



TOGETHER
TOWARDS
SUSTAINABLE
NATURAL
RUBBER



REPORT

JULY
2019

WWF & MICHELIN PARTNERSHIP PROGRESS REPORT 2014 / 2018

FOREWORD

It is with pride that we present this progress report after 4 years of partnership between WWF and Michelin Group.

When the partnership was launched, the sustainability of natural rubber was not on the agenda of the majority of industrial companies while representing a potential risk of deforestation, especially in South-East Asia. However, Michelin Group had already started working on the matter and understood the necessity to act.

Michelin Group, supported by WWF, led the way by committing to a Zero Deforestation Policy, building a tool to map and engage its suppliers, working to define and implement sustainable natural rubber production, and finally by influencing other big players to follow the same path.

In Indonesia, where a pilot project is running, local teams of both organizations are working together to face social and environmental challenges in order to protect and restore a high-priority conservation area of Sumatra. Big successes were achieved, including the protection of nearly 10 000 hectares dedicated to conservation.

This document is meant to present the partnership's main activities, successes and challenges over the first years of implementation. We are confident that the next four years of the partnership will offer other opportunities to strengthen our actions and to broaden our ambition.

It is only by working together that such results can be achieved.



Luc Minguet
Senior Vice President
Director Mergers and
Acquisitions
Michelin Group



Marie-Christine Korniloff
Directrice des Relations
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EXECUTIVE SUMMARY

Natural rubber is mainly produced in mainland South East Asia and bears in itself a risk of deforestation. $\frac{3}{4}$ of the world's natural rubber is used for tires. As the world's second largest tire manufacturer, Michelin Group thus represents a major lever to drive change among the whole market.

Michelin Group and WWF launched their partnership in 2015 for four years with two main axis of work:

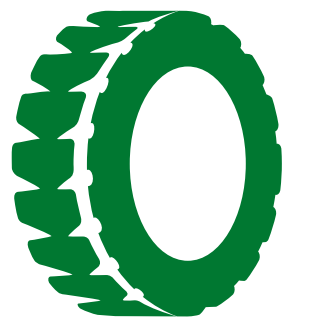
DRIVE CHANGE ACROSS THE NATURAL RUBBER MARKET

The first axis was composed of two goals:

- Define together what sustainable natural rubber was and for Michelin to commit to a Zero Deforestation policy.
- Influence other main actors to take similar commitments in order to drive change among the whole industry.

PROMOTE SUSTAINABLE NATURAL RUBBER BY IMPLEMENTING A PILOT PROJECT IN INDONESIA

The second axis of the partnership consisted of implementing a pilot project of sustainable natural rubber plantations in two locations while protecting and restoring these threatened areas, which are home of iconic species: the region of Bukit Tigapuluh in Sumatra (which comprises elephants, orang-outans and tigers) and in the eastern region of Borneo (where orang-outans live).



75% of the world's natural rubber is used for tires

MAIN ACHIEVEMENTS

AXIS N°1

- Michelin released in 2015 its Sustainable Natural Rubber Policy, including a Zero Deforestation commitment ;
- In order to implement his Zero Deforestation policy, Michelin launched in 2017 Rubberway®, a mobile app which maps the supply chain players and assesses their CSR practices, from processing factories up to smallholders
- Joint communication and engagement actions to influence the market : between 2017 and 2019, other key tire makers (Pirelli, Bridgestone, Goodyear, Continental) published their Sustainable Natural Rubber Policy ;
- In 2018, the Global Platform for Sustainable Natural Rubber is launched with Michelin and WWF as Founding Members and members of the Executive Committee. The Global Platform for Sustainable Natural Rubber (GPSNR) is an independent platform to lead improvements in the socio-economic and environmental performance of the natural rubber value chain.

AXIS N°2

Michelin and Barito Pacific Group created in March 2015 a joint venture called Royal Lestari Utama (RLU) in Indonesia. Its vision is to promote ecosystem-friendly rubber plantation practices aiming at providing alternative livelihood for communities while protecting and enhancing natural forest for wildlife.

- In Sumatra, RLU has been successful in protecting the last remaining patch of forest (~2000 hectares) which is adjacent to the Bukit Tigapuluh National Park ;
- In Sumatra, RLU established at the end of 2017 a 9700-hectare Wildlife Conservation Area inside its concessions. This zone, along with WWF concessions, creates 48 000 hectares of forest buffer zone to the southern part of the National Park. This area is frequently used by elephants, orang-outans and tigers, offering an important corridor for wildlife.
- In Borneo, RLU has set aside 50% of its concessions for conservation purposes.

