PINE IN VISION – ROADMAP TO SUCCESS

VOLUME 1 / ISSUE 1

2021 HIGHLIGHTS & ACHIEVEMENTS

Fiji Pine Group for the first time in history became debt – free after making a lump sum payment of $2.2 million to fully settle the $12 million loan taken from the Fijian government in the 1990s. There has been an extraordinary engagement with our "Landowners" through continuous landowner consultations; which led to form a strong relationship with them and instilled hope in them to achieve greater things by supporting the organization for their future developments. Introduction of performance-based incentives for employees. This open merit-based gives a win/win outcome where results and rewards go hand in hand.

Fiji Pine Group for the 1st time in history achieved a record planting of 4,213.40 hectares this year. This equates to 4,680,643 million pine trees planted. Never before has this been achieved. A remarkable achievement on the backdrop of COVID - 19. The restocking drive is also a testament to ensuring that forest sustainability is executed with proper planning and strict adherence to the vision and goals set by the company.

"NURSERY"

"YOUNG PLANTS COMING UP"

"FOREST MANAGEMENT"

Our newly built "Gaunavou Nursery" at Drasa with one million seedling capacity.

Team Nabou with our CEO & Executive Management Team during their 2021 year end get – together.

FPL STATION COMPETITION

Our 6 stations were involved in "amazing race" running competition to meet up their planting targets of 2021. It was a tough decision for the evaluation committee to declare one winner as all station staff and our landowners have marvelously performed to achieve their goals with their positive energy, enthusiasm, dedication, commitment, passion and love for their job. The target for 2021 was 3,500 hectares however during the year the CEO shifted the goal post to 4,200 hectares making it even more challenging.

Eventually, one team has to be declared winner and it was TEAM - NABOU who took the winning plaque award with prize money - $5,000.00 cash reward and letter of appreciation.

Bua team finished as 1st runner – up followed by Ra team as 2nd runner – up.

Both Bua and Ra team received plaque award each.

Replanting Data:

Forest	Nabou	Nadi	Lololo	Ra	Bua	Macuata
Hectares	1,207.73	705.50	547.00	419.30	1,139.74	164.79

FPL Stations for the first time created history by achieving their restocking targets. Never ever done in FPG before!! This shows the level of **commitment, dedication and passion our people have toward our organization by living our New Vision sincerely.**

Orisi Vosuga uses the Clinometre to capture accurate range, height, and angle measurements. *Photo:* **Fiji Pine Limited**

FOREST MANAGEMENT

Fiji Pine Restocks Record Breaking 4million Pine Trees

In a bid to accelerate and maximize its Sustainable Forest Management (SFM) practices, from August 2021, the Fiji Pine Limited embarked on implementing Forest Management activities such as thinning and pruning as part of its operational silvicultural practice. This was done to ensure a steady supply of the diverse products that were needed in the local and overseas markets.

Thinning Operations

In a normal plantation forest, trees often compete for growing space, sunlight, and nutrients. Thinning allows for the natural development process of a forest. At Fiji Pine Limited, thinning provides an outlet for improving tree yields and growth. Within its 6 forest stations Fiji wide, teams of 10 -12 individuals from the landowning units were deployed to carry out thinning on 4year old plantations as well as pruning of 6year old plantations, and slashing of pre-existing vegetation.

Pre-commercial thinning is a labour-intensive and high-cost operation. Its application is usually confined to naturally reseeded areas, where there are too many stems per acre to allow good early growth. Thinning is done by cutting, chopping, and slashing, an exercise that requires intense planning and where necessary station heads have had to revise plans to accommodate the thinning, pruning, and slashing activities within its operational schedules.

