



BUILDING A
RESILIENT FUTURE



SUSTAINABILITY REPORT

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1. PRESIDENT'S MESSAGE

As the largest employer and one of the largest investors in Riau Province, Indonesia, we play a significant role in the local economy, in Indonesia's progress towards achieving the UN Sustainable Development Goals (SDGs) and in helping the country reach its national emissions targets. Under APRIL2030, we committed to deliver a positive impact on climate, nature and people, and we have a responsibility to fulfill this.

The products we make from biodegradable and renewable natural sources mean we're now a driver in the emerging bio economy.

It is therefore more important than ever that APRIL demonstrates leadership through our actions and progress towards addressing climate change risks and impacts in relation to our organisation and our stakeholders.

2021 was the first year of implementation towards achieving our APRIL2030 targets. Despite challenges posed by the pandemic, we upheld our commitment to move towards their delivery. We believe that diligent, science-based actions and strong partnerships, whether new or existing, are key to meeting our APRIL2030 targets.

During the year, we were able to confirm that significant productivity improvements had been achieved across our forestry plantations over the last 3 years, giving us the capability to be supply self-sufficient. We have managed to do this through dedicated research and development, without expanding our existing plantation forest area. This puts us squarely on the right path to achieving a 50 percent gain in fibre productivity by 2030 as one of our APRIL2030 targets.

Consistent with our commitment to make APRIL a climate positive company, we continued to invest in renewable energy sources, application of energy-efficient technologies, optimisation of energy use, and use of renewable resources throughout our business operations. We established the first megawatt of solar power generation capability and are on track to complete the installation of 20-megawatts of solar panels at our Kerinci site by 2025.

We completed the establishment of an Eco Camp and peat science research centre in our Restorasi Ekosistem Riau conservation and restoration area.

Partnerships with NGOs, the scientific community, local communities and others were central to our progress in 2021. We have commenced cooperation with the Wildlife Conservation Society and continued our long-standing collaboration with Fauna & Flora International. Our International Peat Expert Working Group continued to undertake research and guide our peatland landscape management approach.

We recognise there will be challenges to overcome as we continue to strive to meet our APRIL2030 targets. There will always be areas for improvement as we grow our businesses sustainably. We evaluate and continuously improve our approach to achieving our business and sustainability goals and are confident that further progress will be achieved in 2022 as we collaborate with stakeholders, build internal capabilities, and tap into market opportunities.

I am proud of our progress to date and grateful to our dedicated and growing teams, business leaders and partners who helped to move us forward despite the extraordinary pandemic situation. We will continue to manage our business and operations in a resilient and nimble manner, prioritising the health and safety of our people as we strive to contribute to addressing the challenges of climate change and moving towards a low carbon economy.



Sustainability is an integral part to our business. At APRIL, sustainability is talked, led, and driven. The needs and willingness to be sustainable comes from inside. It's a long-term view on the business.

Praveen Singhavi
President of APRIL



2. OUR YEAR IN SUMMARY

APRIL 2030 FIRST ANNIVERSARY



Frontier Sumatra tells the incredible story of the people, the animals and the land of Kampar Peninsula in Riau Province.

THRIVING LANDSCAPES

FOREST MANAGEMENT



5%

increase in plantation fibre productivity



81%

of wood sourced PEFC certified

100%

OF WOOD PULP SOURCED FROM PEFC & OR FSC CERTIFIED SOURCES

BIODIVERSITY AND ECOSYSTEM SERVICES

Under the guidance of the Wildlife Conservation Society, updating our conservation plans, preparing key species management plans and developing strategies to address illegal wildlife trade.



ESTABLISHED ECOCAMP AND TROPICAL PEATLAND SCIENCE RESEARCH LAB FOR SCIENTIST AND ACADEMICS

Riau Ecosystem Restoration carbon avoidance validated according to VERRA Verified Carbon Standard, the world's leading voluntary GHG programme.



REINTRODUCTION AND TRACKING OF CRITICALLY ENDANGERED SPECIES -SUMATRAN TIGER

SUSTAINABLE GROWTH

RESOURCE EFFICIENCY



96.1%

Chemical recovery



35%

reduction in solid waste to landfill



16%

reduction in fossil fuel use



FIRST PHASE OF SOLAR PANEL INSTALLATION IN KERINCI PRODUCING ONE MEGAWATT SOLAR ENERGY

INCLUSIVE PROGRESS

Baseline to gather information used to tackle the symptoms of poverty & improve nutrition, aiming to reducing stunting in children in line with public health strategies.



Collaboration with Krealogi – to develop skills of local Small Medium Enterprise businesses to engage online marketplaces



COVID-19 VACCINATIONS

99% of our employees and their families vaccinated

93% of our contractors vaccinated.



Signatory to United Nations Women Empowerment Principles to promote gender equality and empowerment of women within our organization

STAKEHOLDER ENGAGEMENT

DIALOGUES AND COLLABORATIONS



APRIL participation at UN Climate Change Conference (COP26)

PPP

Public Private Partnership in restoration and reforestation

CUSTOMERS



Launch APRIL Connect APP for customers to view and track orders, check reward programme status.



A collaborative recycling programme targeting the initial recycling of approximately

20,000 TONS

of paper waste.

EXTERNAL RECOGNITION

CDP Forests disclosure & result APRIL Group received a



an improvement from B- in 2020.

SPOTT ESG Policy and Transparency Assessments APRIL is ranked 09th with score of

69.1%

a 6% improvement from 2020



2.2 MANAGING COVID-19 IMPACTS

The COVID-19 pandemic caused severe disruption to economies and societies across the world in 2020 and 2021. As communities, companies and countries continue to wrestle with the ongoing impacts of the pandemic, we continue to monitor the situation closely, to take proactive measures to safeguard our employees and their families, and abide by the regulatory guidelines in our key markets to ensure timely and appropriate mitigation measures for our people and to ensure business resilience.

There has been a parallel profound global realisation about the interconnectedness between human health and the health of nature and economies. The spread and emergence of zoonotic diseases such as COVID-19 is yet another indicator of the accelerating pressure on natural systems that further reinforces the importance of a holistic view of sustainability for our business.

In 2021, COVID-19 presented challenges for us in delivering on some sustainability key performance indicators. In particular, the protective restrictions in place resulted in limitations on our outreach to communities and ability to undertake field work. Despite this, we remained focused on meeting our sustainability indicators including conducting various sustainability-related certification and assurance processes remotely.

The pandemic was a test of business resilience. APRIL proved it was up to this test and was able to meet external stakeholder expectations because of its agility in adapting to the new normal. To maintain business relationships, we engaged with our customers, suppliers and other stakeholders in our value chain through digital channels such as virtual meetings and virtual events.

In our operations, we carried out vaccination programmes for our employees and their dependents in May and June 2021. As of December 2021, 99% of employees and their dependents and 93% of contractors had been fully vaccinated.

APRIL put in place a range of precautionary measures to protect the wellbeing and safety of employees and stakeholders during the pandemic and remains focused on the physical and emotional wellbeing of employees, contractors, their dependents and the communities in which we operate.

Business Continuity Plan measures include travel restrictions, contact tracing and quarantine, temperature checks, distribution of masks, and health promotion campaigns to contain and reduce COVID-19 transmission risks in our operations.

Information is regularly shared with employees and their families through the WhatsApp messaging platform, signage in buildings and via television screens in employees' canteens.

A special internal task force was established to mitigate COVID-19 transmission risks within operational and residential areas, resulting in the implementation of work from home protocols, division of work groups, and increased use of virtual meetings. Strict mandatory contact tracing of people was conducted. Examinations and swab tests continue to be provided to employees and their families, as required. With these measures in place, we have been able to continue to operate and maintain productivity throughout the pandemic period.

Given the impact of the COVID-19 pandemic on vulnerable and marginalised groups, we provided care packages for those members of communities including masks and personal protective equipment. In addition, we worked with the Tanoto Foundation to provide oxygen to hospitals in Java that was used to treat patients with serious COVID symptoms.



3. ABOUT THIS REPORT

3.1 SCOPE AND BOUNDARY

APRIL Group's 2021 Sustainability Report is the 13th report that we have published since 2002. Previous Sustainability Reports are archived at www.aprilasia.com.

The 2021 Sustainability Report covers the sustainability performance of APRIL Group inclusive of supply partners that have long-term agreements with the company over the period from 1 January 2021 to 31 December 2021. Select data is also reported for open market suppliers, where available. The entities that comprise APRIL Group, as well as supply partners are found in the Appendix section.

3.2 REPORTING FRAMEWORK

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option and therefore covers topics defined by a materiality assessment carried out in consultation with internal and external stakeholders with 7 qualitative and 3 quantitative indicators being assured.

3.3 ASSURANCE SCOPE

APRIL engaged with KPMG LLP to provide limited assurance over selected subject matter information. See page 118 for a copy of the assurance report.

3.4 CONTACT

We welcome all feedback and suggestions to help us improve the value of information and the overall quality of our Sustainability Report. Please email your views and inquiries to sustainability@aprilasia.com

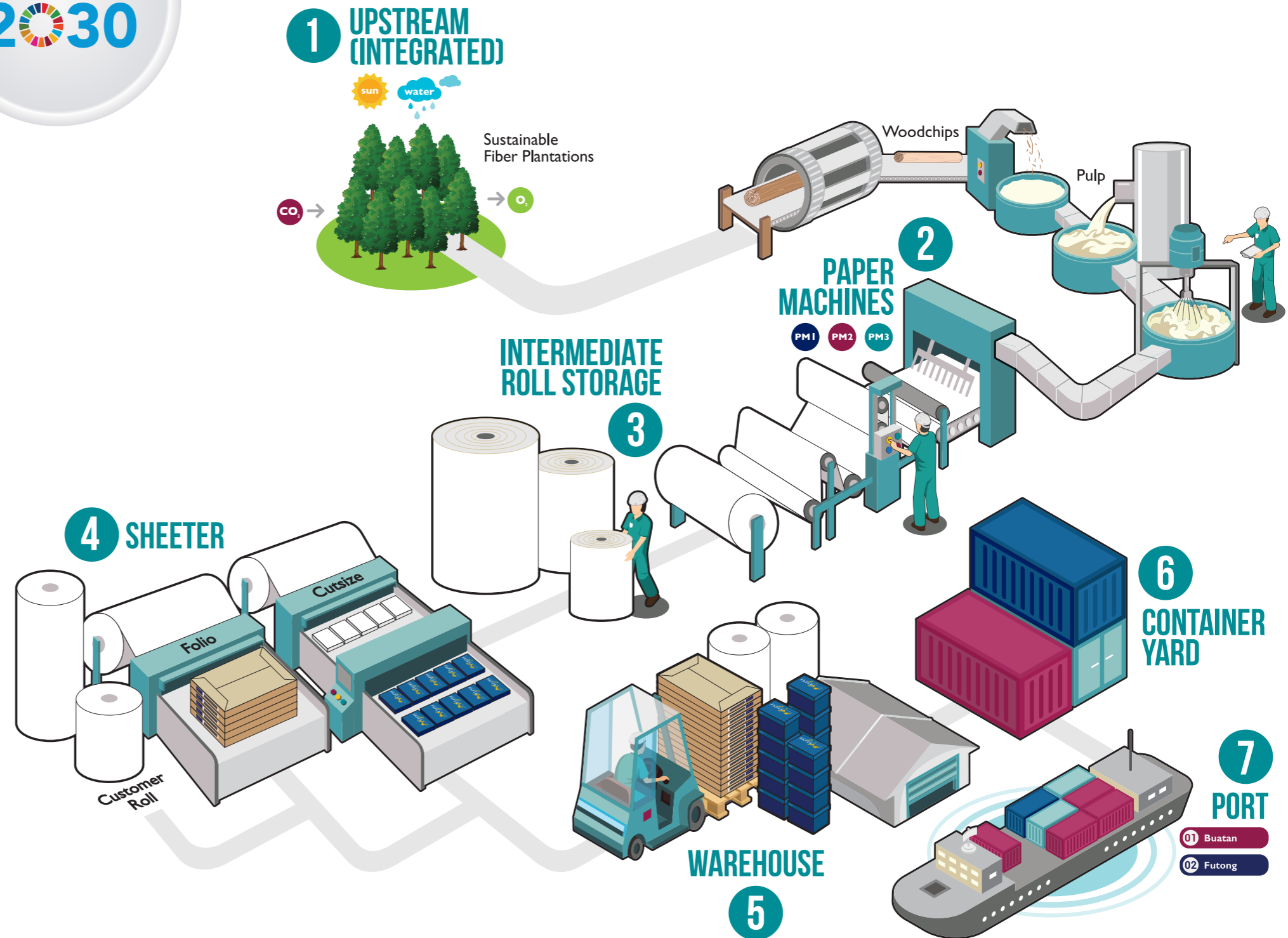
Aprilasia.com

Aprildialog.com

[LinkedIn](https://www.linkedin.com/company/aprilasia)



FULLY INTEGRATED OPERATIONS





4. ABOUT APRIL

Asia Pacific Resources International Limited, or APRIL Group is a leading producer of fibre, pulp and paper, with forestry plantations and manufacturing operations in Sumatra, Indonesia. Since 1993, we have developed our landscape of forestry plantations and high conservation value (HCV) areas through a production-protection model. APRIL started commercial pulp production in 1995 and in 1998 began commercial paper production. APRIL's products were sold in 70 countries in 2021, 90% of pulp and 75% of paper to Asia Pacific markets, and 25% to Europe, Middle East and Africa.

