

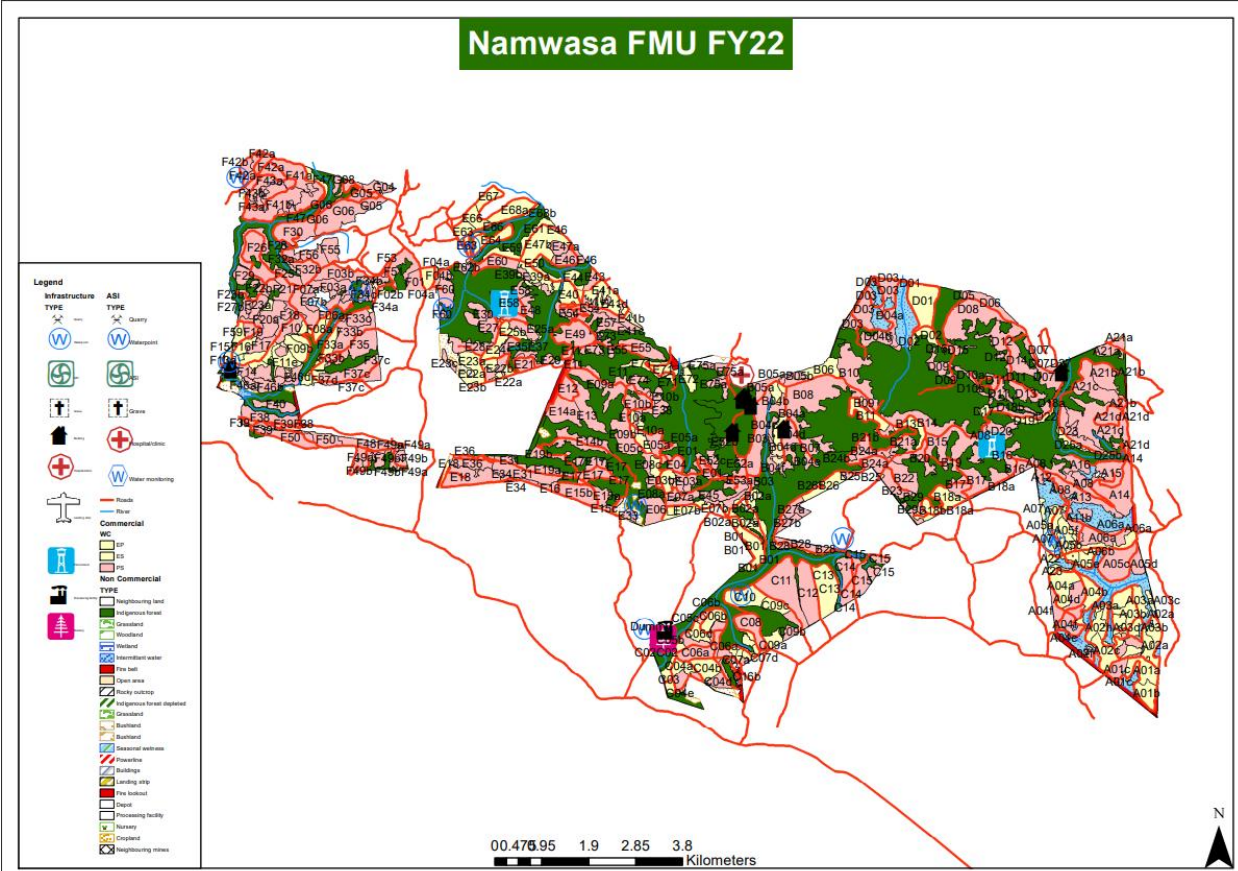
Uganda Monitoring Public Summary FY23



Introduction

This document summarises the monitoring of activities at The New Forests Company's (NFC) Uganda plantations. Namwasa Plantation is located in Kassanda District, Luwunga Plantation is located in Kiboga and Kyankwanzi Districts and Kirinya Plantation is located in Bugiri District, all in the Republic of Uganda. Namwasa and Luwunga are on central forest reserves, Kirinya is on private land. This monitoring has been conducted in line with the management objectives of the plantations, and the requirements of international standards. Familiarity with the management plan summary for NFC's Uganda plantation is helpful in understanding the management objectives that relate directly to these monitoring results.

The period under review is FY23, from July 2022 to June 2023.



Map 1: Namwasa Plantation

on our journey of improvement on gender balance. Approximately 22%, 22% and 23% of all workers are sourced within 30km of the boundaries of plantation, respectively.

