to the farms** to verify various issues, such as capture, discharge, infrastructure, among others. We visit the site, for tour installations and stakeholders' interview in this audit.

Given the document review undertaken, verification of evidence and site visit inspections performed, SGS recommends that AGRICOLA PECUARIA DEL PACÍFICO S.A. Finca Agricola del Pacífico is awarded AWS Core Certified status with a surveillance audit interval of annual frequency.

A total of 06 minor non-conformances were raised during the course of the audit process. The organization will be responded to the findings raised with appropriate root cause analysis and action plans as evidence for each, so the certification could be granted. The actions for the minor non-conformities taken will be followed-up at the first annual surveillance visit.

2 SCOPE OF ASSESSMENT

The scope of services covers the conformity assessment in compliance with the AWS International Water Stewardship Standard Version 2 for AGRICOLA PECUARIA DEL PACÍFICO S.A. (AGRIPEPASA) **for 01 sites:**

- **AWS-000367- AGRICOLA PECUARIA DEL PACÍFICO S.A. - Farm Agrícola del Pacífico: Payo km. 2.5 vía a Marcelino Maridueña. Guayas - Ecuador**

The assessment has been completed in compliance with AWS Certification requirements, Version 2, March 2019.

The scope for the site is:





- **Field and packing: Cultivation and packaging in conventional banana boxes for export**
- **Campo y Planta Empacadora: Cultivo y empaque en cajas de Banano convencional para exportación**

The assessment was conducted during into 2 man-days on-site, from July 01&16, 2021. Also, we include on-site visit for tour and stakeholder's interview.

SGS made a Risk Assessment AWS; to review the performance & maturity and location criteria. We determinate, that this audit; could be performed in on-site include a documentary remote review; due to the circumstances of the pandemic. The Information and Communication Technology (ICT) media used: Videoconferences by Teams meetings with the organization, tours and stakeholders' consultations. The use of ICT contributed to the effectiveness of the audit to achieve the established objectives.

During the visit, we can confirm the different aspects to the sites, that are evidence in the table 2.1.

Table 2.1: Photos Virtual Visit

FINCA AGRICOLA DEL PACÍFICO	
<p>Disclosure of the statement</p> 	<p>Catchment Well for Packaging (groundwater)</p> 
<p>Pumping system of the Catchment Well for Packing</p> 	<p>Catchment Well Flow Meter for Packing</p> 

Recirculation Process Water Treatment System



Chemical Application for Recirculating Water



Catchment for Irrigation (surface waters)



Irrigation Catchment Pumping System



Surface Water Flow Meter for Irrigation



Catchment for Irrigation (surface waters)



Irrigation Catchment Pumping System



Surface Water Flow Meter for Irrigation



3 DESCRIPTION OF CATCHMENT AND SITE

Farm AGRICOLA DEL PACÍFICO, is located at kilometer 2.5 via Marcelino Maridueña- San Carlos in the Gral. Pedro J Montero parish of the San Jacinto de Yaguachi canton belonging to the province of Guayas in the Republic of Ecuador with 436.17 hectares dedicated to the cultivation and production of conventional banana of the Cavendish variety

The geographical scope has been Field and packing plant; include Administrative Office.