For the respective Fiji Pine forest stations, this means:

1. Procured forest growth and rate
2. Increased landowner participation in forest management practices

Epi Drugu monitoring tree growth in the Bua Forest. *Photo:* **Fiji Pine Limited**

3. Heightened awareness of resource management amongst Land Owning Units (LOUs) to protect their forests
4. Proactive approach towards good public relations
5. Increased forest sustainability

According to Mr. Vimlesh Kumar, Fiji Pine Chief Executive Officer "the thinning operation provides the opportunity for landowners to understand how forestry works by engaging them in the work culture. It also allows the Pine Group to elevate the socio-economic aspect of landowner livelihoods within the remote rural areas of Fiji Pine leased areas in both Viti Levu and Vanua Levu".

Operating within COVID-19 restrictions, Fiji Pine decentralised forestry operations like thinning in order to ensure the successful execution of its forest management plans. This was no easy feat, as careful consideration of COVID protocols were observed / implemented from recruitment to the operational phase.

Landowner in Bua who is engaged in restocking. *Photo:* **Fiji Pine Limited**

Restocking Statistics

Year	# of Pine Trees Planted	Area Planted
2020	2,048,426	1843.74ha
2021	4,680,643	4,213.40

Restocking Drive

Planting operations for 2021 stands at a record breaking 4,213.40 hectares. This is a momentous achievement, not only for Fiji Pine Limited but for the landowning units as well as the partnership for restocking equates to the planting of 4,680,643 million pine trees. The restocking is testament to the Pine Groups commitment to ensuring that forest sustainability is executed with proper planning and strict adherence to the vision and goals set by the company.

Heading into 2022, Fiji Pine is aiming high and is optimistic of reaching its restocking target of 7,300ha. Teamwork, resilience, and good camaraderie is what will drive the Fiji Pine Limited team to achieving this target.

The company will invest close to $8million for the restocking campaign. **Source: Fiji Pine Limited**

A. LANDOWNER COMMUNITY DEVELOPMENT FUND (LCDF)

Various reforms were carried out within the landowner based institutions to bring about transparency and accountability. One such reform was to the levies. This is now referred to as "Landowner Community Development Fund" and is 5.5% of logging, cartage and roading operations. This fund is purely for landowner community development with education being the main priority. This is managed by FPL.

2021 LCDF highlights:

1. **Solar project for the Natokalau Village, Kubulau in the Province of Bua**

2. Internet project in Nalotawa, Vunamoli, Vagadra and Nasovotava Villages

3. Education Contribution

58 Ministry of Forestry

Fiji Pine Connects Rural Schools and Villages to the World

4. Contribution towards Burua Primary and Nasesevia Secondary School

B. RE-ESTABLISIHING OR REVAMPING FOREST STATIONS

1. Ra Station – new quarters

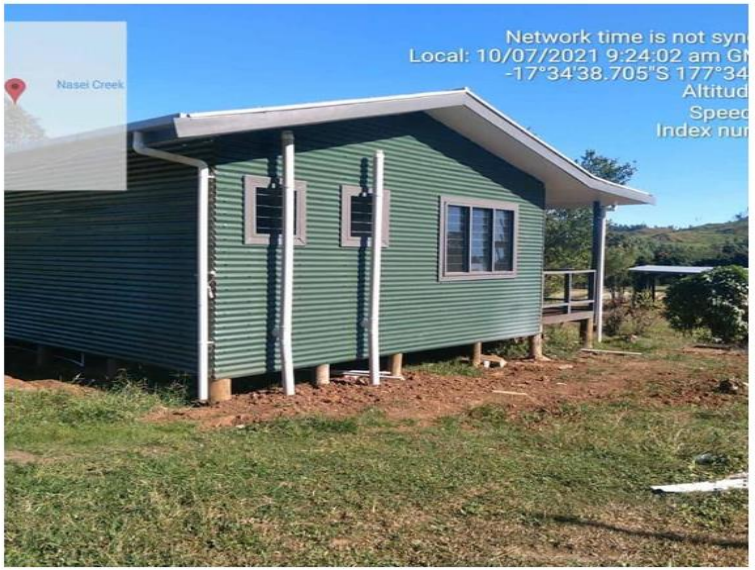
2. Ra Station – new borehole and water storage tank

