



Socfin

2014 SUSTAINABILITY
REPORT

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REPORT

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THE SOCFIN STRATEGY AND PROFILE

The SOCFIN Group is one of the oldest tropical agro-industrial companies in the world, dating back to the 1890s. This longevity has been possible through the Group's long term approach which supports sustainable development. Business conducted in a responsible manner creates and shares wealth, enables investment in local economies, develops peoples' skills and spreads expertise, both in regions and across borders.

We are convinced that productivity, profitability and efficiency go hand in hand with sustainability. We have always believed that sustainable agriculture is founded on good land management. Our long-term success as a business is closely linked to the health and vitality of the land, the environment and the communities in which we operate.

This report outlines our progress during 2014 but also discusses our future challenges. We continue to strengthen our efforts and have in that effect reorganised the sustainability department. We are continuously reviewing and updating our goals to ensure that long term, cost efficient and effective measures are taken.

The SOCFIN Group's strategy is still one of sustainable growth, through acquisitions and productivity increases. Yield increase is obtained through improved management practises, planting and replanting programmes and the use of high yielding planting material. The planting material is secured through the Group's own research and breeding

programmes. During 2014 several estates have invested significantly in replanting to ensure maximum land use efficiency.

The Group also wishes to continue growing through acquisitions, and is continuously exploring suitable opportunities. Whilst we have expanded rapidly by acquisition over recent years, our responsibility to provide a safe and healthy environment for our employees is the same for all estates. We will therefore continue our efforts on improving our occupational health and safety performance, pursuing good standard of living, access to health services and good education for our employees and their families, and give high priority to minimising our environmental footprint. We are working hard to bring our latest acquisitions fully up to our standards. This is continuous, long term work that develops gradually as the estates develop. Improvements are seen steadily over the years. However, the countries in which we operate pose repeated challenges to our ambitions. High world market prices which caused domestic food security issues in Cameroun forced us to sell below market price for an extended period of time. This caused a shortfall of income that has seriously affected the speed and extent of our social programme. We face a similar issue in Côte d'Ivoire due to the extremely high taxes imposed on our company. The tax is up to 85% on net income.



Rubber in its third rotation in northern Sumatra, Indonesia



The clinic and health team at SRC in Liberia, providing essential Ebola support.

The biggest challenge during 2014 was undoubtedly the Ebola outbreak in West Africa. It has been and is a demanding venture to continue to operate and provide income, health services and security to our employees and local communities in Liberia and Sierra Leone. The immediate reaction by our Sustainability Department and medical staff already in March 2014 is what enabled us to avoid Ebola spreading in the areas where we work. This was achieved through awareness raising campaigns, distribution of soap, chloride and hand washing facilities, close collaboration with elders, authorities and unions as well as building Ebola Holding Units to complement the services of our hospitals and clinics. Schools were closed and services discontinued at places of worship to decrease the risk of spreading the virus. We have had a number of cases in and around the estates during 2014; however, an estimated 250.000 inhabitants have so far avoided infection due to our interventions. Again, this illustrates the long term benefits and stability the presence of agro-industrial estates have in terms of offering awareness raising, collaboration, knowledge and resources in times of crisis. The SOCFIN Group remains confident that it will continue its operations as well as its support to the

local communities throughout the Ebola crisis.

In 2015 we will continue our work to improve our estates and the implementation of the ISO 9001, ISO 14001 and OHSAS 18001 certifications where will proceed. The SOCFIN Group will also embark on implementing the RSPO Principles & Criteria for its African palm oil estates. We will work towards certification as far as the approved National Interpretations allows. For our rubber estates we will follow the FSC standard and the Sustainable Natural Rubber Initiative. All our operations will work towards the IFC Performance Standard.

The SOCFIN Group is committed to manage its estates in a sustainable manner that responds to the social, environmental and financial requirements and expectations of its primary stakeholders, i.e. our employees, the surrounding communities, elected elders and authorities in the countries where we operate as well as our shareholders and investors. We will consult with international and local stakeholders to identify innovative solutions and find ways to improve our performance. We hope that this report, that shows the diversity of our operations, will be appreciated.

ACHIEVEMENTS AND TARGETS

Achievements

Targets	Target dates	Status	Comment
SCC rubber plant certified ISO 9001	2014	Achieved	
SCC rubber plant certified ISO 14001	2014	In progress	The certificate is expected to be acquired end of 2015
Socapalm Dibombari, Kienké, Edea sites certified ISO 14001	2014	Partially achieved	Mbongo, Mbambou and Eseka acquired ISO 14001. Dibombari, Edea and Kienké is in the process
Construction of hydro power plant at LAC	2014	In progress	Construction commenced 2014 but stopped due to the Ebola outbreak
Safacam certified ISO 14001	2014	In progress	Process started.
SoGB certified ISO 14001	2014	In progress	Process started
Okomu certified ISO 14001	2014	Achieved	
SRC certified ISO 14001	2014	In progress	Travel ban due to the Ebola outbreak prevented auditors to come for final audit
Socfindo RSPO certification for 4 sites	2014	Achieved	Five sites certified and additional four sites are approved and will receive certificates during 2015
Socfindo ISPO certification for 4 sites	2014	Achieved	All 9 sites are audited and will receive certificates 2015
Brabanta lagoon system	2014	In progress	Construction has begun

New and ongoing targets

Short term targets	Target dates (year-end)
SCC rubber plant certified ISO 14001	2015
Socapalm Dibombari, Edea and Kienké certified ISO 14001	2015
LAC Hydro power plant finalised	2016
Safacam certified ISO 14001	2015
SoGB certified ISO 14001	2015
SRC certified ISO 14001	2015
Brabanta lagoon/pond system operational	2015
Long term targets	
ISO 14001 certification for all estates are finalised	2017
ISO 9001 certification for all factories are finalised	2017
SNRI - Sustainable Natural Rubber Initiative self-assessment for all rubber operations	2015
All SOCFIN palm operations are RSPO certified **	2018
** RSPO certification will go ahead as National Interpretations becomes available.	

THE SOCFIN GROUP

CORPORATE STRUCTURE AND OWNERSHIP

The SOCFIN Group is a large-scale industrial producer of palm oil and natural rubber active in Africa and Asia. The Group is operating in 10 countries. 116.299 hectares are planted with oil palm and 65.070 hectares are planted with rubber. Currently 45% of our concessions are planted. The Group has 20 palm oil mills, three palm kernel oil mills, two refineries, eight rubber factories as well as two seed production and plant breeding facilities. Our Group is vertically integrated, producing its own seeds, planting, cultivating and harvesting its own land and commercialising its own products. We are known as one of the leaders in the production of high-quality palm planting materials.

In 2014, the SOCFIN Group produced a total of 377.185 MT of crude palm oil, 116.187 MT of dry rubber and 32.4 million oil palm seeds. The marketing and trading of our palm oil and rubber is done by our Group Company Sogescol FR. During 2014 they traded and exported a volume of 30.400 MT of oil palm products from Socfindo. 59.805 MT of palm products and derivatives was commercialized locally in Cameroon through our subsidiary company Sogescol Cam. A total of 156.956 MT of dry rubber was commercialised where 115.124 MT came from Socfin factories and 41.530 from third party suppliers.

In the year under review, all of the crude palm oil produced in Africa was sold on the domestic market. Palm oil is a staple food in many of the countries in which we operate and the African countries are all net importers of palm oil. Therefore no export of our African palm oil production has taken place since 2005. The palm oil produced in Asia is mainly sold locally and all refined palm oil products, such as TBD olein or RBD stearin, was exported. Our natural rubber, on the other hand, is exported and sold to tyre-makers and other end-users, to dealers and compounders. The rubber that is processed at our factories is either rubber from our own estates or sourced from local smallholder estates.

The SOCFIN Group has its headquarters in Luxembourg and is listed on the Luxembourg Stock Exchange. The Group was established in 1909 but its origins go back to 1890. The current shareholders structure of SOCFIN is as follows:

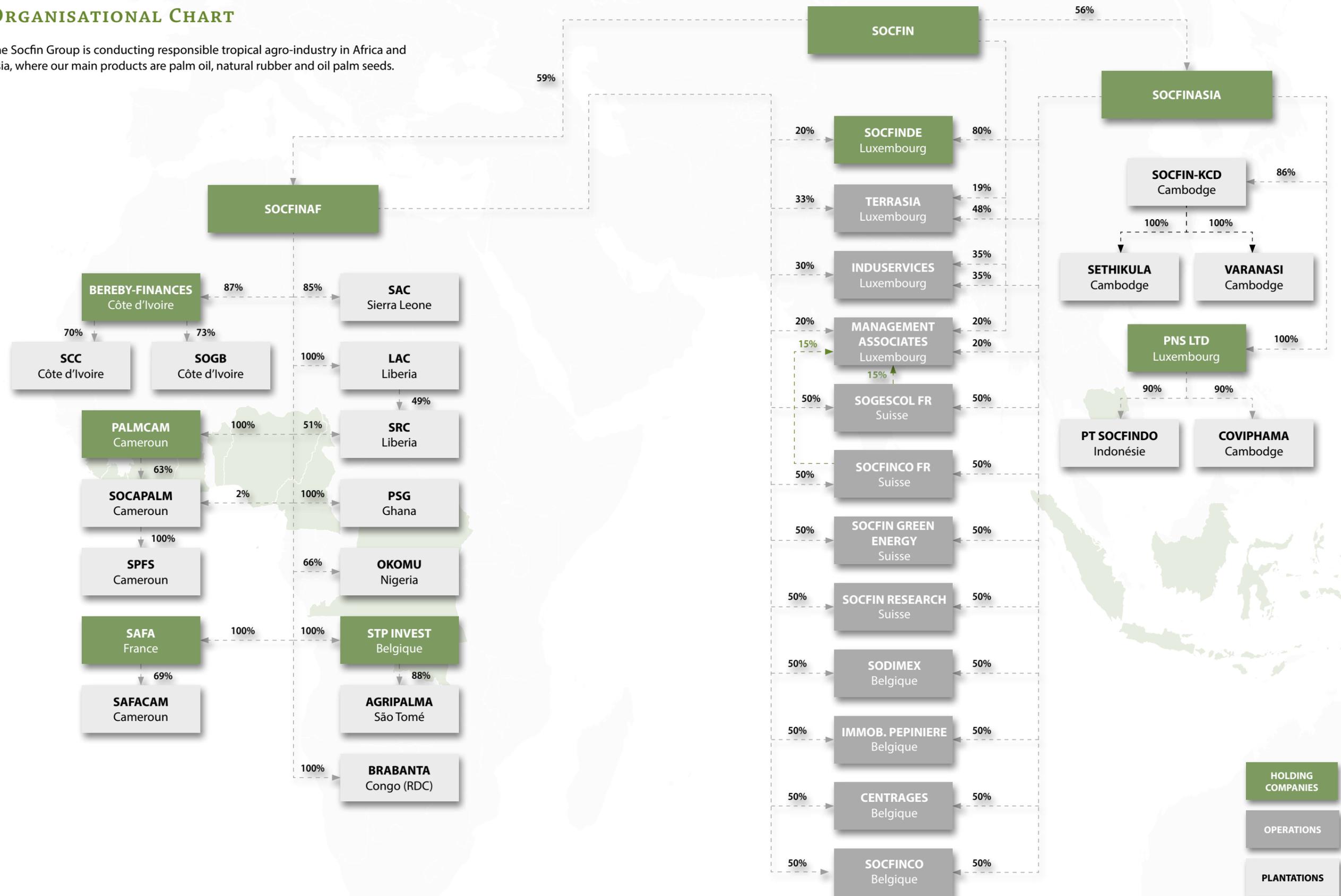
Bolloré Participations (directly and indirectly) retains a 38,75% shareholding, Geselfina is the second largest shareholder, holding a 23,05% interest, Afico S.A holds around 12% and Twosun Fin. Establishment hold around 11%.



Fresh oil palm fruit bunches and loose fruit ready to be collected by the roadside for the mill

ORGANISATIONAL CHART

The Socfin Group is conducting responsible tropical agro-industry in Africa and Asia, where our main products are palm oil, natural rubber and oil palm seeds.



SOCFIN IN THE WORLD

Our Group is based in ten countries in Africa and Asia where we are a very important private sector employer. The SOCFIN Group provide direct employment to more than 45.000 people worldwide. In specific local conditions, but on a limited scale, case contractors complement the normal work force.

