

KILOMBERO VALLEY TEAK COMPANY LIMITED
CORPORATE SECURITY POLICY STATEMENT
REVISED JUNE 2011



Preamble

The Kilombero Valley Teak Company ('KVTC') recognizes the importance of an effective security program to protect the company's employees, assets, information, integrity and reputation from potential threats.

The company commitment is guided by the basic core values, code of conduct and business ethics which shape and influence the way KVTC operates. These core values include professionalism, respect for employees and stakeholders and a permanent concern for health, safety and the protection of the environment.

Core Principles

KVTC recognizes that secure operations are dependent upon employee participation, commitment and accountability. All security activities must adhere to the general principles as laid down in the company's Business Principles, Community Relations Policy, Occupational Health and Safety Policy as well as Environmental Policy and be in line with the Company Mission statement.

Policy

1. The security and protection of employees must be the overriding priority of all business activity.
2. Security policies and procedures must be implemented according to the Universal Declaration of Human Rights, the international and national laws and the Voluntary Principles on security and Human Rights. Respect for human dignity is paramount at all times
3. Heads of Department and Line Management must be continually aware of and take responsibility for the security aspects of its business activities. Security organization and resources must reflect this commitment.
4. Prevention must be first priority. Threats analysis and risk evaluation should be carried out on a continuous basis
5. Preparedness is essential to mitigate incidents rapidly and effectively. Response plans must be developed and tested to deal with assessed risks.
6. The level of professionalism, knowledge and integrity of staff involved in security matters on behalf of KVTC must be tightly controlled and exemplary.
7. All incidents, including security breaches and irregularities must be reported and recorded. Corrective action should be taken and followed up through the regular verifications to improve the overall security standard of the company.
8. Generally security forces used by KVTC are non armed guards, however in certain areas of its operations KVTC uses armed guards to properly manage the risks within the scope of legally and governmentally approved practices. Armed guards must be selected carefully, trained regularly and supervised closely.
9. Mindful of the need to introduce security measures to protect its employees and personnel, KVTC nonetheless makes every effort to minimize the impact of these measures on local communities.

As far as possible, security procedures and guidelines reflect the seamless integration of security and business activities.

Hans Lemm
General Manager