



SUSTAINABILITY IN ACTION

SUSTAINABILITY REPORT 2023



A WORD FROM OUR LEADERSHIP TEAM



Welcome to Gabon Special Economic Zone (GSEZ), a beacon of innovation and sustainable industrial development in Africa. As the Vice-President, I am honored to share the remarkable journey and vision of our dynamic and thriving community.

Our Special Investment Zones (SIZs) are designed to be world-class hubs for industrial and economic activities, offering a conducive environment for businesses to flourish. Write: Our industrial sector hosts a diverse array of companies. These include those engaged in wood transformation, pharmaceutical processing, metal processing, plastic recycling, and multimodal logistics. These industries not only contribute to the country's economic growth but also adhere to the highest standards of environmental responsibility and efficiency.

At GSEZ, we are committed to serving Gabon's industrialization by continuously improving and expanding our capabilities to meet the evolving needs of our stakeholders and we believe that, together, we can build a brighter and more sustainable future.

Kumar Mohan,
Head of Cluster I, Vice-President of ARISE IIP



I take pride in our unwavering commitment to responsible forestry and economic development in Gabon. We have made significant strides, providing 20,000 jobs to locals and attracting USD 1.6 billion in FDI. Our timber processing volume of 1,000,000 cubic meters in 2022 alone speaks to our dedication to responsible and sustainable practices. Our Akiba brand, which features premium furniture made entirely of Gabonese wood, has captured markets across the world, and we opened three Akiba showrooms: one in Miami, USA and two in Libreville, Gabon. As we continue to grow, we remain steadfast in our goal of preserving the environment for future generations while contributing to the well-being of society through responsible and sustainable business practices.

Igor Simard,
GSEZ General Manager



The Nkok SIZ, managed by GSEZ, is not merely an industrial hub, it is a key player in Gabon's sustainable development. Our operations take place within one of the most critical ecological zones on Earth—Gabon's forests, part of the Congo Basin, often referred to as the 'first lung of the planet.' For this reason, responsible Forest Management is not just a guiding principle for us; it is a necessity.

As the Head of ESG, I am proud of our accomplishments and remain dedicated to upholding the highest standards of sustainability and social responsibility. Through strict environmental protocols, social investment, and sustainable practices, we aim to protect this critical ecosystem and foster a prosperous, climate-resilient future for Gabon and the world.

Bhavin Vyas,
Chief ESG Manager

TABLE OF CONTENTS



- 05 Company
- 08 GSEZ Customers
- 11 Product

- 13 GSEZ is Certified by the Forest Stewardship Council (FSC)
- 15 Traceability and Due Diligence in Our Supply
- 18 Environmental Protection

- 22 People Focus
- 26 Corporate Social Responsibility and Community



ABOUT THIS REPORT

At GSEZ, we believe that people, the planet, and profits are interconnected. Therefore, our commitment to responsible forest management extends far beyond timber production; it is about safeguarding the planet, as well as the reduction of our carbon footprint and the supporting of local communities to ensure long-term sustainability.

This report showcases our efforts to implement sustainable practices, particularly in the responsible sourcing, production, and transformation of timber, as well as the enhancement of local communities. It provides an account of our performance in FY2023, and by taking the bold step of publishing our sustainability performance each year, we hold ourselves accountable to our stakeholders and demonstrate our ongoing commitment to Environmental, Social, and Governance (ESG) principles.

Moreover, this report focuses on key points identified by our ESG team, specifically addressing the entire forest value chain, from production and transportation to processing and sales. We aim to lead by example in promoting sustainable industrialisation, creating a model that balances economic growth with the protection of our unique ecosystem, for the benefit of current and future generations.

Sustainability Process

This report includes a section on sustainability topics that are material to the GSEZ forest value chain. Our material focus areas include:



Key Contributions to the UNSDGs



Sustainability in Company, Customers and Products



Environmental Sustainability



People Focus



CSR and Community Development



Sustainable Corporate Governance and Compliance



SUSTAINABILITY IN ACTION

This theme represents our dedication to integrating environmental, social, and governance (ESG) principles into our core business strategy. This philosophy permeates every level of our operations, from responsible timber sourcing to creating sustainable job opportunities. We prioritise environmental stewardship, social responsibility, and ethical governance, ensuring our activities align with the sustainable development of Gabon.

Our initiatives in sustainable forest management and timber processing, job creation, and community engagement are testaments to our belief that economic growth should be synonymous with ecological balance and social advancement. We believe that true sustainability transcends mere compliance – it is about innovating, leading, and setting an example for others to follow. At GSEZ, we are not just talking about sustainability, we are putting it into action every day, turning aspirations into real-world impacts.

*Note: Map not for scaling.
For representation purpose only.*

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) are a universal blueprint for prosperity for people and the planet, now and into the future. They represent the collective actions the world can take to address the most pressing issues we face as a global community. GSEZ's sustainable Timber Value Chain operations positively contribute to nine sustainable development goals.



ARISE Operations Support Nine Sustainable Development Goals (SDGs)



UN SDG 5: Gender Equality

We believe that women are key drivers of development for our societies. We strive to ensure their full and active participation at all levels, including supporting the development of income generating activities for women in several villages, thus empowering them economically and socially.



UN SDG 6: Clean Water and Sanitation

In cooperation with communities, we have installed drinking water sources in the villages to ensure access to clean and affordable drinking water.



UN SDG 7: Affordable and Clean Energy

The responsible use of energy is vital to our operations. We strive to reduce our energy consumption and ensure energy efficiency is adopted while exploring alternative green energy solutions.



UN SDG 9: Industry, Innovation and Infrastructure

We promote a resilient and sustainable timber supply chain. To ensure this, we foster innovation that enhances resource efficiency and is pioneering in transparency and open communication in the industry.



UN SDG 10: Reduced Inequalities

We strive to ensure that our work environment embodies reduced inequality within and among countries.



UN SDG 11: Sustainable Cities and Communities

We contribute to improving local livelihoods by constructing essential community infrastructures in several villages, enhancing the quality of life for many.



UN SDG 12: Responsible Consumption and Production

Ensuring sustainable forest sourcing production patterns and high-quality timber products through sustainable management and efficient use of natural resources is crucial for our business operations.



UN SDG 13: Climate Action

With our forest value chain, we implement responsible forestry practices aimed at maintaining and enhancing the natural carbon sinks within Gabon's Congo Basin; as well as actively reducing our CO₂ emissions via our integrated circular economy principles that limit our carbon footprint across all stages.