3. Ra Station – new concrete Driveway

4. New Gaunavou Nursery at Drasa

5. New office in Bua (work in progress)

6. New Lololo office



7. Lololo Station – new borehole and water storage tank

8. Station Maintenance (drive in progress)

9. New quarters in Uto Nursery

10. Nabou - Play ground

11. Lololo - Play ground

12. Bua - Play ground

13. Construction of New FPL – Research Laboratory at Drasa (work in progress)

TWIL - INFRASTRUCTURE UPGRADE

1. **Brand New Woodchip Conveyor**

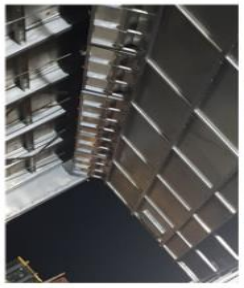
Brand new woodchip conveyor structure done for our Lautoka chip pile. A crucial project it was to meet the operational needs efficiently for our business. The project scope was designed internally by our Engineering Team and our team carried out work as planned. The set deliverables on project was achieved in timely manner due to the commitment, dedication of our hardworking workers involved in this project as well to our in – house engineering section heads who were leading this project.

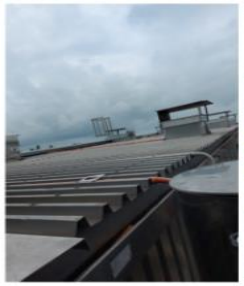
The relevant project engineers had a strategy in place, which involved planning, scope of methodology, time management and resources to ensure that project is achieved within the cost involved. Excellent work delivered by our team of highly capable and energetic engineers. Thorough planning and engineering results in an excellent outcome. Thank you our Engineering Team for yet another successful project.

2. HV Switchgear Upgrade

3. New Timber Treatment Plant

4. Brand New Mahild Kiln





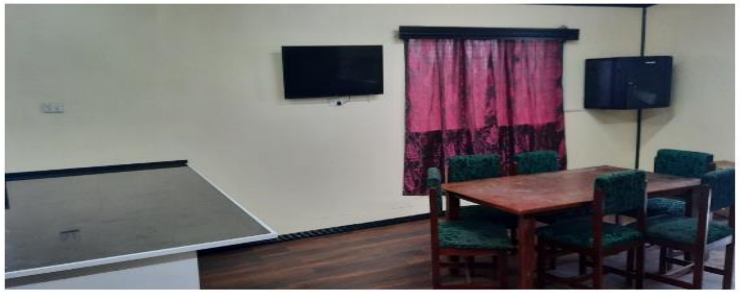
5. **Installation and Commissioning of brand new 11/3.3 KV transformer with capacity of 7.5MW**