APRIL is part of the Royal Golden Eagle (RGE) group of companies, headquartered in Singapore. RGE manages a group of resource-based manufacturing companies with a global presence in the pulp and paper, palm oil, viscose fibre, and integrated energy.

As our people and forest landscapes are essential to our value creation, it is important for APRIL to consistently work to positively contribute to the global megatrends that are linked to climate change, environmental and social impact. This is aligned with our values and involves the efforts of approximately 30,000 employees across our business.

4.1 BUSINESS MODEL

Our belief is that what we do must be good for the Community, the Country, the Climate and the Customer, and only then will it be good for the Company. We strive to grow our business sustainably while we work to have positive impacts on Climate, Nature and People. We actively work to mitigate our sectoral challenges – climate change, deforestation and biodiversity loss, and human rights issues.

GUIDING PRINCIPLES

As part of the RGE Group our purpose is "To deliver a positive impact on climate, nature and people while growing our business sustainably, creating value for the Community, Country, Climate, Customer and Company."

Our core values serve as a compass for our actions and emphasize the type of behaviour that is important to us and our stakeholders.

Our core values are outlined below:

- Complementary Team: personnel are aligned by a common purpose, and work together as a **complementary team**.
- Ownership: we take **ownership** to achieve outstanding results and seek value at all times.
- People: we develop our **people** to grow with us.
- Integrity: we act with **integrity** at all times.
- Customer: we understand our **customers** and deliver best value to them.
- Continuous Improvement: we act with zero complacency and always strive for **continuous improvement**.

Our business requires raw materials, land, water, and energy, and we are committed to ensuring responsible management of these resources to safeguard biodiversity and ecosystems where we operate. Other than raw materials, APRIL's success is dependent on our operational excellence – which in turn is dependent on our people. To ensure that we can continue to strive for excellence in our operations, we reward our employees fairly based on merit and ensure their personal and professional development.

APRIL's success is also dependent on positive collaboration with our key stakeholders. Key relationship areas include local communities, local government bodies and organisations, and financial institutions. We support local communities through development programmes focused on: Education, Empowerment, and Enhancement. We engage with governments and organisations to understand the needs, issues, and opportunities present in the region. We ensure investments are made through our operations and asset base, as our robust financial relationships empower us to be strategic in our pursuit of value for our company and our stakeholders.





MAINTAINING OPERATIONAL EXCELLENCE

Our forestry operations are guided by our production-protection model that seeks to balance economic and environmental aspects while considering the voices and needs of multiple stakeholders. The model seeks to ensure responsible land management by balancing production, conservation and restoration and the interests of our stakeholders.

We work with our suppliers and business partners to provide mutual support, while holding them to our operational standards by ensuring they adhere to our sustainability policies and encouraging supply chain transparency.

Together with our stakeholders, we seek to protect and enhance APRIL's landscapes through our conservation and restoration efforts, fire management strategy, and peatland protection. Details about the production-protection model can be found in Land Use pg. 22. We strive to minimise the negative impacts by adopting global forest practice and supporting our Research and Development Team (R&D Team) to develop innovative solutions for resilient landscape management.

Our manufacturing processes are becoming increasingly circular to promote efficient practices particularly in the use of our resources. We look for opportunities to reuse waste for fuel and minimise the need for freshwater inputs through reutilisation of water.



4.2 GOVERNANCE

APRIL upholds strict corporate governance and ethical business standards, with well-defined governance processes. We work with companies in our wider supply chain by providing guidance on how to comply with our governance requirements. By doing so, we promote strong governance consistent with a resilient company.

CORPORATE GOVERNANCE

APRIL is a distinct corporate entity within the RGE Group of companies with its own management and corporate governance framework that includes internal control processes. Internal and external audits are regularly conducted and utilize external auditors and expert committees that independently review sustainability programme and performance.

Governing Bodies

Sustainability is embedded at all levels in our business, from the Executive Management Committee of APRIL, to the individual working level. To ensure sustainability is integrated throughout the business operations, the main governance bodies monitoring and maintaining performance of our sustainability objectives are: the Executive Management Committee, and the Sustainability Department. Transparent reporting and updates on sustainability initiatives are provided across these governing bodies annually.

Executive Management Committee

The Executive Management Committee is responsible for specific business imperatives such as strategic direction, performance reviews, market updates, risk management, sustainability, organisational development, and operational matters. Led by the President of APRIL Group, the Executive Committee oversees the implementation of our risk management policies and integrates them into the culture and strategic decision making of APRIL in line with industry best practices. The Director of Sustainability and External Affairs reports directly to APRIL Managing Director and APRIL Group's President, and they collectively drive sustainability throughout the senior management team.

Every quarter, a review is conducted on the progress of APRIL's sustainability strategy, including progress towards APRIL2030 targets. APRIL2030 is guided by an Executive Steering Committee and the APRIL2030 Working Group, to provide strategic direction and business integration.

This year, the Executive Management Committee held topic-specific discussions on potential medium-term opportunities for APRIL to leverage on. These were topics surrounding energy mix considering renewables, climate mitigation strategy and recycled textile waste.

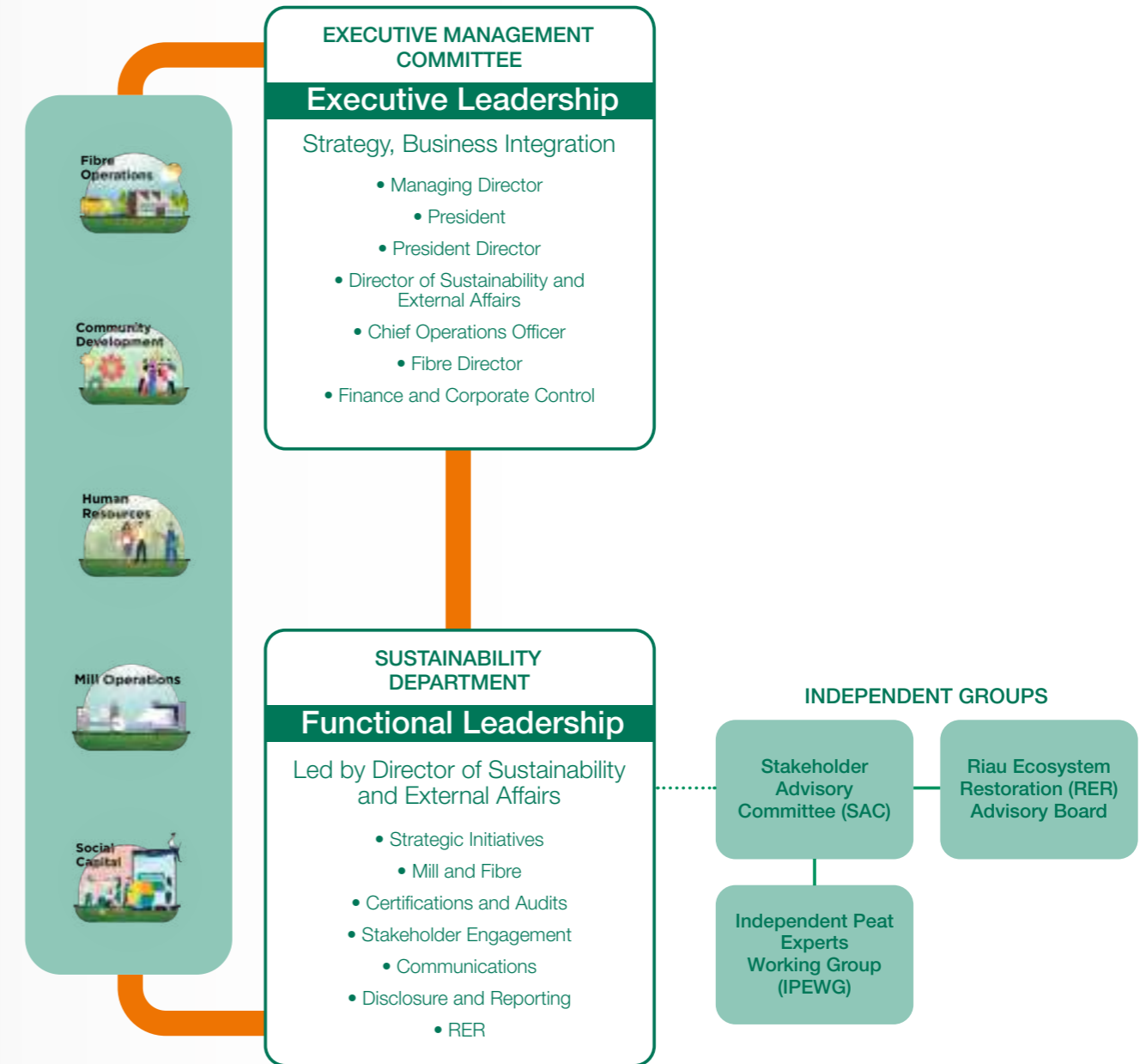
APRIL also works with a number of external and independent advisory groups that consist of Indonesian and international experts. Through these collaborations, APRIL gains valuable insights and advice on the implementation of our sustainability strategy.

Stakeholder Advisory Committee

The Stakeholder Advisory Committee (SAC) is an independent group of eminent forestry and social experts, co-chaired by Dr. IB Putera Parthama, former Director General of Watershed and Protected Forests at the Indonesian Ministry of Environment and Forestry, and Professor Jeffrey Sayer of the University of British Columbia. Setup in January 2014, the committee oversees the implementation of APRIL's Sustainable Forest Management Policy 2.0 commitments and appoints an independent verification auditor of APRIL's progress on these commitments.

Throughout 2021, the SAC held discussions focused on topics around the SFMP 2.0 Assurance Plan in light of Covid-19 restrictions, continued implementation of SFMP 2.0, and provided advice on APRIL2030 commitments. Other key topics were for operational matters, including the 3rd party assurance by KPMG and stakeholder engagement opportunities. The SAC provides these insights directly to members of the Executive Management Committee.

The SAC oversees periodic public consultations with stakeholders and convenes stakeholder forums. Details on SAC meetings in 2021 can be found on the APRIL sustainability dashboard, at sustainability.aprilasia.com/en/.



Sustainability Department

The Sustainability Department is comprised of the Director of Sustainability and External Affairs and team leads from Strategic Initiatives, Stakeholder Engagement, Sustainability Operations, Ecosystem Restoration (RER) and Communications. The team works across various business functions to address sustainability topics, including implementing sustainability strategy, policy development and implementation, sustainability operations, audit management and certifications, stakeholder engagement, and sustainability disclosure and reporting.

In 2021, the sustainability department continued to drive dialogue around key APRIL2030 targets. Key areas of discussion in 2021 included the voluntary carbon market,

ongoing engagement with Forest Stewardship Council (FSC), continued focus on advancing peatland science and stakeholder relationships.

