

# Agro Business Group

## Sustainable Management Policy

### 1. Our History.

The history of rubber in Gabon goes back to the early twentieth century, at first with the liana-rubber trade. In the 1940s, an experimental project was planted in the province of Woleu-Ntem under the management of the colonial administration.

To diversify the country's agro-industrial activities, the Gabonese authorities decided in 1981 to promote rubber production in the area to diversify from cocoa. The HEVEGAB Company was established to plant plantations and build a factory in Mitziac from 1981 to 2003.

In 2004, the Belgian group SIAT NV privatized HEVEGAB and established SIAT GABON. Affected by the low-price trend of Natural Rubber and the collapsed economy because of COVID, SIAT NV decided to sell all their shares in SIAT GABON to the Belgian Company AGROW BV on 11<sup>th</sup> of April 2023, who baptized the company into the AGRO BUSINESS GROUP (ABG). Under the management of the ABG the rubber plantations and factory are being revived and operations have resumed.

### 2. Who we are.

ABG is a team of agronomists, engineers, and financial advisors with a lifelong experience in the plantation business in tropical Africa. Our ambition is to promote sustainable tropical agriculture by ensuring that the projects are economically viable, adding value to the social welfare of the employees on our sites and the surrounding communities whilst protecting the fauna and flora in the areas impacted by our operations.

### 3. Scope of the Policy.

This Sustainable Management policy is applicable to:

- All operations and sites of the Agro Business Group
- All smallholders, suppliers or supply chain linked to a scheme with the Agro Business Group
- All new future acquisitions of ABG, including other sectors than natural rubber.
- For future operations:
  - o If ABG begins sourcing natural rubber from external suppliers, ABG will conduct supply chain mapping and assess suppliers for social and environmental risk to prioritize risk mitigation actions.

- ABG will inform its suppliers of natural rubber that material produced and processed in accordance and conformance with the GPSNR Policy Framework will be preferred. ABG will provide time bound requirements for meeting the policy requirements, and ensuring that supplier codes and contracts, engagement activities, and other mechanisms reflect these supplier expectations."
- ABG will regularly engage the supply chain (both direct and indirect suppliers) to support their conformance with company commitments through effective incentives, support mechanisms, and purchase monitoring systems.
- In instances of supplier non-conformance with GPSNR Policy Framework, ABG will be assisting in developing time-bound implementation plans to move towards conformance and/or remediation or past or ongoing harms.

#### 4. Commitment to grow and produce sustainable natural rubber.

ABG commits to the GPSNR policy framework for producing and procuring natural rubber. ABG is implementing this through 4 different commitments (Planet, People, Profit and Transparency)

##### a. Planet

##### 1. LEGALITY AND RESPECT FOR THE ENVIRONMENT

ABG commits to protect the environment by:

- Complying by all local, national, and international laws
- Respecting the High Conservation Value (HCV) and High Carbon Stock (HCS) areas by doing third party assessments, protecting, and monitoring them.
- Preserving biodiversity, including rare, threatened, and endangered flora and fauna (hunting is prohibited; hunting of protected species is sanctioned as serious misconduct).
- Supporting wildlife protection activities in areas of influence
- Protecting water courses within the concession by creating, reestablishing, and maintaining buffer zones.
- Protect and not cut trees in conservation areas (BDP, HCV, HCS, buffer zones, etc.).
- Implementing reforestation programs for land set aside for conservation when necessary.
- Continuous improvement in environmental performance through periodical internal and external audits.
- Certifying its rubber activities through the ISO 14001 environmental management system.

## **2. POLLUTION PREVENTION**

ABG commits to pollution prevention by ensuring that:

- Monitoring of the environmental impacts of its operations and the effectiveness of mitigation measures through environmental analysis (at minima noise levels, air quality, surface and ground water quality, effluent quality) is carried out.
- Use of hazardous materials and products is avoided, substitutes are used wherever feasible, and all reasonable steps are taken to protect the environment when such products must be used, stored, and disposed of.
- The use of pesticides is limited by using Integrated Pest Management methods. Only duly validated products are purchased, and this excludes all chemicals classified as Ia or Ib by the WHO and banned by the Rotterdam and Stockholm conventions.
- Appropriate spill prevention and spill management procedures are implemented where environmental hazards exist.: All waste types are adequately managed through reducing, recovering, sorting, reusing, and recycling, including effluents, and no industrial waste is buried on site.
- Greenhouse gas emissions are evaluated on a yearly basis and emission minimization and mitigation plans are developed and implemented.
- Water quantity and quality are protected.
- Soil quality is protected.
- The development of or sourcing from natural rubber plantations on peat, regardless of depth, extent, or status (wet, drained or dry) is forbidden.