SIERRA LEONE

SOC

- Created by SOCFIN in 2010
- State-owned land with a lease
- Concession of 17.812 ha
- Project under development
- 11.057 ha of palm oil planted
- Oil mill construction nearly finished

LIBERIA

SRC

- Acquired by SOCFIN in 2007
- State-owned land with a lease.
- Concession of 8000 hectares
- Project under development
- 4.805 hectares planted with rubber

LAC

- Acquired by SOCFIN in 98
- 121.407 hectares of state-owned land with a lease.
- 13.873 hectares of rubber
- 1 rubber plant
- 28.452 T of rubber produced

NIGERIA

OKOMU

- Acquired by SOCFIN 1991
- Extension acquired 2014
- Land is state-owned with a lease
- Total concession is 21.696 hectares
- 7.986 hectares of rubber
- 10.387 hectares of oil palm
- 1 oil mill
- 1 palm kernel crusher
- 1 rubber plant
- 31.700 T of palm oil produced
- 8.361 T of rubber produced

CAMEROON

Safacam

- Acquired by SOCFIN 1991
- Extension acquired 2014
- Land is state-owned with a lease
- Total concession is 21.696 hectares
- 7.986 hectares of rubber
- 10.387 hectares of oil palm
- 1 oil mill
- 1 palm kernel crusher
- 1 rubber plant
- 31.700 T of palm oil produced
- 8.361 T of rubber produced

Socapalm

- Acquired by SOCFIN in 2000
- State-owned land with a lease. 6 sites
- Total area 59.563 hectares
- 33.044 hectares of oil palm
- 6 oil mills
- 91.505 T of CPO produced
- 519 T of Rubber produced

SPFS

- Acquired by SOCFIN in 1999
- 1 refinery
- 5.318 T of olein
- 3.140 T stearin

CAMBODIA

SOCFIN KCD

- Created by SOCFIN in 2007
- State-owned land with a lease
- Concession of 6.659 hectares
- 4.069 hectares of rubber planted

Coviphama

- Created by SOCFIN in 2007
- State-owned land with a lease
- Concession of 6.659 hectares
- 4.069 hectares of rubber planted

CÔTE D'IVOIRE

SoGB

- Acquired by SOCFIN in 1997
- 34.424 hectares state-owned land with a lease
- 16.437 hectares of rubber
- 7471 hectares of oil palm
- 1 oil mill
- 1 palm kernel crusher
- 1 rubber plant
- 30.538 T of palm oil
- 51.423 T dry rubber produced

SCC

- Created by SOCFIN in 2008
- No plantation
- 1 rubber plant
- 19.817 T of rubber produced

GHANA

PSG

- Acquired by SOCFIN in 2013
- 23.500 hectares state-owned land with a lease
- Project under development
- 2.007 hectares of palm oil
- 402 hectares of rubber

SÃO TOMÉ

Agripalma

- Acquired by SOCFIN in 2013
- Concession of 4.917 hectares
- 2.209 hectares of oil palm planted
- Oil mill under construction
- Project under development

DR CONGO

Brabanta

- Acquired by SOCFIN in 2007
- Land titles for 29.066 hectares for 25 years
- Project under development
- 6.090 hectares of oil palm planted
- 1 oil mill started during 2014

INDONESIA

Socfindo

- Land titles held for 25-30 year cycles
- 13 sites
- Total concession area 49.291 hectares
- 9.061 hectares of rubber
- 38.566 hectares of oil palm
- 9 oil mills
- 1 refinery
- 1 palm kernel crushing plant
- 2 rubber factories
- 32.43 million seeds produced
- 207.603 T CPO produced
- 13.063 T of rubber produced

REPORT PARAMETERS

The report and the data in this report cover all SOCFIN estates, palm oil mills and rubber factories as at 31 December 2014, unless otherwise stated. It does not cover the Group's operations in Belgium, Luxembourg and Switzerland, nor joint ventures where SOCFIN is not a majority shareholder. The exclusion of these does not have an impact on the materiality or the completeness of the report. The report contains updated information on 2014 events and includes performance data on both our oil palm and rubber estates.

The report's content and reporting framework have been determined by applying the principles of the Global Reporting Initiative, where we partly have followed the third generation of the GRI Sustainability Reporting Guidelines. The report covers all social, economic and environmental issues deemed material to the Group and its content is a response to both internal and external stakeholder expectations. Amongst our stakeholders we count our employees, surrounding communities to our operations and elected and traditional leaders in the countries where we operate. Customers, investors, shareholders and social and environmental non-governmental organisations are also of great importance for us. This is the third Sustainability Report and the Group engages itself to continue to publish Sustainability Reports. Restatements occur and will occur in future reports due to the long term nature of plantation business, the continuous efforts for improvement and projects lasting over many years. Due to the significant amount of internal changes and the rapid growth of the Group, we decided to not to undertake a formal third-party assurance process. It is our intention to include this in future reports in order to ensure some level of assurance. Nevertheless, it is our opinion that this report gives a fair and balanced view of our Group's sustainability policies, performance and operations' impact.

Concerning the methodology used, we primarily used the following methods of data collection: in-house social, health, safety and environment (SHSE) questionnaires, Group checklists (waste, chemicals, HSE induction) and monthly reports. Some data will be estimates or in certain cases entirely missing. We continue to develop, implement and fine-tune a robust framework for managing and reporting Sustainable Development performance for all our operations.

If you have any comments or questions concerning the contents of this report or on our sustainability performance, please feel free to contact our head office at:

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SOCFIN GOVERNANCE, COMMITMENT AND ENGAGEMENT

Since its creation in the beginning of the 20th century, SOCFIN has always adopted a sound long term approach, taking good business sense into consideration. Resource efficiency has been a core value when we have developed our estates. Today this process is being described as sustainability. Over the years, we have further embedded this approach in our business and it is now integrated in both everyday operations as well as in long term strategic decisions. The structure that allows for this is the Sustainability Department that has been in place since 2010. The Sustainability Department's main objective is the coordination of SOCFIN's estates' environmental and social management and it is dedicated to assist all estates with health, safety, environmental and other sustainability related issues. A significant part of this is the process of obtaining certain certifications for our operations. SOCFIN is currently working with ISO 9001, ISO 14001, OHSAS 18001, RSPO, ISPO and ISCC, and is in continuous progress to implement them, as relevant, for all Group estates. Each estate has an action plan that aims at continuous improvement of their performance. This is ensured by regular audits and technical support and documentation. Each estate has a Health, Safety & Environment

(HSE) responsible that trains staff members on the Company's Quality, Health, Safety & Environment policy, performs internal audits, follows up on the action plans, takes corrective and preventative action where necessary and reports on a monthly basis to the Group's Sustainability Department.

The Board of Directors of SOCFIN is responsible for the general direction and performance of the group, approving transactions, developing business strategies and monitoring budgets. The board takes an active role in guiding and formulating the sustainability strategy and recognises that this is essential to the overall success of the Group. The Group's top management is convinced that the protection of the health and safety of its employees and other stakeholders, as well as the protection of the natural resource and biodiversity, is strategic to the successful development of SOCFIN. The Board is led by a Chairman and consists of five Directors. The composition of the Board includes nationals from Belgium and France. The Board members come with a broad set of skills and knowledge and have diverse backgrounds, including agriculture, finance, law and business.

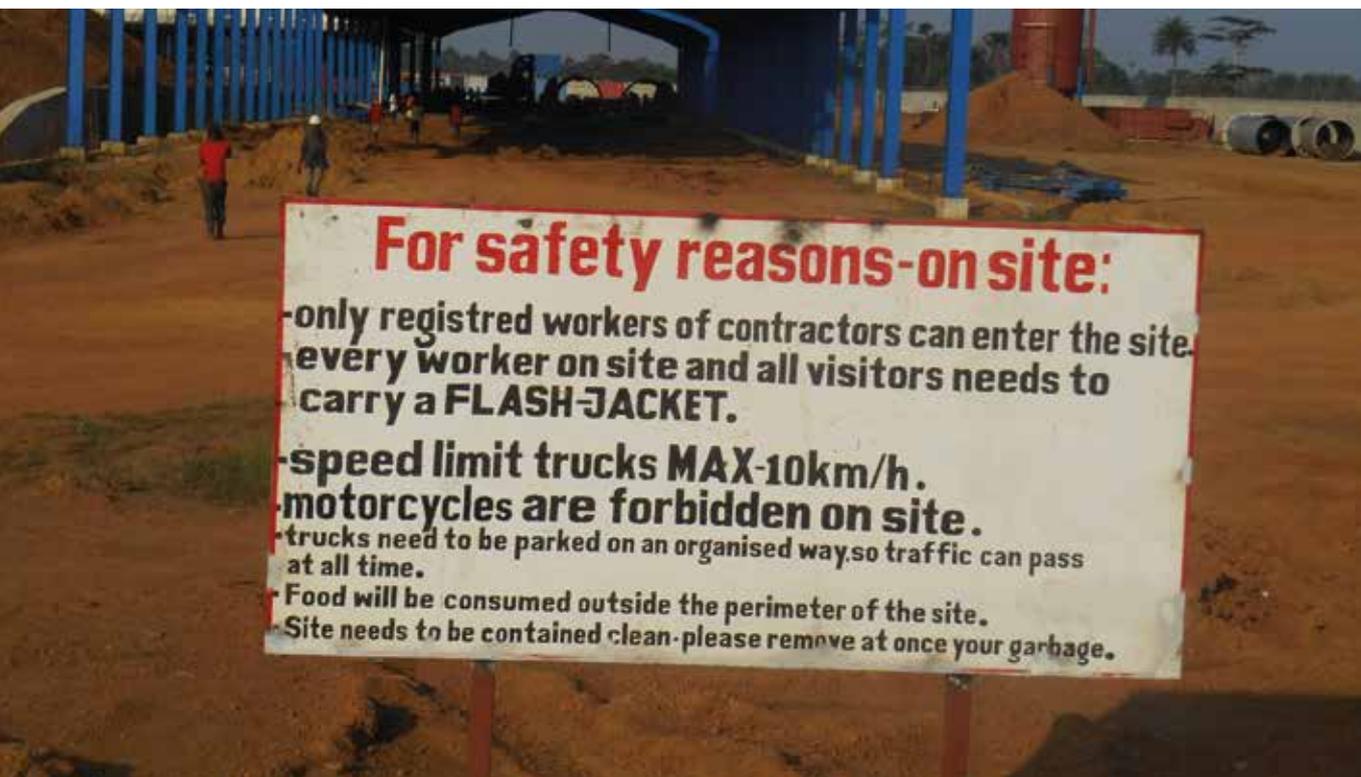
SOCFIN's environmental and social management systems are linked to international standards such as the Roundtable on Sustainable Palm Oil (RSPO) and ISO 9001 and 14001 and OHSAS 18001. We make use of best practice standards whenever available and relevant and are inspired by other frameworks such as SA 8000, the International Labour Organisation core labour conventions, the Universal Declaration of Human Rights and the Global Reporting Initiative guidelines. Especially ISO 9001 and ISO 14001 help us providing a management structure, whereas RSPO principles and criteria help us in structuring our sustainability initiatives. As a responsible producer we also try to address other issues of concern to stakeholders. The Code of Conduct addresses business ethics and issues currently not addressed in RSPO Guidelines. In order to make sure all employees understand and accept the new policy, workshops are regularly organised explaining the policy to senior management providing real-life examples and their appropriate solutions.

SOCFIN's stakeholder engagement has an issue based approach. We identify the topics we wish to address and the role we can play in improving them. We look primarily for local stakeholders who can help us tackle issues on the ground, but we also work with international stakeholders such as the German Development Bank, Elizabeth Glaser Foundation and the European Institute for Cooperation and Development.

The estates conduct regular consultation rounds with their local stakeholders, such as civil society and surrounding village heads, where they identify priorities and joint initiatives as well as discuss concerns that may exist with respect to the group's environmental, social and economic performance. Moreover, employees and other stakeholders can make use of complaints and grievances procedures. Such written procedures exist at most of our companies, and are improved gradually throughout the Group.

