

Developing a responsible tropical agriculture

Presentation 2022



OUR MISSION

To develop or revive the socio-economic long-term development of isolated areas in Africa and Asia, while protecting communities' rights, their quality of life and the environment in and around our plantations



191 000 HA OF PLANTATIONS



52 300 EMPLOYEES



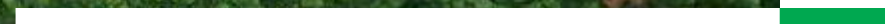
10 COUNTRIES



€ 991.5 MILLION OF TUNORVER



01



CONTEXT

10 COUNTRIES WHERE WE ENHANCE RURAL LIVELIHOOD BY DRIVING A RESPECTFUL AND TRANSFORMATIVE TROPICAL AGRICULTURE

52 300 jobs created in isolated rural areas in Africa and Asia

SIERRA LEONE

SAC

- Since 2010
- Oil palms: 12 349 ha
- Workforce: 4 896

LIBERIA

SRC

- Since 2007
- Rubber trees: 4 445 ha
- Workforce: 850

LAC

- Since 1998
- Rubber trees: 12 336 ha
- Workforce: 4 557

CÔTE D'IVOIRE

SOGB

- Since 1994
- Rubber trees: 15 862 ha
- Oil palms: 7 471 ha
- Workforce: 8 890

SCC

- Since 2008
- Purchases from smallholders
- Workforce: 447

GHANA

PSG

- Since 2012
- Rubber trees: 942 ha
- Oil palms: 6 140 ha
- Workforce: 2 315

CAMEROON

Safacam

- Since 2014
- Rubber trees: 4 284 ha
- Oil palms: 5 306 ha
- Workforce: 3 105

Socapalm

- Since 2000
- Rubber trees: 2 075 ha
- Oil palms: 32 460 ha
- Workforce: 7 334

DR CONGO

Brabanta

- Since 2007
- Oil palms: 6 072 ha
- Workforce: 2 651

NIGERIA

Okomu

- Since 1990
- Rubber trees: 7 335 ha
- Oil palms: 19 061 ha
- Workforce: 5 976

SAO TOME-AND-PRINCIPE

Agripalma

- Since 2013
- Oil palms: 2 100 ha
- Workforce: 753

CAMBODIA

- Research laboratory
- Workforce: 256

SPFS

- Since 1999
- Workforce: 33

CAMBODIA

SOCFIN-KCD

- Since 2007
- Rubber trees: 3 692 ha
- Workforce: 848

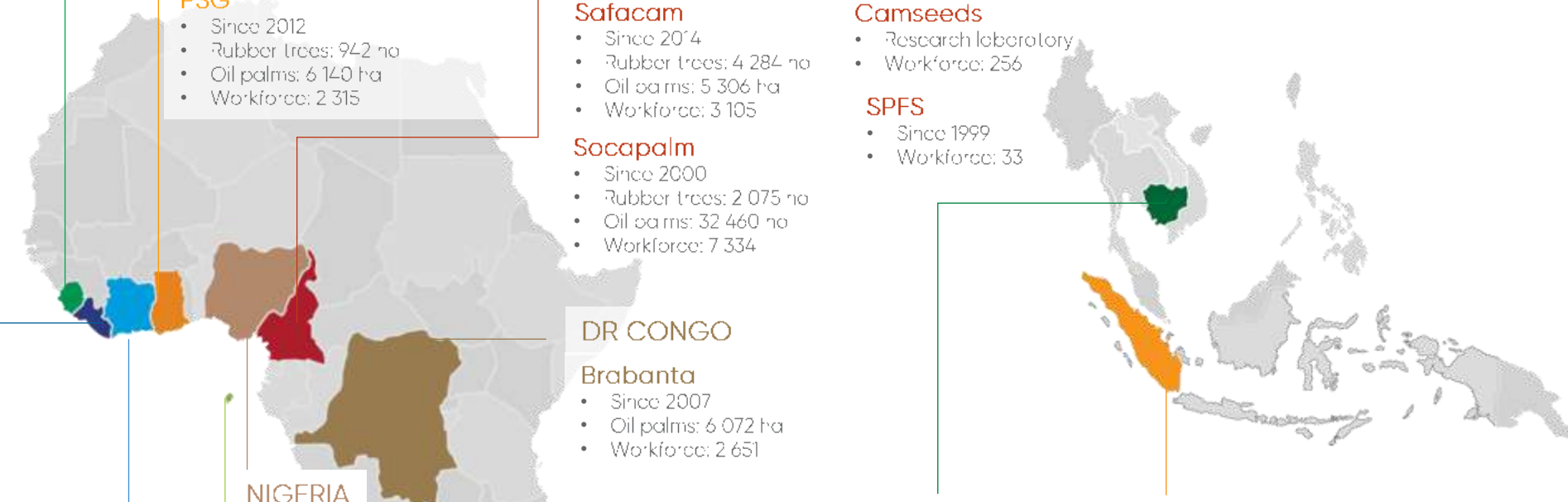
COVIPHAMA

- Since 2013
- Rubber trees: 3 228 ha
- Workforce: 186

INDONESIA

SOCFINDO

- Since 1968
- Rubber trees: 6 603 ha
- Oil palms: 39 279 ha
- Workforce: 10 066



A CENTURY OF FIELD EXPERTISE

Pioneer in sustainable development of rural areas producing natural rubber and palm oil

1909–1989



Group foundation

- 1909 Socfin S.A. creation
- 1968 Indonesia (Socfindo)
- 1973 The Socfin Group is born

1990 – 2000



First acquisition phase in Africa

- 1990 Nigeria (Okomu)
- 1994 Côte d'Ivoire (SOCB)
- 1998 Liberia (LAC)
- 1999 Cameroon (SPFS)
- 2000 Cameroon (Socapalm)

2001 – 2014



Second acquisition phase

- 2007 DR Congo (Brobanta) – Liberia (SRC) – Cambodia (Socfin-KCD)
- 2008 Côte d'Ivoire (SCC)
- 2010 Sierra Leone (SAC)
- 2011 1st RSPO certification in Indonesia
- 2012 Ghana (PSG)
- 2013 Cambodia (Coviphama) – Sao Tomé and Príncipe (Agripalma)
- 2014 Cameroon (Safacam and Camseeds)

2015 – 2022



CSR intensification and certification

- 2017 Transparency dashboard
- COAP certification and certification to European organic standards at Agripalma
- 2018 Founding member of OPSNR
- 2020 – 2022 RSPO certification of African subsidiaries

SUSTAINABLE PRODUCTION BY ESSENCE: 100% OF EACH OIL PALM IS UTILIZED FOR 30 YEARS



The oil comes from the fruit of the oil palm.



Continuous harvest throughout the year:

- 3 years after being planted, for 30 years;
- Every 8 to 10 days.



Environmentally-friendly oil extraction:

- The oil is extracted from the fruit pulp by pressing;
- No chemical additions during the industrial process;
- Wastewater treated by lagooning.



Near-self-sufficiency in energy thanks to our production of renewable energies:

- Biomass;
- Steam turbines;
- Solar.

PALM OIL, A PRODUCT TO BE CONSIDERED A NECESSITY

In Africa and Asia

→ Has been the staple diet of millions of people for millennia.

- Promotes food safety;
- Stable source of vitamin A and antioxidants;
- Plays a role in a balanced diet for hundreds of millions of people.



In the West

→ Prized for its virtues (e.g. pastry-making)

- Neutral taste, solid at room temperature (no trans fatty acids) and creamy like butter;
- With the added benefits of:
 - Do not go rancid;
 - Resist cooking without becoming carcinogenic.

An essential everyday staple:



➤ Food consumption (table oil, margarines, cookies, etc.)



➤ Cosmetics production (soap, shampoo, etc.)



➤ Biodiesel production

THE PRESENCE OF PALM OIL IN OUR DIET OFFERS BENEFITS THAT ARE OFTEN UNKNOWN

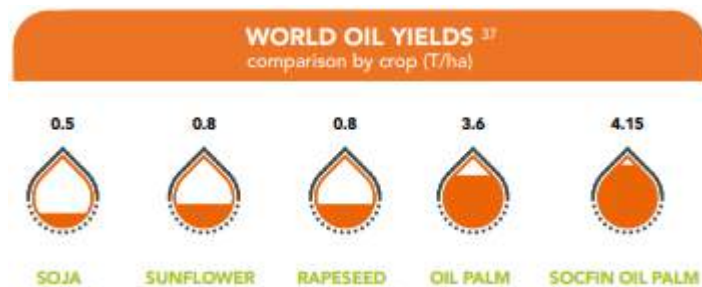
- ✓ The richest oil in carotenes (source of vitamin A) = antioxidant;
- ✓ Oxidizes more slowly than most other vegetable oils;
- ✓ Palm oil is made up of saturated and unsaturated fatty acids: both are necessary for our body to function properly;
- ✓ Consumption of palm oil has its place in our nutritional balance - provided, of course, that it remains in moderation. We recommend diversifying our consumption of vegetable oils, as they are all complementary in their composition and uses;
- ✓ Has better high-temperature properties than other oils;
- ✓ An alternative to trans fats acids.