Business Units and Functions

The day-to-day implementation of APRIL's sustainability agenda is the responsibility of all business units and functions that are actively supported by experts at all levels. Business units consist of cross-functional representatives with various roles in execution. Together, they drive sustainability activities at an operational level, identify challenges in performance, and gather data for reporting.

APRIL's Core Values

APRIL upholds the RGE Code of Conduct that outlines RGE Core Values through fulfilling individual roles and responsibilities. All employees must adhere to the code and are responsible, individually and collectively, for how APRIL conducts business. All employees attend an annual Core Values refresher workshop.

The Code of Conduct requires APRIL to:

- **Embody the commitment** of upholding ethical and professional business practices, and of complying with applicable legal and organisational requirements;
- **Define the responsibility** and expectations for employees and leaders who are responsible for applying and complying with its provisions;
- **Guide employees** on the way to pursue goals, along with the behaviours and commitments to continue earning the trust of our communities and customers;
- **Provide a set of rules** outlining norms and proper practices;
- **Guide business conduct** through policies, standards and guidelines covering corporate responsibility to honour human rights, and rules on political donations and activities to protect the interests of the company and its employees and in dealing with relationships that may be a conflict of interest;
- **Include provisions** relating to honesty, integrity and fairness in business dealings with suppliers and potential suppliers; and
- **Require fair and equitable procurement processes**, as it is important that potential suppliers are clearly informed of expectations and business requirements.

All of APRIL's suppliers are required to adhere to APRIL's Code of Procurement Ethics as part of our commitment to promote fair competition in the procurement of goods and services. The objective of the Code of Procurement Ethics is to communicate our values and principles transparently with our suppliers and their affiliated entities, in the course of conducting business. We seek to promote a mutually beneficial business environment and to conduct our business fairly and ethically.

RISK MANAGEMENT APPROACH

APRIL's Executive Committee utilizes an Enterprise Risk Management system to maximise APRIL's ability to achieve and sustain strategic business objectives in the long-term. The aim is to integrate Enterprise Risk Management principles into APRIL's culture and decision-making across respective business units. By adopting a precautionary approach to risk management, APRIL seeks to ensure that management and staff understand the need to identify, assess, prioritise, and manage risk and loss prevention.

The system recognises risks that are beyond the sustainability or environmental front. It additionally considers other aspects of the business such as technology, people, and governance. This is done through a risk matrix that considers the consequence and likelihood of risks occurring. Periodic review of risks is also conducted.

Every identified risk is managed through a mitigation plan. For major risks, risk mitigation mapping keeps track of the residual risks relating to material themes. Moving forward, global market risks – such as environmental, technological security, geopolitical issues, and macro economic risks, will be integrated in the overall risk management framework.

APRIL adheres to a range of internationally recognised and credible standards; these include:

- Quality management standards (e.g., International Organization for Standardization [ISO] 9001) to reduce product failures;
- Environmental management standards (e.g. ISO 14001) to mitigate environmental impacts and reduce waste;
- Health and safety standards (ISO45001) to improve employee safety, reduce workplace risks and create better, safer working conditions; and
- Energy management standards to manage energy consumption.

These standards are applicable to all of APRIL and cover fibre operations and manufacturing processes. An internal audit process is implemented by an internal group of qualified auditors to ensure that activities are conducted in accordance with documented policies and procedures and to the requirement of the applicable national and international standards. Most importantly, these ensure compliance with our policies and procedures, and identify gaps against third-party standards. Any non-compliance incidents are identified, and the progress of corrective actions are monitored. The status of non-compliances is reviewed monthly during an Operational Reporting meeting. We aim to continuously work to further improve the effectiveness of the management system.



POLICY FRAMEWORK

APRIL's policies are guided by international guidelines and regulations. We review and align our policies with various organisations and their resources (e.g. UN Guiding Principles, FSC, World Business Council for Sustainable Development, UN Global Compact). APRIL's policies include:

- Sustainable Forest Management Policy 2.0
- Invasive Species Policy
- Genetically Modified Organism Use Policy
- Pesticides and Other Hazardous Materials Use Policy
- Policy for Association
- Human Rights Policy
- Occupational Health & Safety Policy
- Environment Policy
- Integrated Management System and Chain of Custody Policy
- Enterprise Risk Management Policy

WHISTLE BLOWING MECHANISM

Any illegal misconduct, suspected fraud and/or theft, or violation of the company's Code of Conduct within the organisation, including by employees or business partners, can be reported through confidential whistle blowing channels, such as a reporting hotline and/or whistleblowing confidential email. All reports are treated seriously, promptly, fairly and in a professional manner. Anyone who reports misconduct, including whistle blowers, will have their identity and the information they shared protected and kept confidential.

Any reports of misconduct undergo an initial review and may trigger an investigation process. The investigation process involves relevant panels and experts, depending on the nature and severity of the issue, to determine the appropriate course of action. Knowledge of, and participation in, such an investigation remains confidential to safeguard the integrity of the investigation and to protect witnesses. Possible outcomes of a breach of the Code may include remedial (i.e. non-disciplinary and corrective) managerial action and/or disciplinary action.

GRIEVANCE MECHANISM

APRIL has established a grievance mechanism with resolution procedures that is accessible and open to all stakeholders, internal and external, who may be adversely impacted by APRIL. The grievance mechanism allows stakeholders to raise any concerns, complaints or issues related to APRIL operations and those of our suppliers. Independent evaluators and investigators will be involved if needed.

Local communities and stakeholders are kept informed of the channels open to raise concerns and disputes. Potential concerns may be related to forestry practices, business-related human rights, community impacts, and manufacturing processes. Channels are accessible to all individuals and communities. These channels ensure anonymity and can be accessed [here](#). Internally, employees of APRIL may choose to speak to their Reporting Manager or Human Resources.

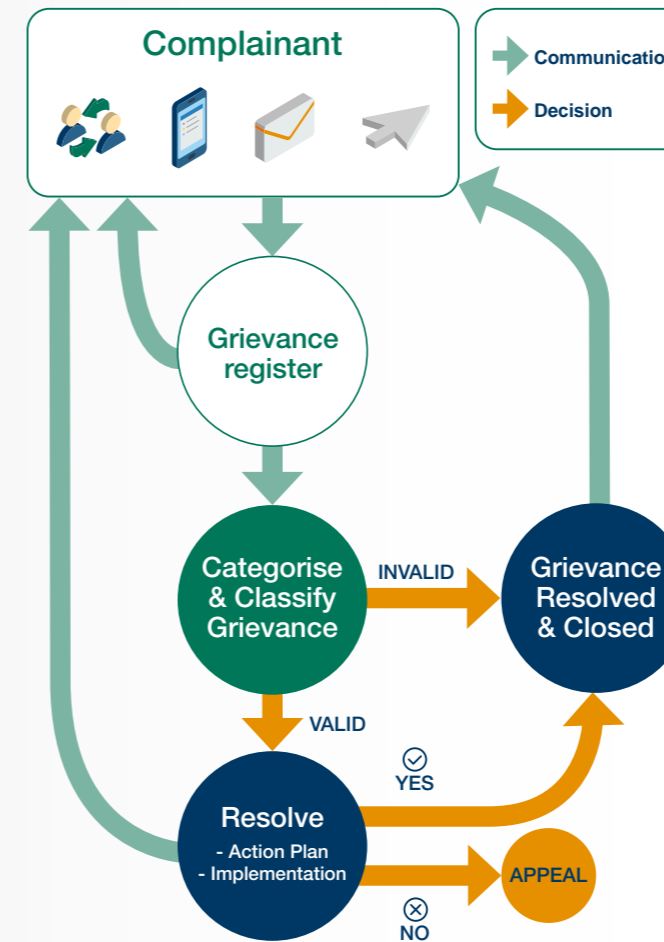
Periodic reviews are in place to assess the effectiveness of the grievance mechanism by looking at a number of criteria, such as the number of incoming grievances, the number of resolved grievances, the recurrent issues, and the timeframe to process grievances.

In 2021, the grievance mechanism was also assessed against UN Guiding Principles criteria and other documented best practices. Extensive consultations were held with communities and local NGOs through forums at villages and in Pekanbaru.

APRIL prioritises consultative methods centred on engagement and dialogues when resolving grievances. We provide progress updates to stakeholders, keep track of the grievance process and manage follow-up actions where necessary. Details related to grievances received, such as actions taken, solutions, and current status of the grievance can be found [here](#).

A separate process is in place to handle land disputes specifically, such as land claims. This applies to lack of clarity over the ownership, tenure, management and use of specific areas inside APRIL's concessions.

There were no incoming grievances registered in 2021. Our historical records of the grievances received including grievance tracking are publicly available on APRIL's sustainability dashboard and it can be accessed [here](#).



*Appeal is dealt with by the Grievance Committee whom review actions and provide recommendations on next steps.

ENVIRONMENTAL AND SOCIAL COMPLIANCE

Ensuring our operations comply with material environmental and social practices is of utmost importance to APRIL. Standards and audits ensure that businesses are compliant with the expectations of stakeholders and encourage businesses to improve their sustainability performance over time. APRIL continues to adhere to international standards (e.g. ISO45001, ISO14001, ISO9001:2015, ISO50001) and standards that are required or encouraged by the markets, such as the Standard National Indonesia, the Singapore Green labelling Scheme (SGLS), PEFC/IFCC, Sedex Members Ethical Trade Audit (SMETA) and European Union Ecolabel. National standards such as Ekolabel Indonesia; Sistem Verifikasi Legalitas Kayu (SVLK) is required by the Indonesian law for all wood product exporters from Indonesia; Authorized Economic Operator Indonesia are also adhered to, to ensure our operations comply with legalities of the markets we operate in.

Adherence to these regulations and standards throughout our operations is ensured through an integrated management system. External audits are undertaken by various independent third-parties for certification processes such as ISO, Indonesian Forestry Certification Cooperation - Programme for the Endorsement of Forest Certification (IFCC-PEFC) and Singapore Environment Council.

Ensuring Sustainable Management of our Forests

The Sustainable Forest Management Policy (SFMP) 2.0 was established in 2015 and continues to be a key policy, both in the implementation of APRIL's sustainable forest management practices and in our business operations. A number of addenda have been made to the original SFMP 2.0 2015 policy after consultations with internal and external stakeholders; the following addenda included in 2018 are – Species conservation policy, Genetically Modified Organisms Use Policy, Invasive Species Policy, Pesticides and other Hazardous Materials Use Policy. SFMP 2.0 applies to APRIL and to current and future fibre suppliers, and to any future acquisitions or partnerships.

The sustainability operations team drives the implementation of the SFMP 2.0. The key priorities for the SFMP 2.0 are to:

- Ensure APRIL's suppliers align with its policy commitments;
- Maintain monitoring and reporting procedures;
- Ensure current certifications are maintained and work to incorporate new standards;
- Develop forest protection and conservation programmes; and
- Maintain and develop relationships with internal and external stakeholders.

The sustainability operations team updates the SFMP 2.0 with operational best practices under the guidance of internal and external stakeholders.

Investigated Incidents

A sanction received from the Ministry of Environment and Forestry (MoEF) in 2017, was acted upon and responded to with corrective actions that were subjected to review by the assigned authority. This sanction was revoked in December 2020 and during 2021 a field visit to review progress was undertaken by the authorities that led to approval for the administrative sanction to be lifted.



APRIL demonstrates our commitment to full compliance with regulations and laws for all jurisdictions where we operate.

As a large multinational company, we understand the need to continuously review operating procedures to ensure continued compliance with all applicable laws and regulations.

LAND USE

The global focus on biodiversity and ecosystems in combination with emerging frameworks on natural capital accounting have highlighted the growing concerns of external stakeholders.

We understand the importance of achieving a balance between growth and sustainability. We aim for landscapes where sustainable production contributes to the protection and restoration of ecosystems, while also enhancing communities' livelihoods. APRIL is responsible for managing a total of 1,046,894 ha land concessions, with 447,984 ha of plantations, 33,795 ha of livelihood plantations and 360,200 ha of conservation or restoration, and the remainder for community and other uses.

Read more at [Appendix C Sustainability Figures section](#).

Land for community uses is allocated within APRIL concessions for communities to cultivate timber and non-timber forest products, or crops that contribute to food security and community welfare. Land may also be designated for other purposes, such as infrastructure, agricultural land use, or land under land tenure and boundary disputes.