## **3. NATURAL RESOURCES USE AND ENERGY**

ABG is committed to using natural resources in a sustainable manner and therefore therefor commits to:

- Minimize the use of fossil fuels and use renewable energy wherever feasible.
- Maximize efficient use of natural resources throughout its operations, particularly those that are not renewable.
- Control and minimize energy use linked to transport, thermic equipment, engines, and electricity usage.
- Apply best industrial, agronomic and management practices recommended by recognized organizations to minimize and control erosion, improve long-term soil fertility, and reduce consumption and maintain adequate quality and quantity of fresh water.
- commit to conduct restoration for all deforested and degraded rubber landscapes.
- Offer or support training for natural rubber producers, including smallholders, to improve yield and quality.

#### **4. ZERO BURNING**

ABG is committed to implementing a strict zero burning policy and ensuring that:

- Fire is not used in any operations, including land-clearing and waste disposal.
- Employees are sensitized to the zero-burning policy and fire surveillance teams are trained to monitor, react to, control, and manage involuntary fire outbreaks in the plantations.

#### **5. STAKE HOLDER AWARENESS**

ABG commits to ensuring that its environmental objectives are known to all by:

- Promoting environmental awareness among employees, training, educating, and informing them on environmental issues that may affect their work and sensitizing them on sustainable use of resources and protection of conservation areas (HCV, HCS, buffer zones, Biodiversity plots (BDP), etc.).
- Communicating the company's environmental commitments to stakeholders and encouraging them to support them.
- Working only with suppliers that support our environmental commitments by gradually including this policy in new contracts.
- Being transparent with surrounding communities, authorities, customers, and relevant stakeholders, regarding the activities and their impacts on the environment and addressing their concerns.

#### **6. ZERO DEFORESTATION**

ABG commits to a zero-deforestation policy by:

- Carrying out environmental and socio-economic impact assessments before implementing any new project and implementing recommended mitigation measures.
- Conducting soil suitability and topographic surveys to identify fragile areas.
- Applying a zero-deforestation policy including management of all areas based on HCV and High Carbon Stock assessment results since 2016 with active protection of HCV and HCS areas.
- Taking into consideration biodiversity of considered areas.
- Protecting Non-Timber Forest Products (NTFP) when they are essential to stakeholder communities.
- Getting Free Prior and Informed Consent (FPIC) from local communities prior to developing any new land.
- Protecting HCV and HCS forests

- Only undertake replanting of the existing plantations in Gabon
- Natural rubber from areas deforested or where HCVs have been degraded after the cutoff date of 1 April 2019 is considered to be non-conforming with the ABG sustainable management policy.

## **b. People**

### **1. HUMAN RIGHTS**

ABG is committed to preventing any form of human rights abuse as enshrined in the constitutions of GABON and the international human rights guidance. The main compliance focuses are:

- Respect for employees' and stakeholders' human rights.
- Prohibition of retaliation against human rights defenders and whistle blowers.
- Respect for local authorities: respect of the rights, cultures, customs, and values of host communities
- Prohibition of extra-judicial intimidation and use of mercenaries and paramilitaries in our operations.

### **2. CODE OF BUSINESS CONDUCT**

ABG is committed to conducting all business, operations and transactions ethically as promoted by the United Nations Guiding Principles on Business and Human Rights (UNGP), by:

- Promoting transparency and complying with all applicable laws and legislation
- Ensuring that all our actions are conducted with integrity and transparency in accordance with our values.
- Preventing corruption, bribery and fraudulent use of funds and resources.
- Avoiding situations involving actual or potential conflict of interest so that even the slightest doubt about integrity is not raised.
- Taking care that all confidential information is used for company business purposes only.
- Operating the grievance mechanism in a manner that is "consistent with UNGP effectiveness criteria"

### **3. SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS**

ABG aims to promote and protect the reproductive rights of all its workers, especially women by:

- Favouring their access to sexual and reproductive health information that will provide them with the tools to make informed choices conducive to their health.
- Respecting the rights of women during the maternity period with regards to maternity leave and breast feeding.

- Ensuring that pregnant or breastfeeding women do not carry out work which exposes them to hazardous chemical products.

#### **4. EQUALITY**

ABG is committed to ensuring that any form of discrimination based on race, ethnic origin, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, age, or any other social condition, is prohibited (ILO Convention No. 111 and No. 100). In the conduct of its business the company commits to:

- Operate a workable, flexible recruitment system that ensures that each person has equal access to employment based on merit, qualification, experience, skill, and knowledge.
- Communicate information on minimum entitlements for wages and conditions of employment to all employees in the appropriate language and ensure that they benefit from it.
- Give preference to members of local communities where candidates for employment are of equal merit.
- No forced labour (LO Convention No. 29 and its 2014 Protocol)
- Support decent living wages.
- Safe and healthy workplaces.
- No abusive practices (ILO Convention No. 105)
- Gender equity
- This applies to all workers, including contractors, temporary and migrant workers.
- Ensure mechanisms are in place for identifying affected groups and responding to complaints of discrimination.
- Protect migrants from abusive employment and to treat them fairly.