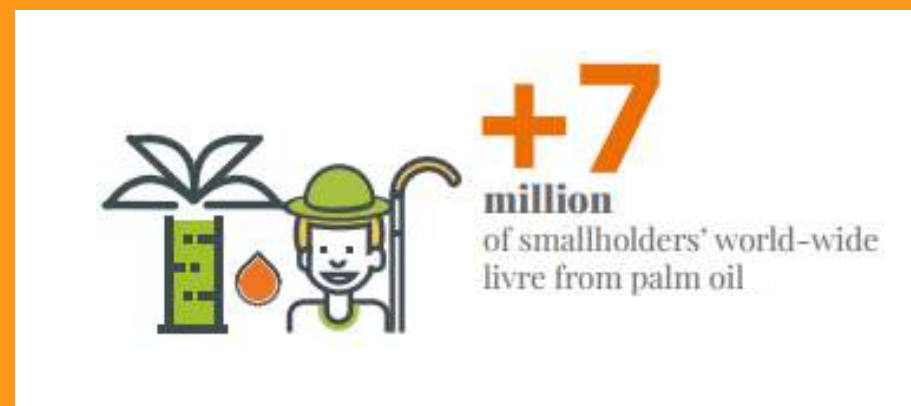
SUSTAINABLE PALM OIL PRODUCTION GENERATES MANY POSITIVE IMPACTS

The most environmentally-friendly crop for oil production.

- ✓ The most environmentally friendly way to produce oil (economic life: minimum 30 years);
- ✓ Carbon fixation;
- ✓ 100% of the plant's elements are recovered;
- ✓ Oil mills: self-sufficient in energy.



A crop that provides income and improves living conditions for millions of smallholders and their family.



A NATURAL, 100% RENEWABLE RAW MATERIAL



Natural rubber comes from the rubber tree.



Continuous tapping throughout the year:

- 6 years after being planted and for 30 years;
- Every 4-5 days.



Latex treatment:

- Washing;
- Latex drying through renewable energies;
- Wastewater treated by lagooning.



Near-self-sufficiency in energy thanks to our production of renewable energies:

- Biomass;
- Steam turbines;
- Hydroelectricity.

A PRODUCT ESSENTIAL TO OUR DAILY LIVES

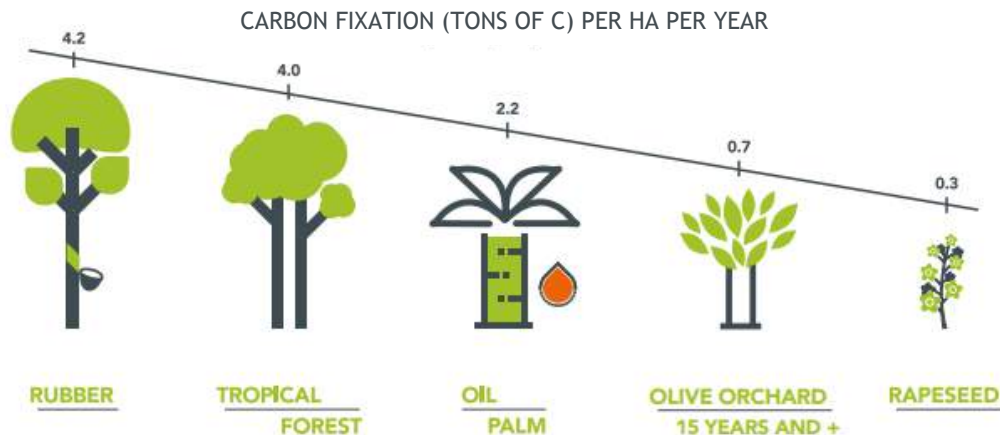
- ✓ A material sought after for its elasticity and impact resistance;
- ✓ Present in the composition of many household, medical and industrial objects:
 - Medical utensils: gloves, condoms...;
 - Car accessories;
 - Tire composition (automobile, aviation, bicycle...);
 - Soft toys for children;
 - Household utensils/objects;
 - Adhesives and sealants;
 - Soles for shoes and boots.



NATURAL RUBBER PRODUCTION GENERATES MANY POSITIVE IMPACTS

The rubber tree has a high carbon sequestration capacity.

- ✓ Green energy source;
- ✓ Minimum use of fertilizers;
- ✓ Carbon sequestration > primary forest.



A crop that provides income and improves living conditions for millions of growers and their family.

85% of the natural rubber produced in the world supports:

→ **6 million** —
of smallholders



55%

of the Socfin Group's rubber production comes from smallholders



02

MARKETING

THE SOCFIN GROUP MARKETS MOST OF ITS PALM OIL IN THE COUNTRIES WHERE IT IS PRODUCED

This approach contributes to offset the need in vegetable oil of these countries.

Local production for local consumption:

- 95% of the Group's production is sold locally;
- 5% of the palm oil produced by the Group is exported (via its subsidiary Sogescol) to other African countries or to Europe;
- The palm oil sold locally is used in many traditional dishes and is also sometimes used in the manufacture of soaps.

The Socfin Group works with a number of leading commercial partners.

We are committed to sustainable palm oil production with RSPO certification: Target of 100% by the end of 2023.



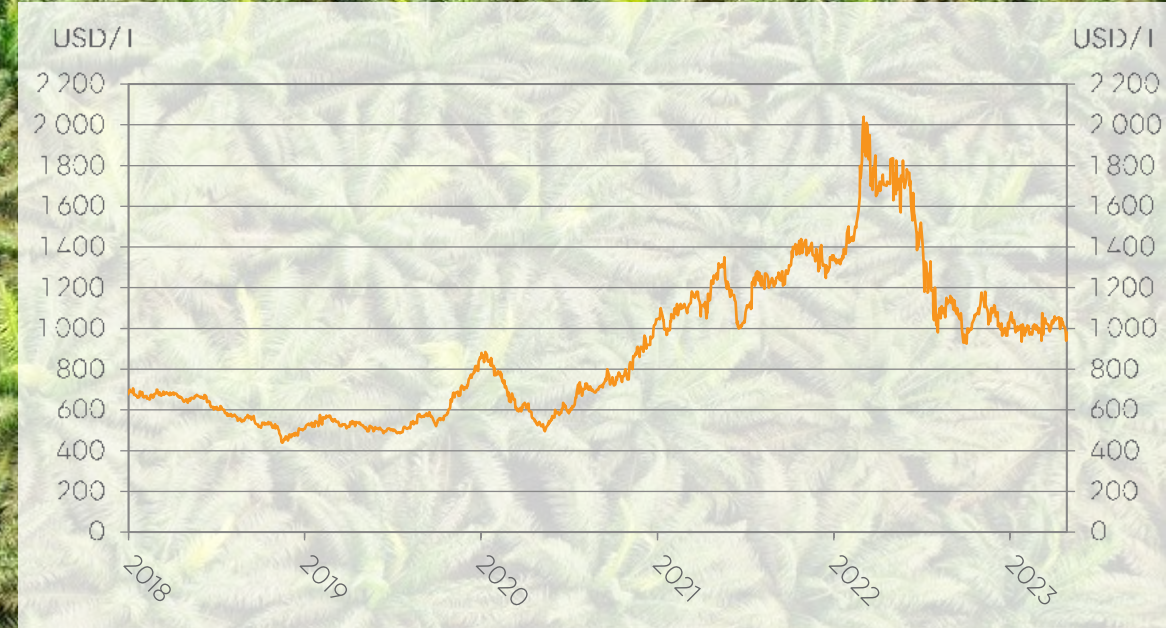
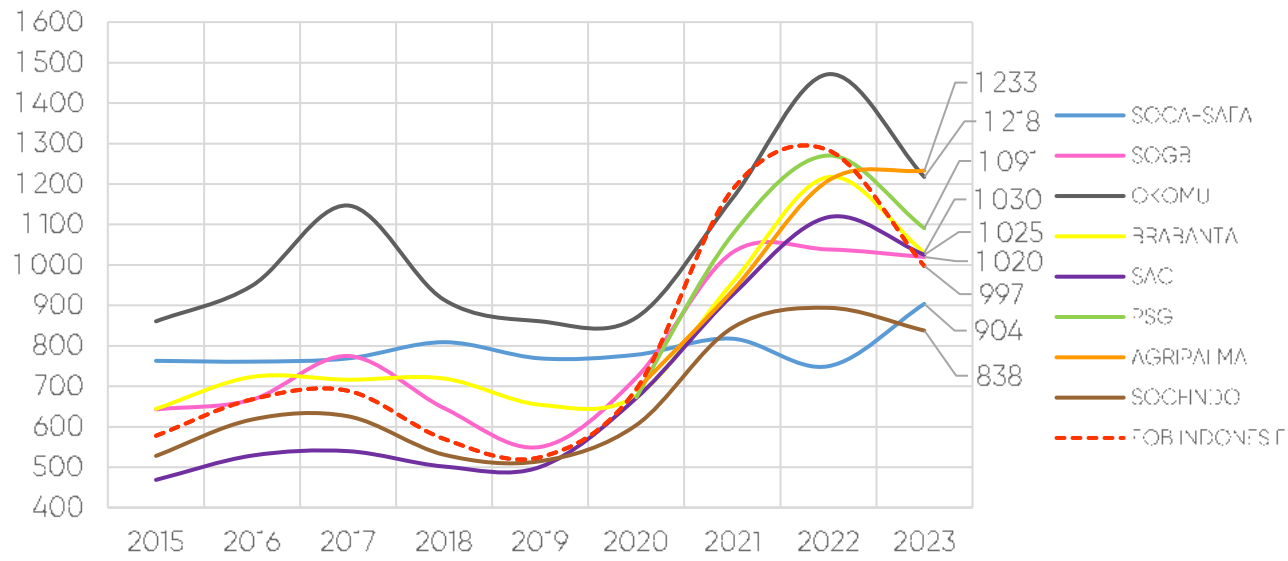
A BUOYANT PALM OIL MARKET THAT REQUIRES SOCFIN TO ADAPT TO LOCAL CONTEXTS

