

**Preamble**

KVTC recognises that its developments and activities in the Kilombero valley will have environmental impacts in the areas managed by the company. The company will manage its operations in such a way as to minimise the negative effects of these impacts. The company will adhere to all applicable legislation. The company will take account of relevant international / regional conventions, treaties and environmental agreements of the country. The company will adhere to the ISO 14001:2015 management system as well as the FSC Principles and Criteria governing Environmental Management. The company will achieve this aim by identifying negative environmental impacts and institute objectives/programme of continuous improvement in relation to these impacts. In order to achieve this, the company will operate according to the following principles and monitor its performance in respect of them. The scope of the operations shall include, timber processing plant, silviculture plantations, nursery, harvesting and haulage.

Policy

KVTC will promote the conservation of biodiversity within its landholding. A significant portion of the land will be managed with the primary objective of maintaining Miombo woodland related biodiversity. Rare, endangered and protected species or areas that have high biodiversity will be identified and protected from damage. A representative network of habitat types will be preserved. Obstacles to the free movement of animals and plants will be minimised.

There will be a process to identify new knowledge in relation to environmental aspects of sustainable forestry in tropical savannahs.

Exotic trees used in plantations will be prevented from spreading out of delineated plantation compartments. The use of fire by the company will be adapted as closely as possible to natural fire regimes.

The company will minimise its impact on the quantity and quality of water resources. Measures will be taken to prevent the pollution of water bodies by materials used in forestry operations. The loss of water quality due to unnatural siltation from company roads, plantation compartments and other company sites will be minimised. The impact on water quantity will be identified and where necessary management practices will be altered to maintain stream flow.

The company will maintain the productivity of its resource base. Soil erosion caused by forestry activities will be minimised. The nutrient status of forest soils will be maintained over successive rotations.

The company will minimise its use of chemicals and fuels, using them in a responsible way and preventing their spread into surrounding areas. Waste materials will be dealt with in an appropriate manner. Chemicals will only be used as part of an integrated approach to problem management. Chemicals will be stored, transported and used in a manner that minimises the risk of pollution. Waste chemicals, fuels and oils will be recycled or disposed of at a site designated for that purpose. Rubbish will be removed from the plantation system and disposed of at an appropriate site.

Harvesting and transport operations will be planned and executed according to industry best operating standards to ensure minimal impacts to the environment

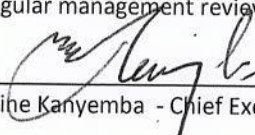
The processing plant and related infrastructure will be managed in accordance with regulations as set by guiding documents and a comprehensive Environmental Impact Assessment.

The company will monitor developments in the understanding of environmental aspects of its operations and where necessary incorporate these into its environmental management programmes.

The company will identify the needs and expectations of relevant interested parties, external and internal issues affecting Environmental Management system and address them as per company procedures.

There will be a process to organise the results of company led monitoring for management review.

Regular management review will ensure that new knowledge is incorporated into forest management practices.


Irvine Kanyemba - Chief Executive Officer.