TWPL - INFRASTRUCTURE UPGRADE

1. **Connection of 2MW Genset to Woodchip Loading System. (HV Electrics)**

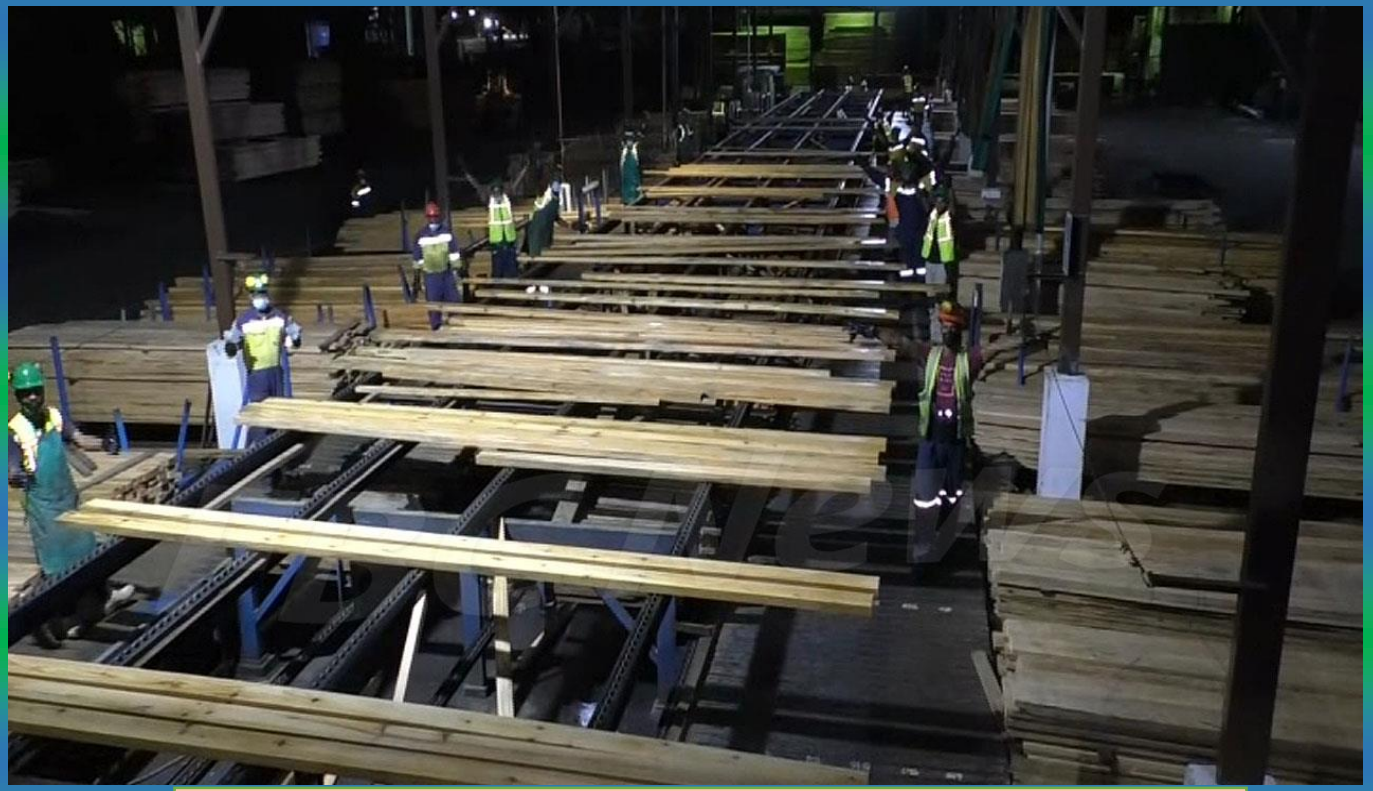
2. Construction of New Staff Quarters

3. Renovation of Rest House



TWIL – INTRODUCED DOUBLE SHIFT OPERATIONS

To have efficiency in our operations after securing bulk export operations, double shifts were introduced for the first time in history for sawmill workers. This not only boosted our operations but generated more than 50+ employment opportunities for our local people.



16th November, 2021, the historic moment of double shift being captured.

WOODCHIPS EXPORT – VESSEL SHIPMENTS

This last two (2) years has been a challenging year for us with the prolonged impact of COVID-19 adversely affecting our business, as well our on-going challenge for sustaining our resources. Our local business revenue was next to zero during this period, and Japan woodchip exports was halted due to the closure of international borders. We have remained positive and resilient during these testing times, by exploring other alternatives of local and international export markets.

Despite the pandemic – Fiji Pine Group managed to secure its shipment of woodchips export to our buyers in China & Japan market. Total of 9 vessels were being loaded for shipment with pine woodchips amounting to ***452,771.34 tonnes***.

Mater Vessel @ Wairiki Port - Bua

Woodchips loading in progress!!

LANDOWNER CONSULTATIONS

Fiji Pine Ltd and Fiji Pine Trust continued with the consultation and awareness with our Pine Landowners; an engagement that has not been done for decades but with transformation of our industry and vision set in place vibrant vibe has to happen. All our landowners were amazed by the transformation of Pine Group and the record-breaking results it has achieved for the past years, noting the 2020 financials and 2021 the Pine Group is headed for another record year, despite the impact of COVID - 19. Our landowners are assured from the company that the organization value their support and FPG only exist because of their continuous support. The organization will continue to look after their best interest by providing education assistance to their children, investment in infrastructure developments etc.

