



ENVIRONMENTAL AND SOCIAL POLICY

Our corporate vision is to be the recognised as a leader in responsible and sustainable tropical plantation forestry in South East Asia. We expect to be judged on our social and environmental performance by our customers, our employees, our owners and the communities in which we operate.

AFI has developed an Environmental and Social Management System (ESMS) to implement the following policy commitments:

- Meeting applicable Malaysian environmental and social legislation, relevant international law and the requirements of the Environmental and Social Sustainability.
- Adopting responsible forestry practices certified under the Forest Stewardship Council principles and criteria.
- Identifying, assessing and managing our environmental and social impacts and risks.
- Preventing pollution and being efficient in our use of resources.
- Safeguarding biodiversity and protecting soil and water resources.
- Avoiding adverse impacts to high conservation value forests.
- Protecting any natural habitat components identified within the project as well as restoration of degraded natural forest area where those opportunities exist.
- Adding value to the local communities by providing employment directly with AFI or through the AFI Contractor program, and social development programs in the communities in Bengkoka peninsular.
- Actively engaging with and working collaboratively with local communities.
- Treating individuals, groups, and communities with dignity and respect, ensuring that there is no sexual harassment of any kind in the workplace, and providing mechanisms for any suspected occurrence to be reported directly or anonymously through the AFI Whistle-blower system.
- Education AFI customers, suppliers, and staff in AFI's strict adherence to its policy on Anti-bribery and Anti-corruption and providing mechanisms to report such prohibited activities if they occur.
- Ensuring that the AFI tree breeding program is totally free of any form of Genetic Modification of AFI germplasm, either in the research & development programs, or in the forest deployment programs.
- Providing adequate training to ensure that all employees are competent to carry out their assigned tasks in a manner which avoids adverse environmental and social impacts and risks.
- Monitoring of and striving for continual improvement in our environmental and social performance.

The ESMS defines roles and responsibilities for implementation of and ensuring conformance with the environmental and social policy.

The Environmental and Social Policy Statement and the ESMS will be reviewed on an annual basis in a Monthly Management Meeting and revised as necessary. Any changes to the policy will be brought to the attention of all employees and our contractors.

Lim Song Kuan
Chief Executive Officer

29 November 2023