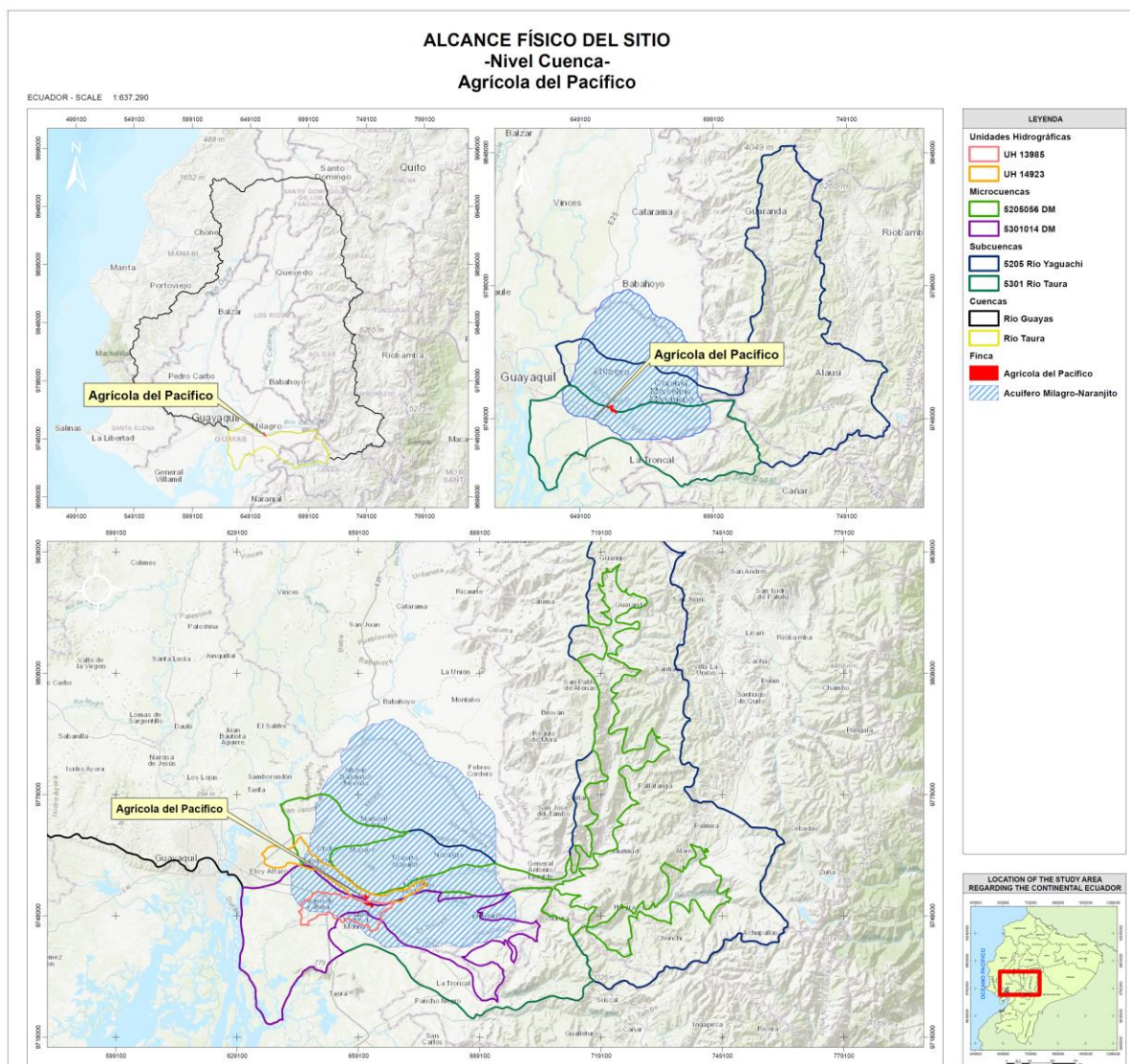
- Superficial Catchment: Guayas River
 - Sub- Catchment: Chimbo River:
 - Chimbo River and Barranco Alto River.
 - Discharge: Barranco Alto River y By pass River
- Underground Catchment: Aquifer: Milagro Naranjito
 - Water well of Milagro - Naranjito Aquifer
 - There are discharges of infiltration: Milagro - Naranjito Aquifer

For AWS, the organization defined Catchment: Chimbo River, Barranco Alto River & Milagro - Naranjito Aquifer

The water used for the process activities is supplied from 6 underground water sources from a 40-meter deep well for the extraction of water from the Milagro Naranjito Aquifer, according to studies by the Escuela Superior Politécnica del Litoral (ESPOL). In addition, water is extracted 3 extractions from rivers (2 from the Chimbo River and 1 from the Barranco Alto River).

We presented below a map in order to identify the catchment (Figure 3).

Figure 3.1: Map of Location of the Site



We obtain the description of the catchment, discharges and infrastructure of the site.