#### **5. SEXUAL HARASSMENT**

ABG prohibits all forms of workplace violence and harassment, particularly sexual harassment, whether engaged by workers or other stakeholders operating within the ABG Estates. Harassment is defined as unwelcome words, conduct or actions that are offensive, embarrassing, humiliating, or demeaning to a worker or group of workers. Workplace violence is the exercise or attempt of physical force by a person against another.

ABG will ensure that:

- Workers are aware of and understand that acts of violence or harassment are considered a serious offence for which necessary action will be imposed.

- Those subjected to acts of violence or harassment are given available recourse to pursue a complaint.
- ABG is committed to investigating reported incidents of violence and harassment in an objective and timely manner, taking necessary action; and providing appropriate support for victims.

## **6. FREEDOM OF ASSOCIATION**

ABG respects and supports the right of all categories of workers to freedom of association and to collective bargaining (ILO Convention No. 87 and No. 98). The company commits to implementing this policy by:

- Allowing all workers, without distinction, to form and/or join any kind of association of their own choosing.
- Recognizing workers' associations as partners for the purpose of reaching consensus relations between the company and its workforce.
- Allowing workers associations to conduct their activities without interference.
- Not tolerating intimidation, reprisal, or discrimination of any kind against association members or representatives or those advocating membership for the association.

## **7. CHILD LABOUR**

ABG subscribes to a zero-tolerance policy of child labour or exploitation of children in any of its operations (ILO Convention No. 138 and No. 182). The company commits to securing a better future for children by:

- Only employing workers who can prove that they are above 18 years of age.
- Encouraging all workers to school their children.
- Refraining from engaging in business with partners who resort to using child labour in their operations.

## **8. INDIGENOUS PEOPLES RIGHTS**

ABG ensures the ability of Indigenous Peoples and local communities (IPLCs) by:

- Establishing ongoing, effective, culturally appropriate channels of dialogue with indigenous people and local communities.
- Giving the possibility to give or withhold their Free, Prior, and informed Consent (FPIC) on any activity that might affect their rights.
- Making sure the FPIC process is done in a culturally appropriate manner and follows credible accepted methodologies.
- Respecting and recognizing the formal and customary land rights of IPLCs
- Where operations impinge on IP/LC rights, compensating or accommodating IP/LC through appropriate, mutually agreed measures reflecting and described in the negotiated outcomes of the FPIC process.

- Carrying out operations in accordance with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP)
- Adopting measures to provide remedy through mutually agreed procedures in cases where the company previously has caused or contributed to the appropriation of or harm to the lands, territories, or resources of IP/LC without securing FPIC. Implementation is jointly monitored by the community and the GPSNR member and/or by mutually agreed third party(ies).
- The accepted methodologies to be followed for the FPIC process are:
  - UN-REDD (2012) Guidelines on Free, Prior and Informed Consent
  - RSPO (2015) Free, Prior and Informed Consent for RSPO Members
  - FAO (2015) Free, Prior and Informed Consent Manual"

#### **c. Profit**

ABG wants to contribute to the rural economic development by :

- Fair and transparent price negotiations with farmers and traders
- Training and supporting workers, farmers, and other stakeholders.
- Profit-sharing with selected stakeholders (1 % of profit annually)
- Invest in facilities and infrastructure which improve life for workers and farmers (water, electricity, medical, roads, ...) through a social action plan. This includes :
  - Supporting decent living conditions of local communities (e.g, drinking water, adequate housing sanitation).
  - Supporting the right to food and food security of individuals, households and local communities.
  - Supporting the economic, social and cultural rights of local people, including through access to education and employment.

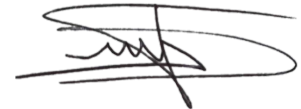
#### **d. Transparency**

ABG commits to continually improve its transparency by:

- Making available online the concession maps and permits on [www.agrobusgroup.com](http://www.agrobusgroup.com) by 1<sup>st</sup> of January 2025
- Participating in/supporting multi-stakeholder planning and policy efforts that uphold the GPSNR principles at a landscape, jurisdictional or other spatial level.
- Full traceability of the raw material supply chain by 1<sup>st</sup> of January 2025 to a jurisdictional level where compliance can be verified.
- Allow third party verification by satellite.
- Use state of the art third party auditors to obtain additional certification.
- Setting public, timebound and geographic-specific targets and milestones with their associated indicators/metrics for applying its commitments.



- Regular public reporting (at least annually) on progress of the commitments made.
- Adhere to and set up a grievance mechanism to address any complaints in a fair and timely manner through the contact of [info@agrobusgroup.com](mailto:info@agrobusgroup.com)
- Maintaining an active, regular stakeholder dialogue to provide relevant information, and to afford Opportunities for feedback and suggestions related to fulfilment of the company's commitments.
- Applying monitoring systems and practices to incorporate crowd-sourced information from local stakeholders and affected parties regarding non-conformance with commitments. Information sources may be informal or formal.
- Continuously try to embed commitments into decision-making processes, systems, and performance metrics of corporate management, relevant business units, joint ventures, and company affiliates and subsidiaries



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CHAIRMAN AGRO BUSINESS GROUP

LIBREVILLE

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