Palm oil prices: virtually uninterrupted rise from June 2020 to March 2022 due to:

- The end of confinement measures;
- The situation in Ukraine.

Prices in Africa vary from country to country, and are not systematically correlated with the international market.

Palm oil price trends by project 2015-2023 (USD/T)



- 2020 average: 715 USD/T
- 2021 average: 1195 USD/T
- 2022 average: 1352 USD/T

NATURAL RUBBER SOLD TO THE WORLD'S LEADING TIRE MANUFACTURERS, DEMANDING THE HIGHEST STANDARDS OF QUALITY, LOGISTICS AND SUSTAINABILITY

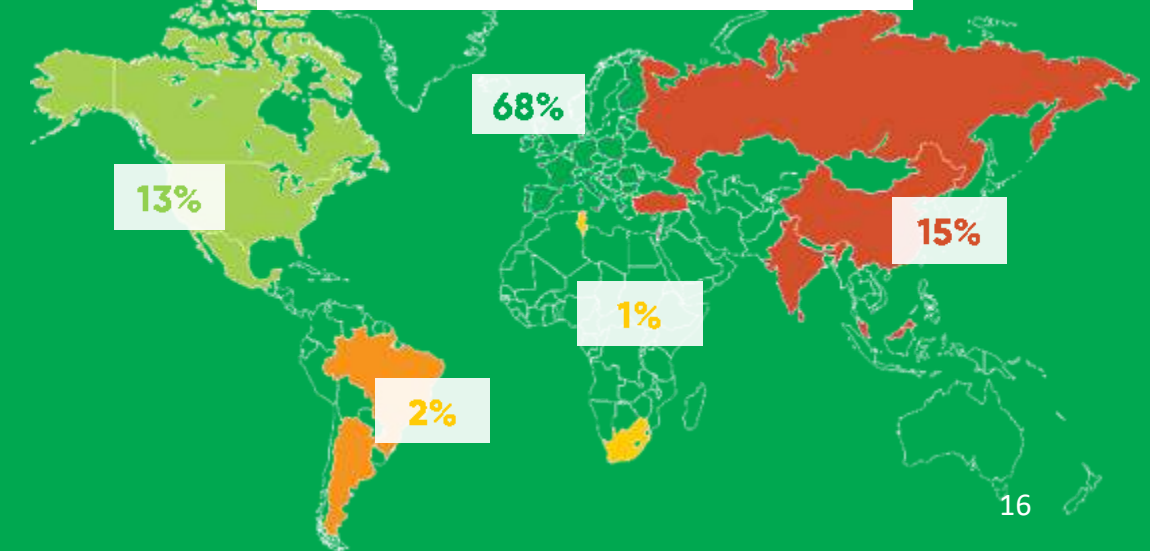
- A **rigorous production in terms of good practices** with strict quality controls to meet the very **high requirements** of Western industrialists and processors in particular:
 - Tire manufacturers;
 - Automotive equipment manufacturers;
 - Adhesive manufacturers...
- Natural rubber is an **essential** component in the tire industry.
- We work with commercial partners who are **among the leaders in their markets**.
- 55% of our raw materials are purchased **from smallholders**.
 - Socfin supports an entire ecosystem and improves living conditions for local populations.

Sogescol, the Group's sales arm, manages
100% of rubber exports.

A 20-strong team exports 233 000 T of rubber
(~12 000 containers) a year.



**60 destination ports in
32 countries**



A FAVORABLE MARKET IN TERMS OF ADDED VALUE FOR AFRICAN PRODUCERS DESPITE A HISTORICALLY DIFFICULT LOGISTICAL CONTEXT

- Improving the value of African rubber through:
 - its geographical proximity to European factories (considerable difference in freight rates for Europe compared with Asian rubber);
 - better traceability.
- Highlighting the Group's responsible management approach in the level of premiums negotiated by Sogescol with end-users;
- Exports up by 5% in 2022 despite a historically difficult logistical context.



- 2020 average: 1317 USD/T
- 2021 average: 1677 USD/T
- 2022 average: 1548 USD/T



03

ECONOMIC PERFORMANCE

OPTIMAL YIELD POTENTIAL ACHIEVED THROUGH DIVERSIFICATION OF ACTIVITIES AND EXPERTISE IN PLANTATION MANAGEMENT

Our diverse approach reduces risk:

1) Geographic diversification:

- No dependence on a single market;
- To cope with highly volatile markets;
- Leveraging expertise and skills;
- Creation of synergies between subsidiaries.

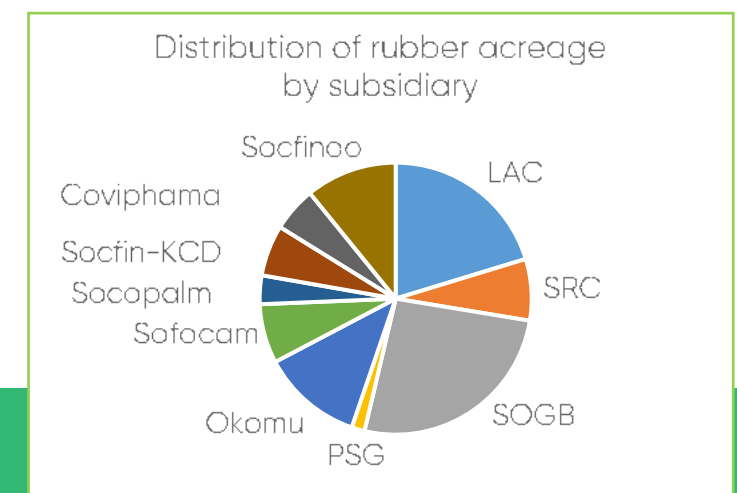
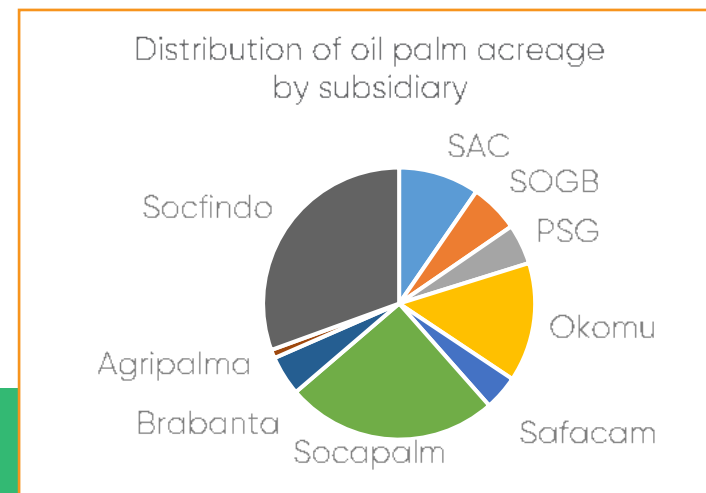
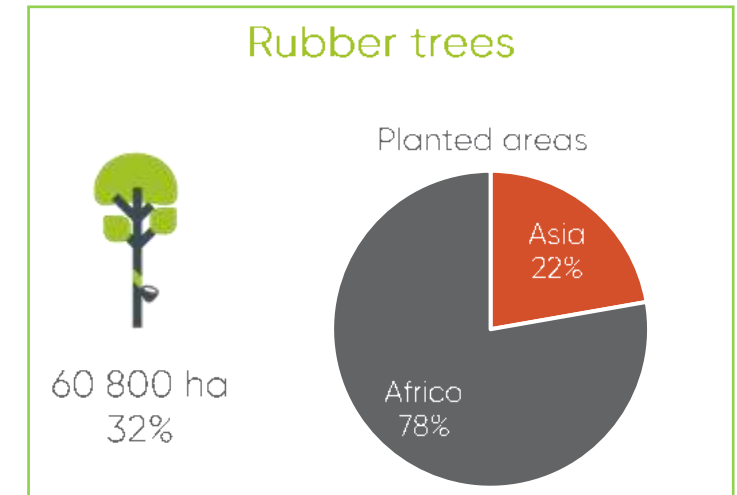
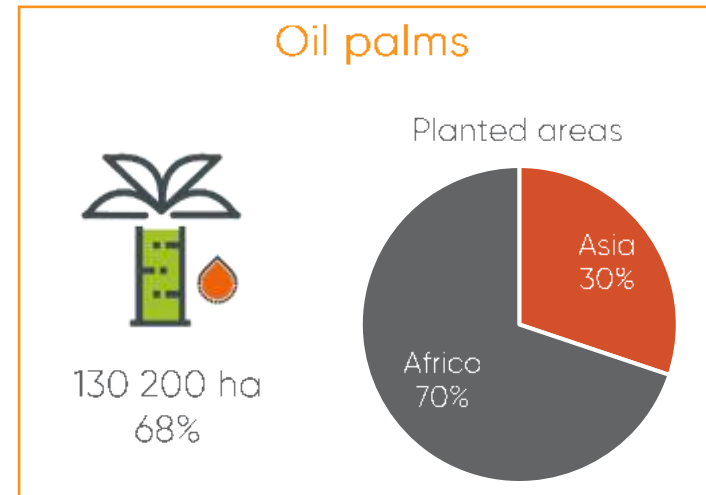
2) Diversified crops on plantations.