We have our landowners with us in anything or everything that we do!!

We consult!!

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Ministry of Forestry 25

Fiji Pine Strengthens Consultations & Benefits to Landowners

Landowner Consultation, Bua - Narawai Forest **Photo: Fiji Pine**

Landowner Consultation - Nafiwa Forest **Photo: Fiji Pine**

The journey of a thousand miles begins with a single step".

This is the motto that drives the Fiji Pine Limited as the company engages with landowners for its community awareness and consultation programmes. Through these community engagements, the company has been able to restore the relationship that had been marred over the years through misrepresentation and abuse, and provide correct information regarding the Industry and the financial returns for landowners.

During these consultations, the company presents in details the journey it had taken from the inception of the Industry, to the new reforms undertaken to ensure the viability of the business and it's Vision which is centred towards the long term sustainability and sustained returns to the landowners.

According to Fiji Pine CEO Vimlesh Kumar, "There were many structures that were initially formed between Fiji Pine Limited and our landowners with the purpose to serve them effectively, in-

Company pays 12% of net revenue (revenue less direct cost of logging, cartage and roading). This is a direct payment made to Landowning Owning Units through TLTB. TLTB does not deduct poundage from stumpage after negotiations were made 6 years ago.

3. Landowner Community Development Fund (LCDF)- This fund is set aside by the Company to assist in the Community based projects in villages. Its main focus is on education assistance as it believes that education will make a real impact on the livelihood of its landowners. The Company reserves 5% of Gross revenue from the harvesting carried out in each Forest to assist in this form of development. All landonwers qualify for these funds irrespective of the acreage of area that is leased to the Company.

4. Lease Security Bonus Payment- This is a bonus payment made based on the Company's performance.

Landowner consultations are an integral part of Fiji Pine's opera-

the landowners.

Landowner Community Development Fund

The company has invested $1.4 million in community projects for the Landowner Community Development Fund for the year 2021.

These projects carried out for the villages include the rebuilding of houses that were damaged through cyclones, building of community halls, rural electrification projects (solar systems, generators, electrical wiring of community halls), upgrade of schools and study equipment for rural based schools water and sanitation.

The community projects are really making an impact in the remote areas leased by Fiji Pine Limited where they are now having access to proper sanitation, light and drinking water. A recent solar project carried out for the Village of Natokolau in the Province of Kubulau, enabled 15 families to have access to electricity and making a positive impact on the school children who will now be studying under the proper light.

Solar Project - Lights on at Kubulau **Photo: Fiji Pine**

Form of Assistance	Amount
Water & Sanitation	$ 85,000.00
Education	$ 365,000.00
Rural Electrification	$ 20,000.00
Solar	$ 190,000.00

EMPLOYEE RECOGNITION

FPG never hesitated to look after the best interest of its workers, as our people are integral part of the organization. Despite the challenges faced for the past 2 years due to the pandemic, the organization continued to provide full time employment to all its workers and not just that, our workers were rewarded with incentives such as: Employee of the Month with cash reward of $100 and certificate each, employees received bonus payout, Christmas hampers, individual employees who performed exceptionally were promoted with pay rise for their growth, etc. Pine Group philosophy towards its workers is that of genuineness. The relationship that we have with our workers is not dictated by any contracted clause but through the genuine feel of belonging and recognition for high achievers. FPG is one of the greatest organizations in Fiji, who provides great incentives to their employees not just in monetary terms but for their growth and success to prosper within the organization.

Employee of the Month

Bonus Payout - 2021

Christmas Gifts Hampers being distributed to FPG employees!!

Fiji Pine Group, one of the largest entities in Fiji, provided Christmas hampers to its individual 400+ workers. It's rare for any organization in Fiji to give such incentives to its individual workers. This if one of the characteristics of Pine Group which differentiates them with other entities in Fiji in terms of valuing and appreciating its workers, landowners.