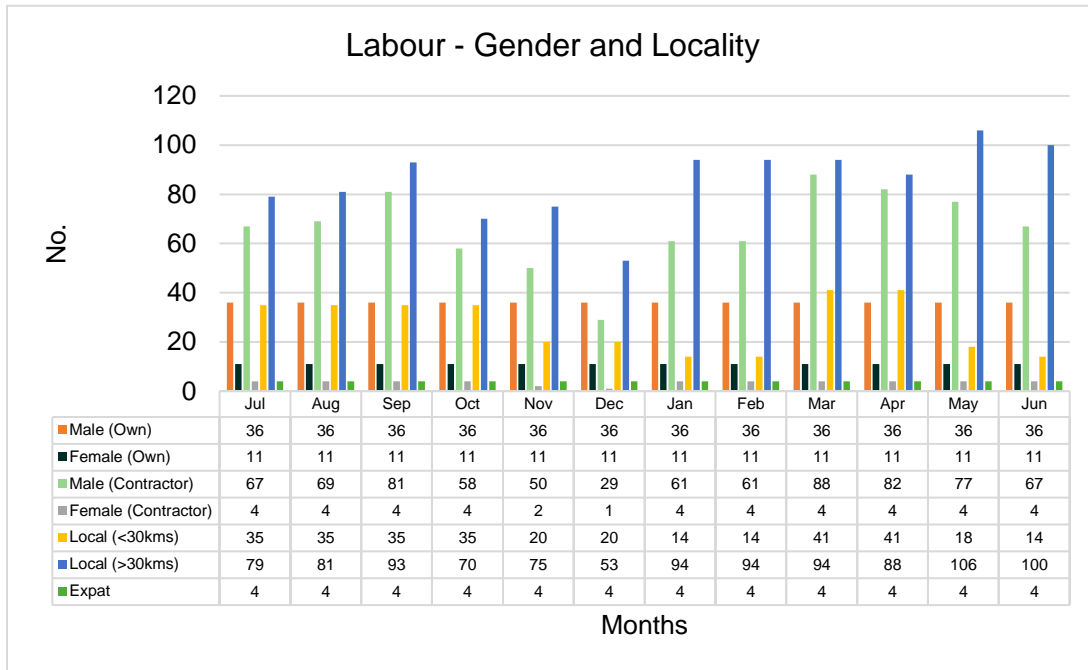


Chart 1: Namwasa Plantation labour statistics, gender and locality

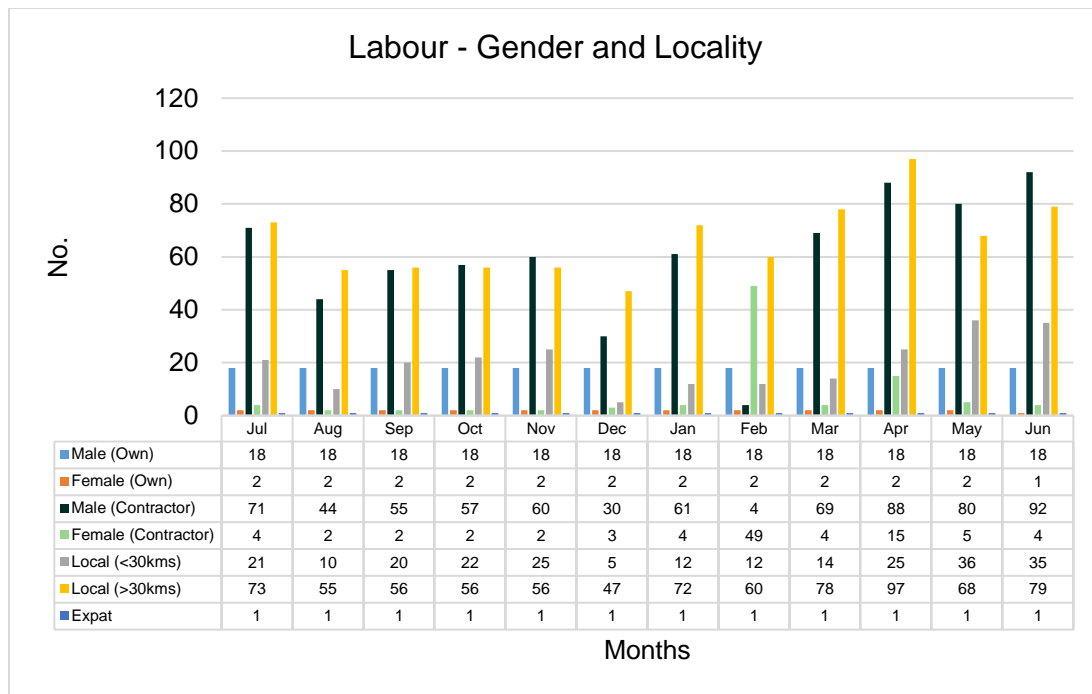


Chart 2: Luwunga Plantation labour statistics, gender and locality

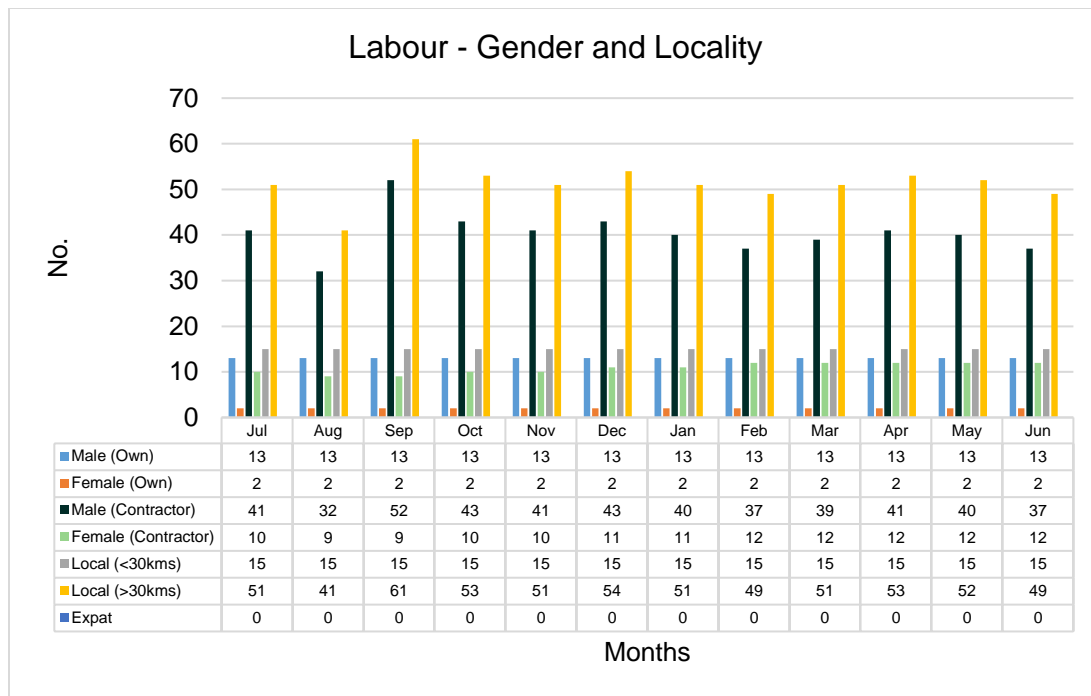


Chart 3: Kirinya Plantation labour statistics, gender and locality

Environmental Impacts

As a triple bottom line business, our positive impact on the environment is an important part of our ethos.

