

Paper Force welcomes the launch of APP's agroforestry programme in 500 villages to help protect Indonesia's forests

Sydney, 3rd December 2015 – Paper Force has today welcomed the news that Asia Pulp & Paper Group (APP) has announced a new commitment to support the economic development of 500 villages in the landscapes surrounding APP's supply chain. The aim of the programme is to demonstrate that economic development can be pursued in a sustainable way that supports rather than undermines the protection of Indonesia's forests.

APP's announced its latest sustainable development commitment at the UN Climate Conference in Paris, COP21. The announcement was made after APP presented details of its forest and peatland protection initiatives, which support Indonesia's ambitions to achieve a 29% reduction in GHG emissions by 2030.

Supporting the economic development of local communities has been an integral part of APP's forest protection programmes. Since the launch of its Forest Conservation Policy in February 2013, APP has implemented initiatives to help communities develop alternative livelihoods, to reduce the risk of fires and achieve economic development while keeping Indonesia's forests intact.

This new commitment to Indonesia's communities is in addition to APP's existing pledge to support the protection and restoration of 1 million hectares of forest landscapes and to channel and coordinate USD \$10 million a year of in-kind and financial support into forest conservation across Indonesia, announced in 2014.

APP's commitment will be delivered through a series of pilot community agroforestry programmes. The programmes could include the sharing of: rearing initiatives for livestock; sustainable fruit and vegetable farming techniques; and forestry and business skills to enable alternative livelihoods that do not require the clearance of natural forest for further economic development.

These programmes will help to reduce the pressure on Indonesia's remaining natural forests whilst simultaneously improving the livelihoods of local communities. In addition, the programmes will be designed to help reduce instances of conflict over land by providing less land-intensive development options and will help to reduce instances of land encroachment and slash and burn activities.

APP's programmes will focus on bringing together agriculture, forestry and vocational skills development. The programmes will be designed to build upon the local knowledge of communities by bringing in best practice and applicable techniques from across industry and academia.

Aida Greenbury, Managing Director, Sustainability at APP said, "A key theme of COP21 is to ensure that economic development goes hand-in-hand with environmental protection. We believe that this new agroforestry programme will help communities to achieve economic development while protecting Indonesia's forests. The issues facing Indonesia's forests need to be managed at the landscape level, and local communities have a very important stake in the forest. Whilst these

programmes are at an early pilot stage, we will be working to help introduce and spread sustainable farming techniques that are compatible with forest protection.”

Larry Jackson, Managing Director of Paper Force said, “We congratulate APP on launching such an important programme for the villages surrounding their supply chain. As the world looks towards Paris, it is paramount that businesses look within their own supply chains to see what can be done to reduce the impact on the planet. APP’s programme demonstrates that economic development can be pursued in a sustainable way that supports rather than undermines the protection of Indonesia’s forests.”

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About APP-Indonesia

Asia Pulp & Paper Group (APP) is a trade name for a group of pulp and paper manufacturing companies. 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 all over the world.

Started in 1972 with Tjiwi Kimia producing caustic soda, now we run nine mills located in Java and Sumatra islands with an annual combined pulp, paper, packaging product and converting capacity of over 9 million tons. 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. 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. Key objectives of this roadmap are to ensure that its pulpwood suppliers adopt High Conservation Value (HCV) and High Carbon Stock (HCS) protection, peatland protection, and be 100% Sustainable Forest Management (SFM) certified by 2020.

In April 2014, APP launched its commitment to support the protection and restoration of one million hectares of forest in Indonesia. In line with that commitment, by 2015 APP and its suppliers have allocated approximately 600,000 hectares for conservation within its suppliers’ concessions and for ecosystem restoration.

Learn more about APP's path to operational excellence by reading our Sustainability Reports and Forest Conservation Policy on: www.asiapulppaper.com