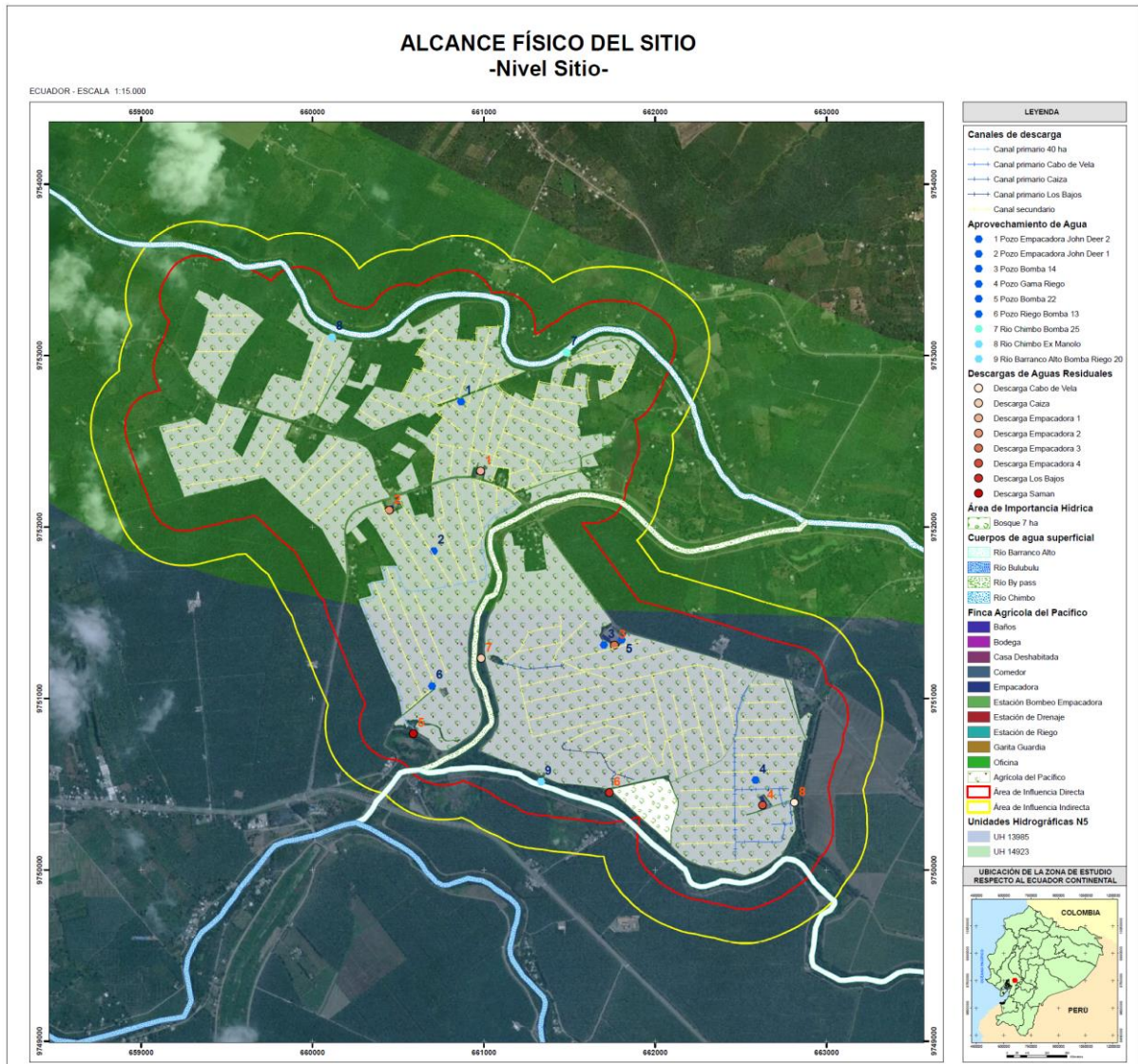
Farm Agrícola de PACÍFICO: The site has a:

- 02 point of catchment: Chimbo river
- 01 point of catchment: Barranco Alto river.
- 06 water well from the Milagro - Naranjito Aquifer
- There are 05 gravity discharges and 3 from process: Barranco Alto River y By pass River.
- There are discharges of infiltration: Milagro - Naranjito Aquifer
- It has 03 irrigation stations
- The 04 packing plants

- It has 1 purification plant in the packaging sector,
- Also, bathrooms in the field and packing area; Septic tank in field lots

We presented below a map in order to identify the site (Figure 3.2).