EMPLOYEE ENGAGEMENT

Employee engagement is one of the most important indicators in gauging work satisfaction. Engaging with employees is critical in retaining valuable talent, and is an important aspect for employee satisfaction. Following the uplift of COVID – 19 restrictions, the organization resumed its monthly meetings with employees of respective section. The meeting is organized between CEO, HRTR and employees only (excluding Managers) and is called a “Listening Session”. The main purpose is to create an open relationship and maintain effective communication with our People, sharing with them our on – going challenges/trends, happenings and to hear their concerns which will enable us to overcome the culture of exclusivity and emerges inclusive that will lead to a vibrant workforce.

SOCIAL ACTIVITIES

FPG believes in supporting institutions which are making an impact on livelihoods of people. As such Fiji Cancer Society (FCS) plays a vital role for the people of Fiji, who are diagnosed with medical condition such as Cancer. The organization fully supports the noble cause of FCS and every year participates in events which marks Cancer in our Calendars worldwide. As such, two important events are Pinktober & Movember. FPG contributed funds for Pinktober and employees raised fund for Movember which were handed over to Fiji Cancer Society.

Pinktober Celebration at our Drasa - HQ

Movember Celebration at our Drasa - HQ

KOULADROKADROKA – RUGBY CHAMPIONSHIP

"Kouladrokadroka Championship" kicked off on 12th November, 2021, between the Stations of Fiji Pine Limited. This is a new initiative initiated by the Fiji Pine Group CEO Mr. Vimlesh Kumar for the Fiji Pine Group landowners and its employees to get together, bond, showcase their rugby talents and also to reassure our landowners to take ownership of its resources and that Fiji Pine is here for the Landowners. We revived the tradition of the Pine Group Rugby championship. The last time this was held was back in the 80's - this facility was neglected over the last 30 years.

All the stations of FPL competed during the tournament to qualify for the final round, hence Northern Warriors came out as victors by beating Nadi/Nabou team. The Northern Warriors will now be crossing the Bligh Waters to meet up with the mighty Tropik Pine rugby team at Drasa, Lautoka.

YEAR END FUNCTIONS

The year-end function is the perfect time for employer and employees to reflect back on their success and appreciate their hard works amongst their colleagues. It's also a great way to connect with employees, and allow open and positive communication between all departments and levels within the business. FPG group sections celebrated their Christmas break off parties with their team mates and the occasion was highly graced by our CEO and executive management team. The event created different atmosphere for all employees, as there was team bonding, fun, laughter of joys on how challenging 2021 was, but yet they all managed to pass the hard phase and ended 2021 with good note.

Few Glimpse of year end celebration:

RELIGIOUS FUNCTION – CELEBRATIONS

We are a multicultural organization, whereby we value and respect each other's religion and culture. We have Unity, We Stand for each other, and we celebrate all religious functions whole heartedly. Every year we celebrate all the functions from our belief that highlights important message to all individuals with a purpose. Most importantly, during this celebration we come together as one, we get to know about different cultures, share our joys through laughter and make everlasting memories with our loved ones.

Diwali Celebration at Engineering Office

Christmas Celebration at Engineering Office

2021 was full of challenges for all of us, but we as an organization executed and achieved so many things. A remarkable year it was, whereby history was created for Fiji Pine Limited as they exceptionally performed in achieving their key desired results which contributed to the objectives of our business. We managed to secure international exports, our workforce was sustained and we provided support to our landowners by paying out dividends as well providing education assistance and infrastructure development.

Hoping that 2022, will be much better than 2021, whereby all the 3 companies of FPG will strive by achieving their key desired goals. Employees of FPG will continue to be dedicated, committed, show enthusiam with positive mindset to grow in the organziation and attain recognition. Lastly, we all have to be resilient because we have been stronger than Cyclone – Winston and the Pandemic, and we all pray that this pandemic fades away and new light is bestowed so that we as organziation will continue to succeed and revenue is generated in our economy that will support the livelhoods of our people and for our future prospects.

Vinaka Vakalevu!!!