

Paper Force welcomes one year anniversary of Asia Pulp and Paper's Forest Conservation Policy

Sydney, 5 February 2014 – Paper Force Oceania welcomes the launch of Asia Pulp & Paper Group's (APP) Forest Conservation Policy (FCP) Anniversary Report and calls for a renewed effort to help tackle deforestation around the globe.

Larry Jackson, CEO of Paper Force Oceania, says the year anniversary is further evidence that local suppliers and consumers can trust that all Paper Force products are truly sustainable.

"Australian consumers are some of the most environmentally conscious on the planet, and it's great to see a company like APP commit to an industry leading sustainability program. I applaud the company's commitment to creating managed plans to protect the 2.6 million hectares of forest their suppliers are responsible for.," said Mr Jackson.

Scott Poynton, executive director of The Forest Trust, a non-profit organisation that is helping APP ensure its policy is translated into actual change on the ground, said: "One year in and we have a moratorium on forest clearance in all its suppliers that has proven to be effective. HCV and HCS forest assessments are being completed, a number of social conflicts are now solved, and there is real transparency in reporting progress against its policy.

"We understand that complete trust isn't built in a day and not even in a single year, but the company is listening to concerns and is ready to continue to implement and improve its FCP implementation. APP is 100 per cent committed to zero deforestation."

On February 5th 2013, APP announced a permanent end to natural forest clearance across its entire supply chain through the introduction of its FCP. Covering over 2.6 million hectares of forest concessions, APP's FCP represented a breakthrough moment for the global protection of natural forest. The commitment is the largest and most ambitious plan for the implementation of landscape level High Conservation Value (HCV) and High Carbon Stock (HCS) principles in the world.

As HCV and HCS assessments are nearing completion, APP has begun the process of translating its findings into the Integrated Sustainable Forest Management Plans (ISFMPs), which will set out how the concessions will be run and preserved.

However, in developing these plans, the company has concluded that success in the long term will require commitment from many more of Indonesia's forestry stakeholders.

Aida Greenbury, APP's managing director of sustainability and stakeholder engagement, said: "In 2014, we will finalise the largest integrated biodiversity and conservation assessments that have ever been conducted. From these assessments, we have discovered many opportunities and obstacles that we know cannot be realised or resolved by a single company.

"It is time for all parties to get active and start working together. The days of campaigning against businesses that have shown commitment to change the way they operate, as we have, should be brought to a conclusion.



Now is the time to focus on the future and to develop solutions to the complex issues associated with forestry in Indonesia and to promote responsible practise."

As part of its one year anniversary, APP has set out the four key priorities for 2014 that must be addressed by broader industry to bring about zero deforestation. These are:

- Overlapping licenses The issue of overlapping licenses needs to be resolved by all concerned parties if we are to develop a system for governing all concession holders in Indonesia.
- Community and land conflict issues At times when the needs of communities are at odds with nodeforestation policies, an agreed and consistent way of managing the negotiation process should be developed.
- Landscape management Landscape level conservation is vital to the preservation of peatland, the
 habitat of key species and protection against forest fires, all of which can span several concession
 areas of differing uses. A cross sector approach must therefore be developed to manage entire
 landscapes to ensure their long term viability.
- Market recognition Policies that protect forests and peatland can only be economically viable if there
 is market recognition of their value. It is therefore important for the market to encourage companies to
 introduce and implement them.

To mark the FCP's anniversary, APP is today hosting an event in Jakarta, at which this and other issues can be debated by panellists from APP, TFT, Greenpeace, Ekologika and NGO participants. The panel is moderated by Mongabay's Rhett Butler.

A recording of the event will be available at www.asiapulppaper.com this week. In addition, Twitter users can follow #APP1yrFCP

Ends

Notes to editors:

Key highlights of the first year of FCP implementation can be found in APP's One Year Anniversary Report, available at www.asiapulppaper.com

For more information and comments, please contact:

Audrey Blackburn PPR

ABOUT Paper Force

Paper Force (Oceania) Pty Ltd, an Australian operated and managed business partner of <u>Asia Pulp and Paper</u> (APP), connects regional production capacity in printing, communication and packaging paper products with our partners and high volume end users.

Paper Force has been in Australia for more than two decades as the business partner of APP and its mills, including Ningbo Zhonghua Paper Co., LTD (China), PT. Pabrik Kertas Tjiwi Kimia Tbk. (Indonesia), PT. Indah Kiat Pulp & Paper Tbk. (Indonesia), PT. Pindo Deli Pulp and Paper Tbk. (Indonesia), Gold East Paper (China), GHS Gold Hua Sheng Paper (China), Hainan Jinhai Pulp & Paper Industry Co., Ltd and Yalong Paper Products (Kunshan) Co., Ltd (China).