BROADENING THE HORIZON OF THE PARTNERSHIP

After four years of major progress, WWF and Michelin Group have decided to renew their partnership in 2019 for four years.

The partnership will consist of four axis:



- 1 Transform the market and the production of natural rubber through the Global Platform for Sustainable Natural Rubber
- 2 Support natural forest conservation and restoration and sustainable rubber plantation development in Indonesia
- 3 Advance Michelin's climate and sustainable mobility ambition
- 4 Develop a biodiversity ambition

WWF & MICHELIN CONTEXT, CHALLENGES & OBJECTIVES

WWF and Michelin began their partnership in 2015 with the ambitious goal to promote more sustainable natural rubber practices among the natural rubber value chain and to develop a pilot ground project in Indonesia, one of the most deforested area in the world.

This report aims to showcase the impact of the partnership for the last four years a few months after the renewal of the partnership between WWF and Michelin.

WHY WWF WORKS WITH BUSINESS?

Corporate partnerships are a fundamental part of WWF's strategy to help create a future where people and nature thrive. We work with companies to develop better ways of doing business that help protect the natural habitats and landscapes they source from.

We focus our efforts on the commodities and sectors that will have the biggest impact on the planet, and we encourage companies to take a risk-based approach to managing, protecting and restoring natural assets. We also help companies engage their staff, customers and other stakeholders in global conservation issues.

Our approach is collaborative and constructive but also challenging, and we maintain a tight focus on the conservation benefits our partnerships are designed to deliver.

We bring people together, working across sectors with investors, consumer groups and policymakers to drive the systemic changes necessary to achieve a green economy.

ABOUT MICHELIN

Michelin is the second largest tire manufacturer in the world (14% of market shares). Michelin employs 130,000 people with production facilities in 21 countries in Europe, Asia, North America and South America. Michelin is present in 170 countries and produced 190 million manufactured tires in 2016. It is one of the world's largest natural rubber buyer. The group is based in Clermont-Ferrand in France. Its main mission is to contribute to the mobility of people and goods in a sustainable way. Michelin was the first of the tire industry sector to adopt a zero deforestation sustainability policy in 2016.

 **190** millions manufactured tires produced by Michelin in 2016

WHAT ARE THE OBJECTIVES OF THE PARTNERSHIP?

The partnership between WWF and Michelin started in 2015 when this major industry actor decided work at local, company and sector levels towards better practices. The partnership has been focused on two main axis: drive change across the natural rubber market and promote sustainable natural rubber by implementing a pilot project in Indonesia.

3 GLOBAL GOALS TOWARDS THE TRANSFORMATION OF THE NATURAL RUBBER MARKET

AXIS N°1

Drive change across the natural rubber market

GOAL N°1

Michelin as a leader in sustainable natural rubber

COMPANY LEVEL

GOAL N°2

Influence the market towards sustainable natural rubber sourcing

SECTOR LEVEL

AXIS N°2

Promote sustainable natural rubber by implementing a pilot project in Indonesia


GOAL N°3

Create an economically viable pilot project in one of the most deforested areas of the world



ABOUT RUBBER

There are two types of rubber: synthetic rubber and natural rubber. Synthetic rubber is made from crude oil and natural rubber comes from rubber trees (*Hevea brasiliensis*). More than 90% of the world's natural rubber supply comes from mainland Southeast Asia. 75% of the world's natural rubber is used to create tires. A tire is composed of both synthetic and natural rubber, which have different properties. The percentage of natural rubber varies according to the types of tires (car, trucks, earthmover equipment...).