3) Agronomic optimization:

The young plantations are now close to full maturity, contributing to the Group's overall renewal rate:

- Optimizing floor space and productivity;
- Selected, quality plant material that improves yields.

2 cultures – 2 continents – 10 countries



SUSTAINABLE AND TAILOR-MADE FINANCIAL MANAGEMENT

Over a century of industry expertise has shaped the Group's business model:

- Integrating the palm oil and rubber value chains:
 - Nurseries - planting - processing - trading
- Modern industrial infrastructures adapted to meet the Group's machining needs;
- A network of local and international experts, built with the experience and long-term collaboration of our partners.

Prudent and appropriate financial management:

- Investments mainly from equity capital;
- Low-risk debt in the medium term:
 - Diversified;
 - Multi-currencies.

→The Group's financial management has enabled it to mitigate the vagaries of the market and adapt to the sometimes difficult global context (Covid-19 pandemic).



SAC palm oil mill commissioning with the President of Sierra Leone, Julius Maada Bio (2021)



New oil mill at Agripalma, Sao Tome-and-Principe (2019)

Investments 2022: € 73.3 million



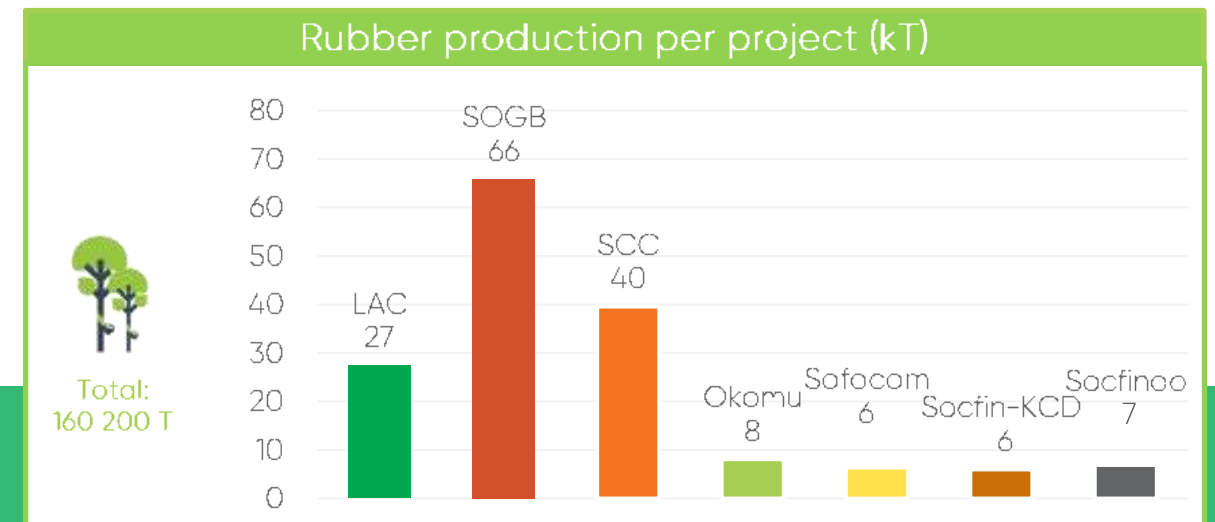
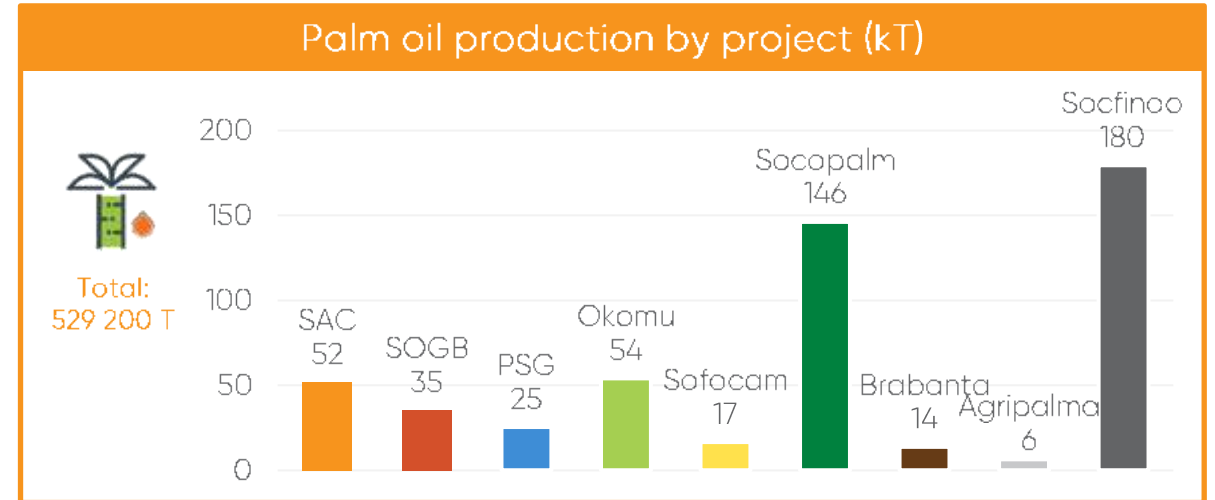
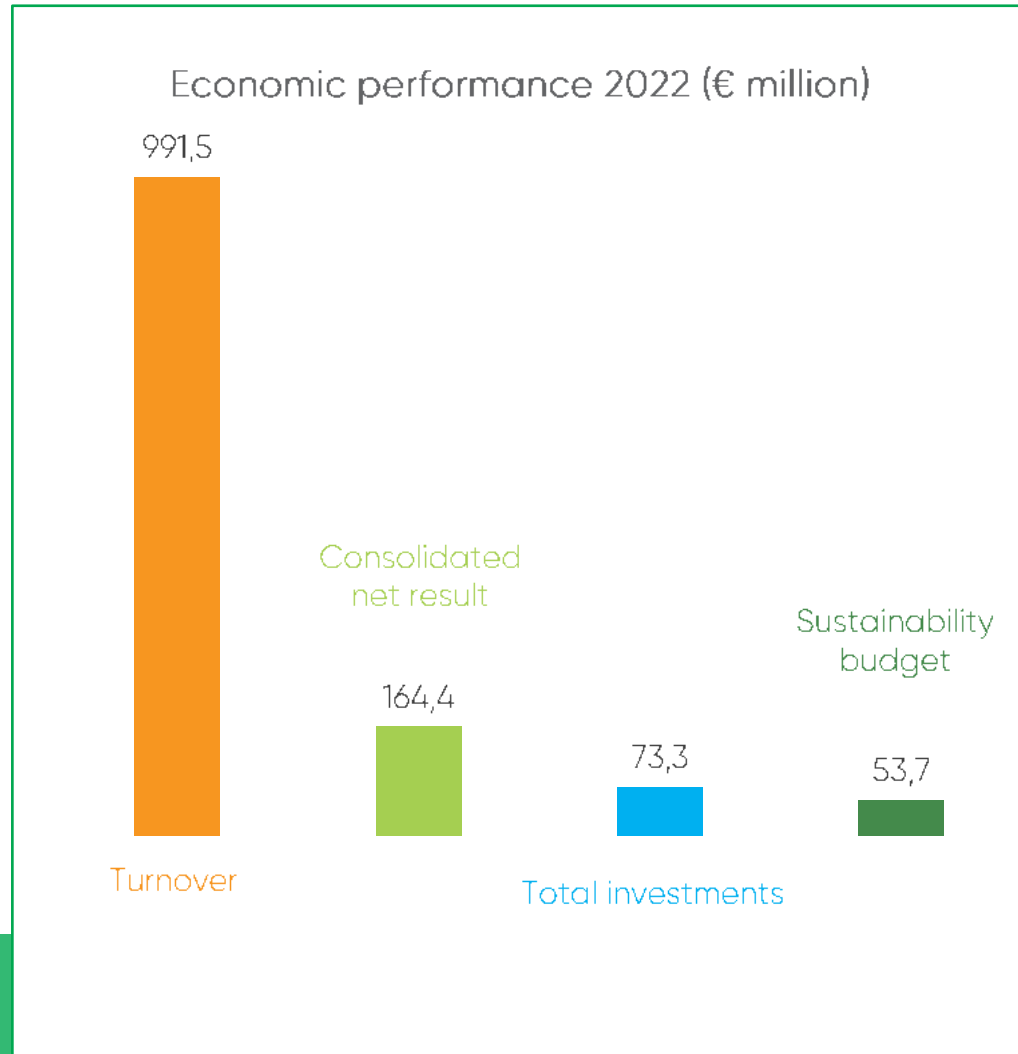
Construction of hydroelectric dam in Liberia (2016)