Figure 3.2: Map the Site



Also, the organization has a commitment in order to promote all the principals of AWS, such we evidence into the Compromise. (Figure 3.4)

Figure 3.4: Commitment of AGRIPASA



AGRICOLA PECUARIA DEL PACIFICO S.A.

Sección Banano

RUC. 0991428399001

Km. 1.5 vía a Bucay Teléfono: 0997836405

Estándar Internacional para la Gestión Sostenible del Agua
Declaración de compromiso Finca AGRICOLA DEL PACIFICO

El Triunfo, 03 marzo del 2020

Yo, Miguel Andrade Mosquera, como Representante Legal de la Cia. Agrícola Pecuaria del Pacifico S.A. y en nombre de la Finca Agrícola del Pacifico me comprometo a apoyar el objetivo del sitio para una adecuada custodia del Agua. Apoyare los esfuerzos del sitio para alcanzar los resultados de la custodia del agua que se mencionan a continuación:

1. Agrícola del Pacifico implementará y divulgará el progreso de los programas del agua.
2. Dentro de la implementación, finca Agrícola del Pacifico se alineará y respaldará los planes existentes de sostenibilidad para la cuenca de captación del recurso hídrico.
3. Motivar la participación abierta y transparente en la custodia del agua a las partes interesadas identificadas por la finca Agrícola del Pacifico.
4. Que la Finca Agrícola del Pacifico asignará los recursos necesarios para la correcta implementación del Estándar AWS

Además, Finca Agrícola del Pacifico establece los siguientes compromisos:

- Mantener los resultados de la gestión del agua en concordancia con el estándar AWS enfocado a los 5 resultados.
- Promover el cumplimiento legal y regulatorio relacionados con el agua.
- Garantizar los derechos de los trabajadores de finca a tener acceso al agua apta para el consumo, sanidad adecuada e higiene en las áreas de trabajo.
- Mantener coordinación con organismos públicos y apoyo en los esfuerzos de fomentar la planificación relacionada con el agua

Se divulgará la información relacionada con la gestión del agua a las audiencias relevantes.


Representante Legal
Propietario AGRIPASA

Rev. 01

Pag. 1 de 1

4 SUMMARY OF SHARED WATER CHALLENGES & IMPORTANT AREAS RELATED TO WATER

Shared challenges

AGRIPEPASA has identified the shared water challenges and prepared the document “Shared water challenges”. It details the water challenges which are mainly:

- **Waste management and pollution prevention in water bodies:**

Contamination of bodies of water with solid and liquid waste is permanent next to the site and throughout the catchment. The communities continue to burn or dispose of the waste to the rivers because the municipalities do not have the capacity for weekly collection.

- **Access to water**

Currently, some communities cannot easily access water for different uses because the catchments are located at considerable distances.

On the other hand, there is not enough interest and support from the cantonal GADs to facilitate and improve access.

- **Catchment water stress:**

The level of water stress in the Chimbo catchment is 30.8%, which means high; while in the Guayas basin it is 22%, which means a medium level. For this reason, this water deficit is worrisome for all the actors in the catchment since productive and human activities are put at risk at the sites and in the catchment.

Also, they include the different actions to approach those.

