



## **NO DEFORESTATION, NO PEAT, NO EXPLOITATION POLICY**

TDM is committed to sustainable palm oil production and sourcing, which includes the conservation of biodiversity, reduction of greenhouse gases, improvement of livelihoods and food security. It is critical that all parts of the palm oil supply chain – from plantations to retailers – collaborate and act in an environmentally sustainable and socially responsible manner.

This NDPE policy will enhance our existing commitment to the Malaysian Sustainable Palm Oil (MSPO) and Roundtable on Sustainable Palm Oil (RSPO) which provides a common, shared system for growers, processors, buyers and institutions to use in order to check that palm oil is sustainably produced.

### **Our commitments**

TDM is working closely with other growers, traders, processors, end- user companies, and other industry stakeholders to protect forests, peatlands, and human and community rights. TDM commits the following standards in oil palm supply chain:

1. No Deforestation
2. No Development on Peat
3. No Exploitation of People and Local Communities

#### **1. No deforestation**

- **No development of high carbon stock (HCS Forest)**

TDM recognizes primary forests as well as High Density<sup>1</sup>, Medium Density<sup>2</sup>, and Low Density<sup>3</sup> Forests as High Carbon Stock (HCS) Forests. We will protect all forests identified as the HCS.

- **No development of high conservation value (HCV) Areas**

TDM commits to identify and protect, restore and/or co-manage the forests and other areas identified as having High Conservation Value (“HCV”) by competent, accredited assessors in accordance with Principle and Criteria 7.12 of the “RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018”.

- **No burning**

TDM implements “No Burn” policy, which means that there can be no use of fire in the preparation of new plantings, or re- plantings or any other developments, in accordance with

the full scope of this Policy. This policy also follows RSPO commitment under Principle and Criteria section 7.11

- **Reduction a Greenhouse Gas (GHG) Emissions**

We will adopt and implement significant GHG emissions reduction targets, and these will be achieved through treating mill effluent and managing methane emissions and avoiding deforestation.

## 2. No development on peat

- **No development on peat regardless of depth**

A peat soil contains more than 65% organic matter. TDM will not accept any future development of any peatland, regardless of the depth of peat in accordance with the full scope of this policy.

- **Best management practice for existing plantation on peat**

TDM remains committed to supporting RSPO Principle and Criteria 7.7.6 and the standards set out in the RSPO Manual on Best Management Practice (BMPs) for existing plantations on peat lands.

- **Where feasible, explore options for peat restoration by working with expert stakeholders and communities.**

We will work with experts to explore options of peat definition, restoration or alternative uses in areas unsuitable for replanting.

## 3. No exploitation of people and local communities

- **Respect and support the universal declaration of human rights**

TDM commits to uphold and promote the Universal Declaration of Human Rights for all workers, contractors, indigenous people, local communities, and anyone affected by our operations under the full scope of this policy.

- **Respect and recognize the right of all workers including contract, temporary and foreign workers**

We commit to respect and protect human rights, the right of all workers, including contract, temporary, foreign workers, the elimination of discrimination in employment and the promotion of equal rights, the freedom of association and the right to collective bargain.

- **Respect land tenure right.**

TDM respects tenure right, and recognizes duty and responsibilities associated with tenure rights, such as respect for the long- protection and sustainable use of land, forests and fisheries. This is done in cognizance of the national obligations, constitutions, local laws and regulations of the country TDM is operating in.

- **Respect the right of indigenous and local communities to give or withhold their free, prior and informed consent (FPIC) to operations on lands to which they hold legal, communal or customary rights**

We respect the individual rights of indigenous people and other local communities to give or withhold their FPIC to development of land to which they hold legal, communal or customary rights. The Group commits to ensuring legal compliance as well as international best practices in FPIC are implemented, in accordance with the full scope of this Policy, prior to commencing any new operations.

- **Resolve all complaints and conflicts through an open, transparent and consultative process**

We support and implement RSPO Principle and Criteria 4.2 and will work with parties to resolve complaints and conflicts through an open, transparent and consultative process.

### **General Implementation Statement**

TDM will communicate regularly and effectively with all stakeholders to ensure that they are well-informed of the details of this Policy. We will continue to comply with the principles outlined in the policy and adhere to all other laws and regulations governing biodiversity and conservation in every jurisdiction where we operate. We recognize that this Policy will need to be constantly reviewed to take into account of changing expectations and circumstances as well as improvements in operational procedures. Any changes must be consistent with the Group's goals to promote positive environmental impacts and positive social outcomes.

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