ECONOMIC PERFORMANCE ACHIEVED THANKS TO MAJOR INVESTMENTS OVER THE PAST 15 YEARS

Knowledge of the sector has led to investments in many areas:

- Renewal, enhancement and development of plantations;
- Creation and expansions of industrial plants;
- Intensification of the sustainable development program, including:
 - ✓ Good agricultural practices & training;
 - ✓ Quality, environmental and occupational health and safety certifications;
 - ✓ Green energy production.

OUR KNOW-HOW IN THE FIELD, COMBINED WITH OUR GOOD FINANCIAL MANAGEMENT, HAS LED TO GOOD FINANCIAL RESULTS. AND EXCELLENT PRODUCTION IN 2022





04

**SUSTAINABLE
DEVELOPMENT
APPROACH**

An aerial photograph of a dense tropical forest with a dirt road winding through it. The forest is lush green, and the road is a reddish-brown color. A white vehicle is visible on the road. The text is overlaid on the image.

OUR RESPONSIBLE MANAGEMENT IS LEAD BY
OUR PURPOSE

Enhancing rural livelihood
By driving respectful tropical transformative agricultural

AMBITIOUS COMMITMENTS THAT ENSURE A SIGNIFICANT IMPACT ON OUR 3 AREAS OF SUSTAINABLE DEVELOPMENT



100% transfer of technical, responsible and adapted agricultural skills



Respect and improve the social well-being of employees, their family and communities



Integrated actions to combat deforestation and protect ecosystems

- A Group policy applied to all its sites:
 - ✓ Implementation on plantations with the support of Earthworm Foundation.
- Commitments in our 3 areas of impact;
- Concrete projects in the field.

THE INTENSIFICATION OF OUR RESPONSIBLE MANAGEMENT INITIATIVES IS GENERATING VERY ENCOURAGING TANGIBLE RESULTS



FOR RURAL AND LOCAL DEVELOPMENT



55% of the Socfin Group's rubber production comes from smallholders



8 ISO 9001-certified sites



6 tapping schools
1 mechanics' school
2 Agricultural Family Schools (AFS)



€ 10 million for power grid and maintenance



FOR OUR LOCAL EMPLOYEES & COMMUNITIES



337 schools
3 297 teachers
64 500 students



93 hospitals and clinics
388 600 annual consultations
479 doctors and nurses



+34% increase of budget dedicated to the training of our teams



FOR OUR ENVIRONMENT



100% of sites audited RSPO
91% of sites certified RSPO



7 ISO 14001-certified sites



>15.5 million liters of fuel saved thanks to our renewable energy production



50 000 ha of HCV areas

OUR APPROACH TO RURAL AND LOCAL DEVELOPMENT

100% transfer of technical, responsible and adapted agricultural skills

OUR APPROACH

- Encourage the inclusion of smallholders in our supply chain;
- Ensure ethics and continuously improve transparency and traceability;
- Offer solutions to accelerate rural development while preserving the environment;
- Facilitate development and accountability of workers and youngsters: training, internships, etc.;
- Improve or create most needed local infrastructure (e.g. road construction, technical training schools, etc.);
- Contribute to local food security in the palm oil producing countries;
- Establish partnerships to stimulate innovation and sustainability performance (e.g. microcredits, rice cultivation, AFS (Agricultural Family Schools), etc.).



THE POSITIVE IMPACT OF OUR PROJECTS ON THE GROUND TO PROMOTE RURAL AND LOCAL DEVELOPMENT

SMALLHOLDERS



"SOGB is a development actor that supports us enormously, particularly in the renewal of our plantations, as it helps us to do the replanting. Also, through the FIRCA, SOGB supervisors follow the progress of our plantations, regularly check on the tapping quality, the health of the trees and advise us on how to get the most of out of our plantations so that they can be used for longer. [We'd like to thank SOGB for their efforts on behalf of our communities.](#)"

Hino Benoît Gnaoué, Smallholder, Gnaoula, Côte d'Ivoire

"I am proud to be one of the successful beneficiaries of SAC's microcredit which has a positive impact on my business and life. I started with little but now I can brag about my business because I am self-reliant. The microcredit have changed the life of many petty traders in the Malen Chiefdom. I wish every woman would have this opportunity."

Ragiatu Turay, Beneficiary of SAC's microcredit project, Sahn, Sierra Leone



MICROCREDITS

OUR APPROACH TO RESPECT, IMPROVE AND ENHANCE THE WELL-BEING OF OUR EMPLOYEES, THEIR FAMILY'S AND THE COMMUNITIES

Respect and improve the social well-being of employees, their family and communities

OUR APPROACH

- Zero tolerance of non-compliance with the Universal Declaration of Human Rights:
 - Raising awareness;
 - Solve grievances and publicly report on progress made.
- Local employees (from producing countries):
 - Enable local employees and their family to benefit from infrastructure, health coverage and access to education;
 - Improve living conditions: water, electricity, leisure...;
 - Strengthen gender equity.
- Communities:
 - Encourage long-term collaboration to implement local communities projects supporting decent livelihood: social life, health, education, etc.



THE POSITIVE IMPACT OF OUR PROJECTS ON THE GROUND TO RESPECT AND IMPROVE THE SOCIAL WELL-BEING OF OUR EMPLOYEES, THEIR FAMILY AND THE COMMUNITIES.

SCHOLARSHIPS



"The LAC's scholarship program provides 10 scholarships to deserving students every year. The selected students have an opportunity to do a four-year program at any higher institution of learning in Liberia. After the scholarship is awarded, we monitor the progress of the students. We ensure that enough funds are provided for every semester to allow them to go smoothly on their academic journey without interruption."

Harry M. Attoh, Human Resource and Administration Manager, LAC, Liberia

"In March 2021, (PSG) launched its Gender Committee consisting of twenty-two gender-balanced representatives from all departments of the company. This was in line with the RSPO P&C requirement to ensure nondiscrimination and to protect human rights of employees at the workplace. Trainings on gender, sexual harassment & violence, internal grievance mechanism, non-discrimination & harassment policies were conducted. Judging by the positive response of workers during and after the program, we can say this was a successful program."