The results of regeneration activities (Criterion 10.1)

All three plantations planted 105, 99 and 86 hectares in the period under review, respectively. This effectively reduced the temporary unplanted area (TUP).

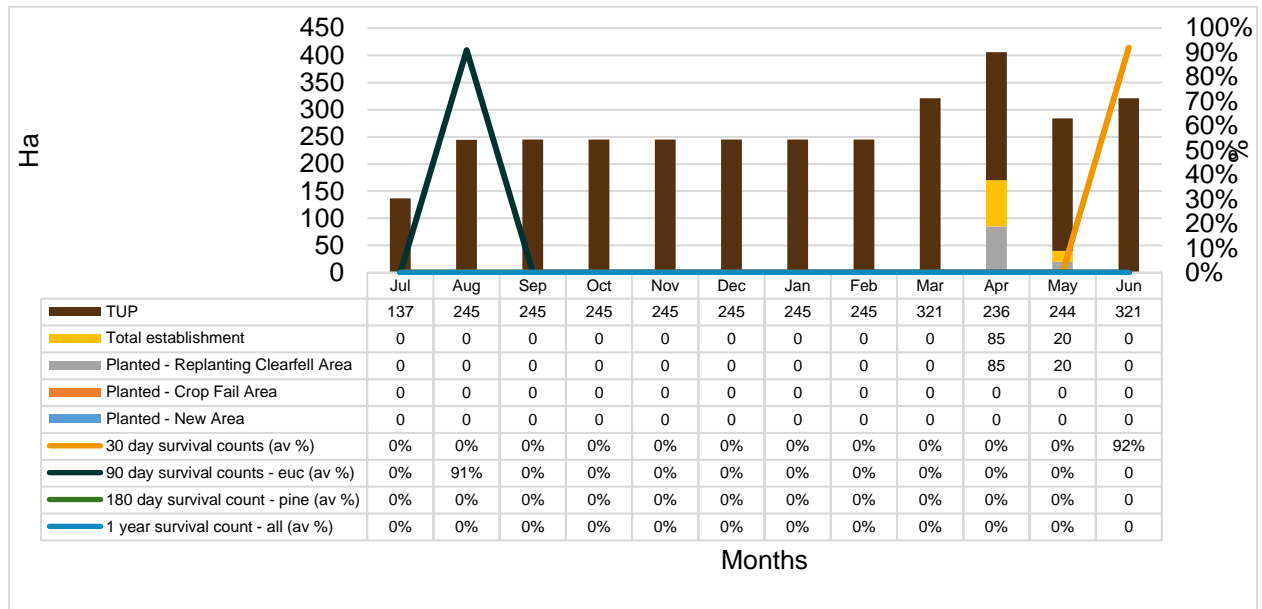


Chart 4: Namwasa establishment activities

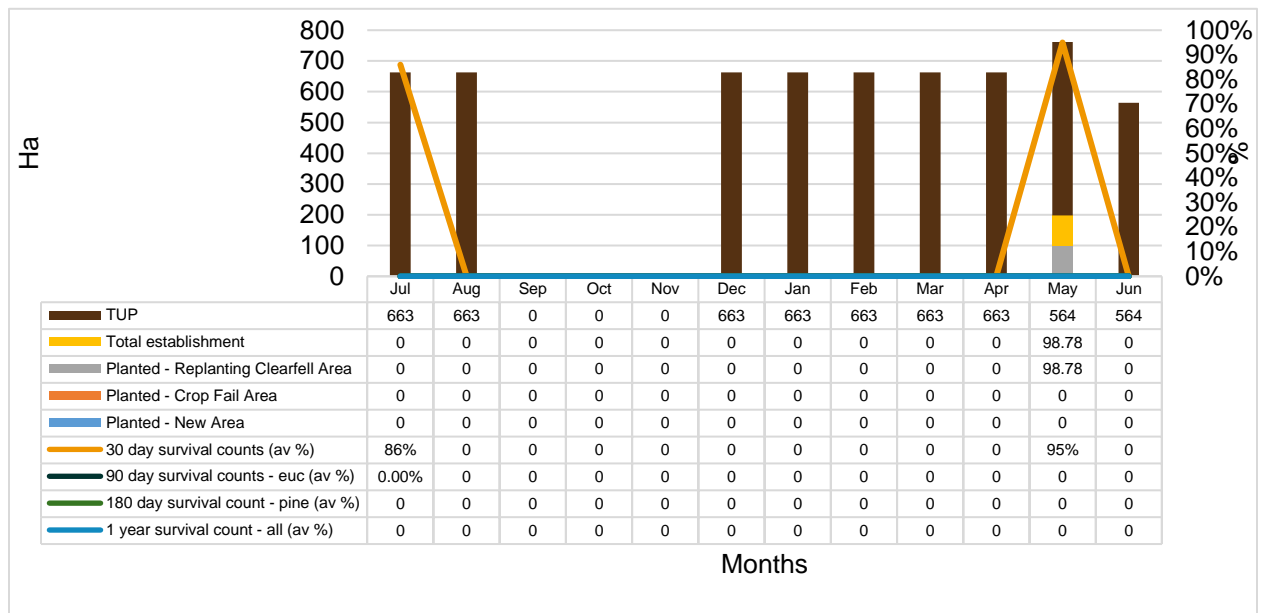


Chart 5: Luwunga establishment activities

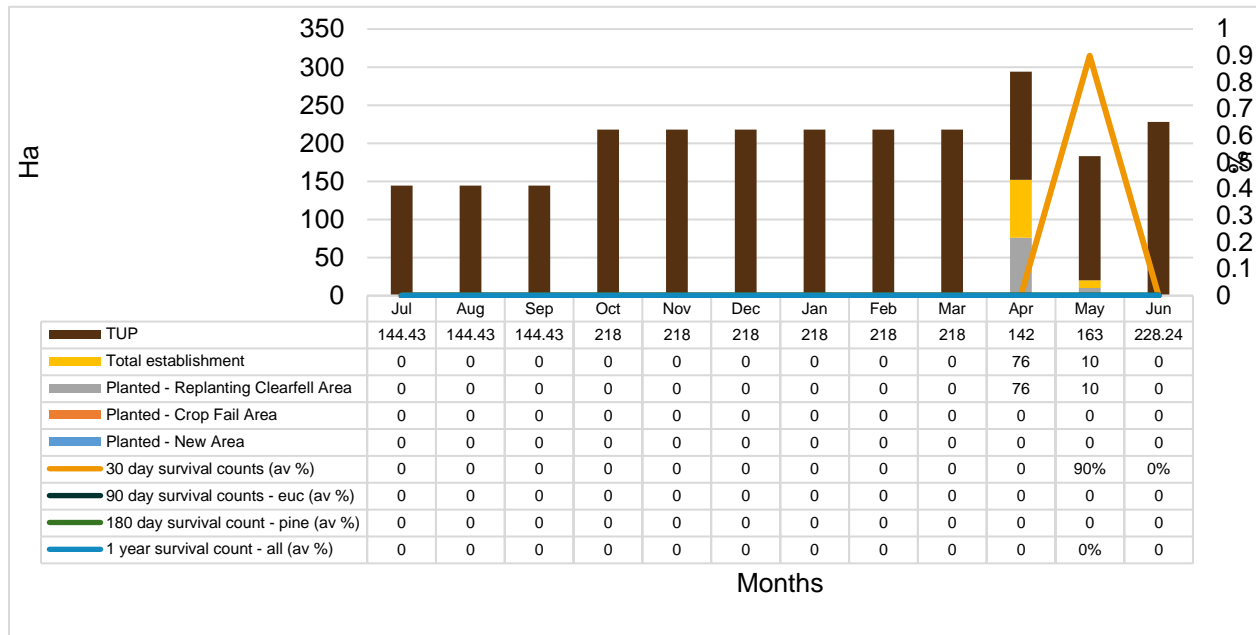


Chart 6: Kirinya establishment activities

The use of ecologically well adapted species for regeneration (Criterion 10.2)

In line with The New Forests Company's requirements, only *Eucalyptus* and *Pinus* species are planted. There is an established history of the ecological suitability of these species in Uganda,

as these species have been planted on government and private plantations for decades after research showed them to be suitable.

Invasiveness or other adverse impacts associated with any alien species within and outside the Management Unit (Criterion 10.3)

There are currently no recorded invasive or other adverse impacts associated with the species planted on NFC plantations. Where these are reported, plans are made to correct the situation.

The results of silvicultural activities (Criterion 10.5)

Almost forty percent of the total area is left as natural vegetation (conservation areas). All current silvicultural practices are ecologically appropriate for the vegetation, species, sites and management objectives. There are no negative impacts recorded from silvicultural practices for now.

Adverse impacts to environmental values from fertilizers (Criterion 10.6)

Fertilisers are currently not in use.

Adverse impacts from the use of pesticides (Criterion 10.7)

Negative impacts of pesticides were not reported in the period under review. The environmental and social risk assessments with respect to the pesticides used are being implemented.