APRIL announced our 1-for-1 commitment in 2014 where APRIL aims to conserve natural forest areas that are equal in size to APRIL's forestry plantation areas. The company has met 80% of its commitment to conserve, restore or protect one hectare of land for every plantation production hectare used on APRIL's concessions. We continue to work towards achieving 100% of the commitment.

To support the continued refinement of its approach to land management, APRIL became a signatory of the Science Based Target (SBT) Network in 2021. Since then, we have been working with various organisations as a corporate engagement partner to learn about the development of SBTs for Nature.

Production-Protection Model

A key element of APRIL's approach to land management is the use of an integrated production-protection model, where plantation operations surround the perimeter of conservation and restoration areas to provide protection and actively fund ecosystem restoration and forest protection.

Years of experience have shown that this is a reliable and effective economic and management model for restoration in Indonesia, given the resources that are required for ongoing active management.

This model seeks to ensure that land is managed to achieve a balance between the demands of community livelihoods and development, and environmental considerations, including a range of factors, such as biodiversity conservation, ecosystem restoration, climate change mitigation, and community empowerment.

The model is further driven by our APRIL2030 Thriving Landscapes commitments, with targets of zero net loss of conservation and protected areas.

The approach is based on the following overarching principles:

- **Maintain ecosystem integrity:** Well-designed forest plantations that are healthy and resilient can strengthen the ecosystem's integrity and enhance ecosystem services in degraded landscapes. With a mosaic of forest plantations, restored natural forests and responsible agricultural practices important positive impacts on biodiversity at a large landscape scale can be achieved.
- **Protect and enhance HCVs:** The production protection approach protects and enhances high conservation values.
- **Stakeholder involvement:** The approach provides opportunities for APRIL to work alongside local communities and to build and maintain positive relationships with stakeholders, providing a "social licence" to operate within the community.
- **Economic growth and employment:** Forest plantations cannot be environmentally sustainable and socially acceptable if they are not economically viable. Forest plantations often operate in rural areas with high levels of poverty and unemployment. By creating jobs and channelling investment into these areas, APRIL is able to contribute to economic growth and employment.

Through the production-protection approach, APRIL strives to create shared value and to foster inclusive and sustainable development for the five 'Cs' – the Community, the Country, the Climate, the Customer, and the Company.



PRODUCTION/MANUFACTURING FACILITIES

Our pulp and paper mill uses world-class engineering and technology to produce quality pulp and paper products sold in global markets – in Asia-Pacific, Europe, the Middle East, and Africa, among other regions. We adopt the principles of lean manufacturing in our mill operations, resulting in efficient practices particularly in the use of energy and water. Lean manufacturing has also helped us in minimising our greenhouse gas emissions (GHG).

Pulp is the basis of many wood fibre products, from the corrugated boards used in factories to daily necessities like paper, tissue, tea bags and magazines. APRIL produces bleached kraft pulp which has a wide variety of applications due to its excellent formation, opacity and fibre properties. Other than paper grade pulp, APRIL also produces dissolving wood pulp and paper.

Since 2010, APRIL's production facilities have been certified under the PEFC Chain of Custody (CoC) standards. The certification provides independent verified assurance that the certified forest-based material contained in our product originates from sustainably managed forests. This demonstrates the legal and sustainable sourcing of forest products to our customers.

While since 2013, our products have been awarded with the Singapore Environmental Council's (SEC) Green Label, the Enhanced Singapore Green Label Scheme (SGLS) also sets standards on hazardous chemicals that are released during the manufacturing of paper products. The Enhanced SGLS serves as a minimum level of conformance to ensure the certified product is sustainably produced and managed throughout its life.

Our paper products are easily recognizable under the PaperOne™ brand. A flagship brand that offers a range of premium quality office paper made from 100% renewable wood fibre and designed for the most demanding printing and copying tasks, PaperOne™ products are PEFC certified ensuring that our paper comes from sustainably managed forests and controlled sources.



5. OUR APPROACH

Understanding global imperatives—meeting the 2030 Sustainable Development agenda, keeping global warming below 1.5 degrees Celsius, and the rise in the imperative for the protection of nature—has contributed to APRIL establishing our own long term APRIL2030 sustainability commitments and targets.

APRIL2030 supports the UN's SDGs on a national level in Indonesia and on a community or village level. The SDGs have provided APRIL with a global framework to align our sustainability commitments and strategies with the global development agenda, while helping the company to strategically focus its resources and programme where the needs are greatest.

5.1 MATERIALITY ASSESSMENT

Understanding elements material to APRIL shapes our strategic direction to create impact and value for our stakeholders and our business. Our material issues present opportunities for APRIL to embrace and manage risks and influence our strategy and decisions on operations, innovations, and initiatives and programmes.

APRIL continually monitors forest products sector trends, especially in Asia, through participation and collaboration with our stakeholders. Our understanding was reiterated through the materiality assessment process conducted in 2021 with valuable inputs from relevant internal and external stakeholders.

A survey of stakeholders during the reporting year resulted in an initial comprehensive list of material topics. The initial review included identification of sustainability trends emerging at global, regional, and national levels relevant to our sector and reflected the broader interest and expectations that our stakeholders have of APRIL.

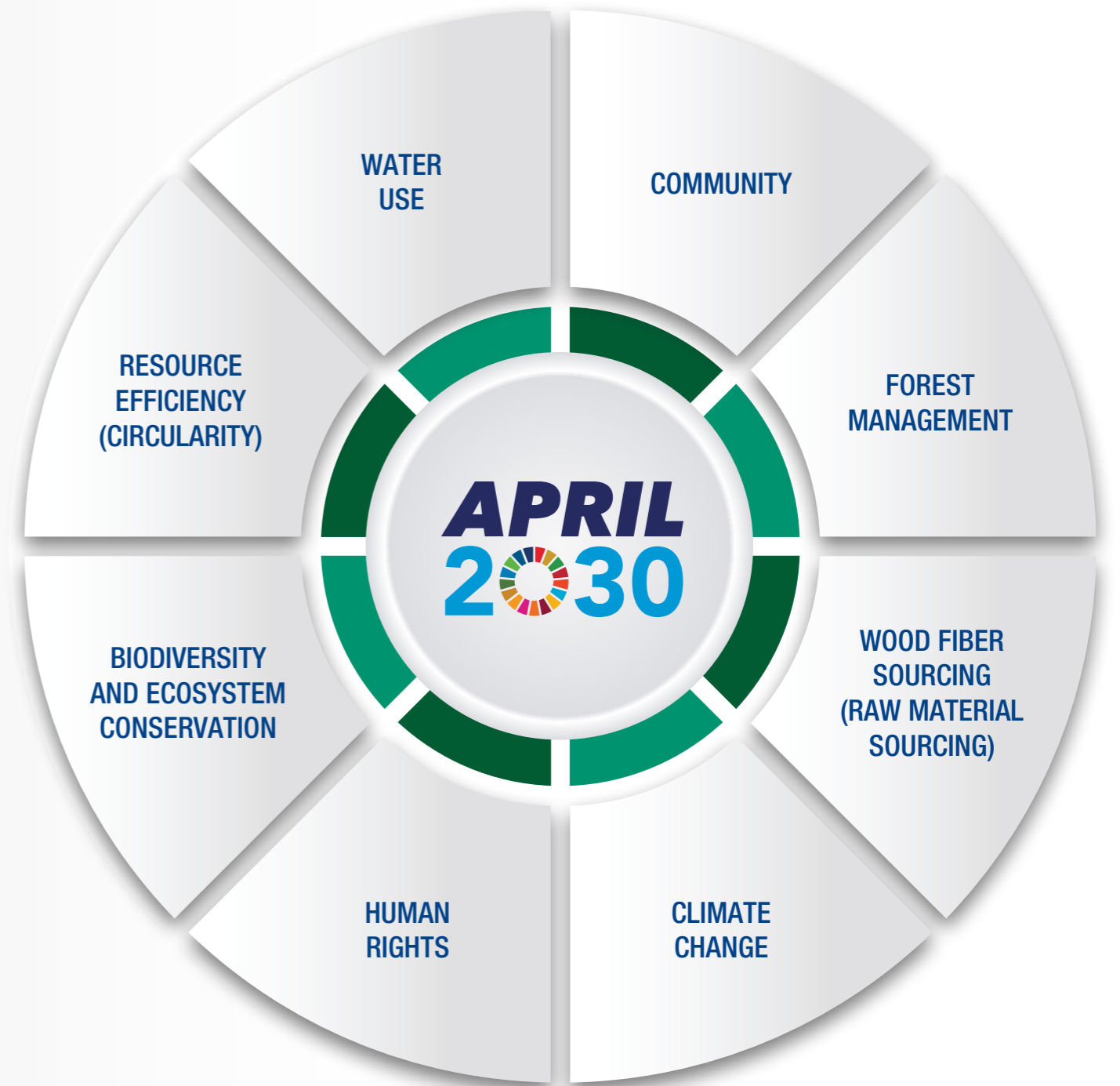
We sought third party expertise from Environmental Resources Management, Inc. in identifying global and sectoral trends by conducting a peer analysis of APRIL and benchmarking against international disclosures.

A further internal review by APRIL's Executive Management in 2021 prioritised the initial list of topics according to their relevance to our sustainability purpose and strategy, with further inputs from management across Sustainability, Fibre Operations, Mill Operations, HR, and Social Capital.

A final material topic list was produced with eight topics on Environmental, Social, and Governance (ESG). These material topics defined the content and material topic boundaries of our 2021 Sustainability Report.

APRIL's material topics have remained relatively consistent over the years. We acknowledge that some material topics have increased in significance to our stakeholders in recent years, in part due to the impact of the pandemic. Human Rights is increasingly important to our stakeholders as found from our engagements and analysis conducted by an external party. This relates to topics of Diversity, Equality, and Inclusion and Business Integrity and Ethics. Other topics of growing importance are Employee Wellness and Wellbeing and Climate Change.

MATERIAL TOPICS FOR 2021



5.2 SUPPORTING SDG'S THROUGH OUR OPERATIONS

Sustainability is an integral part of our business. APRIL sees two crucial roles in contributing to the SDGs. First, APRIL translates SDGs and global goals into local implementation. Second, APRIL informs global stakeholders about the reality on the ground, enabling global actors to refine their frameworks, methodologies, and tools.

Since 2017, APRIL Group has worked with PwC Singapore to assess the impact of its business activities using the SDGs as a framework. Using bottom-up and top-down approaches with a combination of data sources – including inputs from our stakeholders, we identified our SDG priority goals and targets in 2019.

Our approach was based on the following activities:

- Review of APRIL's activities
- Leveraging on PwC SDG Navigator tool
- National level data analysis supported by a literature review
- Provincial level data analysis
- Review of government expenditures
- Peer review study

Completion of the analysis phase led to the next phase of setting targets and indicators. Our identified goals and targets were categorised into three groups:

Core – goals and targets considered central to APRIL's nature of business and operations.

Catalytic – goals and targets considered to be a major need outside our direct operations.

Contributed – goals and targets that have had strong contributions from APRIL in Riau Province.

Our work with communities is supported by the following **core goals**:

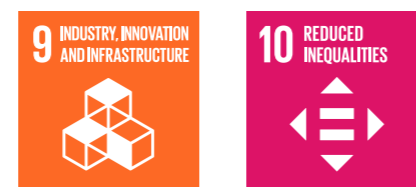


Our **Catalytic Goals** are those where we can have an exponential impact on surrounding communities:



SDG 17, Partnership for Goals, is the ultimate key to achieving the other SDG targets mentioned above.

We recognise that APRIL has historically had a contribution to these goals through our activities.



5.3 SUSTAINABILITY FOCUS AREAS

As we progress on our sustainability journey, we are acutely aware of evolving risks and challenges in regards to the areas of Environmental, Social and Governance (ESG) expectations. We actively update our sustainability commitments to align with key impact areas to ensure we continue our positive contribution to sustainable development while continuing our operations which are intricately linked to the environment and the communities that our operations may affect.