Baaba Mensima Appiah, Gender Committee chairperson, PSG, Ghana



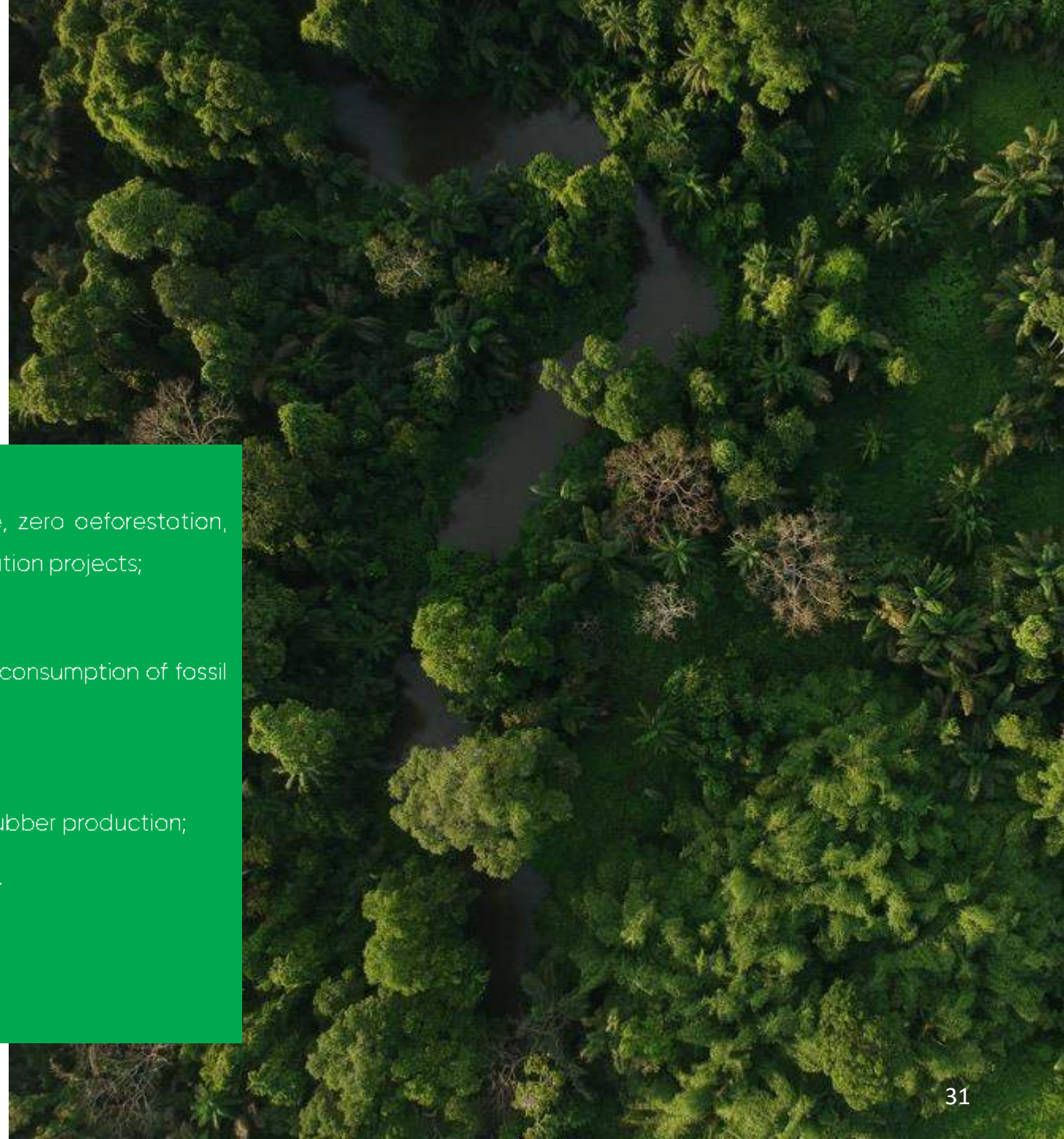
GENDER COMMITTEE

OUR APPROACH TO ELIMINATE DEFORESTATION AND TO PROTECT ECOSYSTEMS

Integrated actions to eliminate
deforestation and protect ecosystems

OUR APPROACH

- 100% RSPO certified by 2023. RSPO includes, for example, zero deforestation, resource conservation, ecosystem enhancement, compensation projects;
- Preventing water pollution;
- Increase the consumption of green energy and reduce the consumption of fossil fuels;
- Respect ISO 14001 certification schedules;
- Founding member of the "GPSNR" platform for sustainable rubber production;
- Minimize our carbon emissions and mitigate climate change.



THE POSITIVE IMPACT OF OUR PROJECTS IN THE FIELD TO ELIMINATE DEFORESTATION AND PROTECT ECOSYSTEMS

RSPO CERTIFICATION



"Given that RSPO is a certification that revolves around sustainability practices, obtaining the RSPO certification not only confirms the Socfin slogan of "Responsible Tropical Agriculture" but also proves that the company is committed to implementing good agriculture practices and providing good social development to the local communities."

George Shotton, RSPO Coordinator, Agripalma, Sao Tomé-and-Principe

"We have noticed a lot of changes, mainly positive, regarding the protected areas. Poaching, even if it hasn't totally disappeared, has sharply decreased. The forest has regrown and become thicker to the point where it becomes increasingly difficult to operate there. We again see a lot of animals, even big animals, such as buffalo. At a moment where we are globally seeing the impacts of climate change in the increasingly frequent natural disasters, I contribute, through my job, to the fight to save the planet."

Kouabénan Kossonou, Ecoguard at the protected areas, SOGB, Côte d'Ivoire



PROTECTED AREAS



05

MONITORING SYSTEM AND FOLLOW-UP

TO ENSURE THE CONTINUOUS IMPROVEMENT OF OUR RESPONSIBLE MANAGEMENT PROJECTS, WE REGULARLY MONITOR AND VERIFY OUR RESULTS

- Internal audits: local and head office
- Local Ministries: Environment, Labor, Health
- Partner: Earthworm Foundation
- Customers: tire manufacturers
- Certification bodies: ISO 14001 and 9001, RSPO
- Evaluation organizations: SPOTT, EcoVadis
- Sustainable Natural Rubber Initiative: GPSNR

Earthworm



**@SPOTT
ecovadis**



SPOTT evaluations

PALM OIL



72.2%

Average score: 45.40%.

RUBBER



62.3%

Average score: 39.73%

Our result

→ EcoVadis (2021): 50%





TO ENSURE THE RIGOROUS IMPLEMENTATION OF OUR POLICY AND COMMITMENTS, WE WORK WITH EXPERTS FROM THE INDUSTRY SECTOR WHO MONITOR OUR ACTIVITIES

Member of the Earthworm Foundation (EF):

- Environmental and social expertise;
- Supporting companies in implementing sustainable development policies;
- Present in 15 countries: good local knowledge;
- Joint creation of a transparency dashboard.



WE IMPLEMENT RESPONSIBLE TROPICAL AGRICULTURE BY ADHERING TO THE MOST DEMANDING INTERNATIONAL STANDARDS, SUCH AS RSPO.

Active member of RSPO (Roundtable for Sustainable Palm Oil):

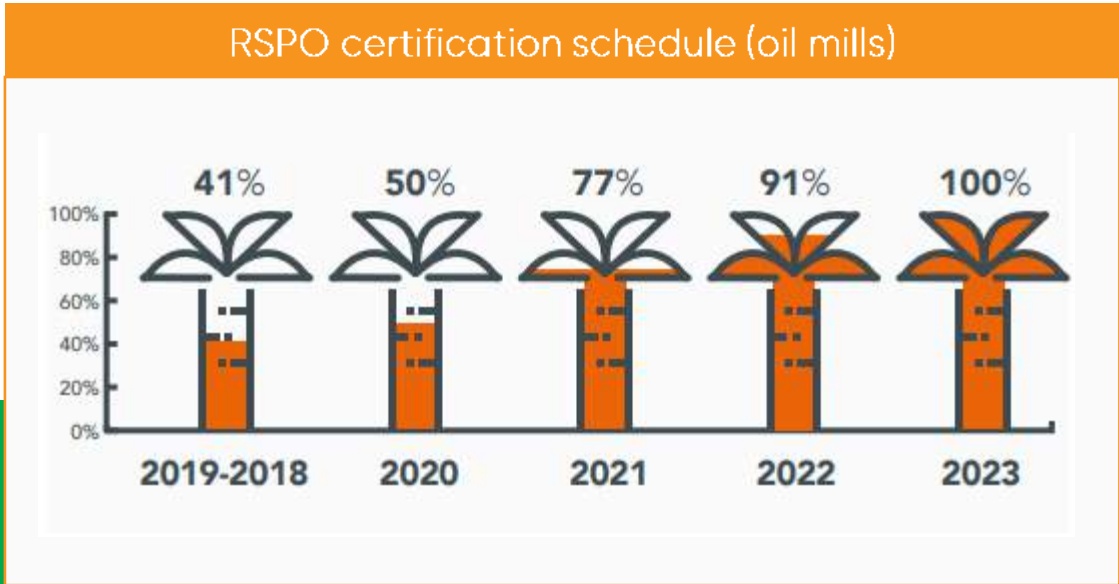
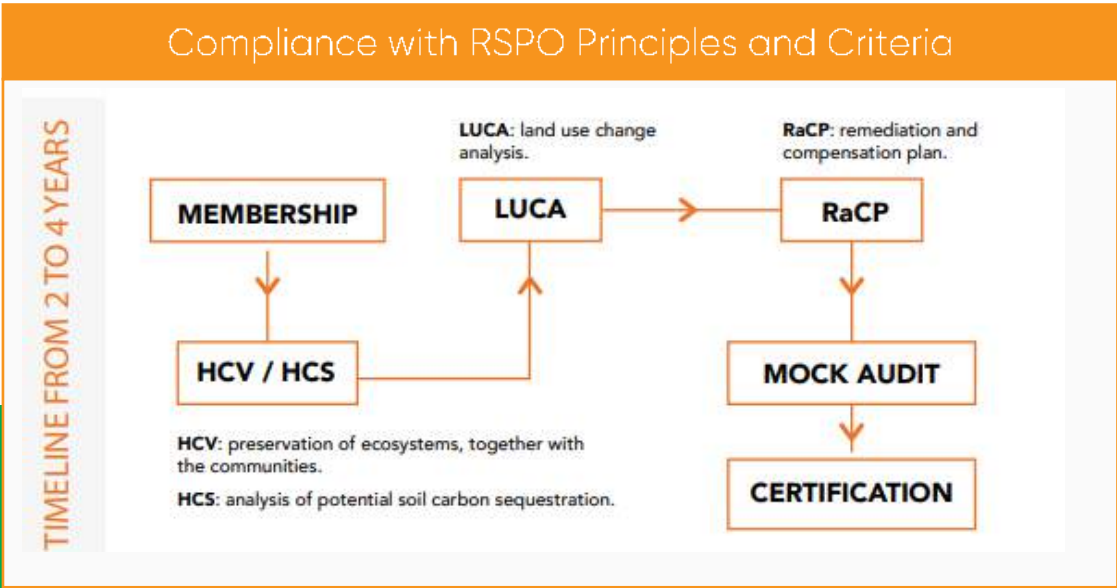
- Organization founded in 2004;
- Several categories of members of the palm oil value chain (producers, processors, distributors, banks, NGOs, etc.);
- All Indonesian sites have been certified since 2015;
- Full certification of African sites by the end of 2023;
- Strict criteria based on 7 principles;
- 50 criteria and 180 indicators.