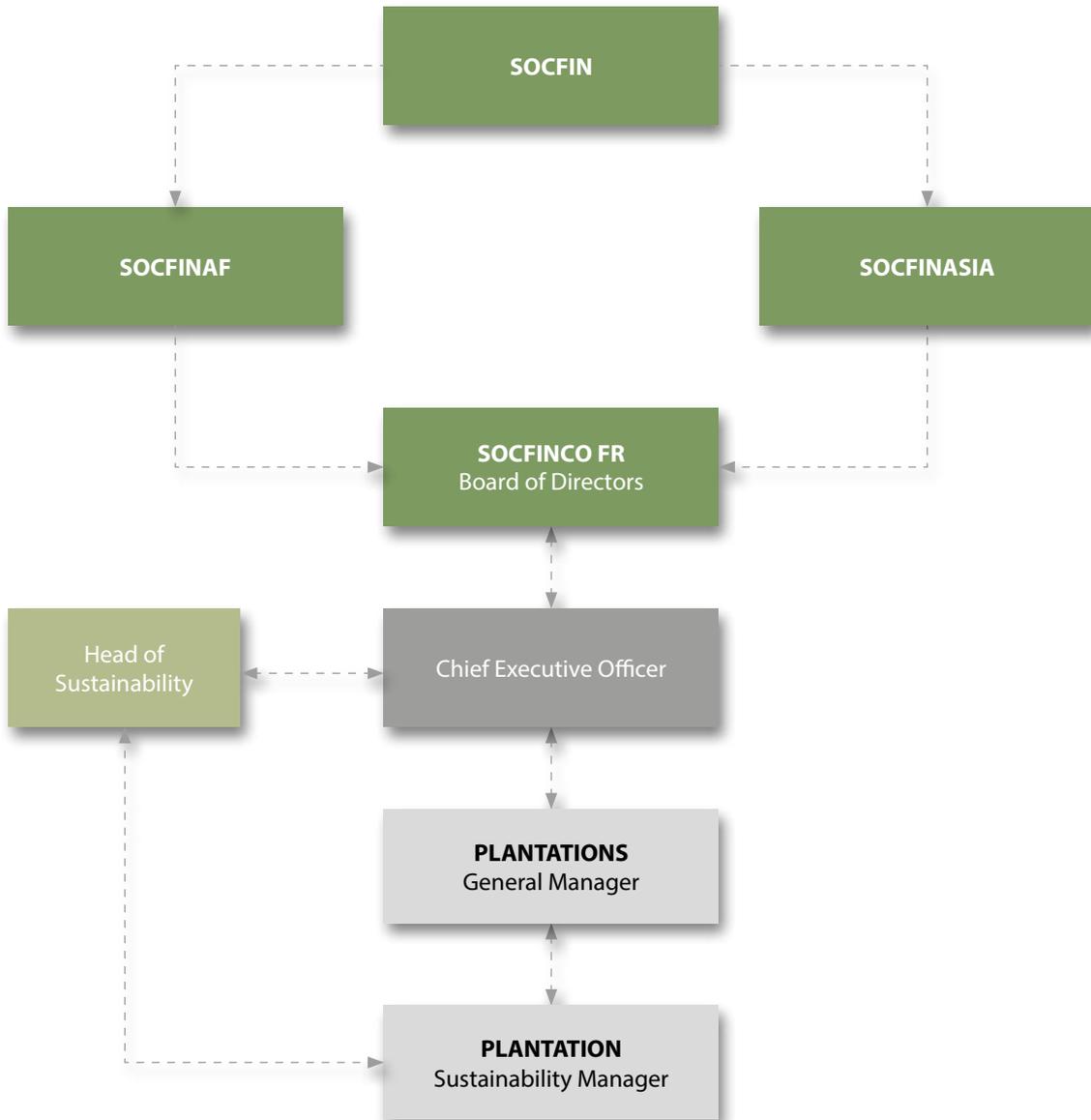
We realise that serious commitment to our stakeholders depends on our willingness to be transparent and accountable for our activities. Therefore we make great efforts to increase the amount of information that is made available to our stakeholders on our web site and in the Sustainability Report. In 2014 we embarked on a project to update and modernise our website, in order to be able to meet all the requirements for transparency and information sharing that our stakeholders require. It will be launched during 2015. The main goal for SOCFIN is to provide essential information on our environmental, social and business activities, impacts and performance, and in this way meet the expectations of interested parties.

For a list of the stakeholders we engage with, we would like to refer to Chapter 5 of this report: Stakeholders and Partnerships.



MANAGEMENT STRUCTURE

The Socfin Group is conducting responsible tropical agro-industry in Africa and Asia. Sustainability forms an integral part of our Group's strategy, and is directed by our Board of Directors and CEO, who authorize all critical initiatives.



WORKING WITH COMMUNITIES

OUR MANAGEMENT APPROACH

We believe that host societies and local communities should and must benefit from our presence and share the value created by our activities. This is set out in our Code of Conduct and company policies. Our approach to social aspects derives from these documents and underlines our commitment to high ethical standards and compliance with applicable laws. We provide a wide range of systems and services to secure a good working and living environment for our workers and their families. The creation of long-term employment, with decent condition and pay, is in our opinion a significant contribution to the countries in which we operate.

a Code of Conduct, outlining our commitment to follow international standards. This Code of Conduct applies to all Group companies. At the moment, this is the only social Group policy in place. All other social operational policies and standard operating procedures are specific to and the responsibility of each Group Company. The estates are assisted by the group sustainability department who audit their policies in order to ensure that any gaps in compliance are identified and that their policies are aligned to the Group commitments. Individual action plans are issued, determining priority areas and addressing issues of concern.

Not only our employees and their families are of our concern. We also engage with the wider rural communities to ensure their social well-being. All Group Companies set up several community projects for public benefit on a regular basis. SOCFIN is primarily focusing on three areas: health, education, and poverty reduction. To increase the impact of our actions, we work together with several existing government and non-government organisations. The capacity building of community based representatives is imperative to the success of our local projects and the engagement with our communities on a regular basis. One example of a successful large-scale Group project is the HIV-project in collaboration with Deutsche Investitions und Entwicklungsgesellschaft - DEG. The project took place from 2008 till 2013, with a total budget of EUR 3.5 million and included eight of our Group estate companies. The improvement of the health and educational facilities that was enabled by DEG and SOCFIN continues to benefit the communities with improved awareness about HIV/AIDS and access to high quality treatment in the areas where we operate.

Socfin is continuing its collaboration with DEG but now with a focus on the fight against Ebola. The Ebola virus will continue to take a lot of our attention in Liberia and Sierra Leone but also in a preventative manner in Côte d'Ivoire. Due to the Ebola outbreak we have increased the frequency of the awareness and sensitisation programmes on health and hygiene issues in the estates, at our schools and in all the



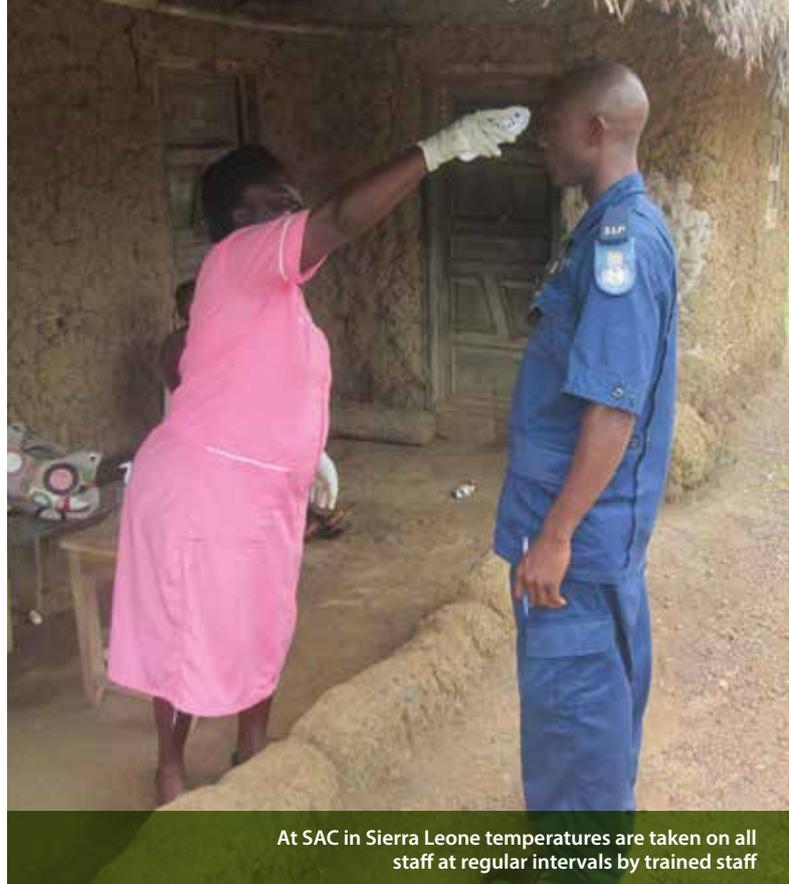
Our clinics provide health care to the employees and families, including the youngest

Our occupational H&S system is based on OHSAS 18001, while we base our labour and human rights policies on the standards set out in SA 8000 guidelines and RSPO principles and criteria. The requirements are based on conventions and recommendations of the International Labour Organisation and on the Universal Declaration of Human Rights of the UN. Freedom of association, non-discrimination and a ban on forced and child labour are strict commitments, as well as our focus on fair pay, decent housing and other welfare amenities for our staff.

In 2010, SOCFIN developed a set of principles in

villages. Through these measures we have managed to keep our estates in the affected areas almost entirely free of the Ebola virus as well as improve the general health thanks to improved hygiene over all.

In 2015, we will continue our work on health, education and community. We will further strengthen our reporting mechanisms and implement a standardised system for the collection of data with regards to social, environmental and health performance. This will help us both in our efforts to identify, prioritise and address problems as well as improve our transparency and reporting. The Chief Medical Officer of SOCFIN, who is specialised in tropical medicine and pays regular visits to our health centres to advise and support them, are working on improving the data gathering and reporting for our health services. In addition, we will continue to identify new partnerships that can strengthen and increase the success and long-term impact of our social and environmental projects.



At SAC in Sierra Leone temperatures are taken on all staff at regular intervals by trained staff

SOCIAL PERFORMANCE INDICATORS

For more details on our social performance we would like to refer to chapter 5 DATA – *Key Environmental and Social Data*

Employment

The employees of the Socfin Group are one of its most valuable assets and we are making the utmost to ensure that every employee is fairly treated. The Group Companies adhere to all applicable local, national and international laws and regulations relevant in our sector concerning payment and condition of employment such as working hours, deductions, overtime, holiday entitlement, maternity leave, notice period, salaries and allowances, staff benefits, resignation, termination and retirement. Records are kept on the number of direct, indirect and temporary staff, on staff working hours, overtime payroll and benefits. All details on pay and conditions are described in our companies' codes and all documentation is publicly available for consultation at each site. All welfare amenities are to national standard and in compliance with national and international laws and regulations. All employees receive a wage that is considerably above the set national minimum. The National Union of Forestry Estate & Agricultural Workers and SAC in Sierra Leone have agreed to a salary level 35% above the national minimum wage.

Due to the nature of the plantation industry, the amount of work varies over the year and the age of the crops on the plantation. To be able to manage the fluctuation of required labour, the Socfin Group works with fixed employees and day workers, all of whom

have a contract and their rights taken into consideration. The situation in each country is different and especially in Liberia and Cameroun the government endorsed systems are geared towards the hiring of contractors. This has brought its own challenges, specifically in Cameroun. Due to this we have taken a decision to gradually move from a majority of contractors to a majority of fixed employees. We will, however, always and to a certain degree, work with contractors. When we talk about employees in this report we include all categories unless other is specified.

Where local and government health care systems are insufficient we organise our own health care centres with qualified staff. At SoGB, LAC and Brabanta for instance, the plantations have proper hospitals with facilities for both in and out patients and equipment for radiology, echography and in some cases also for surgery. The health centres offer medical services to both our employees their families and the communities in the area. We are seeing a continuously steep increase in the number of consultations at our health facilities, due to bigger workforce, modernisation of our medical equipment and the impact of our awareness and sensitisation campaigns. The Ebola outbreak in West Africa has also added to the strain on the health care facilities.

SOCFIN provides in most cases housing for all employees and their families, or foresees a housing allowance. Most of the houses have electricity and all villages get fresh water through water wells and water

pumps. We continuously review and improve our housing conditions at all our estates. We repair and construct new houses on an on-going basis. In our newly acquired projects, housing is often a challenge, both in terms of quality and quantity. During 2014 new houses and sanitary facilities have been built at SoGB, Socfin- KCD, Socapalm, Safacam and SRC. At SRC 16 new houses were constructed, 13 latrines and six hand pumps for fresh water installed. At Socfin KCD an entire new worker's village was constructed. At Brabanta in the Democratic Republic of Congo 95 houses and sanitary facilities was built. Brabanta also invested heavily in improving the quality of the services provided to the employees by their hospital. Parts of the hospital was renovated and complemented with a new bloc dedicated for surgery as well as equipment for echography and radiology.

The SOCFIN Group is relentlessly striving to reach a suitable quality of housing for all its employees. Currently, certain estates, especially our later acquisitions, have problems with old housing and overcrowding. This is due to several reasons. The quality of the estate when it was acquired and the rapid growth in employee numbers are two reasons but the overcrowding is exacerbated by the number of unofficial occupants who are living in our workers' houses, such as extended family and friends. Our efforts to construct housing in a timely manner have at times been hampered by the remote location of our operations, which led to difficulties obtaining necessary building materials and contractors. We have strengthened our efforts to inspect housing and to ascertain that only authorised inhabitants stay in the housing provided for by the Company, with the aim of avoid-

ing the overcrowding and the decrease in living conditions that follow with it. A concrete example of the catch 22 problem we face in Cameroon is how difficult it is to remove the old, dilapidated houses. When new houses are constructed and our employees with their families' move in, the old houses that are to be demolished are immediately populated by new people. Some work for the plantation but many do not. To evict these people in order to demolish the houses would cause social conflicts and is hence avoided. It does however lead to people living on the plantations in houses that are in a very bad state.

Labour / management relations

SOCFIN pursues a constructive social dialogue with its employees and their representatives. Currently, most of the estates have written procedures for Communication & Negotiation and Complaints & Grievances. We are in a constant process of improving these procedures. These procedures are described in the Company's official documents and communicated to staff by their representatives. We are continuously striving to improve our grievance procedure to ensure that all employees feel comfortable expressing workplace grievances. Following the complaints and grievance procedure in vigour, employees can write down their complaints in a record book that is kept at each site. During monthly meetings between management and staff representatives, these complaints are discussed and a formal reply or solution is prepared. Employees are represented by their union representatives and are covered by a collective bargaining agreement (CBA). We inform our employees through notice boards, newsletters and radio jingles.



