

Independent study shows Asia Pulp and Paper has sufficient plantation for its Zero Deforestation commitment

- Study confirms long-term viability of APP's 100 per cent plantation, Zero Deforestation products
 - Announcement made as part of Forest Conservation Policy 18 month update

Jakarta, 3 September, 2014 – An independent study has today confirmed that Asia Pulp and Paper Group (APP) has sufficient plantation resource to meet the pulp requirements of its existing mills as well as its future mill in OKI, South Sumatra.

The launch of the [Forest Conservation Policy \(FCP\)](#) in February 2013, saw the company commit to producing pulp and paper that is free from fibre or activity linked to deforestation. In order to ensure existing supplier plantations have sufficient capacity to meet this commitment, The Forest Trust (TFT) and Ata Marie were asked to conduct an independent “Growth and Yield” study to assess existing plantation areas.

Scott Poynton, Executive Director, The Forest Trust, said: “We are pleased to be able to reassure everyone that APP and its suppliers have sufficient resource for the company’s 100 per cent plantation target. We have identified one minor gap in 2020 but this can be easily filled by increasing the productivity of the plantation operations between now and then.”

[Aida Greenbury](#), APP’s managing director of sustainability, said: “The FCP is central to our business model and this study proves that the model works – we can continue our operations and expand profitably without having a detrimental impact on forests in Indonesia or anywhere else in the world.

“The TFT report forecasts a minor gap in supply in 2020. However it is clear that with a harvesting rotation of around five years, improvements made now can bridge that gap by increasing productivity of supplier plantations through improved yield, better tree stock and reduction of waste.

“As such, we have been developing an action plan to ensure we have sufficient plantation fibre to meet the pulp requirements of our existing mills as well as our future mill in South Sumatra, in line with our target to become a 100% plantation business for pulp production.”

The methodology and conclusions of the report will be evaluated by Rainforest Alliance as part of the independent FCP evaluation it is currently carrying out.

The announcement comes as [APP releases an 18 month update on FCP implementation](#). Over that period, the company has introduced an effective moratorium on all natural forest clearance while carbon and biodiversity



assessments are carried out. The results of all assessments (High Conservation Value (HCV), High Carbon Stock (HCS), peatland, social) are now in the process of being combined into landscape level Integrated Sustainable Forest Management Plans (ISFMPs) in stages.

The report also provides an update on [APP's commitment to support the protection and restoration of one million hectares of forest in Indonesia](#), announced in April 2014. Since then the company has been engaged in a planning phase of activity with a variety of key stakeholders including NGOs and governments. As part of this, initial mapping has been completed for the ten landscapes selected for conservation activities. The mapping process also identified conservation opportunities, key threats, and stakeholders with land rights in each of the landscapes.

Aida Greenbury added: "It has been 18 months since we embarked on our Zero Deforestation journey with the launch of the FCP and although there is much left to do, a lot has been achieved in a short time and we are confident that we are on the right track.

"When we launched the policy, we were moving into uncharted territory, but since then the 'Zero Deforestation' movement has become more and more global. With growing support from businesses, governments and civil society, we are proud to be playing a leading role in helping the world end deforestation."

For more details, download APP's 18 month FCP update report at:
<https://www.asiapulppaper.com/sustainability/vision-2020/reports>

Ends

About APP

As one of the world's largest pulp and paper companies, Asia Pulp and Paper Group (APP) is responsible for delivering quality products to meet the growing global demand for tissue, packaging and paper. On any given day, our products find their way into the hands of consumers in various branded forms from all over the world.

Started in 1972 with Tjiwi Kimia producing caustic soda, now we run operations across Indonesia and China with an annual combined pulp, paper, packaging product and converting capacity of over 19 million tons per annum. Today, APP markets its products in more than 120 countries across six continents.

Over the years, we have expanded our operations significantly through the acquisition and expansion of several of our pulp and paper mills. It's our commitment to customer satisfaction that enables us to grow our share in paper sales worldwide and broaden our presence through offices in many countries. We believe 'tradition and modernity go hand in hand' which means we value long term relationships as part of our Eastern traditions, while we also are eager to embrace the modern values of innovation and efficiency.

Maintaining the integrity of our supply chain is also crucial to APP's operations as well as our commitment to our [Sustainability Roadmap Vision 2020](#). Learn more about APP's path to operational excellence by reading our [Sustainability Reports](#) and [Forest Conservation Policy](#).