90% 

of the world's natural rubber supply comes from mainland Southeast Asia

75% 

of the world's natural rubber production is concentrate in Sumatra, Borneo and the Great Mekong



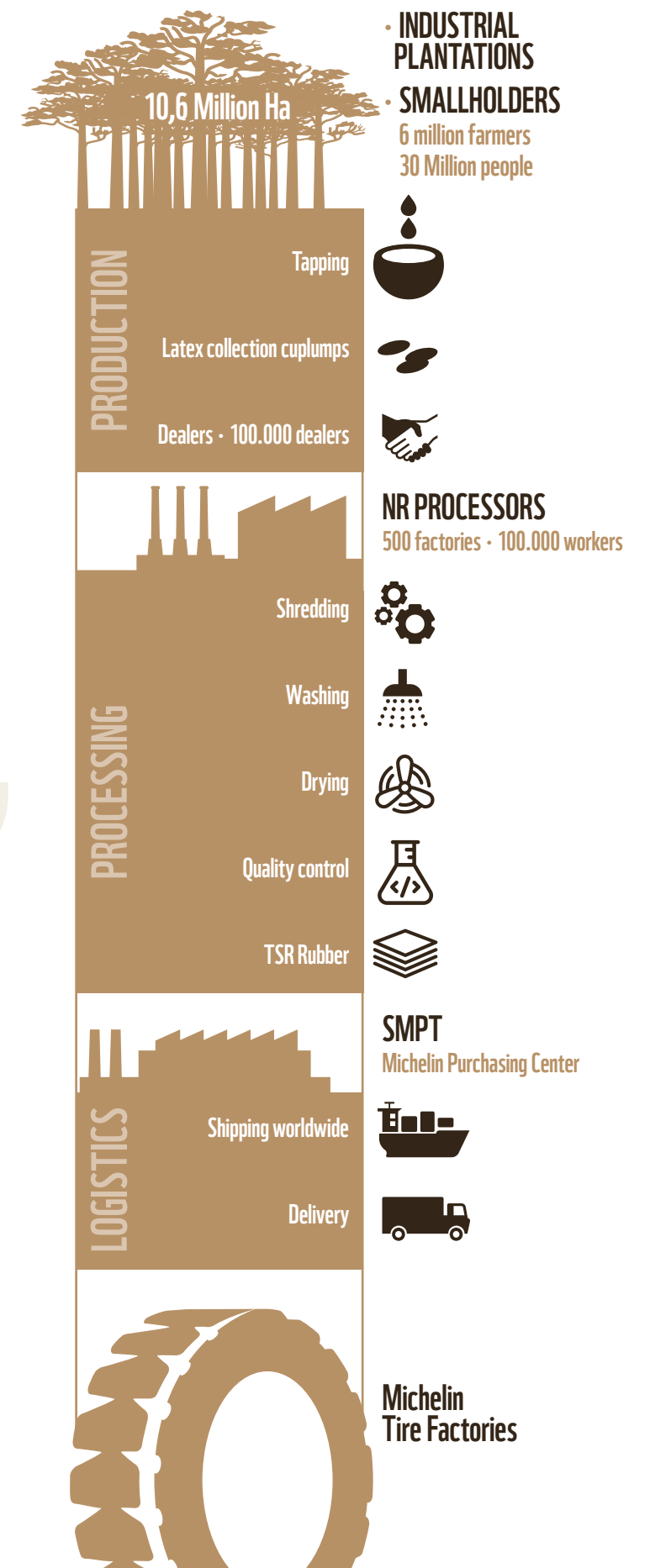
THE COMPLEXITY OF NATURAL RUBBER SUPPLY CHAIN

The rubber market is complex. 6 millions of smallholders live in the plantations, mainly in mainland South East Asia. The majority of their plantations cover less than four hectares. Yet they produce the vast majority of rubber (around 85%), which makes them a key stakeholder to engage in order to transform the market. Which is why the partnership incorporates smallholders at every step of the process.

“ SMALLHOLDERS

Of the millions of farmers dependent on rubber, 85% are smallholders. In fact, one single rubber processing factory can receive its rubber supply from as many as 10 000 different growers!

Nicolas Beaumont
*Senior Vice-President
 Sustainable Development
 and Mobility
 Michelin*



85%
 Of the millions of farmers are smallholders



PARTNERSHIP DASHBOARD AXIS N°1

The two main achievements were to have a major industrial actor:

- PUBLICLY COMMIT TO SUSTAINABLE NATURAL RUBBER SOURCING
- JOINTLY DRIVE CHANGE AMONG THE VALUE CHAIN OF NATURAL RUBBER

OBJECTIVE N°1

DEFINE A SUSTAINABLE NATURAL RUBBER SOURCING POLICY

The first step of the partnership has been for Michelin to define a Sustainable Natural Rubber Sourcing policy which included a Zero Deforestation commitment.

After months of joint work, Michelin released in June 2016 its Sustainable Natural Rubber Policy and became the World's first major rubber user to publish a comprehensive policy on sourcing of sustainable natural rubber.