One of the first signs of financial growth in a remote community is that straw roofs are replaced by metal sheet that keep the rain out

	Cameroun	Congo	Côte d'Ivoire	Ghana	Liberia	Nigeria	Sao Tomé	Sierra Leone	Cambodia	Indonesia
WORKFORCE										
Permanent Employees	4,206	2,113	6,180	292	2,489	563	125	1,144	178	9,531
Daily workers	2,583	2,671	4,336	976		1,578	718	3,468	507	1,823
Contractors	1,700	-			3,972	892	67	191	-	1,665
Expats	22	9	12	8	15	12	3	20	9	3
Employees - all categories	8,511	4,784	10,528	1,268	6,461	3,033	910	4,803	694	13,019

The above table shows the total number of employees working for the Socfin Groups' plantation companies on permanent contracts, short term contracts and as contractors. Expats are included in the total sum of employees

OCCUPATIONAL HEALTH AND SAFETY

The health and safety of the employees is a top priority at all plantations, mills and factories. The company is constantly striving to reduce the number of accidents. Monitoring systems and reporting mechanisms have been put in place and employees are continuously being trained on the subject of health and safety. After four years of applying these policies worldwide the effects are positively visible. One of the top performers on this matter is SOCFINDO in Indonesia. Due to good management and a strict evaluation over the years SOCFINDO has received a Zero Accident Certificate for five of its estates. This certificate is awarded by the Indonesian Ministry of Labour.

Committees are established on each site to advise on these prevention and safety regulations which have been imposed by the management. Part of their task has been to organize regular training sessions to make sure that everyone in their respective departments is on the same wave length of understanding. The trainings are adapted to the requirements of the different departments. Basically this means that a laboratory will mainly be advised on lab safety whereas the sessions for the production department will be mainly focused on safety on an industrial level.

Reporting systems have been put into place. These systems are installed to alert the local management of any problems towards safety. The objective behind this procedure is to try and achieve a zero incident rate. In some areas this has been effective and in

others it has led to an awareness of impending problems. While the majority of worker accidents in our estates are minor, we sometimes also experience work related fatalities. During 2014 we lost two employees in work related accidents. When fatalities occur we treat every incident with the utmost care and follow up with a thorough review of cause and what actions are needed to avoid re-occurrence.

One of our main daily problems is that of road safety. In recent years special attention has been given to reduce the speeding and safety in and around villages. This attention includes the training of drivers, instructions to reduce speed, reduction of dust by planting grass, and the installation of speed bumps and road signs.

To improve the comfort of the plantation workers, SOCFIN has taken into account that the travel distance to and from certain public health services can be long and difficult. In response to this, health care facilities have been built in remote locations. These facilities are accessible to all employees and their families. Contractors and nearby communities are also at liberty to use these conveniences at a small compensational fee.

COMMUNITY HEALTH

Our commitment to our employees goes beyond work related accidents and disease and extends to broader health issues for them as well as the wider community. We continually strive to reduce malaria, tuberculosis, cholera, AIDS and other infectious and tropical diseases through awareness raising and sensitisation campaigns with our employees and surrounding communities. These range from vaccination, malaria, nutrition, sexually transmitted disease, hygiene and effects of substance abuse.

HIV/AIDS infection levels are very high on the African continent and the countries where we are present are no exception. SOCFIN works actively to create awareness and offering access to anti-viral medication and other treatments. We collaborate with national government, international aid organisations and civil

society to have the wide ranging and long lasting impact. We worked in a partnership with the DEG up till 2013 which improved the HIV/AIDS prevention and health care for about 123.500 estate workers, family members and people of the surrounding communities of eight of our agro-industrial companies, comprising eleven estate sites in Liberia, Cameroon, Côte d'Ivoire, Nigeria and the Democratic Republic of Congo. Our employees and communities still enjoy the benefits of this program which consisted of rehabilitation of our hospital facilities, provision of equipment, drugs and consumables, training of health staff and peer educators, organisation of awareness raising campaigns and intensification of our collaboration with local NGOs and national programmes. SoGB in Côte d'Ivoire has a comprehensive HIV/AIDS



One of many rehabilitated hospital buildings at Brabanta in the Democratic Republic of Congo

program in place which has enabled 458 patients to get anti retro viral treatment since 2005. Currently 333 patients are under treatment. SoGB will also continue with its close partnership with the American NGO Elisabeth Glaser Paediatric Foundation for HIV/AIDS prevention and treatment which began 2006. The partnership focuses on the prevention of transmission of HIV/AIDS from mother to child, which is preventable up to 90%. SCC works together with the NGO AIMAS for sensitisation on HIV/AIDS and sexually transmitted infections at an annual even at Word AIDS Day.

A significant amount of the consultations at our hospitals and clinics are due to malaria. It is a disease that affects families and communities significantly. 90% of all malaria deaths occur in sub-Saharan Africa

and 78% occur in children under five. It is estimated that the annual economic burden of malaria is at least US\$ 12 billion per year of direct losses in Africa alone, plus many times more than that in lost economic growth. Hence, all our estates are working actively with awareness raising campaigns and treatment of malaria and during 2014 SoGB alone distributed 14.500 malaria bed nets and Brabanta distributed 5.385 bed nets. In Sierra Leone and Liberia the Ebola prevention campaigns included increased malaria prevention efforts, since malaria symptoms are very similar to the early symptoms of Ebola. The Group's Chief Medical Officer participates in the "Roll Back Malaria" initiative to ensure that the Group's efforts are in line with governments and international organisations efforts.

THE EBOLA EPIDEMIC IN WEST AFRICA

The Ebola outbreak in West Africa was first reported in March 2014 from the Gueckedou prefecture in Guinea, where the outbreak started. It rapidly became the deadliest occurrence of the disease since its discovery in 1976. By the end of March, Ebola had crossed the border into Liberia and it was confirmed in Sierra Leone in May and in Nigeria in July. At the end of 2014, Nigeria has managed to control the disease. In Sierra Leone and Liberia the spread of Ebola is decreasing but the battle to contain this deadly disease is far from over.

Following the outbreak of the Ebola Virus, several steps were taken at the SOCFIN estates in the region to prevent the ingress of the virus:

- On-site Ebola training for the management and medical staff by the Socfin Group Chief Medical Officer.
- Ebola Holding Units were built at the estates
- Awareness and sensitisation programmes were immediately and repetitively held for the employees and the population in surrounding areas. Only for SAC in Sierra Leone this has meant reaching out to a population of more than 33.000 people.
- A prevention campaign including the distribution of soap, chlorine, buckets fitted with taps and the explanation of chlorine as a disinfectant in water in villages, muster points, offices, schools, religious places, police stations and other natural gathering points are continuously ongoing.
- Creation of task forces and surveillance teams responsible for the dissemination of a clear and correct message on Ebola: the messages are constantly subject to changes based on local interpretations and questions.
- Airing of radio programmes on the estates' private FM stations to educate and sensitise residents and surrounding communities on Ebola Virus Disease Prevention, personal hygiene, safety, security, personal health, and other related topics.
- Management of the traceability of suspected cases, putting houses and villages in quarantine when necessary, building quarantine centres and monitoring of potential patients during the incubation period of up to 21 days.
- Ongoing assessment of the situation to adjust preventative measures.
- The encouragement of adoption of preventative behaviour in respect of local customs to increase the level of participation and awareness, such as the use of songs, discourses and other traditional means.
- The development of guidelines for how to manage different situations should they present themselves.
- Coordination with the local authorities to develop medical checkpoints and control measures as well as to share good practices.
- The continuous monitoring of the budget and actions.
- Schools, religious centres other social services centres; apart from hospitals and clinics, were closed and at the end of 2014 still remain closed and non-operational.

The Ebola outbreak has disrupted many, if not all, operations on the estates. This is mainly due to the very challenging measure of restricting the movement of individuals which is one of the precautionary measures put in place. At one point in time a few villages put themselves in voluntary quarantine to prevent the spreading of the virus. The estate provided them with clean water, food, medication and other necessities during the lock down. Despite the outbreak of Ebola, the hospitals and clinics at the estates has been open offering all the services such as primary health care, hospitalisation and

routine procedures. Thanks to the prevention measures, the interventions and the severe controls implemented by the Company, the employees, their families and the communities in and around the SOCFIN estates have been almost entirely spared from Ebola. The effects of Ebola, the cost of all the interventions listed above as well as the daily management has come at a considerable cost for the affected SOCFIN Operations.

TRAINING AND EDUCATION

The SOCFIN Group is a major private sector actor in most of the countries where we operate and we are known to offer stable employment with decent conditions and prospects for long-term development within the Company. Currently the Group provide work for more than 45,000 people, of which almost 100% are local. Our policy is that as far as possible minorities and people from the local communities should be employed, in order to ensure that our operations benefit our local host communities.

We recognise that to attract and retain the best workers, we need to invest in our staff and employees and create a positive working environment with opportunities. To this effect, SOCFIN has a broad training programme in place in order to professionalise our employees. In 2014, a total of 393 training sessions were organised at the various companies, an increase of 37% compared to 2013. Many of our employees attend some sort of professional training every year. For manual workers, there are on-the-job and health and safety trainings, whereas for staff, a wide range

of in-house and external training courses are available, aimed at continued learning as well as personal development.

For SOCFIN, education for children is of the highest importance and we are dedicated to improve the availability and quality of the schools wherever we have our operations. Most of our estates have built and furnished schools on the estates. If there are government schools available the estates help to refurbish buildings, build new class rooms and sometimes entirely new schools, provide furniture, white boards and school materials, supplement teachers' salaries or, if there are too few teachers, hire additional staff for the schools. In some locations school buses are provided to ensure that children are able to attend school. SOCFIN is also providing scholarships to enable motivated students to continue with their studies. The SOCFIN owned and run schools on the estates are open for the children of our employees and as far as space and resources allow also for the children of temporary workers, contractors and

neighbouring communities. Schools are also provided with fresh water and sanitary facilities.

Some examples of the improvements that took place during 2014 are that the Blessed Alamano Elementary School at LAC in Liberia was upgraded from Elementary to Junior high and new houses for ten teachers were built. A library and computer lab was built at the St. Joseph High School and five school buses were purchased which will serve the several bus stops that were created. The Okomu Estate



Providing quality education is an important role of plantations, as here at SAC in Sierra Leone, before they had to be closed due to Ebola

improved the schools in seven villages. All schools got new school benches, teacher's desks and white boards. The villages of Ofunama and Udo got three new and fully equipped class rooms each, and 14 students received scholarships. Since 2009 SCC has supported the kindergarten in Adaou, where they take care of 55 children between one and three years old from disadvantaged families. During the year in review, the new housing provided for the kindergar-

ten by SCC was inaugurated. Brabanta in the Democratic Republic of Congo built, furnished and inaugurated two schools – one primary and one secondary - in the city of Mapungu. Each school has eight class rooms, offices for the teachers and toilettes. In total the SOCFIN Group support and provide the opportunity for nearly 37.000 children to receive quality education in 10 countries.

DIVERSITY AND EQUAL OPPORTUNITIES

Diversity, equality and fairness are core values for the SOCFIN Group. We are striving to create an equal and fair workplace with a diverse group of people with both men and women in various positions. 15,5% of our fixed employees are female and they are represented in most areas of employment. However, the estate industry is generally very male dominated since many of our key work functions require hard physical labour. Efforts are continuously made to increase the rate of female employees and we will look further into how women can be included in our workforce, for instance in administration.

SOCFIN remains committed to protecting its employees, and others who work on our estates from work-

place violence and harassment. Physical, sexual and verbal harassment is unacceptable and cause for immediate disciplinary measures. Any employee has the obligation to raise concerns and report any incidents of such behaviour. Currently, the rates of reported incidents are low. Nonetheless, when harassment or violence has occurred, appropriate disciplinary action is immediately taken, including dismissal. Harassment does not appear to be a widespread problem but we recognise that this may not truly reflect reality, as many cases are not recorded due to unwillingness or fear to report incidents, despite that every employee has the right to report a concern or make a complaint in good faith without reprisal or threat of reprisal.

FOOD SECURITY

SOCFIN plays a role for food security on local, regional and national levels where we operate. All countries in Africa are still net importers of palm oil; despite the fact that the oil palm - *Elaeis guineensis* - is native to West and Southwest Africa and its oil traditionally used for cooking. SOCFIN is providing a reliable, high yielding, high quality source of palm oil for the regional and domestic markets.

Employment in and around the estates brings long term and steady income to the population, which in combination with awareness raising campaigns about nutrition enables families to secure nutritious diets.

The estates normally provides land for vegetable gardens in conjunction to the worker houses and villages. At SAC in Sierra Leone the Company has created a "Food Security Committee" in charge of a rice project within the communities. This project aims to support the community people by ploughing and disc harrowing areas for planting, with the goal of achieving approximately 1.000 acres of rice fields. The Company provides machines, fuel and seeds and does the land preparation. The communities manage and harvest the fields. This project ensures that communi-

ties have access to rice, which is an expensive product in Sierra Leone. SAC is also looking at the possibility to set up projects with small companies to rear chickens.

Moreover, SOCFIN provides opportunities to study agriculture. At Kienké and Safacam in Cameroun, Socfin has in collaboration with the French NGO Institut Européen de Coopération et de Développement – IECD – set up Family Farm Schools that enables boys and girls from the age of 14 to 25 to get vocational training in agriculture. Currently 30 male and female students are attending. LAC in Liberia provides four year scholarships for their best students to study agriculture or engineering at the University of Liberia and at the Cuttington University.

