

RIMBA COLLECTIVE

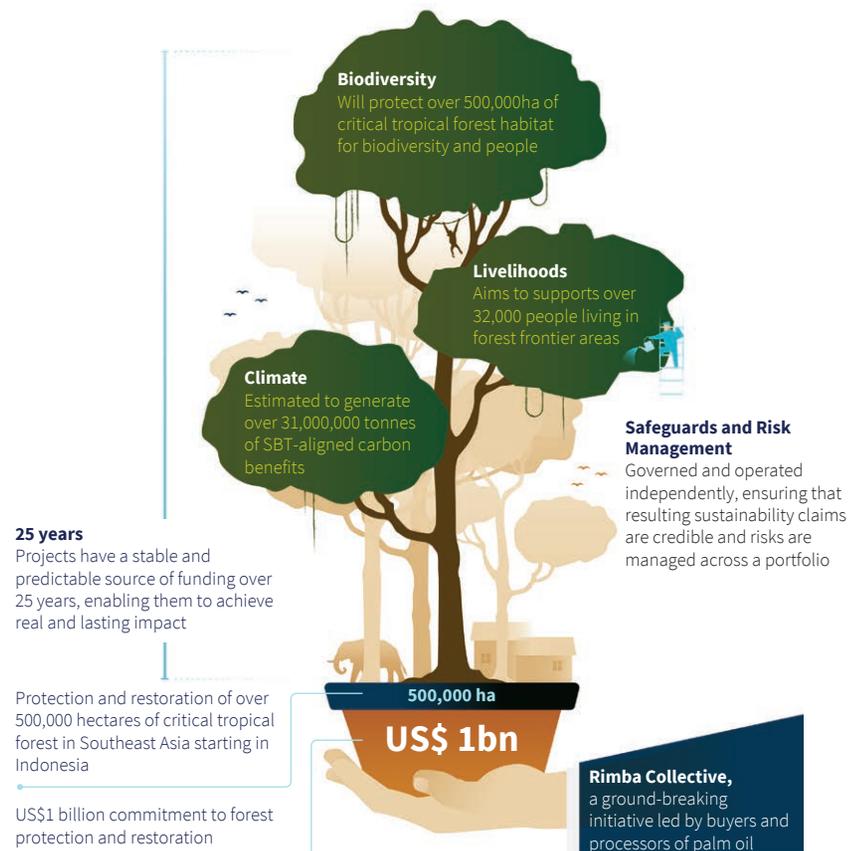
Nature Positive Supply Chains

Rimba Collective is a ground-breaking initiative led by buyers and processors of palm oil to collectively support long-term, sustainable conservation and restoration of tropical forest landscapes.

A GAME CHANGER FOR THE PALM OIL INDUSTRY

Rimba Collective is a new initiative from Lestari Capital that connects leading companies in the palm oil supply chain with world class forest protection and restoration projects.

Comprised of buyers and processors of palm oil, it supports long-term, sustainable conservation and restoration of tropical forest landscapes. By creating a self-sustaining and scalable financial mechanism, Rimba Collective makes investment in conservation an embedded cost of doing business.



Safeguards and Risk Management

Designed for companies that have made robust sustainability commitments, Rimba Collective works by sharing costs through voluntary payments to a single financial entity. This entity is governed and operated independently, ensuring that resulting sustainability claims are credible and risks are managed across a portfolio of projects.

All participating projects are subject to strict criteria and due diligence, monitored by a team of technical experts. Independent third-party verification ensures that key performance indicators are achieved prior to the release of annual payments. In return, projects enjoy a stable and predictable source of funding over 25 years, enabling them to plan long term, delivering real and lasting impact.

Real Impact on Climate, Communities and Biodiversity

Rimba Collective is the first to guarantee long-term sustainability impacts through a collective mechanism operating at the industry level, to fulfil individual company commitments around biodiversity, communities and climate.

Over 25 years, Rimba Collective aims to finance US\$1 billion to protect or restore 500,000 hectares (minimum) of critical tropical forest habitat that, supports over 32,000 people living in forest frontier areas. It will also generate over 31,000,000 tonnes of SBT-aligned carbon benefits, and up to 120,000,000 tonnes of carbon credit compliant emission reductions.

