

Bosques Cautin compensates Mapuche people and apologizes for racist remarks

BONN, Germany (05 June 2015) –Bosques Cautin issued a public apology on 7 April 2015 after its Director General made racist comments on social media about the Chilean Mapuche people.

In December 2014, FSC International received a complaint from the organization Agrupacion de Ingenieros Forestales para el Bosque Nativo (AIFBN) about a series of racist comments that had been published on the Bosques Cautin Director General's personal Facebook page.

While the comments did not constitute a reason for formal arbitration through the FSC Dispute Resolution system, it clearly violated the spirit and values of FSC Principles and Criteria. Therefore, FSC requested the company, an FSC certificate holder, to renew its commitment to FSC values by developing environmental projects and implementing social measures to compensate the indigenous Mapuche people.

On 2 April 2015, the following actions by Bosques Cautin were agreed with FSC International:

- 1. A <u>written apology to the Mapuche people on behalf of Bosques Cautin</u>, including a declaration denouncing racism (*completed*).
- 2. Strengthening of a reforestation project in collaboration with the Mapuche communities in the region. This initiative includes drafting and finalizing agreements for reforestation of the forestry concessions that have been acquired by CONADI and given to the Mapuche communities (*in development*).
- **3.** Implementing a plan for the conservation and restoration of water courses and protected areas in collaboration with the neighboring Mapuche communities (*in development*).
- 4. Development of <u>a native forest conservation project in the company's concessions in</u> <u>collaboration with the neighboring Mapuche communities</u> (*in development*).
- **5.** Increase the percentage of workers of Mapuche origin in Bosques Cautin (an increase of 10 per cent across 3-4 years) (*in implementation*).
- **6.** Creation of a support program for subcontractors of Mapuche origin to improve their skills and capabilities (*in development*).
- **7.** Bosques Cautin will send an <u>action plan</u> and <u>interim report</u> to FSC International outlining all the actions taken by Bosques Cautin (*completed*).
- 8. Bosques Cautin will send quarterly progress reports to FSC International on the implementation of the action plan (see no. 7) (*first report to be submitted August 2015*).
- **9.** Bosques Cautin will send a final report to FSC International, outlining the results of the implementation of the environmental projects and social measures (*to be submitted September 2016*).



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Upon request by FSC, <u>Bosques Cautin had already amended their internal policy against</u> <u>discriminatory behavior by including the subject of racism</u>.

FSC finds that Bosques Cautin has taken appropriate and comprehensive measures to address the issue, and the company is currently investing considerable efforts in fulfilling the request and agreements with FSC. These efforts are a good example of corporate social responsibility and are in line with FSC values.

For more information on this case, and the measures already taken by Bosques Cautin <u>please</u> see our webpage.