SOCFIN has addressed food security issues in other ways too. When the world market price for palm oil has been very high, it has led to difficulties for Cameroonians to be able to afford normal cooking oil. To avoid food security problems in the country and potential riots over food prices, SOCFIN has several times since 2010 subsidised palm oil, for a total value of more than USD 50m.

HUMAN RIGHTS

INVESTMENT AND PROCUREMENT PRACTICES

The SOCFIN policies, requirements and Code of Conduct are shared with all suppliers and contractors that work with our Group companies. We hold training sessions to explain the contents of the code with real-life examples to our employee represent-

atives. In so far as possible, we screen our suppliers and contractors on their respect of human rights. We recognise that we can still improve our performance in this field by more actively checking their compliance with our standards.

NON-DISCRIMINATION

SOCFIN does not discriminate on the basis of race, colour, nationality, ethnic origin, gender, gender expression, age, religion, disability, sexual orientation, union membership and political affiliation or any other condition. We strive for a workplace where

the personal dignity of each individual is respected. We employ, train, compensate and promote employees on the basis of their job-related competences and skills only and other criteria do not have any influence on a person's suitability for a job or promotion.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

SOCFIN believes it has the responsibility to engage in good labour conditions and undisputedly respect the right of all personnel to form and join trade unions of their choice and the right to collective bargaining. All employees are informed about their right to join an organisation of their choice and there are Collective Bargaining Agreements in place at each estate, or under way at recently acquired companies. Employee union membership is estimated at 85%. Union representatives are chosen during union elections that

are organised independently from the Company. The elected represent the employees in meetings with General Management, where they discuss productivity, community welfare and other relevant issues. All meeting reports are locally available for consultation to our stakeholders. SOCFIN enjoys good labour relations in general and there has been no incident where the right to exercise freedom of association or collective bargaining was at risk.

CHILD AND FORCED LABOUR

The SOCFIN group explicitly prohibits the use of forced or compulsory labour, including prison labour, indentured labour, bonded labour, slavery or servitude. SOCFIN does not employ or utilise in any manner any individual below the minimum employment age set by national law or by the ILO conventions. This is clearly mentioned in the Group's Code of Conduct. We make great efforts to verify the ages of all employees, including but not limited to birth certificate, school and church records, ID card and driving license. However, in case a child would be found working in inadequate conditions, we would provide financial and other support to enable that child to

attend school. All employees are fully informed about the conditions of service and the general regulations during recruitment and upon employment and have clearly communicated and signed contracts. Employees are free to terminate their employment if they give reasonable notice and can leave the work site after completing the standard working day. We do not allow retention of travel documents, identification papers or any other type of bond from any of our employees.

SECURITY PRACTISES

SOCFIN is committed to ensuring the safety of our employees and their families, as well as the security of our assets. To achieve this, a security team is in place at each estate to safeguard our workers and our premises. Some of our estates have experienced violent incidents, either in connection with robberies

or with ethnic conflicts. There is a systematic security check at the site entrance and at some estates guards patrol the estate. Whenever necessary, the security detail seeks to resolve security issues and is allowed to direct the search of persons, vehicles and property on our premises in accordance with local laws.

LOCAL COMMUNITIES AND INDIGENOUS RIGHTS

SOCFIN is convinced that the cultivation of rubber and palm oil is an effective way to alleviate poverty through job creation. However, agro-industrial estates can have substantial effects on local communities. SOCFIN recognises that we are dependent on the acceptance and approval of local communities. We engage with the elders and traditional and elected leaders continuously to ensure that land rights and community needs are respected and addressed. Land ownership, land tenure and customary rights are very seldom well documented in the areas where we work, and we are often confronted with competing claims for the same land. Identifying the legitimate representation and determining the strongest claim can be quite challenging, especially when the lack of established laws or the enforcement of laws make the process complicated.

ensure that there is free, prior and informed consent from the communities in the area. We comply with local and legal requirements and we respect the rights and wishes of the local communities. SOCFIN does not force any community or person to leave their land.

When land conflicts or any other grievance occur, the Group Company facilitates a transparent and open dialogue with the stakeholders involved. All complaints are registered and documented, and we strive the utmost to settle all grievances in an amicable and timely manner.

SOCFIN supports and promotes responsible and peaceful resolution of any conflicts involving the estates that SOCFIN owns, manages or invests in. We work with the relevant stakeholders to ensure that conflicts are resolved through a process that is agreed upon by all appropriate parties.

As SOCFIN continues to expand its operations we

SOCIETY

The Code of Conduct governs the SOCFIN Group's operations with regards to competition, corruption, bribes and possible conflicts of interest. All employees, contractors, consultants and suppliers are expected to adhere to this Code in all their dealings with or on behalf of the Group. We adhere to the highest ethical standards in all our dealings with government or other institutions. Employee non-compliance with the Code must be reported and results in disciplinary action.



Traditional story telling is used for awareness raising, such as this waste management play in Sierra Leone

COMMUNITY

The long term success of SOCFIN is dependent on healthy partnerships and collaboration with the communities in and around our estates. It is essential that the local communities benefit from our presence and share the opportunity and capacity to grow over time. SOCFIN invest heavily to ensure that our communities have infrastructure and access to quality health and education facilities. Healthy communities provide SOCFIN with a strong future and healthy employees. Unresolved disputes and conflicts with local communities damage our reputation, our license to operate and the long-term viability of our business. In order to solve disputes as soon as they occur, we liaise on a regular basis with the surrounding communities to ensure that we understand and respond to their concerns. Apart from providing access to health and education facilities we support local communities with awareness raising activities about health, sanitation nutrition and poverty alleviation. We give donations and contributions to community projects such as the building of places of worship, opening banks and drill boreholes for water as well as providing orphanages with food items such as meat, fish and rice. In order to increase the impact and success of our activities, we seek to collaborate as much as

possible with local and national government as well as non-government organisations. We will further increase these efforts where we find practical solutions in order to foster long-term benefit for the communities.

Some of our community projects during 2014 consisted of literacy classes for adults at Socapalm, securing land titles for Adaou community in Côte d'Ivoire, and "Cleanest Village Competition at SAC in Sierra Leone. The Cleanest Village competition fills multiple purposes. It includes personal hygiene, clean water sources and proper waste management which lead to reduced levels of the most common diseases such as malaria, cholera, diarrhoea and dysentery, but especially to the decreased risk of spreading the Ebola virus. Poverty alleviation activities comprise the training of women and youth in sewing, tie and dye, soap making and weaving, which will enable women to gain additional income to their families. SOCFIN-KCD and Brabanta have built market stalls to support the creation of clean, safe and functioning markets in their regions, and all estates in all the countries where we operate repair and build roads and bridges which facilitate access to schools, work, markets, towns, hospitals and neighbouring communities.



The plantations strive to employ women in larger numbers , such as here at the nursery at Brabanta

OIL PALM AND RUBBER SMALLHOLDERS

Each estate in the SOCFIN Group is unique and works under its own specific conditions. This also applies to the relation the estates have with smallholders in their respective regions. Many of our estates source from independent smallholders and some estates have smallholder programmes aimed at providing good quality palm and rubber seedlings and good agricultural practises. Socfindo in Indonesia does not have any schemed smallholders, but has enabled some independent smallholders to attend smallholder certification training conducted by RSPO in Jakarta. LAC in Liberia has a Smallholder Technical Assistance Programme (STA) that provides technical and material assistance to smallholder farmers. Currently 464 farmers are registered and receive advice on rubber cultivation. These farmers have also been assisted in creating 118 rubber farms, 34 budwood gardens and 89 seedling nurseries since 2008. In Cameroun the

Eséka mill is supplied by 250 smallholders who is part of a tenant farming programme aimed at increasing quality, yield and income for the smallholders.

The largest programmes are in Côte d'Ivoire. The SCC rubber factory is entirely dependent on smallholders and is engaging actively in creating smallholder groups and providing technical assistance. The other is SoGB where an important smallholder programme was created in 1996. The smallholders were followed and trained by the SOCFIN team. The scheme was extremely successful and today 30.000 MT of rubber are delivered to the SoGB industrial unit and 100.000 ha of smallholder rubber is commercialised by the SOCFIN Group. During 2014, 43% of the rubber processed in SOCFIN facilities came from smallholders. Less than 7% of the fresh oil palm fruit bunches (FFB) were delivered by third parties.

SCC – A SUCCESSFUL PARTNERSHIP WITH RUBBER SMALLHOLDERS

SCC – Sud Comoé Caoutchouc – is a unique and successful project in the SOCFIN Group that we are very proud of. Established in 2008, SCC only consists of a rubber factory with no industrial estate associated with it. SCC is entirely dependent on smallholders in the Sud-Comoé region for its raw material which consists of rubber cup lumps. In order to ensure a well-functioning supply chain where all parties benefit, SCC supports the smallholders to set up producer groups and cooperatives. The smallholders are grouped according to their villages in order to facilitate the organisation of smallholders, deliveries of rubber and payment for deliveries, but also to create close ties between the farmers and SCC and instil a sense of mutual solidarity that is shared by all.

Each farmer group has a management team of their own consisting of a President, a vice president, a secretary, a treasurer and a delegate/representative. The delegate is the main contact of SCC and he/she is responsible for the relationship between the group and SCC and has a number of important responsibilities:

- Monitor the production of the planters
- Coordinate the collection, weighing and payment of rubber between the farmers and SCC
- Ensure that the right person receives the correct payment
- Follow up on commitments made between farmers and SCC
- Expand the cooperatives and hence the supplier base for SCC
- Ensure long lasting relationship between the smallholder groups and SCC
- Ensure and improve the quality level of the rubber delivered to SCC

The delegate is rewarded for his/her work by SCC on a pro rata basis linked to the volume of rubber delivered by his/her group.

SCC has divided the catchment area into eight geographical sectors, where each area manager (SCC employee) provides logistic and commercial support for all the groups in his/her specific sector. SCC

agronomists provide technical assistance to the growers. The collection and transport of the rubber is either done by the farmers themselves, rented trucks or by SCC vehicles.

Through this organisation and set-up SCC has during the last five years managed to establish **191 farmer groups with a total of 6.023 active rubber farmers** and the group is continuing to grow.

During 2014, SCC purchased 32.998 MT of coagulated rubber, generating an income of FCFA 9.739.290.454 / USD 16.711.900 for these smallholders. Bonuses that were awarded to the groups during 2014 amounted to FCFA 123.076.592 / USD 211.190. This stable long term income has enabled some villages to embark on projects in their villages such as repairing the roof of their school, buy trucks and acquire proper management systems for their producer groups. In 2013 one farmer group bought 0.7 hectares of land where they constructed eight new class rooms for the primary school. This group is also planning to build a house for their mid-wife.

SCC has an extensive programme in place that is aimed at improving the daily life of their employees and smallholder groups:

- SCC financed entirely the construction of a health centre in Adaou with 30 beds, which will start providing health care during 2015 to the population within a radius of 20 km.
- 90% of the cost of health insurances is paid by SCC for all employees.
- Third party health insurance is provided to the smallholder groups by SCC
- SCC participates in an important project with the Ministry of Agriculture which aims at securing land titles for the smallholders groups.
- Since 2009 SCC supports the day care centre - Centre de la Petit Enfance - in Adaou, which currently has the capacity to support 55 children from poor families.
- Awareness raising and information sessions about Ebola have been held with the smallholder groups.



The smallholders linked to SCC in Côte d'Ivoire are weighing in and registering their cup lumps of rubber

CORRUPTION

The Code of Conduct clearly prohibits any form of bribery and corruption. All of our employees, from management to our estates, are expected to act with integrity, which is an integral part of our Company's

values. We are opposed to bribes in any form and any employee found to have engaged in bribery or corruption will be severely dealt with by the Company and to the full extent of the law.

PUBLIC POLICY

In 2014, The SOCFIN Group did not make any contributions of any kind to political parties, politicians or related institutions. We abstain from participating in political activities and, whether or not local law

limits the use of corporate funds to support political parties, we do not make contributions to political parties, politicians, or related institutions at any level of government.

ANTI-COMPETITIVE BEHAVIOUR

The SOCFIN Group acts independently and in its own interest in all commercial situations affecting competitive conditions of trade and avoids all practices that

restrict competition. In 2014, no legal action was undertaken against our Group for anti-competitive behaviour, anti-trust and monopoly practises.

COMPLIANCE

The SOCFIN Group did not receive any fines for non-compliance with social laws and regulations in 2014

ENVIRONMENTAL RESPONSIBILITY

DISCLOSURE ON MANAGEMENT APPROACH

Having managed estates that are now in its fourth rotation – each rotation is 25 years - we are well aware that in order for our operations to be successful long term, it is imperative that we minimise and mitigate our impact on the environment we work in. Successful estates are dependent on good seedlings, well managed soils, regular access to water, biodiversity and other eco system services. How we achieve this is reflected in our Environmental Management Systems, our agricultural practises and in company policies. Our approach to managing environmental aspects is laid down in these documents and underlines our commitment to high standards and compliance with applicable laws. Our commitment drives us to improve our operations continuously and to safeguard our surrounding environment.

The Environmental management approach and system for managing biodiversity, energy and water consumption, emissions, effluents and waste is the same in all SOCFIN estates. All quantitative and qualitative impacts on the environment are identified as well as an inventory of all relevant legal requirements. Based on this, an environmental action plan is set up yearly for each site, with clear objectives, deadlines, and means for achieving the targets. All potential environmental risks and accidents are identified and the action plan describes how to mitigate those potential risks and how to deal with environmental incidents. The implementation of the action plan consists of the development and improvement of standard operational procedures, the training of employees and transparent communication of progress to all relevant stakeholders.

