

Introduction

ASR Group International, Inc. is a holding company that conducts operations through its subsidiaries (collectively, the “Companies”). The Companies strive to conduct their operations in a socially and environmentally responsible manner. We strive to minimize our environmental footprint, reduce waste, engage in responsible sourcing practices, and support the communities in which we operate. Our Deforestation Statement references both our [Ethical Sourcing Policy](#) and our [Supplier Code of Conduct](#) that can be found on the Companies’ website www.asr-group.com under the tab “[ASR Group Codes and Policies](#)”.

The Companies recognize that forests, High Conservation Value (HCV)¹ areas, High Carbon Stock (HCS)² forests, peatland,³ and other critical native ecosystems are essential components of our natural environment that act as critical greenhouse gas reservoirs to protect against climate change, provide habitat for animal species, and support the livelihoods of many people. We are committed to protecting forests, HCV areas, HCS forests, peatlands, and other critical ecosystems, along with their inherent biodiversity, ecosystem services, and cultural or historical significance.

Our Commitments

The injury to biodiversity, habitats and ecosystems from deforestation and land conversion negatively affect us all. The Companies are committed to contributing to the global effort to end deforestation and forest degradation. We are focusing our efforts on our own agricultural and production practices as well as raw sugar cane suppliers in our supply chain.

Deforestation

- We strive to prevent deforestation and land conversion of HCV areas, HCS forests, peatlands, and other critical ecosystems in our supply chain.
- We commit to performing appropriate due diligence in our own operations before any new land expansion. This may include evaluating new land development through an HCV-HCS assessment, an Environmental and Social Impact

¹ High Conservation Values (HCVs) are biological, ecological, social or cultural values of critical importance. The six HCVs are species diversity, landscape level ecosystems, ecosystems and habitat, ecosystem services, community needs and cultural values. <https://www.hcvnetwork.org/hcv-approach>

² High Carbon Stock (HCS) forests store significant levels of carbon and biodiversity. HCS forests are categorized by vegetation: High Density Forest, Medium Density Forest, Low Density Forest, Young Regenerating Forest, Scrub, and Cleared/Open Land - the first four are potential HCS forests. <https://highcarbonstock.org/what-is-the-high-carbon-stock-approach/>

³ Peatlands are a type of wetland in which plant material does not fully decompose and can thus store large amounts of carbon. Damage to peatlands can release great quantities of GHG. <https://www.iucn.org/resources/issues-briefs/peatlands-and-climate-change>

Assessments (ESIA), or a Land Use Change (LUC) analysis prior to proceeding with development.

No Abuse or Exploitation

- We commit to upholding fundamental human rights set forth in the United Nations Universal Declaration of Human Rights. We do not tolerate the abuse or exploitation of any persons.
- We commit to respecting the land rights of all local and indigenous communities as well as the process of free, prior, and informed consent (FPIC) for any agricultural development on lands such individuals or communities legally own or possess.
- We commit to resolving land rights disputes through a balanced and transparent dispute resolution process.

The above commitments are part of the Companies' [Ethical Sourcing Policy](#) and [Supplier Code of Conduct](#), which can be found in full on the Companies' website www.asr-group.com. The Companies expect our suppliers (as well as their suppliers, subcontractors, leasing personnel agencies and other members of our suppliers' supply chain) to adhere to our policies and codes.

Compliance & Remediation

- We expect suppliers to comply with our monitoring procedures to evaluate compliance with our policies and commitments. This may include independent sustainability audits and other methods.
- In the event of deforestation, land conversion, or damage to HCV or critical ecosystems we expect operators to implement remediation strategies and work with all the stakeholders to agree on a path forward and communicate the plan to all parties involved.
- In the event of a supplier's non-compliance with our policies and commitments, we commit to requiring the supplier to act promptly to achieve compliance while working with them to craft a time-bound remediation plan.
- Where suppliers are unwilling or unable to meet our requirements, or if they refuse to participate in audits, we are prepared to terminate our contracts with them.

Transparency & Traceability

- We commit to being transparent about our practices and policies surrounding deforestation and will provide updates on our deforestation commitments in our annual Sustainability Report.

The Future

Moving forward, our Sustainability and Corporate Social Responsibility teams, alongside key internal and external partners, will continue to identify opportunities to improve our

practices and those of our supply chain, to reduce and prevent deforestation. Where appropriate, we will partner with third parties, multi-stakeholder initiatives, and other partners to address systemic issues. We will work collaboratively with our suppliers and critical business drivers to publish annual updates on the outcomes of our work via the Sustainability Report.

Questions

For questions, please contact our Companies' Corporate Social Responsibility Department via email at CSR@asr-group.com.