

Asian Forestry Company (Sabah) Sdn. Bhd. (henceforth known as the Company) is committed to ensure that the forest plantation operations are environmentally responsible, by preservation and protection of the environment.

To achieve these objectives our policy is:

- To comply with all applicable Malaysian environmental legislation and regulations, locally and internationally recognized sustainable forest management guidelines (MTCC and TLAS), and nationally-ratified international treaties, conventions, and agreements.
- 2. To implement and maintain sustainable forest management practices according to the principles and criteria of the Forest Stewardship Council (FSC).
- 3. To conduct forest plantation operations in a manner that ensures that development objectives are achieved with minimal impact on the environment and to continually strive to improve the standards of these operations.
- 4. To maintain and enhance areas identified as High Conservation Values for the protection of biodiversity, wilderness, and soil and water resources.
- 5. To provide training and awareness to the employees, contractors and community members for the education of the importance of conservation, to mitigate the loss of wildlife and environmental damage.
- 6. To maintain emergency preparedness and response to emergency situations through awareness and training to mitigate the loss of life and environmental damage.
- 7. To set and define environmental targets and objectives so as to continually work towards minimizing the environmental impact by utilization of clean energy, managing solid waste through recycling and composting, pollution prevention and full efficient utilization of resources.
- 8. To implement a comprehensive environmental management system, compatible with internationally recognized standards, which includes regular reviews of environmental performance and incorporates an audit system.
- 9. To ensure adherence of the environmental policy by all employees, contractors and other related parties.

The Environmental Policy is to be communicated to all employees, contractors and others associated with the Company.

Endorsed by,

Glen MacNair

Director