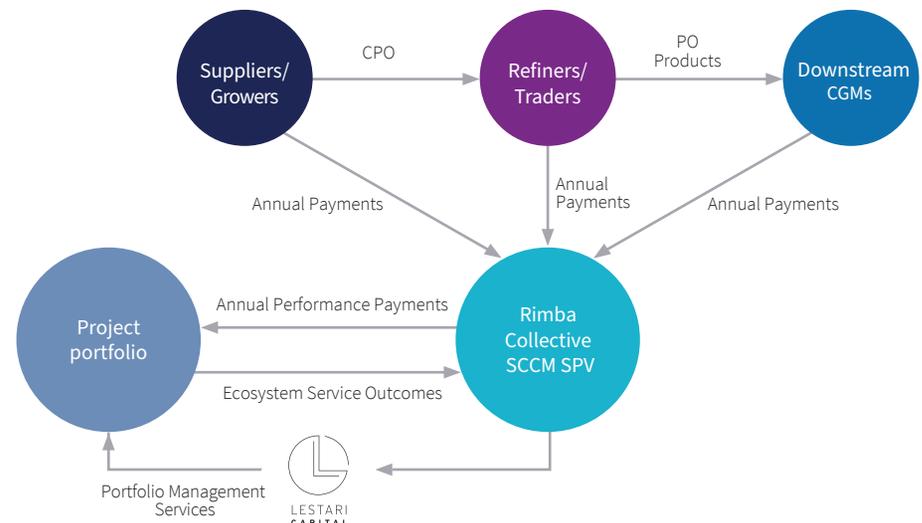
It aligns with work of the Consumer Goods Forum's Forest Positive Coalition of Action, as well as the post-2020 commitments of an ever-growing number of supply chain companies.

HOW RIMBA COLLECTIVE WORKS

At the heart of Rimba Collective is a financial mechanism where funding from partners is channeled to a portfolio of projects, with investments overseen by the Rimba Collective management entity.

The Rimba Collective financial model has two key features:

- Costs are linked to procurement volumes, integrating Rimba Collective costs into operations procurement decisions.
- Contributions and contractual obligations flow directly from participants to the Special Purpose Vehicle (SPV), managing funds on their behalf.



THE PROJECTS

Rimba Collective has already identified a portfolio of over 500,000 hectares of projects that will be supported long term, allowing companies to make claims against multiple corporate sustainability commitments at a collective industry level, and to fulfil individual biodiversity, community and climate commitments, as needed.



Projects are selected based on their ability to generate biodiversity, community and climate impacts; geographic alignment with palm oil production; and their ability to meet due diligence requirements.

Partners will be able to correlate claims around project impact with their individual contribution to Rimba Collective. Project impacts are measured in three key areas: biodiversity benefits (habitat and species protection); social benefits (livelihoods, poverty reduction, food security); and climate and area-based benefits (emissions, hectares).

BECOME A PARTNER OF RIMBA COLLECTIVE

Rimba Collective welcomes the support and partnership of companies across the palm oil supply chain. Becoming a formal partner of Rimba Collective offers the chance to be part of a transformative initiative for the palm oil industry and for agricultural commodity supply chains as a whole, forging a pathway toward a nature positive future.

Companies that join the Rimba Collective early in its development will position themselves as leaders in sustainability and will play an active role in shaping and piloting the mechanism. To learn more, contact Michal Zrust, Chief Sustainability Officer (m.zrust@lestarcapital.com).

BENEFIT	HOW WE MEASURE IMPACT
Biodiversity Benefits 	<ul style="list-style-type: none"> Number of Vulnerable & Endangered Species from IUCN Red List in project areas Hectares of habitat lost or restored Change in species population size
Social Benefits 	<ul style="list-style-type: none"> Number of people with improved livelihoods Hectares with land use rights secured as a result of the project Improved Poverty Probability Index (PPI) rating for project beneficiaries Increased access to basic services
Climate and Area-based Benefits 	<ul style="list-style-type: none"> Hectares protected and restored Quantified GHG emission reduction and removals Hectares protected with High Conservation Values (HCV) Quantified contribution to Science Based Targets Quantified contribution to Climate Neutrality / Net-Zero

The Rimba Collective project portfolio is designed specifically to fulfil a range of corporate sustainability commitments.

- Compliance with 'recovery plans' for past deforestation through **hectare for hectare compensation**
- Maintenance of **NDPE status following recovery**
- Maintenance of **NDPE-compliant supply chains**
- Demonstration of progress towards the **Forest Positive Coalition goals**
- Progress towards **climate neutrality / carbon neutrality / net-zero targets**
- Achievement of **Science Based Targets (SBTs)**
- Contribution to Sustainable Development Goals 1, 2, 4 and 6 through improving livelihoods and well-being in forest-dependent communities.

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