New employees receive an HSE induction and every employee involved in activities having a potential environmental impact is further trained. After analysis of the company's environmental performance, the needs for specific trainings in certain domains are assessed and implemented, operational procedures are developed for water consumption, energy consumption and waste management in order to

avoid any divergence with respect to the environmental policy in place and objectives. Monitoring and control of environmental performance, conformity with procedures in place and achievement of set objectives, is guaranteed by internal and external audits, monthly follow-up by the HSE correspondent and data measurements and registration.

2014 was marked by progress on our road towards certification: All our palm oil operations in Indonesia have reached RSPO and ISPO certification, while some of them will receive the actual certificate in 2015 and 2016. In addition, all the Indonesian operations hold ISO 9001, ISO 14001 and OHSAS 18001. Six estates hold ISCC certification. Three of our Socapalm production sites in Cameroun, have obtained ISO 14001 certification, making them the very first agro-industrial palm production sites to be ISO 14001 certified in Central Africa. The other three Socapalm sites and Safacam are well under way in the process to achieve certification too. Four other Group estate companies – SCC, SRC, LAC and Okomu - hold ISO 9001 certification for their factories. Our Group companies in Sierra Leone and Liberia were very close to their final audit for ISO 14001, when travel bans due to the Ebola outbreak hindered the progress. We will continue and finalise the process as soon as the Ebola outbreak is under control.

During 2015 we will continue with the current efforts, but also embark on getting all our operations compliant with the IFC Performance Standards and all our African oil palm operations RSPO certified. In addition to that our rubber operations will follow the FSC standard and the Sustainable Natural Rubber Initiative. We are strongly committed to managing and minimising the impact of our activities on the environment and will continue to develop robust Environmental and Social Management Systems, improve and standardise our procedures and reporting and encourage and support our local HSE correspondents in achieving the SOCFIN Group's goals.

ENVIRONMENTAL PERFORMANCE INDICATORS

For more details on our environmental performance, we would like to refer to the last chapter; *Data*

MATERIALS

We are continuously striving to protect our employees, local communities and the environment through reducing the use and application of chemicals or inorganic fertilisers. We use Integrated Pest Management (IPM) which definition is

“an ecosystem-based strategy that focuses on long-term prevention of pests or their damage through a combination of techniques such as biological control, habitat manipulation, modification of cultural practices, and use of resistant varieties”.

The objective is to keep the pests below harmful levels rather than pest eradication. It includes the encouragement of insects and birds as predators of pests and biological and other non-chemical control measures whenever available and practicable. An example is the planting of beneficial plants to encourage the proliferation of natural enemies in the control of caterpillars, the use of pheromone traps and the use of pest resistant planting material. While IPM can significantly reduce the need for agro-chemicals it seldom entirely eliminates its use.

We do not use chemicals that are classified 1A and 1B by the World Health Organisation (WHO), or that are listed by the Stockholm or Rotterdam Conventions except in special cases as identified in national best practise guidelines. This is the last year that we used Paraquat in Africa. Aldicarbe is not used at all. Rubber inherently has much less need for agro-chemical inputs. Fertiliser applications are need based follow-

ing soil testing. The use of chemical fertilisers are further reduced by the application of biodegradable matter such as empty fruit bunches, palm fronds and compost.

Chemicals, such as pesticides, fertilisers, fuel and other chemicals used in our factory, workshop or garage, are kept in locked storage only accessible to trained and authorised personnel. Using the strict minimum of chemicals reduces exposure of our operators and other potential impacts as well as costs. Unused chemicals are disposed by certified waste collectors and we are continuously seeking new low impact alternatives.

In 2014, we used 52.284 kg of toxic products (WHO class 1A and 1B). During 2014 we used 1.187.101 T of organic fertiliser, which is an increase of 366% compared to 2013.

A Group procedure is in place ensuring that all chemicals are stored and handled in a safe way to prevent accidental spillage and pollution and to ensure the Health and Safety of our workers and our environment. Regular compliance audits are performed by means of an elaborate checklist, identifying the non-conformities and improvement opportunities. We are continuously upgrading our standard operating procedures for chemical handling as well as the storage, spraying equipment and protective equipment to decrease any negative impacts of our activities.

ENERGY

Reducing energy consumption goes hand in hand with reducing GHG emissions as well as reducing the cost of production. Regular and preventative maintenance of our equipment and installations is a key activity in ensuring full functionality and efficiency. We monitor and follow up on all consumption of fuel and electricity and always strive to reduce the use. Our palm oil mills and increasingly our rubber factories are almost entirely energy self-sufficient. They use fibres from empty fruit bunches, kernel shells and rubber wood to fuel the boilers that not only produce steam and energy for the factories but also to a certain extent for the offices, hospitals and the employees living quarters.

In 2014, more than 12.100.000 kWh (9.600.000 kWh in 2013) have been produced by the palm oil steam turbines fed by biomass on our African sites and 13.750.000 kWh on our Indonesian sites (versus

12.900.000 kWh in 2013). Total production of renewable energy: 25.850.000 kWh in 2014 and 22.500.000 kWh in 2013 which represents an increase of 14.9%. The year before, we had an increase of 5.49%.

In addition to maintaining the highest standard of our production units, our Group invest significantly in renewable energy sources and energy production. The benefits are manifold. It reduces fuel transports and cost as well as GHG emissions. It also minimises the dependency on the unreliable electrical grids in the areas where we are operating.

SOCFIN GREEN

SOCFIN Green is a Group Company focusing on research, construction and operation of renewable energy facilities at the SOCFIN Group estates. SOCFIN Green documents the performance of existing facilities, studies and evaluates newly developed technologies as well as develops and helps to operate the installations.

During 2014 SOCFIN Green constructed a biomass fuelled rubber dryer in LAC and a biomass fuelled boiler for the palm oil mill at Brabanta and produced biodiesel at SPFS and SoGB. The construction of a hydro power dam at LAC was initiated in 2013, but the construction was slightly delayed due to the Ebola outbreak. We now expect the construction of the dam to continue into 2016. When finalised it will provide 4,300,000 kWh/year and provide all facilities and inhabitants of the estate with electricity.

The renewable energy activities put in place and managed by SOCFIN Green during 2014 reduced the use of classic diesel with 472,088 litres and produced 9,000 litres of bio diesel.

Constructions planned for 2015 and 2016 are a biomass boiler and steam turbine at SAC, a biomass rubber dryer at SAFACAM and a biomass boiler for the palm oil mill at Agripalma. During 2015 we expect to reduce the need for petroleum diesel considerably further.

SOCFIN Green is also investigating suitable solar panels to be installed at SAC and SOCFIN KCD which will provide offices, clinics and employee houses with electricity.

PRODUCTIVITY, RESEARCH & DEVELOPMENT

A key part of sustainably managing oil palm and rubber estates is to ensure maximum yield per hectare of utilised land with the least amount of inputs used. This is achieved through the planting, re-planting and proper management of high yielding, disease resistant clones. To maintain and improve the performance and ensure access to the best planting material possible, SOCFIN actively invest and participate in extensive research programmes with several partners such as CIRAD, PalmElit, local African and Asian institutes and Belgian Universities. Furthermore, SOCFIN produces its own oil palm seeds as well as rubber seedlings. For rubber, planting material is still produced through traditional bud grafting but Socfin is also pioneering with plantlets on their own roots. These activities are structured in SOCFIN Research and consist of programmes such as:

- Continual improvement of the breeding material for high yielding and disease resistant oil palm clones through conventional selection.
- Commercial palm seed production in Indonesia which produced 30 million seeds during 2014. The seed production in Cameroun is a new start up and we expect our first seeds to be produced during 2017.
- Commercial production of rubber seedlings. During 2014 the fall in rubber prices was directly reflected in smallholders' willingness to invest in the crop. We hardly sold any plants, even when

the selling price is no more than the production cost price.

- Oil palm genome studies to identify Fusarirose and Ganoderma resistant varieties.
- Fertiliser field trials for rubber and oil palm, to identify the ultimate fertiliser application.
- Rejuvenation of rubber through in vitro procedures and cuttings.
- Rubber clone selection for best productivity and disease resistance.
- Mycorrhiza inoculation of rubber roots to increase growth and disease resistance.

WATER

Water is a valuable asset and its quality is a measure for how well SOCFIN is managing its estates. We take great care to reduce the use of water, maintain its purity and safeguard water sources. We use water in the palm oil mills, the rubber factories, as irrigation in the nurseries and in the employee's households. Irrigation in the nurseries is need based drip irrigation. This improves the nursery performance because of its relatively low water requirement and homogeneous water coverage.

We provide drinking water to the resident population through boreholes and water pumps. We are continuously upgrading the pumps and drilling more boreholes for communities. The water quality is tested regularly according to the parameters issued by World Health Organisation. Samples are taken according to the law at the various boreholes and water pumps and samples are analysed in registered laboratories.

BIODIVERSITY

It is SOCFIN's responsibility to ensure that our operations do not threaten vulnerable species or areas. When we expand we develop lands that are already existing estates, grasslands, previously developed agricultural areas or severely degraded secondary forests. We do not develop primary forests, good quality secondary forests or any other high conservation value area such as riparian zones, sacred groves, traditional lands and buffer zones to protected areas or any other area deemed not suitable for cultivation. We preserve wet lands, micro habitats such as steep terrain, low lying terrains and rocky hills as well as ecologically and culturally sensitive areas. We only plant on soils that are suitable for oil palm and rubber cultivation. In accordance with national law and RSPO principles and criteria, environmental and social impact assessments are performed prior to any new development and the principle of free, prior and informed consent is implemented.

We have rare and endemic rodents, bats and birds that inhabit our regions. We sensitise our employees and surrounding communities about their existence and uniqueness and work to jointly protect their habitats. In accordance with the results of the Environmental Impact Assessments conducted at all our estates, each estate has areas that are set off for conservation. In addition, at SOCFINDO, all estates have been HCV assessed in the process of getting RSPO certified. The HCV areas within our concession are now identified managed and monitored. In the estates established in the early 20th century, the riparian zones are being recreated.

Riparian zones are maintained or recreated where missing to avoid leakage into water ways and lakes. Cover crops are systematically used to reduce the use of fertilisers and reduce soil erosion and agro chemical leakage. All our mills and factories have water treatment facilities in the form of ponds. We are currently building ponds at SAC and plan to start at Brabanta during 2015. When these systems are finalised no water will be discharged directly from a mill or factory without treatment. The discharge water from the ponds is regularly measured to ensure the biochemical oxygen demand, BOD and the chemical oxygen demand, COD, values are within permitted levels. We monitor the water consumption at factory level so that appropriate action can be taken to further reduce total consumption. Currently the average consumption for all palm oil mills in the Socfin Group is 1,4 m³ / ton FFB processed and an overall mean of 21,1 m³ / ton dry rubber.

At SoGB, five agents, trained on HCV monitoring, are surveying an area of 1.614 hectares which has been converted into a voluntary nature reserve. At LAC, 3.100 hectares has been set off as a nature reserve and SOCFIN KCD and Coviphama have preserved 4.000 hectares of forest, including the riparian zones next to the streams passing through the concessions, as well as the sacred forest areas for the local minority population. Okomu has over 1.000 hectares of forest still intact within its borders as well as actively collaborating with the neighbouring Okomu National Park supporting it with infrastructure to improve its eco-tourism. At Brabanta 13.000 hectares of forest is preserved. It is a significant area, whilst not primary, potentially containing a number of protected species. Brabanta is sensitising the local communities to avoid slash and burn agriculture and illegal logging in order to decrease the pressure on this area.

However, it is an unfortunate fact that it is very difficult, complicated and at times even dangerous to actually protect these areas from smallholder encroachment, illegal mining and illegal logging. Local land use tradition, weak land tenure systems, corruption and lack of government enforcement leave these protected areas vulnerable to degradation. We have made attempts to work with conservation partners with varying success. We will continue to evaluate options that can help us safeguard these protected areas.

EMISSIONS, EFFLUENTS AND WASTE

We work to reduce and address the impacts of our activities on our surrounding environment by actively controlling and reducing effluents, emissions and waste.

Both palm oil mills and rubber factories use water in its processes, and the wastewater is treated in open pond systems. The palm oil mill effluent is discharged into surface water such as a river, but not before extensive treatment has ensured that the Biological Oxygen Demand (BOD) levels do not exceed the national standards. When national standards are not available or sufficiently stringent we follow the guidance of the International Finance Corporation. Regular laboratory testing of the treated effluent from the palm oil mills and from the rubber factories reports on values such as the pH, BOD₅, Chemical Oxygen Demand, Total Suspended Solids amongst others. A group data collection system is in place and we continuously work to improve our measurements and the quality of our data.

We are continuously upgrading technology and installing ventilators in the ponds to improve the treatment of the effluents. We are currently in phase where the quality of our POME is too good e, i.e. too clean from oil and solids, to run methane capture facilities efficiently and in a cost effective manner. In addition, the areas where we work do seldom allow selling the energy to the public grid, either from a technical or a financial point of view. These factors in combination with unsuccessful carbon credit markets do not allow us from a financial perspective to invest in this technology at present. While we are good at managing our effluents, we realise that methane emissions from treatment of wastewater in ponds contribute significantly to climate change and that we need to further improve how we manage these emissions.