Adverse impacts from the use of biological control agents (Criterion 10.8)

Biological control agents were not used in the period under review.

The impacts from natural hazards (Criterion 10.9)

Natural hazards were not recorded during this period.

The impacts of infrastructural development, transport activities and silviculture to rare and threatened species, habitats, ecosystems, landscape values water and soils (Criterion 10.10)

These are yet to be observed.

The impacts of harvesting and extraction of timber on non-timber forest products, environmental values, merchantable wood waste and other products and services (Criterion 10.11)

The harvesting is done in line with set procedures. Our Integrated Management System (IMS) guides us in all the activities relating to harvesting. Our harvesting operations are designed to be low impact.

Environmentally appropriate disposal of waste materials (Criterion 10.12)

All waste has been disposed of in line with legal requirements, and as required by the company's policies and procedures. Negative impacts related to this were not observed, and we are yet to receive reports or complaints from stakeholders in this regard.

Social Impacts

Evidence of illegal or unauthorized activities (Criterion 1.4)

Forests for Prosperity Scorecards for Community Associations provide the level of success/mitigation for illegal and unauthorised activities on each plantation.

Compliance with applicable laws, local laws, ratified international conventions and obligatory codes of practice (Criterion 1.5)

Forest guards patrol in the plantations. There are Community Associations under our Forests for Prosperity programme who look after their areas of responsibilities for illegal activities and are paid for this work. These are recorded and are used as a basis for the ratings arrived at under section 4.1.