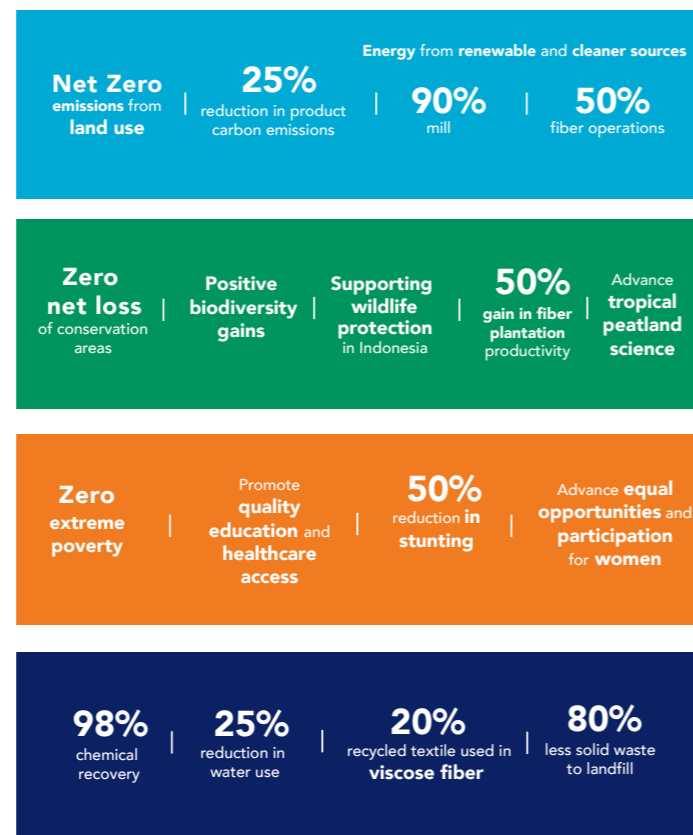
In 2020, APRIL reviewed its material topics to launch our long-term sustainability commitments and targets – APRIL2030. APRIL2030 corresponds to the core areas and challenges of the next decade for our organisation and focuses on seizing concrete opportunities to create the most significant positive impacts on climate, nature and people, while growing the business sustainably. APRIL2030 was built upon global sustainability imperatives, industry benchmarks, our SFMP 2.0 and APRIL's own capabilities and priorities where we operate. During the development of APRIL2030, draft commitments and targets underwent a series of consultations with selected international and national stakeholders.

APRIL2030 comprises 4 commitments with 18 ambitious targets. APRIL2030 embraces the UN's Decade of Action to deliver on global climate and sustainability goals. These targets will guide the implementation of APRIL's sustainability commitments and our contribution towards the UN Sustainable Development Goals (SDGs) throughout the business and strengthen the commitment to create long-term value.

APRIL2030 is steered by APRIL's Executive Management Committee and the RGE Managing Director. The Executive Management Committee maintains clear oversight of policies, systems, practices, and progress with APRIL2030.



Targets



For a complete list and descriptions of the 18 targets, please visit <https://april2030.aprilasia.com/>

CLIMATE POSITIVE

The increasing emphasis placed on decarbonisation is driving corporations around the world to act by transitioning into a low carbon economy. APRIL recognises this urgency and seeks to reduce our carbon emissions through our *Climate Positive* goals. Our approach to reduce GHG emissions focuses on three main areas—landscape management, reducing product GHG intensity, and increasing our renewable energy sources.

We continue to explore science-based solutions, such as optimising carbon sequestration and storage in our land concessions including peatland, to achieve net zero emissions from land use. APRIL aims to reduce the GHG product intensity of fibre products by 25% through continued research and investments into technology. We also plan to use cleaner energy sources for our mill and fibre operations.

THRIVING LANDSCAPES

APRIL understands that building thriving landscapes requires a fine balance of utilizing land to achieve social, economic, and environmental objectives with the consideration of environmental and biodiversity goals.

APRIL is championing conservation as part of our production-protection landscape management approach. We are making sure that a significant portion of our landscape is conserved, protected and biodiverse to deliver Thriving Landscapes. A set percentage of revenue from our plantation forests will go towards forest restoration and conservation. This includes expanding conservation and restoration areas outside our own operating footprint and ensuring zero net loss of protected forest area to achieve measurable gains in ecosystem values. In parallel we are investing in silviculture research and technology innovation to achieve a 50% increase in plantation fiber productivity. Tropical peatland science will be advanced through a new research hub and Eco-Camp within our RER restoration area.

INCLUSIVE PROGRESS

Protection of human rights and labour rights have always been important for APRIL's business and operations. APRIL understands that it is fundamental to respect and promote the human rights of our stakeholders and that we have a responsibility to contribute to the wellbeing of our stakeholders. We continually strive to treat all of our stakeholders with dignity, respect, and equality. APRIL extends our commitment beyond employees to local communities including indigenous peoples, suppliers and commercial partners, research institutes, and contractors through APRIL's supply chain.

APRIL is committed to supporting our people and communities with our *Inclusive Progress* goals aimed at community development in healthcare, education, and gender inclusion. APRIL strives to eradicate extreme poverty, boost education, and promote women's social and economic participation in our communities within a 50 kilometre radius of our operations.

SUSTAINABLE GROWTH

Ensuring resource efficiency in our operations allows APRIL to grow sustainably without excessive use of finite materials. The APRIL2030 *Sustainable Growth* goals promote the good use of resources through the concepts of reduce, reuse, and recovery of resources. APRIL strives for continual improvement in our operational processes.

APRIL adopts the circular economy principles in our manufacturing processes to promote resource efficiency and reduce the amount of waste being sent to the landfill. Our R&D team studies different ways in which existing waste can be repurposed and reintroduced into our production cycle. Our efforts extend beyond our organisation, to collaborate with external stakeholders. APRIL's flagship paper brand PaperOne™ aims to collaborate with document disposal and recycling partners across countries to increase circularity across key markets.

STRATEGIC INITIATIVES

Strategic initiatives continued to be pursued as part of our APRIL2030 targets and commitments. Progress and milestones of these initiatives are accessible [here](#).



In 2020, we committed to set targets through the SBTi to ensure that our carbon emissions reductions are aligned with climate science. Presently, we are preparing for the standard and guidance of land intensive sectors to be published by SBTi and we will then proceed with the validation of emissions reduction targets.



Signed to the World Economic Forum's 1t.org Corporate Alliance trillion-tree platform, a global sustainability initiative to combat climate change by supporting healthy and resilient forests.

APRIL became a signatory to Business for Nature's Call to Action, a collective business voice that calls on governments to adopt ambitious nature policies.



Signed as a member of Science-based Targets Network (SBTN) for Nature's Corporate Engagement Programme, with the mission of promoting widespread adoption of SBTs for water, biodiversity, and ocean by 2025.



Became a signatory for G20 Empower with aims to accelerate women in leadership among businesses.

Despite ongoing challenges arising from the global pandemic, APRIL remains focused on delivering to our APRIL2030 targets and updating on progress in this and future sustainability reports. Further information on progress can be found [here](#).

5.4 STAKEHOLDER ENGAGEMENT

APRIL recognises that there is a diverse and broad group of stakeholders with an interest in our activities. We actively engage our key stakeholders to achieve several objectives:

- Listen and understand stakeholder expectations and concerns;
- Improve visibility to key stakeholders;
- Enhance our reputation in responsible and sustainable forest management practices;
- Build strong and effective relationships to evolve into collaborative partnerships; and
- Inform stakeholders in a balanced, objective, and accurate manner.

APRIL remains proactive in engaging our key stakeholders so that we understand the concerns and expectations that they have of us. We use several communication channels—including consultations, bilateral meetings, and virtual forums—to exchange knowledge and share best practices with our stakeholders. Successful engagements will highlight potential opportunities for APRIL to leverage and any risks that should be mitigated in order to sustain the success of our business.

Our engagement strategy focuses on these key stakeholders, both internal and external: academic and research organisations, business partners, civil society, customers, employees, government agencies, and NGOs. We solicit feedback from our stakeholders to incorporate their interests in shaping and improving our sustainability strategy and its implementation.



STAKEHOLDER GROUPS

KEY TOPICS



Sectoral and Knowledge Associations

We work with national and international industry groups to keep updated on best practices in forestry and to provide inputs on major global issues, such as biodiversity, science based solutions and targets, and climate mitigation.

We work with industry associations such as Asosiasi Pulp & Kertas Indonesia (APKI) and Asosiasi Pengusaha Hutan Indonesia through direct engagement and one to one meetings to discuss the developments of APRIL's operations.

We continued our engagement with the World Economic Forum (WEF), HCV Network, UN Global Compact, World Business Council for Sustainable Development (WBCSD), Tropical Forest Alliance, Business for Nature, Indonesia Forestry Certification Cooperation, International Peatland Research Alliance, and others.

The key topics raised by the academic community were regarding conservation and restoration, biodiversity, and peatland operations. APRIL sponsored the inaugural HCV Network summit in 2021 that brought together various stakeholders – commodity producers, certification schemes, and NGOs. The summit focused on potential collaboration opportunities among its 31 member organisations, with the objective of strengthening the members' HCV approach. The summit also provided us with the opportunity to stay updated on the latest developments of sustainability frameworks and methodologies and we had the chance to share our progress on our APRIL2030 targets.

APRIL engaged with researchers and higher education institutes from Indonesia, Singapore, the United Kingdom, and the United States. We worked with researchers from the Centre for Ecology and Hydrology in the United Kingdom and from the Indonesian Centre for Agricultural Land Resources Research and Development to publish a peer-reviewed study of the Kampar Peninsula led by one of APRIL's scientists. The paper indicated the importance of protecting the remaining intact tropical peatlands and the climate benefits of doing so. The paper is available [here](#).

APRIL will continue to participate in external events—such as summits, bilateral meetings, seminars—to continue engaging with the academic community.



Commercial Partners

We work closely with banks and commercial partners to ensure APRIL's sustainability strategies are well communicated and aligned with their own ESG commitments and standards.

We engaged with international banks from Europe, China, and South Asia and other commercial organisations, including customers, distributors, and suppliers.

APRIL's commercial partners periodically raised the topic of our engagement with FSC, amongst other issues. We provided transparent and frequent updates about the developments to our commercial partners, who regularly engage with NGOs.

APRIL undertakes regular forums with banks to enable us to share transparent details about our corporate governance and to prepare our organisation for future initiatives.

Our business partners were encouraged to stay updated with APRIL's key material topics and with our APRIL2030 targets and commitments through the Sustainability Report, the Sustainability Dashboard accessible [here](#), and other communication channels.



Communities

Communities, especially communities in close proximity to the locations in which we operate, are critical stakeholders to APRIL because they are directly impacted by our operations. We engage and consult with communities to determine their needs and to provide support for social, educational, and health initiatives.

Active community engagement brings value to APRIL. We benefit when communities are able to provide their knowledge and services regarding conservation. Our relationships with local communities are built on multi stakeholder forums and on consultations that we have with community leaders. The annual multi-stakeholder forum (Rembug Desa) collects proposals from communities for APRIL to consider in our future programme. Additionally, we hold stakeholder consultation forums in order to build awareness of our programme and procedures that involve the communities, such as co-creating solutions as the Fire Free Village Programme, community development programme, and grievance resolution mechanism. These forums provide a platform for concerns to be heard and addressed by the company.

For more information on the grievance mechanism, refer to the *Chapter 4.2. Grievance Mechanism*.

Villages that have existing engagements with APRIL commonly raise concerns such as infrastructure improvement and fire prevention.

APRIL's key focus in our community engagement is to provide necessary support and to avoid the "welfare trap", where communities become dependent on direct support. As such, APRIL manages this through a tiered approach.

- In the early stage, APRIL provides funding to the villages.
- Within one to two years, the focus shifts from financial support to offering longer-term resilience programme.

The aim of this approach is to gradually focus more on the root causes of issues and devise solutions rather than providing a short-term fix for the symptoms of these issues. For example, we aid villages to move away from slash and burn tools and to focus on sustainable agricultural practices.

APRIL's Conservation Forest Management Framework aims to allow communities to provide environmental services, such as conservation, and then receive compensation accordingly.



Nongovernmental Organisations

Constructive dialogue with NGOs addresses topics of mutual concern and interest. Our continued engagement with NGOs enables the company to incorporate wider perspectives into our operations and to constructively address specific issues and concerns.