Having Michelin as a major actor in natural rubber commit to a sustainable natural rubber sourcing policy has been a major lever for change for the whole industry.

Michelin's Zero Deforestation Commitment

In 2016, as one of the world's first natural rubber buyers, Michelin became the first tire manufacturer to commit to a zero deforestation policy. This policy was written in coordination with WWF France and arose from the Sustainable Natural Rubber initiative.

The five pillars are:

1 Respect people

This pillar includes the commitment to promote conflict resolution related to land ownership and improve working conditions and living conditions. Having Michelin as a major actor in natural rubber commit to a sustainable natural rubber sourcing policy has been a major lever for change for the whole industry.

2 Protect the environment

This section of the policy includes a commitment to zero deforestation which means that High Conservation Value (HCV) and High Carbon Stock (HCS) areas are preserved and protected. This also means that primary forests are completely protected and preserved. Michelin also commits to control the potential impact of rubber cultivation on fauna, flora and natural ecosystems. This includes the protection of the forest, the preservation of surface water and groundwater, the safeguard of peatlands, the management of waste, the conservative use of chemical inputs and the reduction of odors.

3 Improve farming practices

This part is dedicated to the promotion of good agricultural practices and to the improvement of agricultural yields.

4 Carefully use natural resources

By increasing the material efficiency of natural rubber

5 Practice good governance

By combating corruption and interacting with stakeholders, assessing suppliers and working on traceability and transparency.



In order to respect its Zero Deforestation commitment along the whole value chain, Michelin has developed Rubberway® in February 2017. End of 2018, this tool covers suppliers and intermediates in Thailand, Indonesia, Côte d'Ivoire, Ghana, Nigeria and Brazil.

RUBBERWAY®

Rubberway® is a mobile app in the form of 40 to 50 questions which maps the supply chain players and assesses their CSR practices, from processing factories up to smallholders, including intermediaries and large plantations, on four themes: social, environmental, agricultural practices, supply chain traceability & transparency. The questionnaire starts from processing factories and is passed along the supply chain. All answers are consolidated into a dashboard which permits Michelin to focus on hotspots and training where most needed. The target for Michelin is to cover 80% of its sourced natural rubber volumes in 2020.

OBJECTIVE N°2

HAVE MAJOR PLAYERS ADOPT SUSTAINABLE NATURAL RUBBER VALUE CHAIN AND PRODUCTION GUIDELINES

DISSEMINATE MICHELIN'S COMMITMENT AMONG THE SECTOR

In order to have a broader impact, it was important to have major tire manufacturers adopt sustainable natural rubber value chain and production guidelines along with Michelin. All of these actors are facing challenges to change the natural rubber market: lack of traceability, weakness of public policies, weakness of global markets mechanisms, natural rubber price volatility, lack of certification scheme and of standards.

Based on the publication of Michelin's policy in 2016, Michelin and WWF conducted joint events to present this policy to other key stakeholders and advocate for its replication. The dispersion of Michelin's commitment among the sector represents one of the biggest achievements of the partnership:

June 2016

Michelin released its Sustainable Natural Rubber Policy and became the World's first major rubber user to publish a comprehensive policy on sourcing of sustainable natural rubber

February 2018

Bridgestone published its Sustainable Natural Rubber policy

April 2018

Goodyear published its Sustainable Natural Rubber policy

October 2017

Pirelli published its Sustainable Natural Rubber policy

October 2018

Continental published its Sustainable Natural Rubber policy



CREATION AND LAUNCH OF THE GLOBAL PLATFORM FOR SUSTAINABLE NATURAL RUBBER

Starting in 2014, Michelin engaged the bodies it was part of: the Tire Industry project (TIP) and the Sustainable Natural Rubber initiative (SNR-i). Their ambition was to drive these organizations towards the definition of sustainable guidelines. In 2015, they decided to include NGOs to join the discussion, which WWF did among others. Their project transformed into a platform, which would include all actors along the value chain.

WWF and Michelin collectively participated to the creation of what became a Global Platform.

In October 2018, the TIP officially launched the Global Platform for Sustainable Natural Rubber along with car manufacturers, original equipment manufacturers, producers, processors and civil society.

The strategy of market transformation chosen by the Global Platform is to define common sustainable standards for natural rubber all along the supply chain, to improve respect for human rights, prevent land-grabbing, protect biodiversity and water resources, improve yields, and increase

supply chain transparency and traceability.

