

CONFIDENTIAL

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Asia Pulp & Paper Group (APP) Commits to an Immediate Halt to All Natural Forest Clearance

- **Suspension of natural forest clearance which applies to all suppliers**
- **Protection of all forests, including those on peatland**
- **High Carbon Stock assessments to be implemented**
- **Adoption of international best practice for rights of indigenous peoples and local communities**
- **Independent monitoring by NGOs**

JAKARTA, 5 February 2013 - [Asia Pulp & Paper Group \(APP\)](#) has announced an end to the clearing of natural forest across its entire supply chain in Indonesia, with immediate effect.

From February 1st, all of APP's suppliers have suspended natural forest clearance whilst independent assessments take place to identify areas of high conservation value that will be protected through a long-term management programme.

High Carbon Stock (HCS) assessments undertaken by The Forest Trust (TFT) will identify all forested areas, enabling APP to ensure that future plantation development does not take place in forests.

APP announced the [new Forest Conservation policy](#) today (February 5th) during the latest quarterly update of its ['Vision 2020' Sustainability Roadmap](#), which was published in June 2012.

Initially the APP Sustainability Roadmap set out a plan for APP to implement High Conservation Value Forest (HCVF) principles and end natural forest clearance across its entire supply chain, by 2015. Today's announcement means that objective has been accelerated by almost two years.

APP has said that the HCVF and HCS policies will be applied immediately to any further expansion or development of its business.

The Group has encouraged third parties, to participate in a monitoring programme to ensure that these commitments are being implemented.

Mr. Teguh Ganda Wijaya, Chairman of the APP Group, said: "This is a major commitment and investment from APP Group. We are doing this for the sustainability of our business and for the benefit of society. We hope our stakeholders will support our new Policy, help us along the way and urge other industry players to follow."



“APP is a world leader in the pulp and paper business, and we will act as leaders are expected to do.”

Mr. Robin Mailoa, CEO of Sinar Mas Forestry, stated: “Sinar Mas Forestry is completely committed to the implementation of our new forest conservation policy across our whole supply chain. It will present challenges for our suppliers, but I am confident that with support of our stakeholders across government and civil society, we can ensure its success.”

Ms. Aida Greenbury, APP Managing Director for Sustainability, said: “APP has today committed to protect all natural forests across its supply chain as part of its plans to support the Government of Indonesia’s low carbon development strategy for our economy.”

“Our new Forest Conservation Policy sets our company on course to be a leading world-class paper company solely based on sustainable plantation sources.”

Mr. Scott Poynton, Executive Director of TFT, commented: “APP’s shift towards a policy of No Deforestation is hugely significant. As the largest forest product business in an extremely sensitive area, APP is now in a position of leadership, a stunning reversal in light of its past reputation. The new APP Forest Conservation Policy de-links the company from natural forest destruction and recognises the rights of indigenous and local communities. In so doing APP has set a benchmark for others to follow. There is of course a lot of work to do to implement the policy in its entirety and to put in place the necessary controls and monitoring processes. The leaders of APP recognise this and we will work alongside them to make this happen.”

APP has also committed to expand its policies on social issues, particularly with respect to the ‘Free and Prior Informed Consent’ of indigenous peoples and local communities where new developments are taking place.

APP will consult with NGOs and other stakeholders to ensure that its protocols and procedures for FPIC and conflict resolution are in accordance with international best practice.

APP is currently undertaking a process of social mapping across its supply chain in Indonesia, identifying areas where conflict resolution is a priority.

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ABOUT APP

[Asia Pulp and Paper Group \(APP\)](#) is a trade name for a group of pulp and paper manufacturing companies in Indonesia and China. The APP Group of companies is one of the world’s largest vertically integrated pulp and paper companies, with an annual combined pulp, paper, and converting products capacity of over 18 million tons. APP-Indonesia and APP-China currently market their products in more than 120 countries



across six continents. The majority of APP's production facilities are Chain-of-Custody certified by SVLK, LEI and PEFC.

APP launched its [Sustainability Roadmap Vision 2020](#) in June 2012 and its Forest Conservation policy in February 2013, to further improve its environmental performance, biodiversity conservation, and protection of community rights.

For more information about the APP Sustainability Roadmap Vision 2020, please visit <http://www.rainforestrealities.com> or www.asiapulppaper.com.

The APP Forest Conservation Policy is available on www.asiapulppaper.com.

ABOUT TFT

Established in 1999, TFT is a global non-profit that helps businesses bring responsible products to market. Responsible products improve peoples' lives and respect the environment at all stages of the product lifecycle. TFT helps its more than 90 members worldwide build responsible supply chains by identifying and addressing embedded social and environmental issues. Having established a strong record of achievement in timber supply chains, TFT has expanded its work into palm oil, leather and stone. TFT's has offices in 15 countries, and an on-the-ground presence in many more <http://www.tft-forests.org>.

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