Important areas related to water

The organization identified for IWRA different categories for environmental, social, cultural, and economic by evaluation according to the Natural ecosystems, Vegetation coverage, Distance to the farm for the IWRA into catchment & and LMP criteria and legal authorizations for IWRA into Site. Cases:

Into the sites, the organization identified:

- Deep well (Underground) – Level of evaluation 3 – Value: water supply for surrounding communities
- River Barranco Alto, River Chimbo – Level of evaluation 3 - Value: water supply for surrounding communities

- Estero Cabo de Vela – Level of evaluation 3 - Value: water supply for surrounding farm activities

Into the catchment, the organization identified:

- KBA Tiquibuzo – Level of evaluation 1 - Value: The site is important due to its geographic location, since it is located in a transition zone between the humid forests of Chocó and the drier forests of southern Ecuador.
- Ecological Reserve Manglares Churute – Level of evaluation 4 - Value: There is the Canclón wetland, name of the species of bird that inhabits the site.
- National Recreation Area Isla Santay – Level of evaluation 3 - Value: Bird shelter
- KBA Ciénegas de Guayaquil – Level of evaluation 2 - Value: Two species of birds, one in "danger of extinction" and the other in "least concern".
- Protective Forest Chillanes Bucay – Level of evaluation 2 - Value: Protected area - Premontane Rain Forest of the Northern Andes
- Protective Forest Hacienda Shishimbe – Level of evaluation 3 - Value: Premontane Rain Forest of the Northern Andes
- Protective Forest Chilicay y Manuelita – Level of evaluation 5 - Value: In the forest you can see certain species
- Wildlife Production Reserve Manglares El Salado – Level of evaluation 4 - Value: Protected area
- National Recreation Area Los Samanes – Level of evaluation 2 - Value: Protected area

5 OBJECTIVES

There are establish the “Water Management Plan AGRIPEPASA Ver.3” where the objectives and indicators.

There is a matrix for the “Monitoring Plan”; where monitoring activities and the progress of the achievement of the objectives.

Some objectives are the follow:

1. Conserve the water resource used during fruit processing with recirculating systems
2. Conserve the water resource used during irrigation
3. Avoid contamination of surface and groundwater bodies influenced by farm activities
4. Create awareness about the water quality problem among workers and communities identified in the area of influence.
5. Provide good quality water for human consumption to all workers

6 STAKEHOLDERS & PUBLIC CONSULTATION

The stakeholder's announcements at the AWS website was updated the 07 July 2021, which was prior to the first visit on-site, and it was an open consultation any stakeholder to comment. However, no stakeholder communicated to SGS through this time.

The public consultation also include auditors member of SGS and the organization AGRIPASA made publicity into social media, boards and others; and only received a good comments for this process.

In addition, into the preliminary investigation, we have not been detected that the site has been the subject of any complaint or penalty fee related to water by any national authority.

During the audit; also, we performed different interview; in order to confirm their relevant interested and challenges related to water, If they recognize the person responsible for legal compliance of the related issues for AGRIPASA, the content of the Water Management Plan of AGRIPASA and advances&results; and also the shared actions oriented at good water management. Some cases was:

- Community Member of Cañaberal – Sector3
- Community Member of Sector3
- Community Member of Recinto Soledad - Sector3
- Community Member of Recinto Soledad - Sector2
- Worker of Finca Agricola PACÍFICO
- Worker of Head of Human Talent of AGRIPASA.

7 INDICATORS CHECKLIST

As per the requirement set out in the AWS certification requirements Section 2.11.3.1 it was prepared a checklist of all the CORE AWS indicators with the relevant reviewed evidence provided by the site and the indicator with which it is associated.

The Audit Checklist – AWS Standard V2.0 is available to any interested party.

8 AWS CRITERIA FOR SINGLE-SITE:

We also review the “AWS Certification Requirements v2.0 December 2019”

Also, we show the Single-site details into the next table.

Table 8.1: Single-site Details

SUB-CODE	FARM NAME	LOCATION	ACTIVITIES	TOTAL AREA (hectares)	GPS Latitude	GPS Longitude
01	Finca Agrícola del Pacífico	Payo km. 2.5 vía a Marcelino Maridueña. Guayas - Ecuador	Scope in English: Field and packing: Cultivation and packaging in conventional banana boxes for export Alcance en Español: Campo y Planta Empacadora: Cultivo y empaque en cajas de Banano convencional para exportación.	477	2°14'45.28" S	79°33'07.52" W

9 AUDIT FINDINGS

The findings raised during the audit were provided to AGRIPASA, who responded afterwards to the findings through an action plan sent to SGS for review. The action plan was approved by the Lead Auditor.