SUSTAINABILITY IN COMPANY, CUSTOMER AND PRODUCT

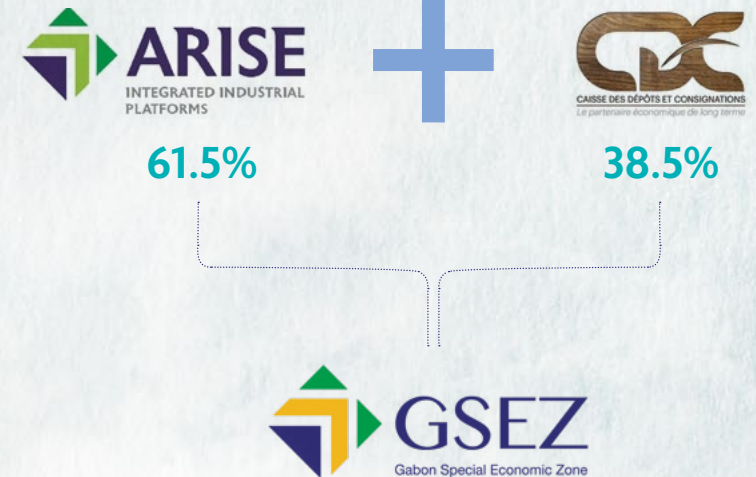
COMPANY

COMPANY OVERVIEW

Gabon Special Economic Zone (GSEZ) was established as a result of a **Public-Private Partnership (PPP)** between Arise IIP and the Gabonese Republic, represented by the CDC (Caisse des Dépôts et Consignations), formalized in March 2010. GSEZ provides a range of services to its clients, including land leasing and operations & maintenance, while also focusing on the sustainable management of its forests to meet the needs of its customers with timber.

The zone offers a **unique administrative and fiscal framework**, which facilitates the establishment of both local and international investors. This allows businesses to easily set up operations in the zone, benefiting from an efficient setup process.

GSEZ is divided into **three key areas: industrial, commercial, and residential**. The Nkok Special Investment Zone, located 27 km from Libreville, Gabon's capital, is easily accessible via road, rail, and river transport. It also features a multimodal logistics hub, which includes barge-handling facilities directly connected to the port of Owendo, ensuring smooth logistics for businesses operating within the zone.



Today's GSEZ Includes:

➤ **+130**

investors from 17 different nations
and operating in 22 industrial sectors

➤ **>20,000**

direct and indirect jobs created

➤ **1 million m³**

of timber processed in 2022

➤ **1,126 ha**

600 ha of land being harvested,
and 526 ha still available

➤ **USD 218 million**

worth of products exported in 2023

➤ **28,072**

containers of Twenty-foot Equivalent
Unit (TEUs) exported in 2022

➤ **USD 740 million**

in investments with a total of USD 1.6 billion
generated in direct foreign investments



The FDI Intelligence-Financial Times, ranked GSEZ Nkok as **best industrial zone of the world in the wood sector** in 2020 and **highly commended the zone with an honourable mention for environmental practices** in 2022. In 2023, the zone was **highly commended in Africa for its capacity to attract large tenants**.



First carbon-neutral certified
industrial zone in Africa.

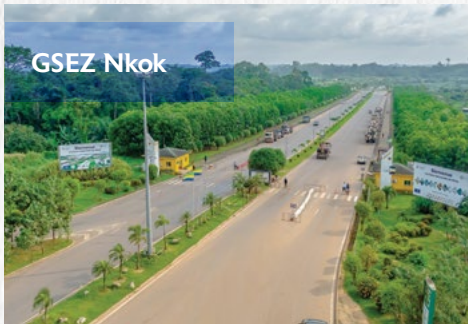


OUR SUSTAINABLE BUSINESS MODEL

Our business operations are anchored on the Special Investment Zone (SIZ) model, with **four zones launched between 2010 and 2022**. This model fosters sustainable growth by combining commercial viability with inclusive and climate-resilient industrialisation. Our industrial zones are conceptualized and built around **3 key elements**.

1. We carefully select our investors to mitigate reputational risks; actively excluding illegal sectors such as weapons and ammunition manufacturing
2. Adherence to the highest level of environmental and social corporate governance standards and compliance
3. Promoting inclusive growth through linkages and spillovers

Our Industrial Zones



Launched in 2010, this was the first SIZ to launch in Gabon. It is a multi-sectoral industrial park located 27 km from Libreville. Sitting on 1126 ha of land, it includes an industrial, commercial, and residential zone. The SIZ brings together +130 companies from 17 countries operating in 22 industrial sectors, including a cluster dedicated to wood processing, which brings together 88 companies.



This economic zone, launched in June 2021, consists of a developed area of 318 ha and a harvestable area of 522 ha. The zone's infrastructure is rapidly evolving. Owing to its single window clearance system, local and international investors can easily set up units. The zone's composition includes industrial, infrastructural and residential spaces and multiple quays.



Created in May 2022, this is an industrial zone specialising in wood transformation. With a total area of 1432.5 ha, the zone includes a cluster dedicated to wood processing.



Created in 2018, this industrial zone specialises in wood transformation with a total area of 900 ha.

GSEZ CUSTOMERS

OUR CUSTOMERS

At GSEZ, our customers are more than just clients—they are partners in our journey toward sustainability. Our diverse clientele spans multiple industries and geographies, reflecting the global demand for responsibly sourced and processed wood products. We pride ourselves on fostering long-term relationships built on trust and quality services with our customers.



Industrial customers

Includes companies that provide manufacturing, logistics and warehouse facilities. The facilities operate in several sectors, including wood transformation, pharmaceutical processing, metal processing and plastic recycling.

Number of Customers
98



Residential

Our Nkok residential area features secure homes with access to water and electricity. It is located at the edge of the SIZ, in a quiet and pleasant area, and has its own independent access, separate from the main entrance.

Number of Customers
9



Commercial

This land-use type is envisioned to include retail outlets, restaurants, office buildings, and other commercial establishments providing goods and services to the local population and visitors and we are currently in its early stages of development.

Number of Customers
26



Facility

This category comprises essential infrastructure and utility facilities necessary for the functioning of the SEZ and its inhabitants. It includes power plants, water facilities, waste management facilities, railway siding, petrol station, fire station, banks, container terminal, health clinic.

Number of Customers
11

TOTAL CUSTOMERS
+130

OUR OTHER INDUSTRIES

Pharmaceutical Industry



La Sante Pharmaceutique is the first pharmaceutical factory in the CEMAC region, specializing in the production of generic drugs (tablets, capsules, ointments, and syrups).

Metal Waste Recycling



La Chaudronnerie Du Gabon is one of the first factories to be set up in Nkok SIZ. It is specialized in the recycling of metals to produce reinforcing steel for the local market.



Les Acieries Du Gabon contribute to the creation of jobs by buying waste metals parts from the city to produce reinforcing steel that meets international standards.