→ **Aligned with our sustainability strategy**



OUR GOAL IS TO HAVE 100% OF OUR SITES CERTIFIED BY THE END OF 2023

Socfin is convinced that its rigorous and transformative approach to RSPO certification is helping to generate many positive impacts, not only environmentally, but also economically and socially.





WE IMPLEMENT RESPONSIBLE TROPICAL AGRICULTURE BY ADHERING TO THE MOST DEMANDING INTERNATIONAL STANDARDS

Founding member of GPSNR (Global Platform for Sustainable Natural Rubber):

- Founded October 2018;
- 5 member categories: producers, processors, tire manufacturers, other end-users and NGOs;
- Active participation in the implementation of GPSNR;
- Member of the Executive Committee.

12 GSPNR PRINCIPLES

Forest sustainability Water management Land rights (FPIC) Labor rights Human rights Equity	Traceability Transparency Anti corruption Grievance mechanism Auditing protocols Training and education
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Divided into 8 policy components:

-
- ✓ Legal Compliance
- ✓ Healthy, Functioning Ecosystems
- ✓ Respecting all Human Rights
- ✓ Community Livelihoods
- ✓ Increased Production Efficiency
- ✓ Systems and Processes to drive effective implementation of policy components
- ✓ Supply Chain assessment, traceability, and Management
- ✓ Monitoring and reporting on progress and compliance with Policy Components



06

**OUR CARBON
EMISSIONS**

WE ARE COMMITTED TO MINIMIZING OUR CARBON EMISSIONS

OUR CARBON CALCULATOR FOR NATURAL RUBBER

- Since 2019;
- Developed by MEO Carbon Solutions (MCS);
- In partnership with Michelin and SIPH;
- Based on the GHG Protocol methodology "Product Lifecycle Accounting and Reporting Standard";
- "Cradle-to-gate" inventory;
- Current version finalized in 2022.



WE ARE COMMITTED TO MINIMIZING OUR CARBON EMISSIONS

CALCULATING OUR EMISSIONS – RUBBER ACTIVITY

- Activity data for one year provided by each subsidiary to the Sustainability Department;
- The tool was used to calculate GHG emissions from NR production for 2021;
- Emissions for 2022 being processed.

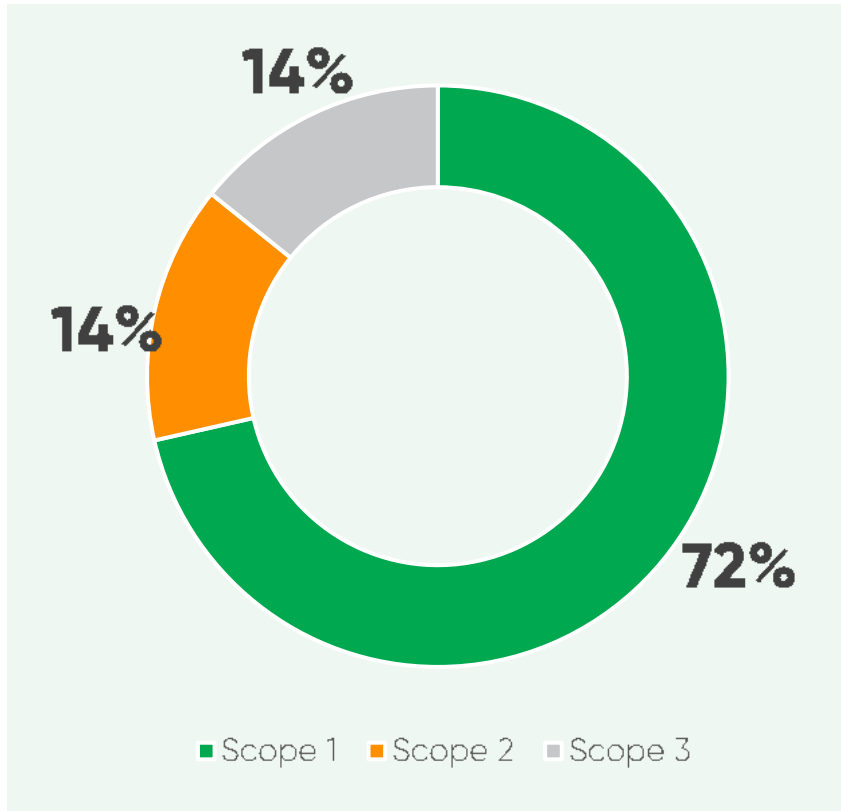
→ Output: emissions by processing site for the year in kg CO₂e / ton dry rubber produced

LAND USE CHANGE (LUC)

- Historical emissions from the development of the plantations (industrial and smallholders);
- Not included in current inventory: on-going development and testing of additional module to calculate emissions from LUC:
 - Ensure conformity of methodology and emission factors with standards (GHG Protocol);
 - Critical for smallholders emissions: solid default scenarios are needed when information on history and pre-existing vegetation on the plots is lacking.
- Validated module expected: 2024
 - For future calculations and adjust past inventories.

2021 RESULTS: NATURAL RUBBER GHG EMISSIONS

Factories	IAC	SOGB	SCC	Okomu	Safacam	Socfindo Ilanah Besih Estate	Socfindo Aek Pamienke Estate	Socfin-KCID
Kg CO ₂ e / ton of dry rubber	285	1048	303	581	246	560	578	245



SCOPE 1 - EMITTED DIRECTLY

- Generation of electricity, heat or steam in company infrastructures
- Physical or chemical processing in company infrastructures
- Waste water emissions
- Application of agrochemicals, open burning in case of phytosanitary threat, crop residues

SCOPE 2 – EMITTED INDIRECTLY

Indirect emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by the reporting company.

SCOPE 3 - ALL OTHER INDIRECT EMISSIONS

Other indirect emissions that occur in the value chain of the reporting company from sources that the company does not own or control. Including both upstream and downstream emissions:

- Transportation and distribution
- Material acquisition
- Smallholders emissions



07

**RESEARCH &
DEVELOPMENT**

HOW CAN WE INCREASE THE PRODUCTION NEEDED FOR THE FUTURE WHILE PRESERVING THE ENVIRONMENT?

CHALLENGES

1. Ancestral and intensive agricultural techniques have demonstrated their limits in terms of sustainability:

- Soil impoverishment due to slash-and-burn cultivation;
- Deforestation of agricultural areas due to shifting cultivation;
- Low tree productivity due to poor seed quality.

2. Demographic expansion:

- Production capacity of smallholders insufficient and no longer adapted.

OPPORTUNITIES

R&D is essential to finding natural solutions to these challenges.

Our R&D team is constantly developing new planting materials, such as selected seeds, to meet the growing demand for vegetable oil while preserving the environment and human health. This enables us to:

- Reduce the use of plant protection products by improving disease resistance;
- Continuous increase in tree productivity per hectare.

RISKS WITHOUT R&D

- Extensive use of land and forests
- Risk of compensation with the use of chemical inputs

OUR R&D WORK PROVIDES SUSTAINABLE SOLUTIONS TO IMPROVE PLANTATION PRODUCTIVITY AND ELIMINATE DEFORESTATION

Plant material improved by natural selection

=

Reducing the planted area for the same quantity produced

Socfin

A key player in agronomic research in the sector:

- Collaboration with research institutes and universities;
- Specialist: oil palm & rubber tree.