Relating to this Audit

Non-conformance

As a result, 06 minor non-conformance were raised during the audit process detailed at the Table below 9.1.

Table 9.1. Current Minor Non-Conformances raised during the AWS audit process

No.	Type	Ref.	Details	Causes	Action Proposed by Client
1	Minor Non-conformity	1.2.1	<p>The standard states that stakeholders and their water-related challenges must be identified. This process should: - Include all relevant stakeholder groups; and provide evidence of stakeholder consultation on related interests and challenges.</p> <p>However, a partial deviation is found</p> <ul style="list-style-type: none"> There is still a lack of documenting the identification of some interested parties within the registry "1.2.1- 1.2.2 Stakeholders and degree of influence" established by the organization for this purpose. Cases: Canton Marcelino Maridueña and Canton Yahuachi; as well as proof of the consultation of said interested parties. <p>During the interviews, some topics of interest are detected, which could be included. Cases: Mojahuevo canal cleaning, Use of irrigation water that impacts the local road to the sugarcane unit, Change of sewer cover in Dr. Jose Maria school, Water storage tanks affected for fumigation.</p>	<p>Within the mapping of the main interested parties, external government entities were not taken into account beyond the administrative limits at the Parish Board level. In addition, the process of compiling topics of interest raised with stakeholders has so far failed to identify relevant problems associated with the installed infrastructure (Canals, sewage systems, irrigation system) detailed in the interview</p>	<p>Include the missing stakeholders referenced in the audit process and add new stakeholders based on the analysis carried out by the farm.</p> <p>The interactions that the farm carries out with all its stakeholders over time will be documented through attendance records / minutes. "</p> <p>Include this cleaning in the channel maintenance plans</p> <p>Put locking mechanisms on the sprinklers so that they do not impact the local road.</p> <p>Manage the change of the sewer cover with the parish council.</p> <p>Carry out new communication campaigns on the frequencies of fumigation and the prevention measures that must be taken into account according to the farm's guide document</p>
2	Minor Non-conformity	1.3.6	<p>The standard states that important water-related areas will be identified and mapped on the site.</p> <p>However, the organization has not included the "Montañita" forest as an important area related to water in the registry "Areas of site water importance"; and therefore the management of her. Despite this, during the interviews in the audit the organization has identified it, as well as a description of its status.</p>	<p>Within the identification of sites and areas of importance, the conservation area was not considered</p>	<p>Coordinate with an external advisor a total review and verification of the main Areas of Water Importance related to the site and their level of conservation, additional will be included in the database from ""</p> <p>Areas of water importance site "", the area and its evaluation for:</p> <p>- Montañita Forest "</p>
3	Minor Non-conformity	2.1.1	<p>The rule states that a signed and publicly disclosed site statement will be identified</p> <p>Although there is a signed commitment by senior management, which establishes the commitments assumed</p>	<p>Not all mechanisms were established to disseminate the declaration to all interested parties.</p>	<p>Creation of a web page to communicate to all stakeholders the activities carried out by the site in</p>