Plastic Recycling



Jia Ming Plastics Manufacturing recycles plastic bottles to produce packing straps used to export wood products.

Charcoal



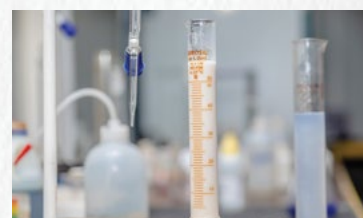
Huaxing Environnement produces activated charcoal from wood waste residues. The end-product is then used for water filtration, cosmetics, and pharmaceutical industries.

Cement



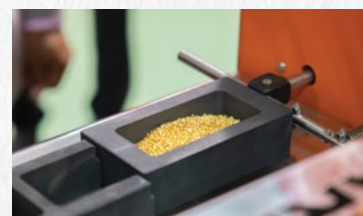
African Cement is current the only operator to produce clinker-based cement in the area for national and international use.

Wood Glue



Windson resins and chemical is the first formaldehyde and resin plant in the CEMAC region. This company specializes in formaldehyde and resin production, glue used to produce plywood.

Gold



ROG- Raffinerie Gabonaise de l'or is the first gold refinery in Gabon and Central Africa, specializing in the marketing, purchase, sale, export and processing of gold (1st, 2nd and 3rd phases).

Other Companies



The Gabonese Agency for Spatial Studies and Observations is a parastatal agency whose role is to monitor the national territory through satellite data, mainly monitoring the forest cover.



CIMFEP, the International Multisectoral Center for Training and Vocational Education of Nkok, with a capacity of 1,000 students, was built to compensate the need for manpower in the following sector areas: wood, boiler making, welding, mechanics, scrap metal, electromechanical, etc.



The second training center offers courses in Technologies of Information and Communications.

GSEZ'S STRATEGIC ADVANTAGES

GSEZ aligns the operations of the SEZ with the country's priorities rooted in circular economy and green economy principles. This has enabled us to deliver inclusive and climate-resilient economic growth, thus contributing to many SDGs.

1. Single Window Clearance Office

A single window for government clearance

A dedicated government window for the Special Economic Zone (SEZ) is established, featuring **23 government offices** to facilitate rapid authorization for investors. This setup also includes express-line processing for business formalities, ensuring swift and efficient service:

- **24 hours**
to register a new business
- **30 minutes**
to register new employees
- **21 days**
to process work visas

2. Tax System

A unique tax system

with **0%** taxes on

- **Income-tax**
(35% outside GSEZ)
- **Property**
(11.25% outside GSEZ)
- **Taxes on services**
10 years
- **VAT**
(18% outside GSEZ)

3. Public Utilities and Infrastructure



Dedicated Power Plant



Dedicated Water Supply



Railway Siding



Inland Container Depot



Fuel Station



Single Window Clearance Office



Exhibition Center



Banks, Primary Health Centre, Food Court, etc.



Fire Station



Log Park



Logistics Park



Training Centers



Warehouses

PRODUCTS

With contributions from 144 companies, the Nkok SEZ offers a diverse range of products, including pharmaceuticals, metals, plastics, charcoal, gold, and wood glue. However, wood transformation remains the cornerstone of activities in our industrial zones.

WOOD TRANSFORMATION

Gabon is a global leader in the timber industry, with 88% of the country covered by forests and 12.5 million hectares of sustainably managed forests, home to over 1500 tree species, including the renowned Kevazingo and Okoumé. The wood industry plays a pivotal role in Gabon's economy, and GSEZ is a key player with its own log supply chain that supports various wood processing businesses. Around 28 logging companies supply 63,000 m³ of logs monthly (a total of 750,000 m³ on average), stored in a vast 22-hectare log park.

Within the Nkok Special Economic Zone (SEZ), wood processing is at the heart of operations, with 60 companies specializing in various stages of the timber transformation process, fostering synergies across industries. Each type of wood processing contributes to creating high-quality products while maintaining sustainable practices. The types of wood processing include:

Sawn timber



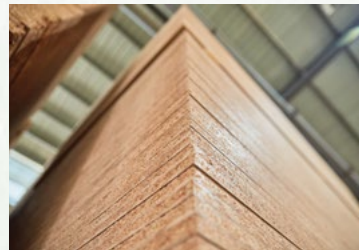
Companies in this sector operate in the **first transformation** of wood; which involves the cutting of timber into various shapes including planks and boards. Within the Nkok SEZ, several of these companies comply with the international 'Chain of Custody Standard FSC-STD-40-004,' ensuring that their operations align with responsible and sustainable forestry practices. This enhances traceability and sustainability throughout the supply chain.

Veneer sheets



Veneer sheets are produced through the **second transformation** of wood. This process involves peeling thin layers of wood from logs, which are then used in furniture, paneling, and other decorative applications. In GSEZ, companies specialize in producing high-quality veneer sheets, often made from valuable species like Okoumé, which is highly sought after for its fine grain and appearance.

Particle board



This is an engineered wood product made from wood chips, sawdust, and other wood residues. Our particle board factory uses these ecological resources to create A-class particle boards. Those products from the **second transformation** of the timber significantly impact both climate and economy, saving an average of 30,000 tonnes of CO₂ annually by making use of what would otherwise be waste material.

Plywood



Plywood production involves gluing together multiple veneer sheets, with each layer arranged with the grain at right angles to the adjacent layer. Gabon is recognized for its luxury plywood, particularly made from Okoumé. This product obtained after the **third transformation** of the timber is known for its durability, strength, and aesthetic qualities, making it ideal for high-end construction and furniture.

Wood furniture



A group of small and medium-sized enterprises (SMEs) manufactures 100% Gabon-made furniture from rare species, showcasing the craftsmanship and value addition in the local wood industry, producing high-quality **third transformation** furniture. The furniture industry in GSEZ showcases local expertise and contributes to economic growth and job creation.

ENVIROMENTAL SUSTAINABILITY

We follow processes throughout the lifecycle of our timber products to minimize the environmental and social impacts from the forest inventory stage, till its end use. We have a widely communicated supply chain policy to ensure this is achieved. Ensuring a high level of commitment to our supply chain policy and systematically monitoring progress is our priority. We actively and consciously source and procure our timber products for our operations in an ethical, responsible, and socially conscious manner.

GSEZ IS CERTIFIED BY THE FOREST STEWARDSHIP COUNCIL® (FSC)

Sourcing wood from responsibly managed forests is a fundamental requirement for the timber industry. We recognize the significant role that certification plays in promoting sustainable industrialization and it is a crucial part of an efficient value chain that runs parallel to downstream sourcing, production, economic, and marketing activities. The upstream forest certification process ensures the responsible sourcing of raw timber used in production, while downstream processes bring the finished products to end customers. Committed to this principle, we ensure that our operations comply with the highest standards, including the FSC® certification (FSC-C149179) and have implemented them at different levels of our value chain-

OUR LEVELS OF CERTIFICATION

Forest



At the forest level, we implement **FSC Forest Management standards**, which guarantee that our forestry operations maintain biodiversity, uphold ecosystem integrity, and ensure responsible timber harvesting practices. This certification requires compliance with legal requirements, respect for indigenous rights, and strict environmental safeguards to ensure responsible harvesting and forest regeneration.

