

KILOMBERO VALLEY TEAK COMPANY LIMITED  
**LOCAL COMMUNITY RELATIONS POLICY**  
REVISED JULY 2022

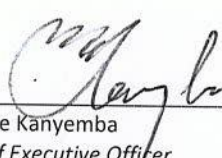


**Preamble**

KVTC recognises that it operates in the Kilombero valley in order to enhance the quality of life of all its stakeholders. The company will ensure that local stakeholders will be treated in an equitable manner in relation to other stakeholders. The company will adopt policies that promote the realisation of significant benefits in the Kilombero valley. The company will endeavour to ensure that local communities do not suffer losses as a result of the company's activities. The company will adhere to the FSC Principles and Criteria related to Community Relations.

**Policy**

- 1) KVTC will adopt a position of good neighbourliness towards local communities.
  - a. The company will have regular communication with all local communities.
  - b. The company will assist local communities in their development in consultation with the communities.
  - c. The company will agree the precise location of its boundaries with neighbouring communities.
  - d. The company will permit the use of Non-Timber Forest Products by the local community when it can be shown to be sustainable and adequately regulated.
- 2) KVTC will develop an in depth understanding of the local communities and their needs.
  - a. The company will carry out a social impact evaluation of its activities.
  - b. There will be a process to ensure that this social impact evaluation is kept up to date.
  - c. Cultural, religious and historical sites will be identified in discussion with the local community and procedures to ensure access and to protect them during forest operations will be developed.
  - d. The company will observe in full all the human rights of all its stakeholders as enshrined in the constitution of the Republic of Tanzania
- 3) The company will respect the established customary rights of local communities and develop procedures to ensure that disputes concerning customary rights are dealt with in a manner that is acceptable to all parties.
  - a. A dispute resolution procedure will be agreed with the local communities prior to the existence of a dispute.
  - b. When a dispute exists no forestry activities shall take place in the disputed area without the agreement of the affected community.
- 4) The company will compensate local communities for any damage inadvertently caused to their customary resources or rights in the Forest Management Unit.
  - a. The level of the compensation will be agreed with the affected party.
- 5) KVTC will endeavour to strengthen the local economy.
  - a. The company will give priority to local workers, (areas in which the company operates) for all positions, for which they are qualified.
  - b. The company will in as far as possible source its services and supplies locally.
  - c. The company will make a portion of its production available to local entrepreneurs for local processing.

  
Irvine Kanyemba  
Chief Executive Officer