Resolution of disputes and grievances (Criterion 1.6, Criterion 2.6, Criterion 4.6)

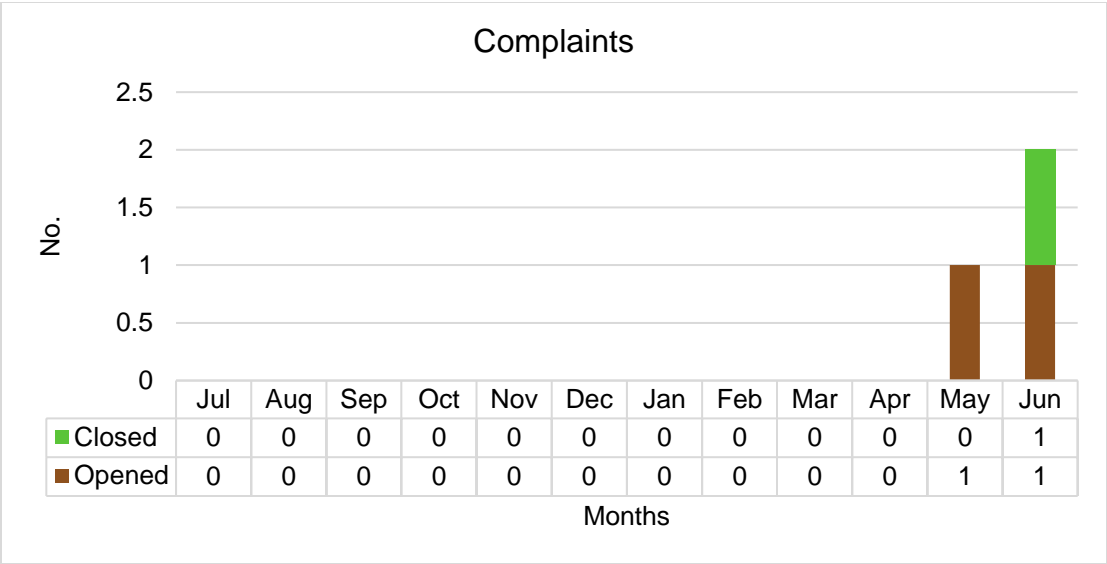


Chart 7: Namwasa Complaints

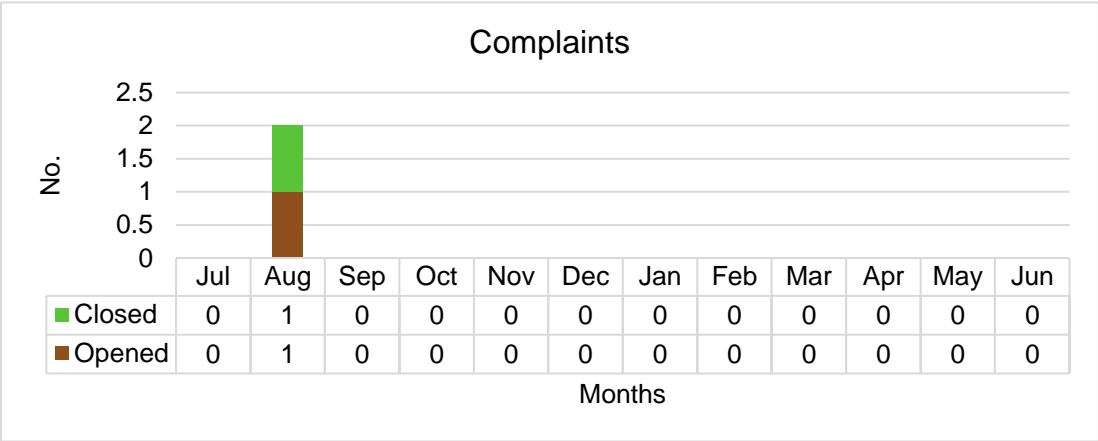


Chart 8: Luwunga Complaints

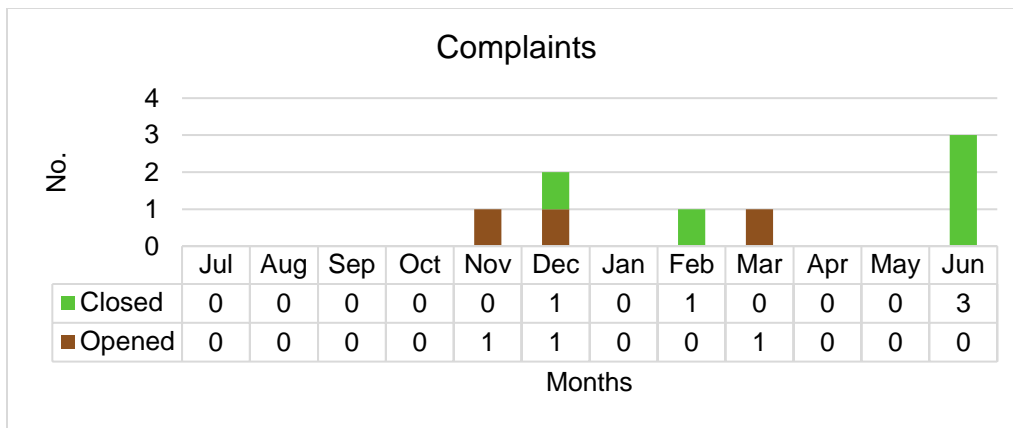


Chart 9: Kirinya Complaints

Complaints have been raised and closed during the period under review, with the registers being actively managed by the management teams.

Programs and activities regarding workers' rights (Criterion 2.1)

Workers' rights are protected in line with International Labour Organisation and national legislation and the requirements of the Human Resources Manual and associated company policies.

Gender equality, sexual harassment, and gender discrimination (Criterion 2.2)

There has been a slight improvement in the number of female workers. This is a work in progress.