The first General Assembly took place in Singapore in March 2019. As a requirement to join, companies must conform to a Member Statement based on 12 principles such as forest sustainability, water management, labor rights, anti-corruption and auditing protocols. A zero deforestation commitment is also included. The respect of these principles by the members will be controlled by the Compliance Panel.

Michelin and WWF are both Founding Members and members of the Executive Committee.

This platform represents a big step towards sustainable practices among the natural rubber market.



The Global Platform for Sustainable Natural Rubber represents a major achievement of the partnership between Michelin and WWF: it engages the whole industry and all stakeholders along the value chain towards better practices.

About the Tire Industry Project and the Sustainable Natural Rubber initiative : Michelin is a member of the Tire Industry Project, regrouping 11 tire makers which represent approximately 65% of the world's tire manufacturing capacity.

To know more: [Tire Industry Project and SNR-i](#)



PARTNERSHIP DASHBOARD **AXIS N°2**

SUSTAINABLE NATURAL RUBBER DEVELOPMENT IN INDONESIA

Indonesia has one of the highest deforestation rates in the world, causing significant environmental and social impacts. As the second largest producer of natural rubber globally, Indonesia needs to ensure that all natural rubber is produced responsibly, in order to comply with the growing demand for natural rubber.

In March 2015, Michelin created a joint venture in Indonesia with its local partner, Barito Pacific Group, called Royal Lestari Utama (RLU), with the vision of building “Integrated Sustainable Natural Rubber Plantations in Sumatra and East Kalimantan”. These would promote ecosystem-friendly rubber plantation practices in a landscape that had been highly deforested and degraded in the past, threatening the ecological value and integrity of the habitat of endangered species.

Social challenges add up to these environmental issues: illegal logging, high encroachment, agricultural conversion and increased conflicts between humans and wildlife are the main social challenges to the sustainability of the project. One of the objective of the project is to provide alternative livelihoods for these communities and to regain control of the encroached zones. This represents a key first step for RLU.

In 2015, WWF (France and Indonesia) and Michelin joined forces and signed a four-year partnership to research and establish the best possible solutions in the plantation zones, which could then serve as a model for eco-friendly

The objective of this project is to tackle deforestation and loss of habitat in RLU concessions in the Bukit Tigapuluh landscape and in East Kalimantan, preserving the biodiversity and promoting responsible rubber plantation that is socially inclusive and wildlife friendly while becoming a long term and profitable business.

POLICY COMMITMENTS MADE BY MICHELIN & BARITO GROUPS

IN MARCH 2015

Michelin announced the tire industry’s first “Natural Rubber Procurement Policy”, committing to: “Respecting people: Encourage the resolution of conflicts related to land ownership, Improve working conditions and living conditions”, “Protecting the environment: Combat deforestation, Control the potential impact of rubber growing activities on the local fauna, flora and environment”, “improving agricultural practices”, “careful use of natural resources” and “good governance”. In 2016, the company expanded on these commitments and announced that “The Group will require from its suppliers involved in producing, processing and marketing natural rubber to comply with this policy.”

ON MARCH 1ST 2015

Barito Pacific Group of Companies announced its “Responsible Plantation and Forest Policy”. “Beyond its legal obligations [...] Barito Group commits to the following principles: 1. No Deforestation” which includes “No clearing and development of High Carbon Stock (HCS) and High Conservation Value (HCV) area, Best efforts to protect HCS and HCV area and prevent illegal activities, Protection and conservation of flagship species and its habitat”. Other principles include “No Development on Peat”, “No Exploitation of People and Local Communities” and “Support Yield, Quality and Productivity of Rubber and Palm”.



WHERE IS WWF WORKING WITH MICHELIN AND WHY

EAST KALIMANTAN

The Borneo orangutans are very vulnerable to any habitat disturbances. As one of the homes of endangered Borneo Orangutans, WWF needs to work together with partners to ensure deforestation is halted and to preserve the natural forest present in East Kalimantan. Orangutans have also been spotted within RLU’s East Kalimantan concessions and the area is becoming an increasingly important habitat for this species that needs to be effectively protected.