APRIL maintains direct engagement and dialogue with a range of domestic and international NGOs. We address and provide updates on issues that we are committed to work through with our NGO relations—forest management and biodiversity issues are discussed on the APRIL Group websites, including the Sustainability Dashboard.

Our work with the Wildlife Conservation Society and Fauna and Flora International has led to the development of partnerships revolving around biodiversity and climate change mitigation strategies.

International NGOs frequently focus on peatland operations—including carbon emissions, fire, and hydrology. APRIL has responded in writing comprehensively to address these and other issues.

STAKEHOLDER GROUPS

KEY TOPICS



Employees

APRIL determines the type of professional development opportunities and the wellbeing benefits that our employees and contractors value. Ensuring that our employees are well engaged and taken care of through the pandemic was key in maintaining APRIL's successful operations in 2021.

We maintained clear and frequent communication with our employees through town hall meetings to effectively update our employees on the latest operational developments. We made sure to keep our employees motivated through celebrations of annual milestones, such as RGE Founder's Day, and through the screening of *Frontier Sumatra*, a documentary about the people, biodiversity and activities of RER, highlighting ongoing restoration and forest conservation work in the area. Many other forms of regular communication with employees include newsletters, intranet, regular department meetings.

APRIL has procedures in place to ensure employees' concerns are heard and addressed. All employees have frequent interactions with their reporting managers, in addition to annual performance reviews, and all are in a position to raise specific grievances or concerns.

Given the continued prevalence and impact of COVID-19, health and safety concerns were periodically raised by our employees. Other key topics flagged included employee recognition, employee development, and compensation and benefits.



Government and Associations

APRIL engages with central and state bodies around regulatory compliance, reporting, and monitoring where we operate. Updates on relevant policies and progress on implementation are shared with the local and/or national governments.

APRIL conducted virtual 1-to-1 meetings with Indonesian Government Ministries—such as the Ministry of Environment and Forestry and the Ministry of Trade—on the topic of APRIL2030. Local and national government representatives were invited to APRIL's multi-stakeholder forums to enable them to gain a more balanced perspective on our operations and initiatives.

APRIL continues to keep the local and national governments updated, whenever necessary, regarding our ESG developments through the APRIL website, APRIL Sustainability Report, the Sustainability Dashboard and by direct engagement.

The key themes brought up during our conversations with government stakeholders and associations include carbon taxes, industrial salt import, and the Rumpin nursery project by the MoEF.

In 2021, APRIL worked with national and local government agencies on the installation of solar panels on a capped landfill.



Media

APRIL provided updates on specific ESG issues and aspects of our operations to a range of international and national media agencies. National media agencies include Kompas, Bisnis Indonesia, and Jakarta Post. Regional media agencies include the Straits Times, Business Times, Forbes, CNBC, NBC, Mongabay, Print Week, and other industry-specific media agencies.

The media was not able to attend traditional media briefings or make site visits to our operations due to COVID-19-related restrictions. However, we maintained engagement through virtual press conferences and the socially distanced anniversary update of the APRIL2030 targets and commitments in November. We held informal virtual gatherings and calls with individual media personnel. APRIL also addressed queries from Mongabay and Eco-Business by returning written responses.

Interaction with media spans a range of topics according to the scope of the media agency. Environmental and international media focused more on sustainability topics, such as peatland operations, community engagement and development, and supplier compliance. Regional media are also interested in APRIL's point of view on major regional and international issues—for example, the UN Climate Change Conference.

National and local media tend to focus on the impact of our operations at a national level or local and community level, respectively.



Customers

We continue to keep our customers engaged to understand their needs, anticipate market trends, and improve customer experience to gain their trust.

We held an annual partner event that is catered to our customers in the Middle East and Asia, including subcontractors of APRIL. Monthly updates are sent through our social media channels and WhatsApp. Our customers also have the option to stay engaged with us through "APRIL Connect", a mobile application.

Our customers are generally most focused on our business activities, such as Sales and Marketing campaigns, Operations, Sustainability Initiatives, and the day to day operational issues.

ENGAGEMENT WITH FOREST STEWARDSHIP COUNCIL



In September 2014, APRIL approached FSC to express its willingness to comply with the FSC Policy for Association (PfA), to work towards regaining our FSC certification by ending disassociation.

In 2016, FSC started formal dialogue with APRIL and concluded that APRIL was showing a high level of commitment and progress. FSC and APRIL then agreed to enter a dialogue with the objective of eventually developing a roadmap to end disassociation.

<https://fsc.org/en/unacceptable-activities/cases/asia-pacific-resources-international-holdings-ltd-group-april>

In 2020, a baseline analysis on APRIL Group and its long-term suppliers was initiated by the FSC. Whereafter APRIL acknowledged the harm caused to the environment and communities in areas of HCVs, as identified in the baseline analysis. In a letter addressed to the FSC Director General, that was published on the FSC website, APRIL stated its commitment to fully and sincerely engage in the remediation process, ending disassociation with FSC following the FSC process timelines and plans.

The FSC process timelines remain fluid, with no fixed date set for the ending of APRIL's disassociation with FSC.

APRIL remains engaged in FSC's processes and cooperates in a constructive manner to achieve the goal of ending APRIL's disassociation with FSC.

5.5 EXTERNAL PARTNERSHIPS

APRIL often participates in international memberships and associations—such as the WBCSD, UN Guiding Principles on Human Rights, and other global think tanks and NGO position papers. Through this, further steps are taken to exchange knowledge with our peers in the Forestry and Pulp and Paper sectors and with our business partners. Other sources that informed the sustainability topics that are important to our stakeholders include a review of regulatory developments and expectations of disclosures such as the Sustainability Policy Transparency Toolkit and CDP assessments, and analysis of emerging ESG trends based on requirements from third-party assurance and certification organisations.

APRIL is a signatory of the UN Global Compact Ten Principles and of the We Mean Business Coalition which is a global non-profit coalition that works with leading businesses to drive action on climate change.

APRIL worked across various external organisations to address different specific areas of our sustainability strategy. APRIL has engaged with industry associations, business associations, NGOs, and the government of Indonesia in the past year; with the intent to continue doing so.

SIGNATORIES

PARTNERSHIPS



In 2020, APRIL signed on to the corporate engagement programme of the [SBTN](#) and, became one of the first forest-product organisations to join. In 2022, APRIL will help develop SBTs in collaboration with other organisations for nature, collectively creating framework, tools, and guidance that draw on shared experiences. The focus is to enable companies to understand how both nature and businesses can thrive.

APRIL has undertaken an analysis to align APRIL2030 targets with the SBTN interim targets.



APRIL has been a member of the [WBCSD](#) since 2007. We are actively engaged with the Natural Climate Solutions group.

The Natural Climate Solutions group aims to address private sector investment barriers to adopting natural climate solutions. The working group is a voice for business to lay out what investments in NCS could look like and help scale NCS to meet their climate mitigation potential.



The [GHG Protocol](#) was jointly convened by the WBCSD and World Resources Institute in 1998. APRIL has participated in this initiative to develop GHG protocol guidance for the land sector and its use in corporate-level reporting. The guide focuses on explaining how companies should account for emissions and removals from land use, land use change, biogenic products, technological CO₂ removals, and related activities in GHG inventories, building on the Corporate Standard and Scope 3 Standard. This is part of addressing the need for more consistency and transparency in the way companies quantify and report GHG emissions and removals.

The revised guidance will inform APRIL's GHG accounting, mitigation strategies and performance tracking to set targets and report progress following a credible approach. We are continually taking action towards our Climate Positive APRIL2030 goals and are supporting the Paris Agreement goal to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.



Joined by more than 1,000 other companies, APRIL is a signatory of [Business for Nature](#). The organisation is a global coalition that brings together influential organisations and forward thinking businesses to urge collective business action and implementation of ambitious nature policies to reverse nature loss in this decade.

Businesses such as APRIL rely on nature, natural resources, and ecosystems. If not managed responsibly, the external environment and the longevity of the company could be impacted greatly.



[Fauna & Flora International \(FFI\)](#) partners with APRIL in the management of the RER programme to implement best practices and lead ecosystem conservation and restoration activities in Riau. Our partnership aims for progressive improvement in RER's management framework, policies, and practices pertaining to biodiversity assessment and protection, climate issues and community liaison, and to promote landscape-level conservation in Kampar Peninsula. In 2021, APRIL completed biodiversity and carbon stock surveys in the RER area.

The partnership allows APRIL to collaborate with an international expert on biodiversity and carbon. In return, APRIL has provided resources—both financial and technical staff—for the efforts of the partnership.

Bldara

APRIL collaborates with Bldara to implement community-empowerment programme that support villages around the RER project area. The partnership set out to raise the community's awareness on the importance of ecosystem restoration and to provide an opportunity for APRIL to share our activities at RER with the community. It also allows APRIL to create and support additional or alternative livelihoods. This year, our efforts involve coaching the community on aquaculture, producing forest honey, and cattle farming.

Ministry Of Environment And Forestry

Through a public-private partnership, APRIL is working with the MoEF to develop a modern nursery in Rumpin, in Java, in Indonesia. Leveraging our knowledge in managing a large-scale and modern nursery, the project will provide 12 million seedlings for Indonesia's national reforestation and restoration efforts—particularly in disaster-prone areas.

SIGNATORIES **PARTNERSHIPS**



APRIL cooperates with international forums and industry alliances—such as [Fire Free Alliance](#), which was founded by APRIL and includes members from Asian Agri, IOI Group, Musim Mas, Sime Darby, Wilmar, the Sustainable Trade Initiative and People’s Movement to Stop Haze.

The Fire Free Alliance is a voluntary, multi-company group that gathers forestry and agriculture corporations, communities, and other key stakeholders (e.g., NGOs) to share their knowledge on effective interventions and techniques to support fire prevention and mitigation.



Established in 2018, the RGE and [Forestry and Agricultural Biotechnology Institute \(FABI\)](#) Tree Health Programme (THP) is a collaborative venture between RGE and FABI at the University of Pretoria. The partnership extends to APRIL and Bracell Limited, a sister company of APRIL based in Brazil.

The RGE-FABI THP recognises FABI’s capacity as the single largest group of scientists working on tree health globally to reduce the impact of insect pests and pathogens in plantations of mainly non-native trees—such as Eucalyptus, Acacia, and Pinus. Research is also conducted around trees in natural ecosystems and planted forests by the FABI tree health team, see more [here](#).





Climate Positive

APRIL understands that the majority of our operations rely on natural capital assets that also play a significant role in mitigating the impacts of climate change. As such, we focus on reducing our carbon emissions throughout our supply chain from improving landscape management and productivity, to reducing product GHG intensity, and to increasing our renewable energy sources in mill operations. This section further elaborates on our approach, performance, and initiatives to create a Climate Positive environment.



6. CLIMATE CHANGE

Climate change is the defining global challenge of the 21st century which presents risks to the global economy and, in turn, brings climate-related risks and impacts to our organisation and our stakeholders. Multiple international frameworks and ratings are now ranking GHG emissions and climate-related business risks as critical ESG topics. In 2021, the Intergovernmental Panel on Climate Change (IPCC) published the Sixth Assessment Report and it was referred to as “Code Red for Humanity” by the UN. The Government of Indonesia has pledged to reduce emissions by 29% (unconditional) and up to 41% (conditional) by 2030 in its updated Nationally Determined Contributions. In acknowledging the urgency to reduce GHG emissions and to address climate impacts in key sectors such as land and forestry, APRIL has developed strategies to align our business objectives to global ambitions.

We are committed to addressing climate-related challenges through four Climate Positive targets to be achieved by 2030. During the development of our long term APRIL2030 targets, we benchmarked ourselves against industry standards and consulted industry leaders to define the level of ambition towards our climate commitments to ensure the targets are aligned with common climate goal of 1.5 degrees.