			with AWS; this is still in the process of being disseminated to some external stakeholders (Such GAD, Municipality). There had only published for all internal stakeholders, and only for some external stakeholders (Recintos).		relation to sustainable water management.
4	Minor Non-conformity	2.3.2	<p>The standard establishes that a sustainable water management plan will be identified, which will include for each objective how it will be measured.</p> <p>Although there is a "Rev03 Water Custody Plan"; The form of measurement for 01 of the objectives has not been specified in order to be evaluated. Case: Objective 5: Maintain the supply of water for human consumption, guaranteeing its good quality.</p>	It is not possible to find out how to measure the 5 objective, in order to evaluate its compliance.	<p>Update the Water Stewardship Plan, adding the metric for the achievement of objective 5 in relation to the supply of quality water for human consumption.</p> <p>Disseminate to all stakeholders the updates made to the Custody Plan, the importance of the objectives, goals and the monitoring system that is carried out on the farm.</p>
5	Minor Non-conformity	4.1.1.	<p>The standard states that performance will be evaluated against the objectives of the site's sustainable water management plan.</p> <p>• In some cases, the performance of the established goals has not been documented even though the deadline established within the "water stewardship plan" established by the organization has already been met. Only the monitoring of the actions to achieve the objective has been documented: Case: Objective Not to exceed the water consumption (triperiodal) compared to the previous year (m3 / ha). Although we have the measurements for 2021; It is not possible to identify the quarterly evaluation, and the improvement actions if it were the case.</p>	There is a lack of follow-up, documented in terms of the results established by each of the objectives.	Generate quarterly management reports, in which the progress of each goal set in the Custody Plan is detailed, later it will be socialized with internal and external stakeholders.
6	Minor Non-conformities	5.3.1	<p>The standard establishes that a summary of the results of the sustainable water management of the site, including the quantified results in relation to the objectives, will be disclosed at least once a year.</p> <p>However, partial weaknesses regarding communication are evident. Summary results have not yet been released to some external stakeholders, and feedback is not available for some communities. (4.3.1) Despite this, it is evidenced that through the Dale Foundation, the organization is beginning to disseminate to some external stakeholders and with it feedback.</p>	The main annual indicators according to the PCA have not been compiled in a document for external dissemination, additionally, mass dissemination mechanisms that include all interested parties have not been established.	<p>Adapt a managerial summary with the information of the main indicators related to performance of the site's sustainable water management.</p> <p>Conduct external dissemination to stakeholders identifying the level of importance and commitments acquired.</p>

Observation and opportunities improvement

The certification audit for AGRIPASA against the AWS Standard is for the initial assessment and as such allows for many areas for improvement going forward.

Some observations were raised during the audit which are for future improvement, but no action is necessary during this audit period, however, these issues would most likely come under scrutiny during a surveillance audit scenario.

OBS-01. During the interviews, some external stakeholders are still not clear the shared challenges identified such Waste Management and pollution prevention in water bodies, and Access to water. Consider to reinforcing the communication with they.

OBS-02. During the interviews, some external stakeholders has not a clear knowledge of the specific water management plan, however plan is available to relevant internal stakeholders in the One-Drive and DALE disseminated by meetings in July2021

OBS-03. Consider align the names of the Water Risk Filter Matrix from Step 01 in the actions to address risks from Step 2.

10 SUMMARY

In reviewing the evidence presented by: AGRIPÉPASA., it is apparent that a considerable quantity of effort and work has been put into the preparation for the audit for Alliance for Water Stewardship Certification.

The minor non-conformances were all situations where AGRIPÉPASA. was considered to have met the AWS Core criterion requirement but were requested to make some improvements to be considered fully compliant at the next surveillance visit. Also, some of them has been identified for the same organizations and consider as a “risk” and they proposed action plan.

Observations were made during the audit, these are to be considered as areas for improvement which will likely be reviewed in future surveillance audits, no action is required on behalf of the organization during this audit cycle.

The action plan submitted to SGS in response to the findings was reviewed and evaluated for compliance to the AWS standard. All actions were accepted for implementation and the actions taken will be reviewed at the first surveillance.

11 CONCLUSIONS AND RECOMMENDATIONS

The organization has demonstrated effective implementation of its management system and is capable of achieving its policy objectives, as well as the intended results of the respective management system

Given the evidence review in visit inspections performed and remote documentary review, SGS recommends that, based on the results of this audit, **AGRICOLA PECUARIA DEL PACÍFICO S.A.** to awarded **AWS Certification Core level for the Site on a Single-site Certificate covering Farm Agrícola del Pacífico, to AWS International Water Stewardship Standard Version 2.0.**

The audit frequency is recommended to be annually.

12 REFERENCES

1. Documento guía auditoria Agriepasa
2. Mapeo del alcance físico del sitio
3. Actores interesados y Grado de influencia
4. Datos relacionados con el agua
5. Carta Compromiso Agriepasa
6. Plan de Gestión del Agua Agriepasa
7. Plan de Monitoreo AWS
8. Resultados Grupo AWS de Agriepasa
9. Entre otros