The solid biodegradable waste is mainly reused on the estates while some is sold on the open market. Empty Fruit Bunches (EFB), is either applied and re-used on site as organic fertiliser or used as biofuel for the boilers in the palm oil mill. When replanting, the trunks of the old trees and the tree stumps are

left in windrows in order to decay on site. The windrows, in combination with cover crops, help avoid soil erosion and the nutrients return to the soil gradually over a number of years, which contribute with organic matter to the soil. This reduces the need for chemical fertilisers. At Bangun Bandar, Socfindo has invested in a composting facility. The input consists of crushed EFB, POME from the palm oil mill and regular turning. The system is quite advanced and costly in comparison to normal open air composting, but we see that it has both reduced the volume of POME discharged in an open pond by 40% - which reduces the methane emissions - as well as having very good nutrient levels in comparison to open air composting systems.

Each estate is following the group procedure for waste management which ensures compliance with general policy, best practise and current national legislation. Collection, transport, recovery and disposal of both industrial and domestic waste are controlled. For the collection and handling of waste, HSE guidelines are followed to ensure that Personal Protective Equipment (PPE) is used and the waste is stored in an appropriate manner. Waste is disposed of in either the ponds, in landfills, incinerators or recovered as energy or recycled. However, the general focus is on minimising the amount of waste generated and to re-use whenever possible. Hazardous waste is collected by registered companies. In addition to procedures and ensuring waste bins are in place, the estates work on raising awareness about waste management in the communities. Competitions such as "cleanest village" are frequently held in order to educate and motivate for cleanliness and hygiene. It is a challenging long term work since neither the awareness about waste nor the systems to properly manage it are in place in the countries where we operate.

The management of waste is improving continuously and we have seen yet another sharp increase in 2014 for the waste that is recycled, sold or collected. 11.915 T of waste was sold or collected for recycling. 82.804 T of waste was recycled and valorised internally and 21.580 T of special industrial waste was collected by registered dealers.

COMPLIANCE

The SOCFIN group did not receive any fines for non-compliance with environmental laws and regulations in 2014.

OVERALL

The overall amount of investments and expenditure of HSE in 2014 is EUR 7.095.610 (excluding wages and social benefits for HSE staff) representing an increase of 90% compared to 2013.

ECONOMIC

DISCLOSURE ON MANAGEMENT APPROACH

With more than 100 years of existence the SOCFIN Group knows that sustainable business is achieved through putting the onus on creating immediate as well as long-term benefits to all the Group's stakeholders such as employees, customers, local communities and smallholders. As one of the major private sector actors in all of the countries where we are present, we have significant effect on the local economy. The SOCFIN Group is very aware of the long term economic responsibilities that our position at national level lead to. We are convinced that palm oil and rubber can be produced in a responsible and sustainable manner. We create improved livelihoods with access to health and education which gives opportunities for thousands of people in the regions where we operate. We provide nutrition for millions where we market our palm oil. However, it is necessary that the financial bottom line is healthy to enable us to be efficient in tackling environmental and social issues. Without profits, the entire notion of sustainability is unrealistic. Our overall economic strategy is therefore one of sustainable growth through productivity increase and acquisitions.

We achieve increased productivity per hectare through rigorous replanting programmes with high yielding and disease resistant clones. We expand our area under cultivation through planting programmes on degraded land in our existing concessions. We do this in dialogue with the local communities and we do not touch ecologically or culturally sensitive areas. We are convinced that increase in yields and land productivity can be obtained through better management practises and better planting materials and therefore we work together with several national and internationally recognised research institutes in the field of Research and Development. On the older estates we replant and replace the trees at the age of

25 years, following a phased planting schedule which is spread over several years. This provides an even need for employees and an even and predictable productivity. The oldest plantations in the group have reached its fourth cycle of replanting. Efficient, long term production on sensitive tropical soils requires the utmost care and good management to avoid soil degradation.

When expanding, whether it is acquiring a new estate or expanding within existing concessions, we aim to identify ecologically degraded land. It can be abandoned farm land, degraded land or previously established estates. We do not convert virgin forests and other high conservation value ecosystems. Land expansion on previously cultivated land, which is the case at Brabanta and PSG, avoids the problems that are usually associated with greenfield development. We have grown significantly through acquisitions over the past years and in 2014 we acquired Safacam in Cameroun. The SOCFIN Group has managed Safacam for many years, but has now become the majority owner.

During 2014 the SOCFIN Group continued to invest heavily in improving the estates in the group. The palm oil mills at Brabanta and SAC was finalised with a total investment of EUR 11 m and EUR 18 m.

The extension of the palm oil mills at Okomu and at SoGB were finalised during the year, which entailed an investment of EUR 14.3 m. The construction of the hydro-power dam will recommence as soon as the Ebola situation is under control. The EUR 8 m investment is expected to be fully up and running in 2016. In addition to these industrial investments the Group is continuously planting and replanting to ensure the maximised use of the agricultural land.

ECONOMIC PERFORMANCE INDICATORS

Economic performance

Turnover (million euros)	
2014	508,4
2013	527,4
2012	637,7
2011	659,3
2010	508,8

For the financial year ending 31 December 2014, the SOCFIN Group reported a turnover of EUR 508.4 million. The operational result (before IAS41) for that

year amounts to EUR 98.9 million. Our figures are lower than last year nevertheless, the profit for the year attributable to the Equity holders of the parent amounts to EUR 52,4 million against EUR -3,9 million in 2013. The turnover variation is mainly due to lower commodity prices, IDR exchange rate depreciation compared to EUR and an increase in production. Although the company realised a higher production output the result is lower than preceding years due to lower commodity prices.

For more detailed financial information we refer to the Socfin's annual report.

Turnover by product (million euros)	
2014	249,7
2013	159,8
2012	19,9
2011	63,9
2010	15,2

Socfin's markets in Africa were characterised by a continued decline in rubber and oil palm selling prices, a huge economic crisis in the countries hit by Ebola (Guinea, Liberia and Sierra Leone), and by growing insecurity in Nigeria.

Nevertheless markets were concentrated on domestic consumption and as such Socfin contributes in an important way to the food security in the countries where we are operating. Natural rubber stays an important green energy supplier as it is substituting partly petrol derived synthetic rubber: as such it contributes in an important way to the reduction of Green House Gas emissions.

REGIONAL DEVELOPMENT

Palm oil and rubber estates play an important economic role in the countries and regions where we are operating. Our presence in isolated rural areas produces an influx of technology and leads to higher regional economic development. The estates represent an important source of employment and revenue for the educated and non-educated employees and farmers.

Local, isolated communities have suddenly access to markets and various economic activities. Youngsters are trained, local farmers work together with the estates to increase their income and to ameliorate their performances.

The SOCFIN Group's statutory payment of taxes to

State and Federal Governments and our contribution to national social security is, without any doubt, a major source of revenue and development for the countries.

Most jobs are occupied by locally recruited staff. Of the more than 45.000 employees only 0.4% are expatriates. If sufficient qualified staff cannot be found we organise the training of promising youngsters. As such an environment of opportunities is created. Job remuneration is far above minimum salaries and standards practised in the different countries where we are operating in. Moreover wage packages include housing, medical care, schooling, some school fees and transport to schools.

INDIRECT ECONOMIC IMPACTS

We have a real policy of using local suppliers, shopkeepers and tradesmen. Although there is a firm commitment to engage as much as possible direct employees we offer possibilities to local contractors. This stimulates local entrepreneurship.

Salary remuneration is mainly spent in the local economy. Several millions of Euro is monthly, indirectly,

injected into the local economy through salary payments. Our estates are real nuclei of economic development with creation of several shops, garages and workshops, services, restaurants and other financial activities. Indirect employment through these activities is an important part of the development and financial growth of these remote areas.

Therefore the surrounding communities are thriving: increase in building activity, improved road networks, schools and boreholes for clean drinking water. The

estate helps to develop these communities: directly by creating the above mentioned basic utilities, indirectly by the stimulation of the local economy.

SMALLHOLDER ACTIVITIES

Our outgrower and smallholder schemes bring additional income to communities who wish to sell fruit or rubber to us and are a core part of our corporate responsibility. We provide plants from our nurseries at subsidised rates, we offer technical assistance during farm visits, organise workshops to discuss the challenges they are facing in rubber or oil palm cultivation and training programs in management of nurseries, harvesting, farm maintenance and upkeep. At SCC, the factory was built with the sole purpose to offer local rubber smallholders a processing plant for their rubber. SCC currently has partnership with more than 6.000 smallholders who are organised in cooperatives. If we take into account that one family consists of about six members, we can state that roughly 36.000 people benefit directly from SCC's activities. Moreo-

ver SCC pays premiums to the cooperatives, enabling them to invest in certain projects. During 2014 one community built a house for their midwife to ensure ever present health care for the pregnant women in the area. At LAC roughly 500 smallholders benefit from LAC's technical advisory services on an on-going basis. In some of the plantation Companies, such as SoGB, we are involved in projects to assist local people who own land to develop smallholdings of oil palm and rubber. In some cases the company makes the land available to them. We carry the initial development and material cost, which is later recouped from the smallholders when they sell their crops to our palm oil mill or rubber factory. This approach has considerably increased the smallholders' revenues.

	Unit	SAC	SRC	LAC	SoGB	SCC		PSG	OKOMU	SOCAPALM	SAFACAM	BRABANTA	AGRIPALMA	SOCFIN KCD	COVIPHAMA	SOCFINDO
FINANCIAL DATA																
Turnover (000€)	EUR			22.892	85.053	25.302			41.614	68.596	17.765					161.612
Profit (000€)	EUR			-339	6.979	1.895			7.403	9.104	2.815					54.791
Production CPO 14	T				30.538				31.700	91.505	13.828	1.966				207.623
Production dry rubber 14	T		2.249	17.896	51.423	19.817			8.361	732	5.023					12.961
Operating costs (000€)	EUR			21.000	68.360	21.337			25.539	49.013	12.923					
Total HSE expenditure & investments	EUR	626.196	89.972	838.003	1.159.185	159.532		73.720	345.952	1.526.975	1.013.360	159.431	0	647.356	32.117	283.129
WORKFORCE																
Permanent Employees		1.144	683	1.806	5.909	271		292	563	2.184	2.022	2.113	125	123	55	9.531
Daily workers		3.468			4.336			976	1.578	2.223	360	2.671	718	336	171	1.823
Contractors		191	806	3.166					892	1.500	200		67			1.665
Expats		20	3	12	10	2		8	12	17	5	9	3	5	4	3
Employees - all categories		4.823	1.492	4.984	10.255	273		1.276	3.045	5.924	2.587	4.793	913	464	230	13.022
HEALTH & SAFETY																
Working accidents		481	110	25	483	8		271	81	394	78	141	105	14		131
Work-related fatalities					1			1								1
Work-related injuries		480	110	25	482	8		269	81	394	78	141	34	14		124
Injury Rate (IR)	nb/100 empl	10	12		18	3			5	15	4	5	32	11		2
Lost Day Rate (LDR)	nb/100 empl	14	13		95				1	50	44	12	23	73		15
Training sessions		56	6		6				7	71	2	5	3	5	5	227
Trained workers		2.307	125		202	69			156	2.897	45	19	40	615	275	8.637
CONSUMPTION INDICATORS - FACTORIES & MILLS																
		No mill	Factory closed					No mill		Average values			No mill	No factory	No factory	Average values
Fuel use per processed ton of FFB	I/T FFB				0,09					1	0	1				1
Water use per processed ton of FFB	m3/T FFB				1				2	1	1	2				1
Electricity use per processed ton of FFB	kWh/T FFB				19				18	21	14	17				16
Fuel use per processed ton of dry rubber	I/T dry			9	44	40			35							42
Water use per processed ton of dry rubber	m3/T dry			24	19	23			22							18
Electricity use per processed ton of dry rubber	kWh/T dry			199	208	214			186							152
Consumption indicators - Workshop & Garage																
Average fuel consumption - light vehicles	l/100 km	13	13	14	11	9			13	13	10	15	12	15	11	15
Average fuel consumption - trucks	l/100 km	42	31	30	20	32			39	14	25	55	40	22		35
Average fuel consumption - gensets	l/100 km	1	0	0	0	0			0	1	0	0	5	1	0	
QUALITY INDICATOR- POND WATER QUALITY																
pH	pH		7		8	7			7		8					8
BOD5	mg O2/l				67	46			258		212					74
COD	mg O2/l				232	158			372		409					190