3 R&D units:

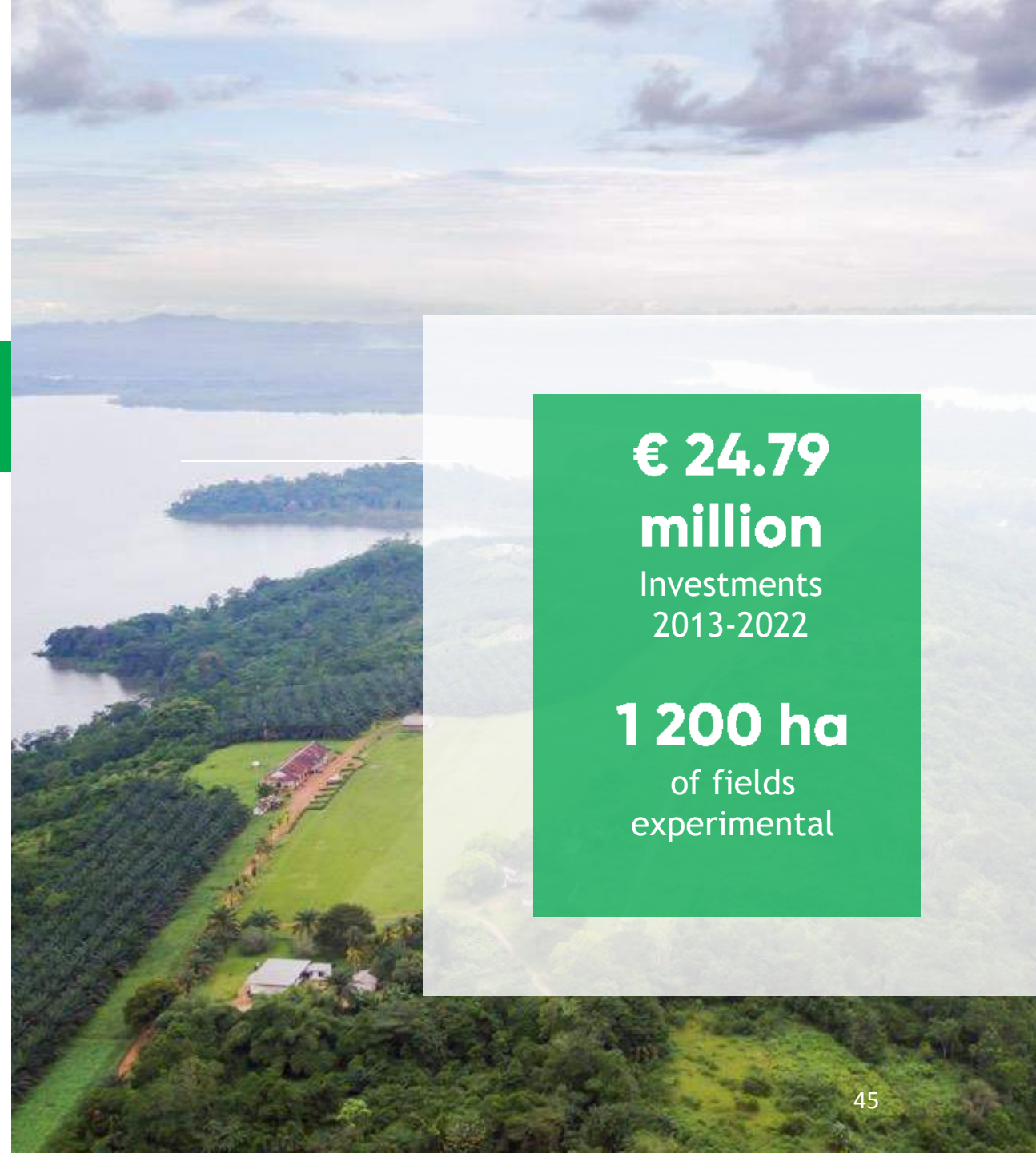
- Africa: Camseeds (since 2017, 256 employees) and SOGB (since 1972, 160 employees);
- Asia: SSPL Socfindo (since 1913, 36 employees).

Areas of research:

- Genetic improvement of oil palm and rubber tree;
- Intercropping of rubber trees with cocoa and teak;
- Production of selected seeds for all sites.

€ 24.79
million
Investments
2013-2022

1 200 ha
of fields
experimental





RENEWABLE ENERGIES

WE INVEST IN THE PRODUCTION OF GREEN ENERGY TO IMPROVE THE ENERGY BALANCE OF OUR ACTIVITIES AND OUR AUTONOMY, WHILE HELPING TO PRESERVE THE ENVIRONMENT

- Our oil mills are virtually energy self-sufficient;
 - Our rubber factories use green energy to be self-sufficient.
- Reuse of agricultural by-products and biomass from plantations.

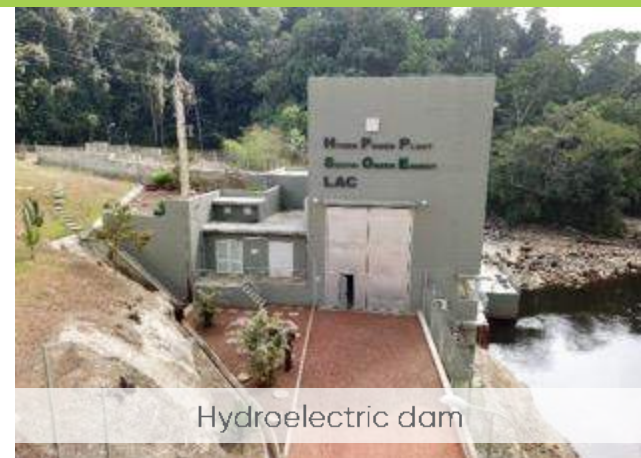
15.5 million liters of fuel saved in 2022 thanks to our renewable energy production

Energy supply for medical centers, schools and plantation villages

Goal: 100% energy self-sufficiency for plants



Biomass boiler + turbines = cogeneration



Hydroelectric dam

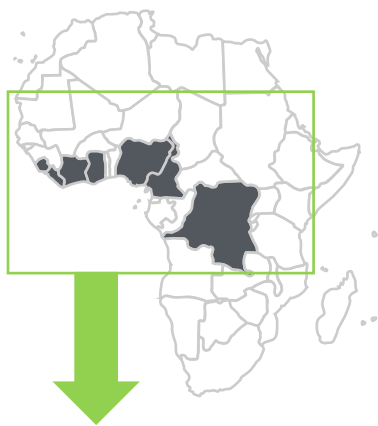







Biomass dryer

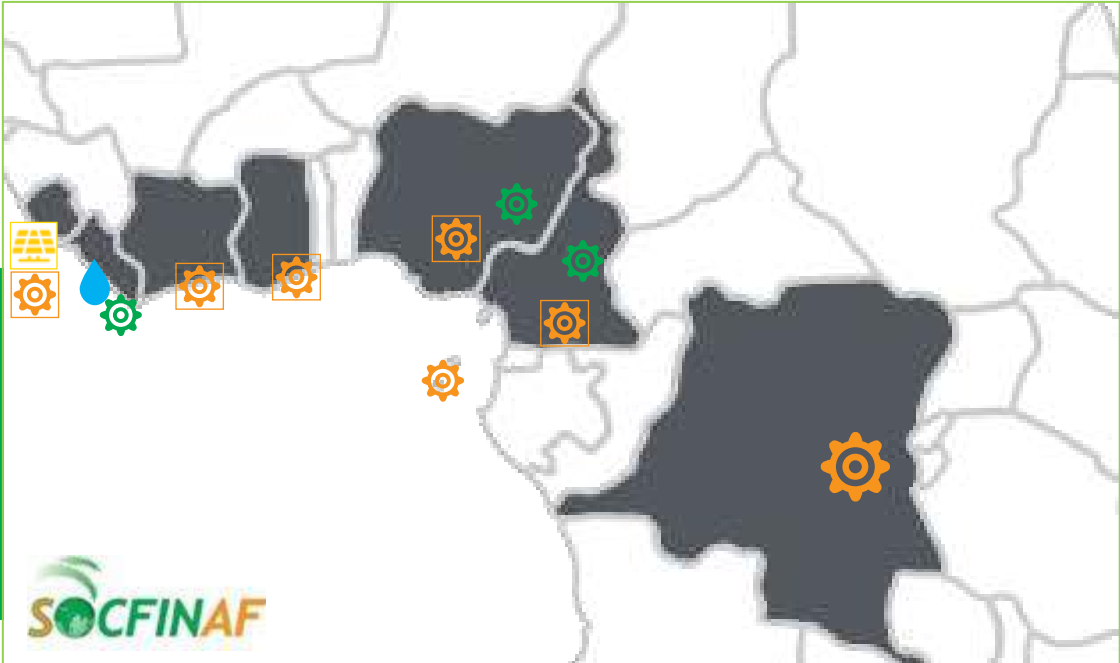


Solar panels

OUR RENEWABLE ENERGY SOLUTIONS ARE TAILORED TO THE NEEDS OF EACH INDUSTRIAL SITE



-  Hydroelectric dam
-  Biomass boiler
-  Turbine
-  Biomass dryer
-  Solar panels



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An aerial photograph of a tropical landscape. A wide, winding river flows through a dense, lush green forest. To the left of the river, there are large, organized agricultural fields, likely plantations, with rows of crops. The background shows rolling hills and a clear sky with some light clouds. The overall scene is vibrant and natural.

**Thank you for
your attention**

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