Logistics



At these two levels, GSEZ has acquired **Chain of Custody (CoC) certification** which ensures traceability through each step starting from the forest.

This certification guarantees that wood materials transported and processed within our facilities, such as veneer, plywood, and particle boards, are derived from sustainably managed forests. By tracking each step, we maintain transparency and prevent the mixing of certified and non-certified wood, ensuring that all products are ethically sourced and produced in line with global sustainability standards.

This holistic approach to certification underscores GSEZ's dedication to promoting responsible practices across all phases of our operations, from forest management to final production.

Manufacturing



FOREST CERTIFICATION

At GSEZ, our commitment to responsible forest management is demonstrated through our active pursuit of forest certification. Between 2021 and 2022, we successfully certified **520,257 hectares** of forest under the FSC standards, followed by an additional **397,580 hectares in 2023-2024**. These certifications are a testament to our ongoing efforts to preserve biodiversity, responsibly manage forest resources, and contribute to the global fight against deforestation. We are dedicated to expanding this initiative and remain steadfast in ensuring that our forest operations meet the highest standards of sustainability and environmental stewardship.

INDUSTRIAL UNITS FSC CERTIFICATION

In GSEZ, companies adhering to the FSC Chain of Custody Standard (FSC-STD-40-004) ensure that the wood processed **originates from responsibly managed forests**. Since the certification of the first two companies under the FSC CoC standard in 2019, the number of certified companies within the Nkok SIZ has been growing. Today, the SIZ comprises **+10 certified companies**, with additional businesses actively working toward certification.



TRACEABILITY AND DUE DILIGENCE IN OUR SUPPLY CHAIN

TRACEABILITY

Traceability is the ability to **trace the history and journey of wood products passing through the supply chain**, and to help in assessing and **verifying that the products come from legal sources**. [ASEAN (2012), D. Louppe (2015) and FAO (2016)].

We ensure the traceability of all our products and services, reflecting our commitment to meeting the demands of the market and building trust.

OUR EFFORTS

Log tracing begins at the forest level, starting with the inventory stage. This process **continues through tagging, harvesting, log cutting, skidding and finally to the storage park**.

At the logistics stage, we ensure a **declaration of the logs loaded** onto wagons and trucks is made and approval received. This stage also includes the **transportation permit and log list invoice**. By meticulously monitoring our suppliers and tracing the wood's journey from the forest to our logyard, we maintain and enhance the traceability of our products.

Knowing where the products come from is key to assessing the legality of the products.



PROCESS FLOW

Log traceability from forest till delivery:



DUE DILIGENCE IN SUPPLY CHAIN

Risk Management in Supply Chain

Achieving sustainable supply chain management critically hinges on effective risk management. Given supply chains' complexity and vulnerability to external and internal risks, a robust risk management strategy is essential. Such a strategy enables businesses **to identify and mitigate potential disruptions**, thereby minimizing their adverse impact on sustainability.

To support this, we have a Due Diligence System, ensuring transparency throughout the supply chain. This ensures:

1. **The wood we source is legally harvested**
2. **We do not violate traditional or civil rights**
3. **We have transparency in our chain of custody**
4. **We have verified documentation to substantiate legality**

OUR APPROACH	RISK ASSESSED
<p>GSEZ procured CMO software, a monitoring tool exclusively implemented in our certified forests. This system enables us to track and evaluate the performance of our forest operations while ensuring compliance with FSC certification standards. CMO helps us to manage a database on:</p> <ul style="list-style-type: none"> ➤ Forest risk management system ➤ Forest planning system ➤ Forest product traceability system ➤ Forest monitoring system ➤ Forest auditing system ➤ Reporting system 	Operational risk
	Environmental risks
	Human rights risks
<p>To eradicate regulatory and illegality risks, GSEZ has a dedicated Forest Legal Verification (FLV) team which works as an internal monitoring and verification tool designed to improve forest management. It ensures that legal requirements are met for all our forest sites and activities.</p>	Regulatory risks
	Legality risks
<p>To ensure the legality of all logs entering the SEZ and to comply with Gabonese laws and regulations, we have partnered with TRACER – a Due Diligence System established in October 2018 in collaboration with Forest Resources Management (FRM) France and Brainforest a Gabonese NGO.</p> <p>The TRACER system adds significant value to our approach to due diligence by physically inspecting and screening all logs entering the zone, thus ensuring that all timber sourced for the Nkok Special Economic Zone is verified and legal. Through rigorous controls, TRACER ensures that timber is not mixed with illegal or uncontrolled sources, reinforcing trust in our supply chain for our customers.</p>	Operational risks
	Legality risks
	Integrity risks
	Human rights risks
	Traceability risks

ENVIRONMENTAL PROTECTION

At GSEZ, environmental protection is integral to our operations, with a strong focus on creating a carbon-neutral industrial zone, advancing waste management through circular economy practices, and actively conserving forests.

Focus Areas



Carbon neutral industrial zone



Waste management and circular economy



Responsible forest operations



NKOK'S SEZ: THE FIRST CARBON- NEUTRAL INDUSTRIAL ZONE IN AFRICA

This initiative aligns with global imperatives towards reducing carbon emissions and promoting green energy. As industries worldwide strive to minimize their environmental impact, **the Nkok SIZ in Gabon stands out as a pioneering example of integrating carbon-neutral policies within a robust industrial framework and represents a groundbreaking achievement in sustainable industrial development as Africa's first-ever ISO 14064-1 carbon-neutral industrial zone.** This certification provides a transparent third-party assessment of GSEZ's carbon footprint and offsetting, as we aim to be a **model of 'Sustainability in Action'.**

Through **deliberate action and proactive initiatives aimed at minimizing our carbon footprint**, we have made notable progress toward sustainability and reached the following key carbon accomplishments also contributing to the UN SDGs:



Greenhouse gas emissions **measured and managed.**



An average of 30,000 tCO₂ saved per year by converting wood waste into particle board.



Approx. 50,000 tCO₂ diverted from being emitted in the atmosphere via **our biochar manufacturing facility.**



Decarbonization of transport with the opening of the multimodal logistics area in 2023, saving around 15 kg of CO₂ per container shipped.