Programs and activities regarding occupational health and safety (Criterion 2.3)

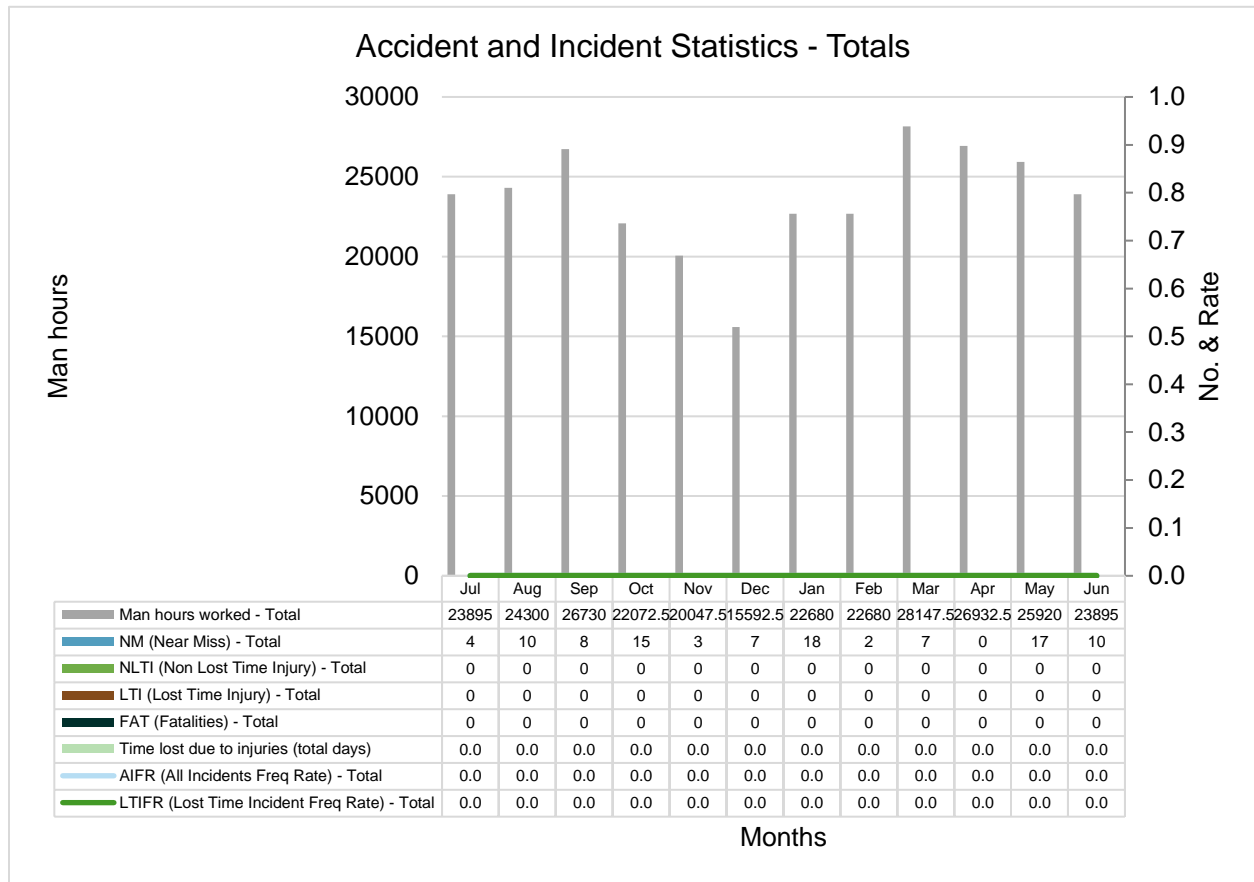


Chart 10: Namwasa safety statistics

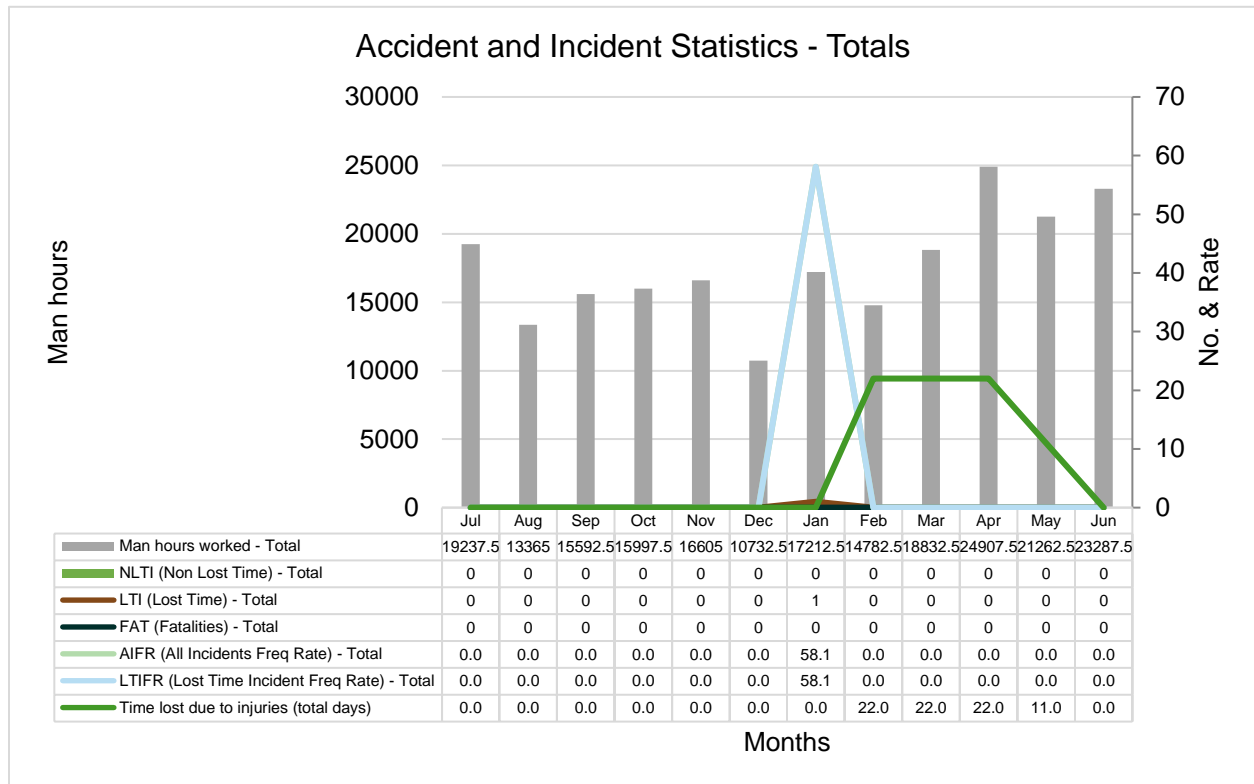


Chart 11: Luwunga safety statistics

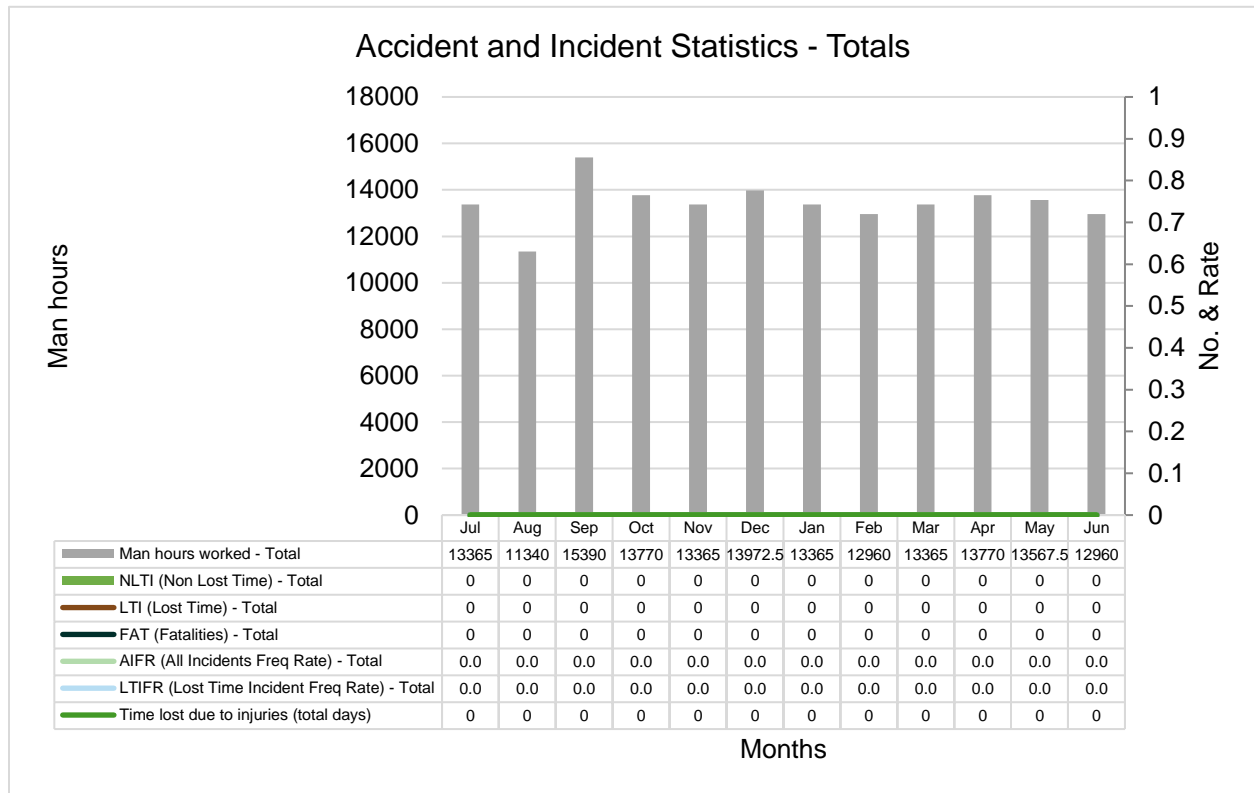


Chart 12: Kirinya safety statistics

Company policies, systems and procedures meet International Labour Organisation (ILO) requirements, and legal requirements. There were no fatalities and one lost time injury reported in the period under review. The lost time injury resulted in the loss of 77 working days. Non-lost time injuries were not reported for the period under review. Near misses were reported, with the various work teams reviewing these in an effort to better understand sources of incidents and, ultimately, be better positioned to prevent incidents from happening.

Payment of wages (Criterion 2.4)

All wages are paid within the agreed timelines and meet or exceed minimum requirements. Where this fails to happen, a grievance mechanism exists.

Worker Training (Criterion 2.5)

Training needs analyses are carried out by line management. These feed into training plans that are implemented.

Where pesticides are used, the health of workers exposed to pesticides (Criterion 2.5 and Criterion 10.7)

Only trained personnel with appropriate personal protective equipment (PPE) are used. The pesticides that are used are in the list of FSC™ HHP permitted pesticides. For the pesticides in use, glyphosate, triclopyr and imidacloprid, negative effects on workers are yet to be recorded. The required environmental and social risk assessments are being implemented.