BUKIT TIGAPULUH LANDSCAPE

As a part of its conservation strategy, WWF Indonesia, through a commercial subsidiary and together with other CSOs established a company named ABT (Alam Bukit Tigapuluh), received a license to manage a large portion of the last remaining lowland forest in the landscape as ecosystem restoration concessions. The blocks are directly adjacent to Bukit Tigapuluh National Park servicing additional conservation forest buffer zones on the southern flank of the Park. To engage surrounding companies in conservation activities to support the protection

of this highly threatened ecological landscape, WWF partnered with Michelin, whose joint venture is situated to the south and south-west of Bukit Limau Protection Forest and Bukit Tigapuluh National Park. The landscape was originally dominated by a single, highly biodiverse lowland tropical forest type, and as of today still remains a habitat zone for the critically endangered Sumatran elephants, tigers and orangutan.

SUMMARY OF THE MAIN ACHIEVEMENTS

4 YEARS SUMMARY OF PROGRESS TOWARDS SOCIAL & CONSERVATION VISION

To better address the CSR aspects of the project, Michelin and Barito Pacific Group have established a specific governance body in which WWF takes part. This board aims to set up key directions and principles, to advise RLU management action plans and to monitor the implementation of the company's Environmental and Social (E&S) strategy. The first years of the program have focused on governance structuration and defining the company social and environmental plan and vision.

During these 4 years, the role of WWF Indonesia, as the local partner in this collaboration, has been an advisory and technical expert role to develop a project of sustainable land use through re-allocation

of conservation areas in maintaining critical wildlife habitat for elephants in Jambi and Orangutans in Kalimantan. WWF Indonesia has also been providing training to build the joint venture patrolling teams' capacity in both Kalimantan and Jambi, for the effective management plan of conservation areas. WWF Indonesia has also provided mitigation strategies trainings in Jambi to support the team in handling direct conflicts with wildlife. Another key activity for WWF Indonesia has been to support the conflict resolution of the company with the surrounding villages of the concession in Jambi, with the collaboration of the company's Environmental & Social teams.

MAIN CONSERVATION ACHIEVEMENT

RLU, the Michelin and Barito Pacific Group Joint Venture, established its conservation team in 2015 and has begun a systematic protection and conservation program to protect the last remaining priority forest of around 2,000 hectares, adjacent to Bukit Tigapuluh National Park and ABT concessions.

At the end of 2017, RLU, through its subsidiary PT Lestari Asri Jaya (LAJ) in Jambi, expanded its protection zone and launched the establishment of 9 700 hectares of Wildlife Conservation Area (WCA) inside its concessions, which includes protection and production areas. This serves as a long-term project that requires close collaboration between stakeholders. WCA together with ABT (WWF concessions blocks)

can provide 48,000 ha of conservation buffer zone areas to the National Park. This area allows wildlife, including the resident elephants, tigers, and orangutans, to roam again freely in what today has become a largely deforested and wildlife-hostile environment. It will also sequester carbon as the forests regrow.

In Kalimantan, the company has established dedicated conservation team on the ground and has set aside more than 50% of its concession as conservation areas (designated as High Conservation Value and High Carbon Stock zones*), which are habitats of the Orangutans and other protected species .

MAIN SOCIAL ACHIEVEMENTS

Together with the Ministry of Environment & Forestry and the provincial government, RLU initiated a multi-stakeholders cooperation (from private sector, government and civil society representatives) with the creation of a Conflict Resolution Task Force to ensure that any conflict arising between the company and the community will be resolved in a responsible manner and find win-win solutions.

Another achievement is the institutionalization and formalization of a dialogue process with key local stakeholders through the definition of a strategic framework engagement process and grievance management mechanism. RLU has made ongoing efforts in the development of a

Community Partnership Program (CPP) through integrated farming and community development programs to the community.

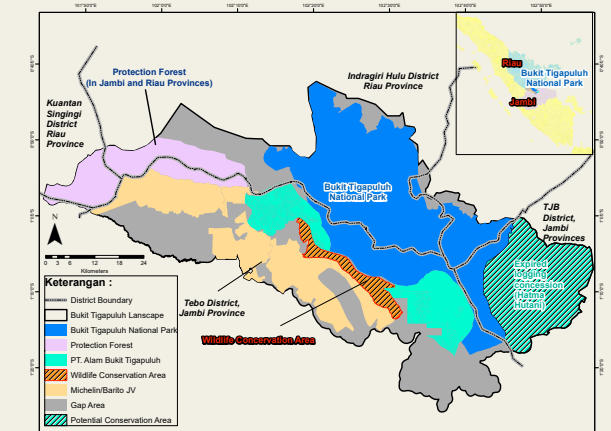
Finally, a due diligence review has been conducted by Daemeter and consortium of consultants to support RLU in assessing its environmental and social activities against all IFC Performance Standards (IFC PS). Those standards inform on sustainable development, promoting sound environmental and social practices and encouraging transparency and accountability. Annual third-party audit is done to review the company compliance towards those standards as commitment to reach sustainable international recognized standards.