Blue carbon initiatives. In situ: 100 hectares of mangroves conserved (approx.10% of the industrial zone land area) + 30,000 tCO₂ sequestered per year. Ex situ: Mangroves restoration project with government and communities of Akanda covering approx. 1,000 hectares of endangered mangroves.



7,000 tons of **plastic collected and recycled** in Nkok SIZ since 2019, (~210 millions of plastic bottles removed).

First carbon-neutral certified industrial zone in Africa



Our multimodal logistics area



OUR CIRCULAR ECONOMY INITIATIVES

A circular economy is where **used products or parts are returned or processed** so they can be repaired, resold, refurbished or recycled. This thereby reduces the waste accumulated after processing. By recycling materials, we prevent them from ending up in landfills and we create jobs. GSEZ has set up a number of circular economy initiatives for the sustainable and responsible management of our resources:

Recycling Scrap Metal into Reinforcing Steel:

These companies are specialized in recycling processes where scrap metal is transformed into reinforcing steel that meets international standards for the local market.

Turning Used Plastics into Packaging Straps:

This recycling initiative focuses on transforming discarded plastic bottles into packaging straps used for securing wood products. Notably, an approximately **USD 3 million has been invested in Jia Ming Plastics, the first plastic recycling plant in Gabon**, with a monthly recycling capacity of 40 tons of plastic waste.

Wood Waste into Particle Boards:

This initiative has been launched by GSEZ, to optimize the amount of material our timber business reuses and recycles to meet our circular economy waste management philosophy. Our particle boards industry alone **prevents the emission of an estimated 30,000 tons of CO₂ annually**.

Converting Wood Waste into Activated Charcoal:

Sawing waste from various operators is repurposed into activated and non-activated charcoal, which is then distributed to industries such as cosmetics, pharmaceuticals, and heavy manufacturing.



PROMOTING RESPONSIBLE FOREST OPERATIONS



40% of the logs getting into our special economic zone are sourced from our own responsibly managed forests. GSEZ is committed to the implementation of responsible forest management. GSEZ acknowledges that responsible management implies the maintenance of the productivity of the asset base. We strive to ensure our forest exploitation techniques allow us to meet the needs of the present without compromising the continuity of the ecosystem and the goods and services it provides. We have adopted the Reduced Impact Logging techniques that result in significantly less damage to the forest and ecosystem. Reduced Impact Logging (RIL) involves the following key practical measures we adhere to:

We prepare a pre-harvest inventory.

Before harvest, we develop a pre-harvest plan of roads, skid trails, and landings to provide access to the harvest area and to the individual trees scheduled for harvest while minimizing soil disturbance and protecting streams and waterways with appropriate crossings.

We follow appropriate felling and bucking techniques, including controlled felling, cutting stumps low to the ground to avoid waste, and optimal cross cutting of tree stems into logs to maximize the recovery of useful wood.

We construct roads, landings, and skid trails, adhering to engineering and environmental design guidelines.

We winch logs to planned skid trails and ensure that skidding machines always remain on the skid trails.

We conduct post-harvest assessments to provide feedback that guides us in evaluating the degree to which RIL guidelines were applied successfully.

PEOPLE FOCUS AND CORPORATE SOCIAL RESPONSIBILITY

PEOPLE FOCUS

At GSEZ, we recognize that our most significant asset is our workforce. Our commitment to fostering a responsible business model is underpinned by our dedication to investing in our employees' wellbeing. At the heart of our purpose-driven ethos is a professional, people-focused approach. Our employees are the cornerstone of our organizational culture and, consequently, the essence of our corporate identity. We are committed to enhancing and prioritizing the employee experience, firmly believing that this focus is crucial to the flourishing and success of our business.

Focus areas



Diversity and inclusion



Workforce well-being and safety



Capacity building





DIVERSITY AND INCLUSION

Our inclusion and diversity strategy is a positive tool for our workforce and business. **We believe that bringing together different skills and expertise from different races is the foundation of our innovation.**

30%

Foreign workforce and

70%

National workforce

7

Countries

represented in GSEZ

19%

Women in

management roles

Our Efforts

GSEZ is committed to fostering a workplace where every employee feels a strong sense of belonging, irrespective of their gender, race, ethnicity, region, age, disability status, or sexual orientation. **We actively promote a culture of inclusivity and healthy behaviour at all Company levels.** This commitment extends to the communities in which we operate, ensuring a diverse and inclusive environment in every aspect of our business.

Our Approach

Promoting inclusive leadership by valuing the wealth of diversity in our workers and providing an enabling environment that fosters transparent decision-making processes at all levels of the organization.

Providing a platform for everyone to speak their mind and making it safe for all to do so. We welcome alternate suggestions, ideas, and constructive feedback.

A robust human resource that continuously builds and sustains a pipeline of diverse leadership and talent.

Working to empower women by supporting income-generating activities for them in local communities.





WORKFORCE SAFETY AND WELL-BEING

Operating a timber value chain in a sustainable manner calls for an intentional provision of a safe environment for all workers. Fostering workers' well-being and promoting a safe environment, free from injuries have positive impacts on business productivity and costs.

Our Approach

GSEZ has established policies, including the **Occupational Health and Safety Policy**, to ensure a safe and healthy working environment for their employees, contractors, and visitors. Our policy is fully aligned with Gabon's environmental laws, reinforcing our commitment to responsible governance and sustainable practices. In addition, we also uphold a Social Policy aimed at promoting employee well-being, inclusion, and rights.

Our commitment to creating a healthy and safe working environment spans the entire value chain, from forest operations to office-based activities. This includes proactive measures to mitigate safety risks by establishing a dedicated Safety Department, responsible for integrating proper design, engineering, and preventive maintenance strategies across all areas of our operations—from forest management to the Nkok SEZ. Furthermore, our Social Policy emphasizes employee welfare, supporting diverse initiatives and events to ensure the well-being of our workforce.

Examples of Health and Safety Initiatives:

65% Reduction in Injuries: In 2023, we achieved a 65% reduction in the reported injury rate from our 2022 baseline, demonstrating significant improvements in workplace safety.

Safety Signage: We installed safety signs and informations across all our forest sites with over 50 signs installed in the Nkok SIZ alone to raise awareness and enforce safety protocols.

Road Safety: More than 17 speed breakers were installed to enhance road safety in our areas of operation in Nkok.

Examples of Employee Well-being Initiatives:

Cancer awareness workshops: We conducted awareness events about cancers affecting both women (such as breast and cervical cancers) and men (such as prostate cancer) to promote health education among employees.

Menstrual Leave: Female employees are entitled to one menstrual leave day per month.

Social Support: We provide social subsidies to employees during significant life events such as marriages, births, and deaths.