KEY ENVIRONMENTAL AND SOCIAL DATA

	Unit	SAC	SRC	LAC	SoGB	SCC	PSG	OKOMU	SOCAPALM	SAFACAM	BRABANTA	AGRIPALMA	SOCFIN KCD	COVIPHAMA	SOCFINDO
AGRIC DATA - TOXIC PRODUCTS USED															
Use of Aldicarbe	kg				335					170					
Use of Paraquat	l								50	130					15.391
Use of Carbofuran	kg	21.385					6.621	1.255	5.104	1.835	8				
Use of organic fertilisers	T				26.546			35.837	85.263	10.246	8.093				1.021.116
WASTE MANAGEMENT															
Waste collected by a registered dealer	m3	755			179			3							48.838
Waste sold	T	11.690	30	9		70		3	85	29					
Waste recycled and valorised internally															
Special Industrial Waste collected by a registered dealer	T or m3				6				21.566	9					
MEDICAL STATISTICS															
Clinics & health centres		1+4	1	5	19	1	1	3	7	1	3		1	1	53
Health staff		13	18	70	6		9	9	28	14	27		1	1	81
Consultations		450	16.603	22.985	108.952		2.568	22.458	49.087	27.446	15.542		574	137	56.974
Hospitalisations			1.331	3.319	1.538		6	858	543	1.009	1.690		26		
Five most common diseases		1. Malaria. 2. Acute respiratory infections. 3. Skin infections.						4. Muscular-skeletal pains. 5. Gastro-enteritis							
Child births		240	222	321	736				144	103	728		2		385
Women receiving contraceptives		480	547	10.734	1.806			47	602	87	80				
Condoms distributed		1.200	6.890	4.000	18.852			2.500	2.419	64.400	1.440				
Voluntary HIV tests performed			120	42	860			168	3.131	3.620					
HIV positive patients receiving treatment			7	40	458			28	324	302					
HIV positive women receiving PMTCT medication			10					2	9	6					
Positive malaria tests		3	3.477	2.308	18.761		539	647	7.670	4.776	4.318		4	1	7
Malaria nets distributed		780	162	-	14.500			1.500	3.000	118	5.385		1.888	933	-
EDUCATIONAL STATISTICS															
Nursery schools			5	8	1	1	1	1	11	4	1				51
Primary schools		13	4	7	10		1	1	22	10	8		2		14
Secondary schools		2	2	3			-	-	5	3	8		1		
Classes		61	31	64	60		22	12			171		36		141
Teachers		58	50	69	60	3	27	11	274	114	253		41		141
Students		2.399	2.778	6.765	4.040	55	1.018	345	7.676	3.507	3.351		1.296		3.691
Ratio Teacher / students		40	55	98	67		38	29	0	0	13		0		0
Average number of students per class		40	44	105	67		46	29		30	20		32		26

PARTNERSHIPS

Theme	Stakeholder groups	Structured and regular dialogue	Partnerships and memberships
Environmental responsibility	Government		GEEC, Groupe d'Etudes Environnementales du Congo (Brabanta)
			National Environmental Protection Agency (all plantations)
			Department of Agriculture and Forestry of Sao Tomé (Agripalma) – plantation development following good practises.
			Ministry of Environment, Department of Ecology and Environmental Protection (SoGB) – classification of protected area and training of park guards
	Universities		University of Cape Coast, Department of Forestry (PSG)
			CIRAD - agronomic research PALMELITE
	NGO		Green Scenery (SAC) – land issues with local communities
Health, education & partnerships with communities	NGO		Excellence in Higher Education for Liberian Development (EHELD) (LAC)
			AIMAS – awareness raising about HIV and sexually transmitted diseases (SCC)
			NAFCOA, National Action for control of AIDS (Okomu)
			Leigos Para o Desenvolvimento (Agripalma) – community organisation
			ADDRA (Agripalma) – educational support
			TESE, Engineers Without Borders (Agripalma) – waste management
			ANJIMUALA (Agripalma) – smallholders project
			World Vision (SAC), health and safety projects
			Welt Hunger Hilfe (SAC), access to boreholes and wells, waste management
			Peace Corps (SAC) – environmental sensitisation of secondary schools in the chiefdom
			Elisabeth Glaser Pediatric AIDS Foundation / Ariel Glaser (SoGB) – prevention and treatment of HIV/AIDS
		PSI (Socfin –KCD) – Malaria studies and prevention	
	Universities		University of Michigan, USA (LAC)
		Njala University (SAC) - internships for practical learning	
		Royal University of Agriculture (Socfin-KCD) – trainee exchange, Socfin-KCD guest speaker at the University	

PARTNERSHIPS

Theme	Stakeholder groups	Structured and regular dialogue	Partnerships and memberships
Health, education & partnerships with communities cont.	Government		Grand Bassa Community College (LAC)
			DEG, The German Development Bank --Ebola prevention in Sierra Leone, Liberia and Côte d'Ivoire and other welfare activities (Socfin Group)
			Centre de la Petite Enfance de la Sous-Préfecture d'Adaou (SCC)
			Government of Ghana, National Service Work graduates (PSG)
			ANAPI (Agence Nation de Promotion à l'Investissement) (Brabanta)
			Federal Ministry of Agriculture (Okomu)
			College of Agriculture (Okomu)
			GTZ, The German Agency for Technical Cooperation (SAC), banking facilities and financial services
		Ministry of Health (SoGB) – accreditation of the hospital laboratory	
	Intergovernmental organisations		IFC (SRC)
			Human Rights Commission of Sierra Leone (SAC) – land issues with local communities
			The World Bank (SAC), general policy
	Private sector		Safmarine – construction of primary schools (LAC)
	Employees	LAWU, Liberian Agricultural Workers Union	
		GAAWUL, General Agricultural and Allied Workers Union of Liberia	
		LAC Staff Association	
	Cooperatives/Associations/Smallholders/local communities		Rubber Planters Cooperatives (SoGB) – training, support and purchase of rubber
			Rubber Planters Cooperatives (SCC) – training, support and purchase of rubber
			La Caisse Mutuelle d'épargne et de crédit d'Aboisso (SCC)
			AVD, Association des Villages Déplacés (SoGB)
		Stanbic IBTC – pension fund (Okomu)	
Finance		Prak Neth (Socfin KCD) – Dialogue and collaboration with the Phnong minority	
		Family Rubber Plantation project (Socfin-KCD) – Supporting Phnong minority to improve their rubber cultivation	

PARTNERSHIPS

Theme	Stakeholder groups	Structured and regular dialogue	Partnerships and memberships
Corporate and product integrity	Multistakeholder organisations		RSPO
	National Associations		GAPKI (SOCFINDO)
			GAPKINDO (SOCFINDO)
			BKSPPS (SOCFINDO)
			LACA, Liberian Agricultural Concessions Association (LAC)
			Rubber Planters Association of Liberia (LAC)– supply farming material
			NRAN, National Rubber Association of Nigeria (Okomu)
			MAN, Manufacturers Association of Nigeria (Okomu)
			POFON, Plantation Owner Farmers of Nigeria (Okomu)
			UNIBEN, Research organisation (Okomu)
			RRIN, Rubber Research Institution of Nigeria (Okomu)
			NIFOR, Nigerian Institution for Oil Palm Research (Okomu)
			Fond de Développement de L'Hévéa en Côte d'Ivoire (SoGB) – support smallholders with good quality planting material and guidance

GLOSSARY

Biodiversity	The diversity (number and variety of species) of plant and animal life within a region
BOD	Biological Oxygen Demand is the amount of oxygen used when organic matter undergoes decomposition by micro-organisms. Testing for BOD is done to assess the amount of organic matter in water.
COD	Chemical Oxygen Demand is used to indirectly measure the amount of organic compounds in water.
Effluents	Water discharged from one source into a separate body of water, such as mill process water.
ESIA	Environmental and Social Impact Assessments include the process of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment.
FSC	Forest Stewardship Council is a global, not-for-profit organization dedicated to the promotion of responsible forest and plantation management worldwide for timber and non-timber products
GHG	Emissions Greenhouse gas or carbon emissions are gases in an atmosphere that absorb and emit radiation within the thermal infrared range. This process is the fundamental cause of the greenhouse effect. The primary greenhouse gases in the Earth's atmosphere are water vapor, carbon dioxide, methane, nitrous oxide, and ozone.
HCV	High Conservation Values and the concept of HCV forests (HCVF) was first developed by the Forest Stewardship Council in 1999 as their 9th principle. The FSC defined HCVF as forests of outstanding and critical importance due to their environmental, socio-economic, cultural, biodiversity and landscape value.
IFC	International Finance Corporation is the private banking arm of the World Bank.
ILO	International Labour Organization (ILO) is a tripartite world body representative of labour, management and government and is an agency of the United Nations. It disseminates labour information and sets minimum international labour standards called "conventions", offered to member nations for adoption.
IPM	Integrated Pest Management is a pest control strategy that uses an array of complementary methods: mechanical devices, physical devices, genetic, biological, legal, cultural management, and chemical management. These methods are done in three stages: prevention, observation, and intervention. It is an ecological approach with a main goal of significantly reducing or eliminating the use of pesticides.
ISO 9001	Sets out the criteria for Quality Management System. It is developed by ISO and is a globally recognized standard that can be certified.
ISO 14001	Sets out the criteria for a certifiable Environmental Management System which allows the organisation to follow a framework for measuring and improving its environmental performance.

GLOSSARY

ISCC	International Sustainability and Carbon Certification is a certification system for sustainability and greenhouse gas emissions. It can also be used to demonstrate compliance with the EU Renewable Energy Directive's (RED) requirements.
ISPO	The Indonesian Sustainable Palm Oil system is a policy adopted by the Government of Indonesia with the aim to improve the competitiveness of the Indonesian palm oil on the global market and contribute to the objective to reduce greenhouse gases emissions and draw attention to environmental issues
NGO	Non-governmental Organisation refers to independent organisations focusing on environmental or social issues.
OHSAS 18001	An international certifiable occupational health and safety management system intended to support the organisation to manage and minimise risk at the workplace
Peat	Is an accumulation of partially decayed vegetation matter. Peat forms in wetlands or peat lands, variously called bogs, moors, mires, and peat swamp forests.
RSPO	Roundtable on Sustainable Palm Oil is a multi-stakeholder organisation based in Kuala Lumpur, Malaysia. The organisation has developed a certification scheme for sustainable palm oil.
Stakeholders	Any group or individual who are affected by or can affect the company's operations.
Sustainability	Long-term balance between social, economic and environmental objectives. Often linked to Sustainable Development which is defined as "Development that meets the need of current generations without compromising the needs of future generations".

PHOTOGRAPHY



The Agripalma plantation functions as a buffer zone to the impressive national park at Sao Tomé

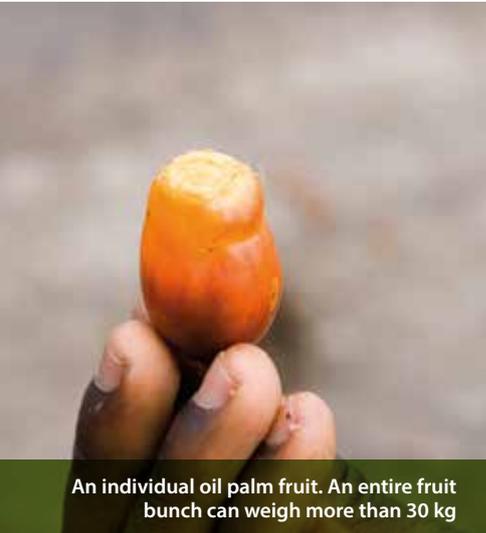


Aek Loba in Indonesia is the oldest plantation in the group from the early 20th century and the only one equipped with a railway system



Rubber latex flowing down the spout, from a newly cut tree

PHOTOGRAPHY



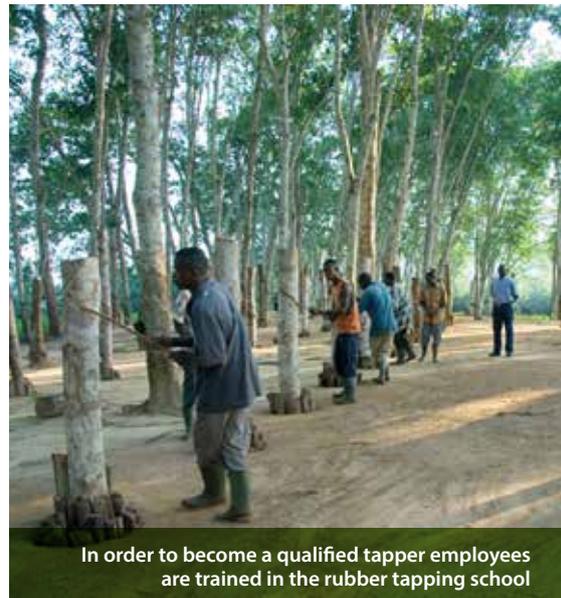
An individual oil palm fruit. An entire fruit bunch can weigh more than 30 kg



Fire drills are an important part of training held at plantations throughout the Group



Awareness raising and prevention campaigns help reduce malaria and other prevalent diseases in the communities



In order to become a qualified tapper employees are trained in the rubber tapping school



The cleanest village competition at SAC is to be concluded and it is a festive mood where all participate

PHOTOGRAPHY



Natural rubber cup lumps are gathered and wait to be weighed and collected for the rubber factory at SCC



The increased hygiene during the Ebola outbreak has led to a clear reduction in other diseases like cholera.



Young palm trees in a 100 year old oil palm plantation. It is the fourth rotation of 25 years which is possible due to good land management

A photograph showing a person's hands and legs in a blue uniform, engaged in planting a young tree in a field. The person is using a wooden tool to work the soil around the base of the sapling. The background is filled with other young trees, suggesting a reforestation project.

Socfin

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