APRIL2030 targets are closely aligned with the UN SDGs with Climate Action as the most relevant SDG and a material topic given the nature of our business operations. The Climate Positive targets under APRIL2030 and our progress are listed next:



APRIL2030 TARGETS

TARGETS	OUR PROGRESS IN 2021
Net Zero Emissions from Land Use	<ul style="list-style-type: none"> We engaged with independent organisations to verify our baseline in relation to APRIL land use emissions and removals. The Restorasi Ekosistem Riau Carbon Project avoids deforestation and promotes wetland conservation and restoration, through preserving the remaining peat swamp forests. APRIL has initiated a 3-year water management structure improvement programme and we are piloting a small scale cover crop trial following harvesting. Established several hundred permanent sample plots across the land use types to monitor the above and below ground carbon stock changes. Measured the GHG emission and removals from different land use types using LICOR Eddy Covariance tower instrumentation. The data and analyses were shared with the global scientific community and incorporated into scientific publications. <p>2022 Focus</p> <ul style="list-style-type: none"> APRIL will focus on field measurements and monitoring to derive Tier 3 emission factors in calculating land use emissions and removals as encouraged by IPCC.
Source 90% of Mill Energy Needs From Renewable and Cleaner Energy Sources and Reduce Product Emission Intensity by 25%	<ul style="list-style-type: none"> Achieved 87% of renewable and cleaner energy for our mill. GHG emissions per tonne of product decreased by more than 19% from the baseline. Energy generated from the use of fossil fuels has decreased by more than 16% from the baseline. Completed the first phase (1 megawatt) of the planned solar panel installation project, which was commissioned in August 2021. Launched electric buses at Kerinci – supporting low carbon commuting for our employees to travel to the mill. <p>2022 Focus</p> <ul style="list-style-type: none"> We continue to study ways to optimize cleaner fuel elements from by-products such as methanol purification. We are researching alternative, feasible and scalable technologies that capture heat and carbon. Installation of additional solar power capability.
Source 50% of fibre operations energy needs from renewables and cleaner sources	<ul style="list-style-type: none"> Achieved 19% of the fibre operations energy needs from renewable sources. Using B30 biodiesel - a blend of diesel with 30% oil palm biomass - for all operations, employee vehicles and generators. Conducting trials for using B50, a 50% biodiesel blend to be utilized for log transport, heavy equipment operations, plantation vehicles and electrical generators. Ordered for trial, two dual-fuel Liquid Natural Gas (LNG) engines for log hauling of fibre to the mill. <p>2022 Focus</p> <ul style="list-style-type: none"> Trial testing for two dual-fuel Liquid Natural Gas (LNG) engines for log hauling of fibre to the mill. Procuring solar panels to install in a community area where employees and their families reside. This installation will help measure the stability of using sunlight as a source of power rather than full-time diesel-powered Generator Sets.

Table 1: Climate Positive April2030 Targets

APRIL has committed to setting SBTs, an ambitious initiative that helps companies to understand how much and how fast to reduce their GHG emissions in aligning to the Paris Agreement. Meantime, SBTi plans to finalise its Forest, Land and Agricultural Guidance (FLAG) in early 2022 that addresses the gap for agriculture, forestry and other land use emissions and removals in the targets. We will then start the process to incorporate the changes to set SBTs that fully incorporate land use change and land-related emissions and removals, to better reflect our target. We plan to get our SBTs validated in 2022.

6.1 MANAGEMENT APPROACH

APRIL's 2030 sustainability targets are aligned with SDG 13: Climate action. APRIL is committed to manage our climate impact through several approaches:

- Establishing comprehensive carbon foot print baselines;
- Reporting progress on reducing overall carbon footprint;
- Improving on material and energy efficiency throughout the supply chain;
- Optimizing the utilisation of renewable energy;
- Increasing carbon sequestration through conservation and ecosystem restoration;
- Improving sustainable forestry plantation management practices; and
- Driving technology and innovative solutions.

These measures will work towards business transformation to address climate related risks and improve our operational efficiency, resulting in reduced production costs, and a climate resilient business.

THOUGHT LEADERSHIP AND ADVOCACY

APRIL is actively working with the World Resources Institute and the World Business Council for Sustainable Development (WRI-WBCSD) in contributing to the GHG Protocol, which involves developing, updating, and improving the GHG Protocol guidance for the land sector. We were selected as one of the companies that will have the opportunity to conduct pilot test for estimating and reporting the full value chain of corporate GHG inventory for land sectors and removals. Based on the results and findings, we will provide feedback for its improvement and will serve as an important case study in the final publication. Further details can be accessed [here](#).

In 2015, we embarked on a GHG Flux Tower Project to understand the GHG emissions from managed and unmanaged peatlands in Riau. The findings provided insights into our landscape management approaches, and these have been published externally as a contribution towards academia and scientific knowledge of emission factors for major land uses.

For more information about the project, refer to Page 50.

Keeping ourselves abreast of current climate-related issues and opportunities for thought leadership engagement, APRIL Group remains as a signatory member to both "We Mean Business" and the "United Nations Global Compact".

In 2021, APRIL's Executive Committee member participated in the UN Climate Change Conference (COP26) to continue our engagement in the global conversation on the environment.



APRIL Group has invested heavily in recent years to support climate mitigation and sustainable development. At COP26 in Glasgow, RGE Managing Director Anderson Tanoto highlighted the impact of APRIL Group's forest ecosystem restoration program, Restorasi Ekosistem Riau (RER), emphasizing that "Biodiversity is absolutely critical. We cannot only look at carbon without biodiversity and biodiversity without carbon. These two elements have to come hand in hand. We believe the RER restoration project combines these two elements," he said.



ASSESSING CLIMATE IMPACT

In order to reduce GHG emissions effectively, it is crucial for APRIL to understand our impacts. Manufacturing processes of pulp and paper companies are energy intensive, which correlates to GHG emissions. APRIL recognises the impact of our business operations on climate change. With this being a material topic for us, we ensure our decarbonisation strategies for our manufacturing operations are aligned with climate science.

APRIL has taken responsibility to address our carbon footprint and actively seek opportunities to reduce the carbon emissions intensity of our fibre products this is done through investments in science and technology, which includes enhancing our operating systems. Reduction is needed throughout our value chain, from upstream operations to downstream, from extracting raw materials to the end-of-life of our products.

Its recognised that long term investments are needed to meet our targets and to transition to a low carbon economy.

APRIL measures GHG emissions annually according to the GHG Protocol and uses the operational control approach to calculate and report emissions for CO₂ equivalent, which includes CO₂, methane (CH₄), and nitrous oxide gases (N₂O) gases. Scope 1 and Scope 3 emissions are included in the calculation. APRIL does not purchase electricity, heat, nor steam as such our Scope 2 emissions is negligible.

Scope 1 Emissions

Land use change was identified as the largest source of APRIL's Scope 1 emissions. However, there are challenges in calculating GHG Emissions from land use due to the lack of guidance from GHG protocols for land sector emissions and removals. GHG Protocol is developing the guidance for Land Sector and removals, which is expected to be available for pilot testing and review in 2022.

Currently, APRIL focuses on scientific research, measurement, and monitoring to derive Tier 3 emission factors as encouraged by IPCC Guidance in calculating land use emissions and removals. Tier 3 factors are more demanding in terms of complexity and data requirements, which gives an organisation and their stakeholders more confidence in the accuracy and validity of their GHG Inventory.

This research involves:

- Monitoring the above and below ground carbon stock changes, through several hundred permanent sample plots established by APRIL across the land use types such as plantation, conservation and restoration areas.
- Monitoring across different land use types and measuring for GHG emissions and removals using LICOR Eddy Covariance tower instrumentation. This scientific research is published via collaborative and peer reviewed scientific publications.

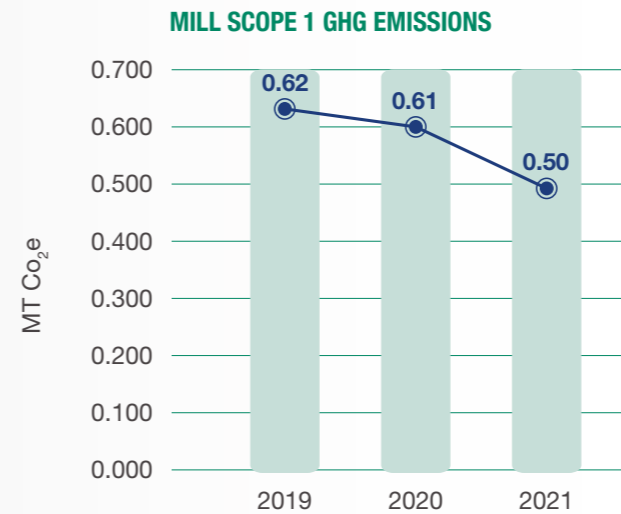
The second largest source of Scope 1 emissions is Stationary Combustion Sources. APRIL Scope 1 GHG emissions in *2019 base year from coal combustion was determined on Net Caloric Values (NCV) gathered from external sources. In the 2021 reporting year, APRIL used more accurate, internal lab analysis for determination of the delivered coal's NCV, which better reflects the actual GHG emissions from that year. This results in the use of Tier 3 emission factors suggested by IPCC in accounting GHG emissions utilizing more accurate data and is in accordance with the recalculation policy as required by GHG Protocol – "A reporting company shall select and report the GHG emissions of a base year and clearly articulate the basis and context for any recalculations. Base year emissions shall be retroactively recalculated to reflect changes in the company that would otherwise compromise the consistency and relevance of the reported GHG emissions information".

In 2021, the absolute Mill Scope 1 GHG emissions accounted for 2,113,746 tCO₂e. The emissions are from stationary sources such as fossil fuel combustion, biomass combustion (non-CO₂ emissions), transportation and mobile combustion, waste management, and make-up chemicals as defined by the GHG Protocol. For calculating emission from the mill, APRIL adopted sector-specific tools that were developed by the National Council for Air and Stream Improvement and International Council of Forest and Paper Associations and the GHG protocol.

**Required data for GHG Inventory calculation are most complete in year 2019.*

TYPE OF SCOPE 1 GHG EMISSIONS	2019	2020	2021
Total Tonne CO ₂ eq	2,385,430	2,494,769	2,113,746
Total Nett CO ₂ equivalents per tonne Product	0.62	0.61	0.50

Table 6: Absolute Mill Scope 1 GHG emissions



The data quality criteria include:

- Technology
- Time
- Geography
- Completeness
- Reliability

The following categories are significant: Processing of sold products, End-of-life treatment of sold products, Downstream transportation and distribution, Purchased goods and services and Fuel- and energy- related activities.

More details on Scope 3 emissions in categories can be found in *Chapter 12.3.1 Air Emission*.

APRIL will continue to annually review the full organisational GHG emissions inventory following the current revision and development of GHG protocols and guidance and have the verification undertaken when appropriate.

Refer to Chapter 12 Resource Efficiency for more information of our approach towards improving energy efficiency and reducing GHG Emissions through evaluating our energy mix (renewable and non-renewable).

Scope 3 Emissions

APRIL has calculated scope 3 emissions that occur in our value chain. A screening tool was developed to assess the most significant categories and identify hotspots for APRIL's GHG reduction mitigation. The screening tool evaluates the 15 categories based on applicability and data quality in accordance to GHG Protocol 2011.

Applicability criteria encompasses:

- Size of emission
- Influence of GHG reduction mitigation
- Exposure risk to financial, regulatory, supply chain and others
- Stakeholders
- Level of outsourcing
- Sector-specific guidance
- Other relevant criteria.





CASE STUDY

GHG FLUX TOWER RESEARCH PROJECT

In order to improve our understanding of emission factors for our land use and to reduce the uncertainty related to emissions and sequestration estimates, the GHG Flux Tower Research project begun in 2015. This project helps us to generate primary data on the GHG emissions on the managed and unmanaged peatland forests on the Kampar Peninsula. It involves measuring the GHG (CO₂, CH₄, N₂O), removals accounting for spatial and temporal variability for different land use profiles, which include:

- A natural peat forest
- A plantation forest area on peatland and mineral soil
- A mixed land-use area

The findings of the project have provided insights for our landscape management approaches, which have been published externally:

- Conservation slows down emission increase from a tropical peatland in Indonesia | Nature Geoscience.
- Impact of forest plantation on CH₄ emissions from tropical peatland | Global Change Biology.
- Rates and spatial variability of peat subsidence in Acacia plantation and forest landscapes in Sumatra, Indonesia | Geoderma.