Employee Feedback and Grievances: Every forest site is equipped with a complaints and grievances logbook, ensuring employee concerns are documented and addressed. Similarly for all GSEZ's employees outside our forest sites, ethics committees are established that handle complaints received at managerial or HR levels.

Sports and Wellness: Regular weekend workouts and other sports events are organized to encourage physical fitness and team bonding.



CAPACITY BUILDING

At GSEZ, we recognise that being a learning organisation is crucial to successfully navigating the competitive and complex landscape of today's world. To meet the challenges ahead, we are committed to continuously enhancing our learning and development offerings. This commitment supports our employees at various stages of their career journey, equipping them with the necessary skills and knowledge to achieve our collective goals.

Our Approach

GSEZ has scheduled training for their staff and these trainings fall in the following categories:



Operations Training

This category of training is work-related, aimed at enhancing work efficiency and improved performance.



Health-Related Training

Health training includes awareness sessions on key lifestyle diseases and life-threatening illnesses. The aim is to build a healthy and thriving workforce that is aware of their health status.



Team-Building

Our learning experiences are designed to enhance team effectiveness, aligning with our strategy and core values. The training programs cover important topics such as respecting diversity and fostering trust, essential for building a cohesive and inclusive work environment.



CORPORATE SOCIAL RESPONSIBILITY AND COMMUNITY DEVELOPMENT

GSEZ is committed to considering societal interests by taking responsibility for the impact of its activities on society and the environment. To achieve this, GSEZ engages in a variety of activities, including partnering with local communities, and undertaking initiatives in environmental conservation and sustainability.

Our CSR Strategy

GSEZ employs the following key strategies:



Partnerships



**Working with professionals
and experts in the industry**



Direct action



**Employee volunteer
activities**

Partnerships

Partnering with NGOs, Government and related business organizations to support many community projects.

Direct action

Supporting various recipients and beneficiaries in society through community leaders

Expert Collaborations

Partnered with professional experts in various fields to support people in the community and in society at large

Employee Volunteer Programs

Training employees to participate in CSR activities

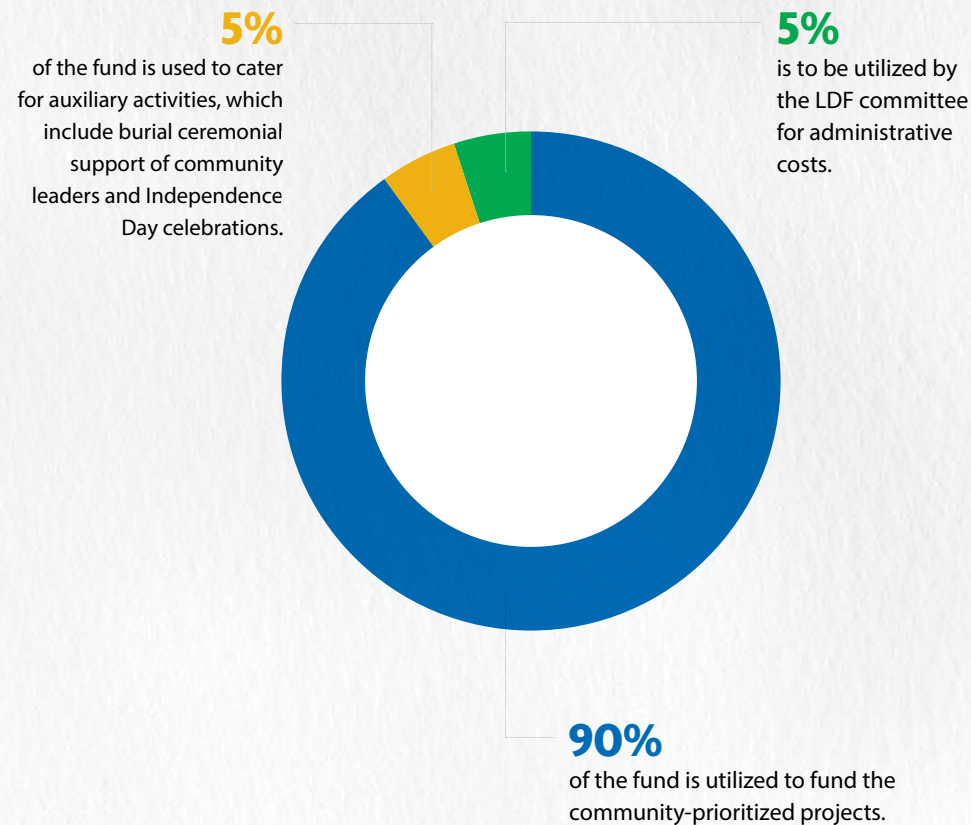
THE LOCAL DEVELOPMENT FUND (LDF)

Gabon has a ministerial order that requires all forest company operators to contribute to the economic development of the communities that are directly or indirectly impacted by their forest operations. Each company adheres to this directive known as the Local Development Fund (LDF). GSEZ complies with this legislation and takes appropriate initiatives to improve the well-being of the local communities and society at large.

LDF support

As per the Gabon regulatory requirement provided by the Forest ministry, each log harvested earns the community 800 CFA per cubic metre. The higher the production, the higher the LDF allocation.

The LDF fund is to be administered as follows:



Financial administration of the LDF fund

The funds can only be utilized in implementing projects in the following sectors:



Health-related projects



Education support projects



Community infrastructure upgrade and construction











Agriculture, livestock, and fishing projects



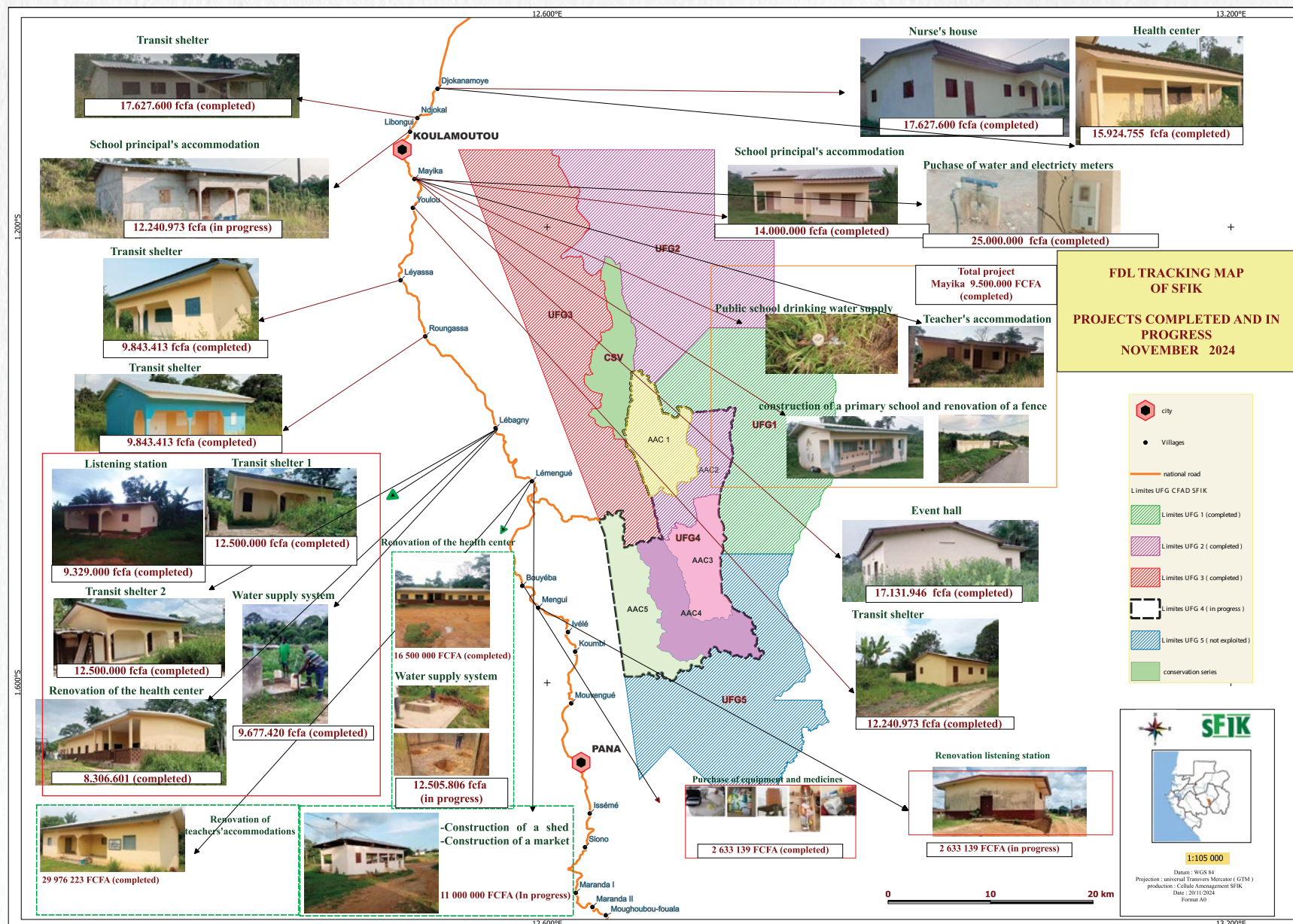
Procurement of equipment and basic amenities

OUR CSR AND COMMUNITY PROJECT MAPPING

GSEZ CSR & community development support themes	Key activities	No. of villages	Cost	Total no. of villages	Total cost in CFA	SDGs Contributions
Community enterprise projects and asset procurement	Purchase of generator – install electricity in the community	5 villages	5,000,000	14 villages	7,198,810	 Initiated entrepreneurial programs and procured business facilitating assets to 14 villages.
	Donated construction equipment	1 village	100,000			
	Purchased fuel for generator installation	5 villages	183,000			
	Wine harvesting equipment	1 village	267,000			
	Purchase of 3-phase electric meter	2 villages	1,648,810			
Agricultural support and food welfare programs	Initiated agricultural activities	1 village	197,000	4 villages	1,447,700	 Contributed to the reduction of hunger by initiating agricultural activities and facilitated food support programs.
	Food support to students and nurses	1 village	630,000			
	Food support to community	1 village	510,000			
	Food provision support to students	1 village	110,700			
Health support programs	Equipped village dispensaries with medicine	2 villages	1,900,000	9 villages	39,687,101	 Refurbished community health dispensaries; recruited and motivated nurses to work in the village dispensaries and stocked the village dispensaries with medicine.
	Nurse salary motivation	2 villages	555,500			
	Refurbishment of dispensary	4 villages	36,566,601			
	Refurbishment of nurse quarters	1 village	665,000			
Education support programs	Provided transportation of students	1 village	00.00	10 villages	32,877,798	 Refurbished schools and motivated teachers through performance allowance.
	Refurbished teachers' housing unit	1 Village	25,976,223			
	Facilitated teachers' performance allowance	6 villages	1,800,000			
	Refurbished school buildings	2 villages	5,101,575			

GSEZ CSR & community development support themes	Key activities	No. of villages	Cost	Total no. of villages	Total cost in CFA	SDGs Contributions
Gender mainstreaming programs	Equipped women with entrepreneurial skills in beekeeping	7 villages		7 villages		 <p>Women from 7 villages trained and supported to start bee keeping enterprises by providing beekeeping equipment.</p>
Clean water supply program	Clean water supply	1 Village	9,677,420	4 villages	32,957,051	 <p>Provision of clean water supply to 4 villages.</p>
	Installation of hydraulic pump	1 Village	7,748,500			
	Construction of hydraulic pump barrier	1 village	580,000			
	Construction of bore hole	1 village	14,951,131			
Construction of community social amenities and infrastructure upgrade	Clearance of football stadium	1 village	30,000	17 villages	114,400,965	 <p>Constructed community social amenities in 17 villages with GSEZ supporting the construction project.</p>
	Construction of multipurpose hall	4 villages	27,437,713			
	Construction of market hanger	2 villages	16,500,000			
	Construction of community houses	3 villages	14,821,250			
	Construction of bus shelter	2 villages	1,981,250			
	Construction of culverts	2 villages	20,228,000			
	Construction of listening box	1 village	8,402,752			
	Construction of walk throughs-bridges	2 Villages	25,000,000			
Community environmental management and conservation	Community members trained in high value conservation of the forests	39 villages	614 people trained	81 villages	1105 people trained	 <p>1105 people from 81 villages trained in management and conservation of the forest.</p>
	Community members trained in reduced impact logging & cartographic mapping	42 villages	491 people trained			

AN EXAMPLE OF OUR COMMUNITY DEVELOPMENT PROJECTS IN OUR CERTIFIED FOREST CONCESSION OF SFIK



SUSTAINABLE **CORPORATE GOVERNANCE AND COMPLIANCE**

‘ Thinking **Global**
Acting **Local**,

We at GSEZ understand that sustainable supply chain governance involves generating policy outcomes that maintain or improve the quality of life for the present and future generations without placing an unfair burden on future generations. Our commitment to sustainable supply chain governance is rooted in our vision and values, as outlined in its supply chain policy and the Code of Conduct for Employees. These values are at the heart of everything the Company does and guide its future activities and operations.



OUR VISION, MISSION AND VALUES



Our Vision

Building globally competitive industrial & logistics ecosystems in Africa.



Our Mission

To enable African economic transformation and job creation through value-generating and sustainable industrial ecosystems.