The identification of Indigenous Peoples and local communities and their legal and customary rights (Criterion 3.1 and Criterion 4.1)

There are no Indigenous Peoples or communities on or near the NFC plantations. Forests for Prosperity (FP) Agreements with community associations (CAs) provide for realisation of mutually aligned interests between NFC and Forest Adjacent Communities after a process of identifying their rights.

Full implementation of the terms in binding agreements (Criterion 3.2 and Criterion 4.2)

All Forests for Prosperity agreements were fully implemented for the period under review.

Indigenous Peoples and community relations (Criterion 3.2, Criterion 3.3 and Criterion 4.2)

There are no Indigenous Peoples on NFC plantations. Areas of special interest (ASIs) on Namwasa and Kirinya have been mapped and neighbour communities have access. FP Agreements with CAs provide for realisation of mutually aligned interests between NFC and Forest Adjacent Communities.

Protection of sites of special cultural, ecological, economic, religious or spiritual significance to

Indigenous Peoples and local communities (Criterion 3.5 and Criterion 4.7)

We GPS any identified sites of cultural, ecological, economic, religious or spiritual significance to local communities. These are protected as required in our internal prescriptions. Kirinya plantation has Kirinya rock as the site of cultural significance and it is protected to achieve that purpose.

The use of traditional knowledge and intellectual property (Criterion 3.6 and Criterion 4.8)

The company does not use traditional knowledge in operations.

Local economic and social development (Criterion 4.2, Criterion 4.3, Criterion 4.4, Criterion 4.5)

This is clearly demonstrated through the Forests for Prosperity Agreements with Community Associations; the annual payments plus capacity building interventions and support to livelihoods through FP CAs. These agreements provide avenues for employment to be availed to FP groups. Recommendations from the Participatory FP baseline co funded by FMO and NFC are still being implemented.

Local service providers are preferred, and non-local providers are only engaged where the service or product required is specialised or not available locally.

The production of diversified benefits and / or products (Criterion 5.1)

The company is optimally making use of yield of the forest product by utilising thinnings or clear-felling, and the sale of non-sawlog and non-pole material as biomass.

The maintenance and/or enhancement of ecosystem services (Criterion 5.1)

Ecosystem services have begun to be implemented. A verification audit has been carried out, awaits closure of findings.

Activities to maintain or enhance ecosystem services (Criterion 5.1)

Ecosystem services have been identified, work towards the maintenance and enhancement of these has started.

Actual compared to projected annual harvests of timber and non-timber forest products (Criterion 5.2)

The Annual Plan of Operation is followed and monitored rigorously.

The use of local processing, local services and local value-added manufacturing (Criterion 5.4)

The processing plants (sawmill and pole plant) are located locally. The suppliers of services are mainly local, allowing the company to effectively contribute to the growth of the local economy.

Long term economic viability (Criterion 5.5)

Long term plans are the basis of our yield prediction, and speak to something that is key to us, long term sustainability. These can be availed on request, with confidential information removed, at the cost of production.

High Conservation Values 5 and 6 identified (Criterion 9.1)

There are no high conservation values on the forest management units that fall in these categories.

Changes in Environmental Conditions

The maintenance and/or enhancement of ecosystem services (Criterion 5.2) (when The Organization makes FSC™ promotional claims regarding the provision of ecosystem services, or receives payment for the provision of ecosystem services)

The company is yet to make promotional claims for ecosystem services.

Environmental values and ecosystem functions including carbon sequestration and storage (Criterion 6.1); including the effectiveness of actions identified and implemented to prevent, mitigate and repair negative impacts to environmental values (Criterion 6.3)

The company does not effectively measure carbon sequestration and storage for now. Where negative impacts are identified, these are prevented, mitigated or repaired as appropriate.

Rare and threatened species, and the effectiveness of actions implemented to protect them and their habitats (Criterion 6.4)

The rare, threatened and endangered species on plantation are identified and their habitats are protected. Biological diversity reviews indicate some progress on effectiveness of actions.

Representative sample areas and the effectiveness of actions implemented to conserve and/or restore them (Criterion 6.5)

The conservation areas, collectively more than 30% of the area under management, are progressing well towards restoration, though there is still need to manage illegal activities and remove undesirable plant species.

Naturally occurring native species and biological diversity and the effectiveness of actions

implemented to conserve and/or restore them (Criterion 6.6)

Biological diversity reviews shall inform on these to a greater detail. Except for species that are collected illegally, and we protect against this via the community associations and working with regulatory agencies such as the police. These actions seem to be producing positive results, though constant vigilance is important.

Water courses, water bodies, water quantity and water quality and the effectiveness of actions implemented to conserve and/or restore them (Criterion 6.7)

Water monitoring as required by the government is carried out. Some additional activities are under consideration, in line with the scale, intensity and risk of the operations.

Landscape values and the effectiveness of actions implemented to maintain and/or restore them (Criterion 6.8)

Unfortunately, it is not easy to link our plantations to other conserved areas in the landscape as we are typically surrounded by environmentally degraded areas through anthropogenic pressures. However, we have an outgrower programme that seeks to assist community members to reforest their areas, though this is with commercial exotic species that are better able to give the communities a quicker financial return with some level of environmental protection.

Conversion of natural forest to plantations or conversion to non-forest (Criterion 6.9);

There has been no conversion carried out in the period under review.

The status of plantations established after 1994 (Criterion 6.10)

This forest management unit was established after 1994 and was assessed for conversion at the initial FSC™ certification in 2009. There was no evidence of conversion found.

High Conservation Values 1 to 4 identified in Criterion 9.1 and the effectiveness of actions implemented to maintain and/or enhance them

There are no high conservation values on the forest management units that fall in these categories.

END OF SUMMARY