FOCUS ON THE WILDLIFE CONSERVATION AREA (WCA)

In February 2017, to secure more viable area for the habitat of elephants and other wildlife, WWF recommended RLU to allocate an expanded block in their Jambi concession.

In June 2019, a total area of 9,700 hectares of wildlife conservation has been set aside by RLU for protection and rehabilitation. It comprises 8,300 hectares of protected area and 1,400 hectares of rubber plantations. In December 2017, to support RLU in establishing a functional WCA, WWF submitted an application to Partnerships 4 Forests (P4F) for a 2 year project. Key expected outputs of the project are to:

- Continue to protect the remaining natural forest in partnership with the staff of the National Park and Law Enforcement Agencies;
- Regain control of the area through law enforcement and a community-based framework agreement and the development of sustainable land use management;



- Establish a WCA management unit and implement a Human Elephant Conflict Mitigation Strategy.

As of June 2019, RLU had hired a WCA manager, 6 additional rangers and 4 liaison officers who act as mediators with the land claimants to reach long-term agreement for the WCA management.

SUMMARY OF RLU MAIN ACTIVITIES

Social Objectives

Summary of activities

Core Objective: Long term, sustainable livelihood for communities

Objective 1. Potential Factor and Social Conflict Identification	<ul style="list-style-type: none"> • In 2017, an external consultant has identified and mapped social conflicts to inform on recommendations for the company’s engagement strategy with local stakeholders. • In 2018, the company initiated the establishment of the Conflict Resolution Task Force together with National and Provincial Government led by Head of Forestry Agency in Jambi Province. The Conflict Resolution Task Force using multi stakeholders approach, independent and ad hoc comprises of local Government, NGOs and study institutions to ensure that any conflict arising between RLU and communities would be resolved in a responsible and formal manner and meet win-win solutions. • From 2017 to 2018, RLU has mapped the land tenure within the Wildlife Conservation Area to be able to develop partnership scheme options.
Objective 2. Community Partnership Program	<ul style="list-style-type: none"> • In 2016, the company developed a concept for a Community Partnership Program (CPP) describing the company’s vision towards a social-economic inclusive approach. This aims at generating benefits to employees and surrounding communities while facilitating planting development through equitable and constructive engagement. • The company’s CSR team have been working to establish small-scale livelihood and capacity building programs with surrounding local villages, supported by WWF. Livestock and agricultural development, integrated farming, technical training to rubber farmers to train about better production practices are examples of community development program jointly implemented. • The company is regularly providing community support program in education, social & health as well as infrastructure support to surrounding villages in both Jambi and Kalimantan.
Objective 3. Indigenous Communities	<ul style="list-style-type: none"> • In 2018, the company is engaging with an expert in Indigenous People to support the company’s approach to safeguard Indigenous People rights and livelihood in Jambi.
Objective 4. Stakeholders engagement	<ul style="list-style-type: none"> • The company is initiating regular communication forum with the surrounding villages and communities to ensure consistent and meaningful engagement with its local stakeholders and their full participation and consent to the company development plan.

Conservation Objectives

Summary of activities

Core Objective. Biodiversity protection including flagship species and forest/HCV-HCS

Objective 1. Protection and restoration of forest/HCV/HCS areas	<ul style="list-style-type: none"> • In Jambi, 24% of its concessions are designated as protected areas, which become the habitat of nearly 150 elephants of Bukit Tigapuluh landscape. • The company has set up dedicated conservation and wildlife monitoring teams on the ground. • The company has succeeded in protecting almost 2,000 ha of primary natural forest, home to abundant wildlife. This area was highly threatened by illegal logging in 2015 and 2016. • WWF has been training the company conservation teams for utilization of SMART patrol system to maximize best practices for patrol efficiency and long-term management plan of the protected areas. • In 2018, the company and the National Park Authority have signed a long-term partnership for joint collaboration for the protection of the buffer zone of the Park.
Objective 2. Protection of endangered fauna	<ul style="list-style-type: none"> • WWF has been conducted trainings for human-elephant conflict mitigation strategy to support the company in handling conflicts on the ground in Jambi which is prone to conflict with the elephant residents. • In Kalimantan concession, the company initiated engagement with a Conservation Center specialist in orangutan conservation to map orangutan presence. • In 2017, following WWF recommendations to secure areas for elephant habitat, the company decided to set aside 9,700 ha of Wildlife Conservation Area (WCA) comprises of protected area and rubber plantation area (see Main Conservation achievement).
Objective 3. Fire Management	<ul style="list-style-type: none"> • Continuous socializations and trainings in internal and external (community) by the company • The company has conducted 8 trainings reaching more than 240 people related to fire management- The company has established internal Fire Prevention and Mitigation Crisis Center group