Our Values

Entrepreneurship

We are bold in our vision, diligent in our design, and agile in our execution.

Integrity

We believe that transparency, ethics and responsibility are crucial to true success.

Sustainability

We make long-term commitments where sustainability means success.

Partnership

We believe in shared prosperity and empowering partnerships to help every stakeholder reach their potential.

OUR POLICIES

GSEZ is a Public-Private Partnership (PPP) between the Republic of Gabon and ARISE IIP thus, all the policies developed at this level apply to GSEZ operations. At GSEZ, we are committed to managing business activities to minimize risks to the environment and the communities where we operate. We achieve this by providing a healthy and safe workplace for the entire workforce in all projects. We align environmental, health and safety, social and governance practices with the following international standards:

International Finance Corporation's (IFC) performance standard on environment and social sustainability

World Bank's general environmental, health and safety guidelines

IFC performance standards and Good International Industry Practices (GIIP)

International Labour Organization's (ILO) fundamental and governance conventions

The World Health Organization's guidelines



Corporate Policies

ARISE Group & ESG Policy

ARISE Code of Conduct



Management Systems

Environmental and social management system manual

Lifesaving rules

Stakeholder engagement

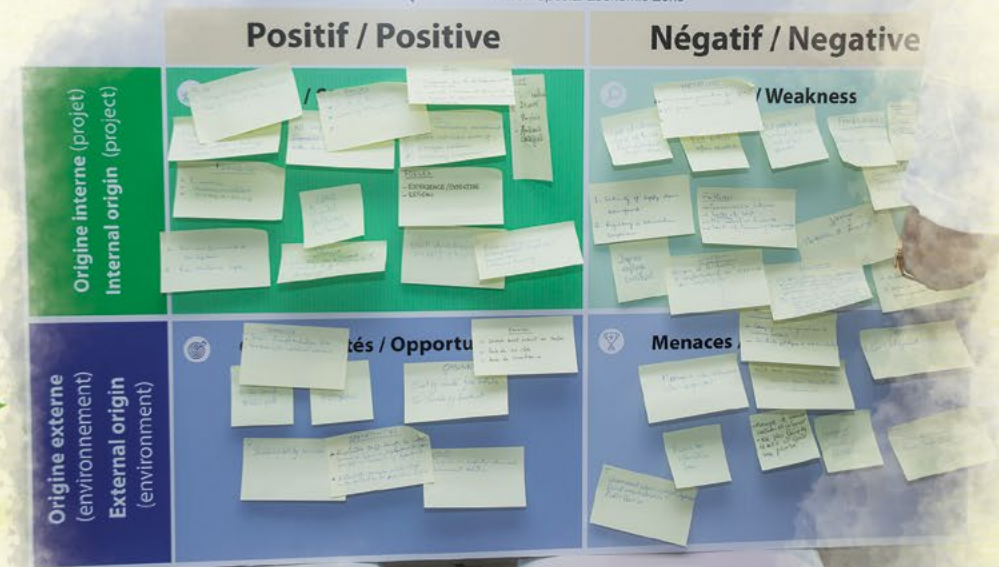
Supply Chain Policy



Site-Level Policies

Environmental and sustainability policies

Health and safety policies



OUR CODE OF CONDUCT

Our Environmental, health and safety code of conduct supplements the terms of the *Cahier des Charges* adopted between the Gabonese Republic and Arise IIP to ensure the proper functioning of GSEZ.

This Code of Conduct is designed for units established within the zones, encouraging collective and individual adherence to achieve the highest social responsibility, hygiene, health, safety, and sustainability standards. It outlines the minimum standards of ethical and responsible behavior required by all units in the economic zone. Following our code of conduct ensures that our operations are run responsibly.



Working Conditions

- Valid work documents for employees
- Risk assessment and mitigation measures
- Comply with national & international law
- Reduce risks at the construction sites
- Working hours and wage



Social Welfare

- Labor
- Non-Discrimination
- Child labour prevention
- Modern slavery mitigation



Construction Activities

- Site preparation and planning
- Worker safety and training
- Equipment and machinery management
- Quality control
- Health and safety training
- Waste management
- Hazardous material handling



Fire Safety

- Carry out initial fire audit
- Install fire extinguishers



Environmental Management

- Emergency response & evacuation
- Non-discrimination
- Waste management
- Grievance management
- Undertake an esia



Machinery and Equipment

- All equipment must be regularly inspected and maintained according to the manufacturer's specifications and used for the intended purpose

The Code of Conduct is subject to updates or additions by GSEZ to enhance operations within the zone. Non-compliance may result in disciplinary sanctions. The goal of this Code of Conduct is to foster responsible citizenship among everyone and to reinforce the integrity of GSEZ as a company.

The document is available from our Human Resources Department and, upon request, via email.

STAKEHOLDER ENGAGEMENT

Ensuring a sustainable and responsible supply chain requires a comprehensive approach and **active involvement** of all national and international stakeholders, **including the government, local businesses, communities and consumers**. This includes the government of the operating country, local and international scientists and universities, environmental groups, human rights organizations, social institutions, other companies, journalists, media, and a wide array of interested experts.

GSEZ Stakeholders

Stakeholder group	Sector-specific	Selected communication
Public Administration 	State (Government)	Direct contact
	Province	Direct contact
	Municipality	Direct contact
Business Partners 	Customer	Direct contact
	Suppliers	Direct contact
	Forest Administration	Direct contact
Societal Stakeholders 	Media	Public relations website, social media
	Environmental NGO	GSEZ newsletter Direct contact
	Social NGO	GSEZ newsletter Direct contact
	Research and Education team	Organized events Direct contact

The Stakeholder Engagement Program

This plan is formulated to engage and sustain relationships with key stakeholders. The engagement strategy is tailored to align with the operational requirements of the forest industry, taking into account associated risks and the broader context. It encompasses various elements, including disclosure, consultation, and establishing long-term, ongoing relationships. Some features of this plan include:

Maintaining an active list of stakeholders, keeping a lead on their perceptions about NSEZ activities, and identifying and recording key issues and concerns about them.

Keeping stakeholders informed about NSEZ activities, explaining its current nature and any changes that could generate new impacts or increase existing ones, and opportunities for grievance and engagement.

Avoid any misunderstandings about the Nkok SEZ activities and properly manage expectations.

Building positive relationships and ensuring ongoing stakeholder participation.

Implementing a viable grievance mechanism using a Stakeholder Consultation and Grievance Management System (SCGMS) and grievance boxes.

+3,000 students visited the Nkok SIZ in 2023





GABON SPECIAL ECONOMIC ZONE (GSEZ)

Essassa PK25, BP 1024 Libreville, Gabon

Email: gsez@arisenet.co

www.gsez.com