



## **STATEMENT - California Transparency Law**

**January 2012:** Asia Pulp & Paper Group (APP) would like to state that its Labor and Human Rights practices are inline with the U.S. California Transparency Law on Human Trafficking (U.S. Senate Bill: 657) and would like to further highlight its commitment to the protection and respect of human rights across all of its operations, both in Indonesia and internationally.

The new U.S. legislation is designed to enact the **California Transparency in Supply Chains Act of 2010**, and will, from January 1, 2012, **require retail sellers and manufacturers doing business in the state to disclose their efforts to eradicate slavery and human trafficking from their direct supply chains for tangible goods offered for sale, as specified.**

APP is committed to compliance with all laws and regulations in Indonesia on ethical labor practices. APP does not condone any form of forced labor in its employment practices and actively strives to protect its employees' health and safety, in line with existing laws and regulations. Indonesia is a member of the International Labor Organization (ILO) and has ratified eight of the organization's fundamental conventions.

Last year, APP also began the process of adopting the 'Protect, Respect and Remedy' framework endorsed by United Nations Human Rights Council (UNHRC) as the guiding principles for business on human rights performance.

The UN guidelines focus on due diligence as the first core principle and critical step for corporations. In line with this, APP has appointed international auditing organization Mazars to independently assess existing stated policies, principles and performance across the company's corporate operations, eight Indonesian pulp and paper mills and supply chain.

In addition, APP regularly discloses its implementation of Human Rights Principles on the ground through its Sustainability Report, which is based on the Global Reporting Initiatives (GRI) standard. APP's most recent Sustainability Report achieved an A+ level, the highest level of transparency based on the GRI standard.

APP welcomes all initiatives to ensure the protection of human rights and will continue to enhance its own measures to protect and promote the welfare of personnel employed across all levels of its operations,. Beyond this, APP welcomes the opportunity to contribute to the creation of domestic and international policies to support the further protection of human rights.

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