Achieving Zero Deforestation with the HCV and HCS Approach

Conservation Value and High Carbon Stock approaches by identifying and protecting values and forests of social and natural significance play a significant role for companies committed to eliminate deforestation from their supply chain.

High Conservation Values (HCV) are significant biological, ecological, social and cultural features of our environment, such as endangered species, river banks or archaeological sites. The High Carbon Stock Approach (HCSA) is a methodology that distinguishes degraded lands from forests with high carbon and biodiversity values. Both approaches can be used by companies seeking to develop land for agricultural production in a sustainable way. As a result of an integrated assessment, areas containing HCVs and/or HCS forests can be identified and assigned for conservation, while areas without HCVs and/or HCS forests may be developed safely.

Protecting what really matters: the 6 High Conservation Values and High Carbon Stock Forest

- 1 SPECIES DIVERSITY
- 2 LANDSCAPE LEVEL ECOSYSTEM
- 3 ECOSYSTEMS & HABITAT
- 4 ECOSYSTEM SERVICES
- 5 COMMUNITY NEEDS
- 6 CULTURAL VALUE





EXTENDING THE PARTNERSHIP IMPACT BEYOND NATURAL RUBBER

For the last years, the partnership has evolved to include other topics such as sustainable mobility, fight against planned obsolescence and biodiversity.

SUSTAINABLE MOBILITY

MOVIN'ON

As transportation generates approximately 15% of all emissions, Michelin's commitment is to lead the way towards a more sustainable, greener mobility. As such, Michelin has embodied its commitment notably by Movin'On and the Paris Process on Mobility and Climate (PPMC).

The annual event Movin'On has become the world's sustainable mobility summit. Its objective is to define and invent a more sustainable mobility by regrouping more than 5000 participants from public and private sector. WWF participates to this event since 2017. In 2017, WWF co-organized a side event with General Motors to bring together key players of the natural rubber value chain to engage them towards sustainable natural rubber.

PARIS PROCESS ON MOBILITY & CLIMATE (PPMC)

The Paris Process on Mobility & Climate is an open platform which aims to create a large-scale, long-term road map to decarbonization and modernization of the transport sector. WWF attended the sessions of PPMC.

At COP23, Michelin organized a dedicated event to examine the implications of decarbonizing urban transport systems.

CARBON

Michelin has committed to set up a science-based target of greenhouse gas emissions reductions. This means the targets will be in line with the level of decarbonization required to keep global temperature increase below 2 degrees Celsius compared to pre- industrial temperatures, as described in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR5).

CIRCULAR ECONOMY

FIGHT AGAINST PLANNED OBSOLESCENCE

WWF takes part to the stakeholders working group set up by Michelin on the fight against planned obsolescence in the transport sector.

NEXT STEPS



THE PARTNERSHIP HAS BEEN RENEWED FOR A DURATION OF 4 YEARS, STARTING ON 2019, JANUARY 1ST

Our ambition is to extend the partnership to continue current activities regarding sustainable natural rubber and to develop new actions especially in the landscape of Indonesia: protection and restoration of the landscape, human wildlife conflict mitigation, law enforcement and training.

The renewal of the partnership will include of course the rollout of the Global Platform for Natural Sustainable Rubber but will also extend to a broader ambition towards sustainable mobility and the protection of biodiversity as Michelin published its first biodiversity related commitments in 2018 by signing the Act4nature statement. decarbonizing urban transport systems.



www.wwf.fr



Notre raison d'être

Arrêter la dégradation de l'environnement dans le monde et construire un avenir où les êtres humains pourront vivre en harmonie avec la nature.

www.wwf.fr