The Company collaborates with leading national and international scientists in this area to produce the flux tower research. As part of our effort to advance our APRIL2030 targets, and with the ongoing measurements, we plan to publish further findings in subsequent years when comprehensive measurements are available.

6.2 MITIGATION STRATEGY

APRIL has implemented several initiatives in order to mitigate GHG emissions.

OPTIMISING THE UTILISATION OF RENEWABLE ENERGY

APRIL produces our own energy from both renewable and non-renewable resources. The Company is working towards reducing GHG emissions further through fuel substitution, in which energy is generated from renewable and cleaner sources. Currently, APRIL produces more than 87% of

our energy needs from renewable sources with the aim to achieve 90% in 2030, or sooner.

APRIL has planned for the installation of 20-megawatts of solar panels in Kerinci by 2025. During 2021, the first 1-megawatt solar panel was installed and an additional 10-megawatts solar panels will be installed in 2022.

The feasibility of replacing our mill equipment like forklifts and small trucks with electric-operated equipment is currently being analysed. These measures demonstrate our commitments towards climate action as they help us to further reduce our Scope 1 emissions.

Refer to *Chapter 12.3 Energy Efficiency* for more details.



Palm shell stock for biomass



IMPROVING MATERIAL AND ENERGY EFFICIENCY

Energy Efficiency

APRIL works to continuously improve energy efficiency in our business operations through innovation and initiatives. As part of that, our power plant team is responsible for:

- Energy procurement management
- Implementation of the company's energy efficiency strategy
- Energy efficiency optimisation

This involves procurement of materials for energy production, consultation with mill operations management, and monitoring energy consumption. Energy efficiency is optimised through adopting certified environmental and energy management systems. Supported by our robust internal monitoring and measuring processes. These systems allow us to track energy consumption per department, to benchmark performance against historic figures, and to design capacity of equipment. A strict maintenance schedule is followed, ensuring all equipment remains remain at their optimum efficiency and prevention of unnecessary energy loss.

Please refer to *Chapter 12 Resource Efficiency* section for more details.

Material Efficiency

Improving material efficiency enables us to produce the same services with less material input. Material efficiency is closely related to energy efficiency and they complement each other. For example, fibre solid material generated from the pulp and paper effluent is reused by burning in boilers to generate energy required for our production facilities, thus reducing reliance on fossil fuel.

APRIL is currently developing sludge drying techniques that leverage the use of existing heat sources in our process as opposed to newly generated energy. To date, we have installed a 150 tonnes per day capacity dryer and are in the process of installing a second one due for completion in 2022.

Please refer to *Chapter 12 Resource Efficiency* section for more details.

INCREASING CARBON SEQUESTRATION

To create Climate Positive landscapes and to achieve net zero emissions from land use, APRIL actively strives to manage landscapes that are sequestering more CO₂ than is being released through production and other management-related activities. In meeting our 2030 target – zero emissions from land use, eliminating deforestation and forest degradation and facilitating reforestation play important roles. Given that emissions from land use and land use change is the largest source of GHG emissions, land-based mitigation measures are implemented to address the impact.

APRIL has adopted recommendations from "Natural Climate Solutions & Contribution of the land sector to a 1.5 °C world" which focuses on:

- Reduced land-use change
- CO₂ removals through enhanced carbon sinks

Using Natural Climate Solutions such as restoration and conservation of natural forests provides significant climate benefits. APRIL has committed to invest USD1 per tonne of plantation fibre supplied per year to further grow our conservation and ecosystem restoration footprint.

Furthermore responsible plantation management and improved agricultural practices on peatland helps to avoid GHG emissions and its impact. Through our SFMP 2.0, the company has committed to zero deforestation and protecting HCV forests.

In addition, the APRIL Fire Free Village Programme (FFVP) is implemented to educate and raise awareness of the local community regarding the impact of land burning. The community is supported with social and economic capabilities to avoid using fire to clear land. These measures help ensure zero fire incidents and avoid GHG emissions from an area greater than 1 million hectares.

APRIL's RER is specifically located on the Kampar Peninsula, which is a rain-fed peatland forest made up of former logging concessions located at the core of Kampar Peninsula. Amongst the aims is to protect and conserve forest, restore peatland ecosystems, promote biodiversity and enhance local livelihoods.

Refer to *Chapter 8 Forest Management* for more details.

DRIVING TECHNOLOGIES AND INNOVATIVE SOLUTIONS

APRIL continues to invest in research and equipment to drive innovation in the area of decarbonisation and has also been able to drive energy and steam efficiency, which further reduces GHG emissions.

For example, the Precipitated Calcium Carbonate plant has been operating since 2007, and has enabled us to capture CO₂ emitted by the lime kilns and convert it into quicklime as one of the raw materials, to be used in pulp production. Capturing CO₂ not only reduces GHG emissions from our operations, but also promotes material and energy efficiency.

Refer to *Chapter 12 Resource Efficiency* for more details.

6.3 UNDERSTANDING CLIMATE-RELATED RISKS TO THE BUSINESS

APRIL is working towards understanding our climate related disclosures in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). This will help us understand the impact of climate change on our business, and inform relevant stakeholders on the climate-related risks and opportunities in our operations. APRIL recognise the need to collaboratively take action to address the climate crisis, and to improve the company's resilience to potential climate impacts.

APRIL has conducted a gap analysis of our current processes to assess the four areas of governance, strategy, risk management, and metrics and targets. The analysis shows that APRIL has structures and processes in place.

The Company continues to build on the analysis and improve our understanding.



¹Stephanie Roe et.al. Contribution of the land sector to a 1.5 °C world.

Based on the WBCSD 2020 Food, Agriculture and Forest Products TCFD Preparer Forum Report typical climate related risk and opportunities for the **Forest products Sector** are the following:

CATEGORY	POTENTIAL PHYSICAL RISKS AND OPPORTUNITIES
Acute	<ul style="list-style-type: none"> Damage to property and productivity due to intense storms or flooding Loss of fibre due to droughts that cause crop failure Disrupted supply chain due to increase in natural disasters Occurrence of pests and diseases (P&D) that disrupt our plantation yields Heatwaves that affect human health and working conditions Increased incidence and severity of extreme weather events such as cyclones and floods
Chronic	<ul style="list-style-type: none"> Sea level rise may result in inoperable areas in low-lying regions Further carbon loss from peatland area A drier and warmer climate may cause lower productivity that affects raw material supplies Temperature extremes may cause damage to tree species (e.g. Eucalyptus) Increased precipitation may cause soft and eroding forest soils and forest roads Rising mean temperatures increases the risk of water stress and forest fires, as well as the risk of typhoons in certain areas Increases in mean temperature leading to changes in tree species composition and increased susceptibility of forests to insect and disease outbreaks Volume reduction in water sources for pulp mills can lead to a concentrate of chemical composition Tree growth and timber yield in some geographical locations are predicted to increase as a result of gradual increase in temperature, precipitation, and CO₂ levels, in the atmosphere of some areas



CATEGORY	POTENTIAL TRANSITIONAL RISKS AND OPPORTUNITIES
Policy and Legal	<ul style="list-style-type: none"> Increasing pricing of GHG emissions or costs to comply with - potential carbon border tax/ adjustment mechanism, such as import tariffs The need to purchase emissions permits for exports Draft European Union regulation for roll out in 2026 – to be extended to paper and chemicals Mandatory climate risk disclosures - requirements to provide detailed environmental information at product level (e.g. Scope 3 emissions or sequestered carbon) in different jurisdictions Restrictions on access that impacts harvesting and wood supply Regulations that encourage reforestation and afforestation of degraded areas Regulations that promote biomass-based energy production and green building materials present opportunities for sales of bio-based products, for example forest energy biomass and green wood products
Technology	<ul style="list-style-type: none"> High investment costs for mitigation initiatives in the longer-term Investment in nascent technologies or solutions Development of new low-carbon products that reduce or sequester carbon (e.g. increases to carbon content of soil) or can substitute for fossil fuel-based products (e.g. lignin, formed fibre bio composites) Technological advances enabling efficiency gains in use of resources, production, and distribution processes (e.g. development of ultrafiltration to enable waste water reuse)
Market	<ul style="list-style-type: none"> Changes in the preferences and behaviours of the stakeholders in the market, such as customers, investors, NGOs, and government, which favour companies that pose low climate-related risks and produce low carbon products and services Potential issues due to carbon trade Increased competition for land that is needed for food, fibre, fuel, and carbon Changes in demand for and use of renewable carbon-neutral products or by-products that can complement and/or substitute similar fossil fuel-based products; for internal energy generation (e.g. saw dust residue from solid wood products) or for higher value raw materials in other industries (e.g. packaging or construction) Demand for food and bioenergy is increasing with global population and could outcompete wood material production, jeopardizing supply Changing consumer preferences towards products' impact on the environment (e.g. dietary shifts towards low carbon products renewable packaging)
Reputation	<ul style="list-style-type: none"> May face reputational risks and a threat to license to operate if strategic decisions to ensure business resilience neglect the resilience of communities in which they operate and depend upon Acceptability of sustainable forest management and working forests as a recognised natural climate solution Increased stakeholder negative/positive feedback, if a company is perceived to not be/to be living up to customer or societal expectations on climate action

Table 2: Potential Impacts of Physical and Transition Risks, and Opportunities



6.4 TRANSITIONING TO LOW CARBON ECONOMY AND SETTING FUTURE PRIORITIES

APRIL has committed to setting a SBTs through the SBTi. Joining this initiative will ensure that our low-carbon transition is aligned with climate science.

Commitments in our APRIL2030 Climate Positive targets require innovation and ongoing implementation of several measures to reduce GHG Emissions. At the same time, improved energy and material efficiency helps reduce GHG emissions, as the use of renewable resources increases in our energy mix. As part of our commitment to the company's shift to renewable energy sources, APRIL began installing 20MW of solar panels at its operational site, starting with 1MW of solar panels in 2021.

Transition to lower carbon allows us to reduce our production cost in the long run, promoting competitiveness of our business operations. In addition, with changes in consumer preferences, it is important to manage our market risk by ensuring sustainable practices are implemented throughout our value chain. This also provides an opportunity to access new markets. We will actively manage climate-related risks to improve the resiliency of our business, thereby ensuring the sustainability of our business.





Thriving Landscapes

Sustainable management of forests is crucial to secure their long-term value, halt deforestation and combat climate change. APRIL recognises the interactions the forest products sector has with biodiversity and the health of the forests and other ecosystems. APRIL is committed to zero deforestation and no use of illegal or controversial wood fibre sources and to promoting ecosystem stewardship through programmes targeted at land conservation, restoration and with our wildlife protection. APRIL focuses on managing our forests sustainably by ensuring and improving the health of the landscapes and only sourcing our wood-fibre from certified and non-controversial sources.

APRIL acknowledges that there are direct impacts on biodiversity and ecosystem services from forest management, which makes it even more crucial for the company to take concrete actions in these areas.



7. BIODIVERSITY AND ECOSYSTEM SERVICES

During the UN Climate Change Conference in 2021, over 100 countries committed to reverse and stop deforestation by 2030². Given that APRIL's concessions and manufacturing operations are located in Indonesia, identified as one of the world's 17 megadiverse countries of the world³, it is important for us to support biodiversity commitments on a global and national level.

Biodiversity is a crucial component of healthy functioning forests and other important ecosystems. Forest ecosystems also provide crucial services, such as pollination, climate regulation, water purification, nutrient cycling, and control of agricultural pests⁴.

APRIL realises our impact and dependence on healthy landscapes for our business. Changes in biodiversity and ecosystems can influence the company's operations. This makes protecting biodiversity and ecosystems a key priority.

APRIL contributes to conservation and restoration efforts in Indonesia and supports biodiversity protection, positively

impacting Indonesia's goals in climate and sustainability. The responsible management of our forestry plantations through conservation and restoration and monitoring of peatland emissions helps us align with SDG 15, Life on Land, and SDG 13, Climate Action. For links to the alignment between APRIL's operations and other SDG targets, see the APRIL2030 site [here](#).

As part of our APRIL2030 commitments, action is being taken to protect biodiversity and ecosystems through the following Thriving Landscapes targets:



APRIL2030 TARGETS

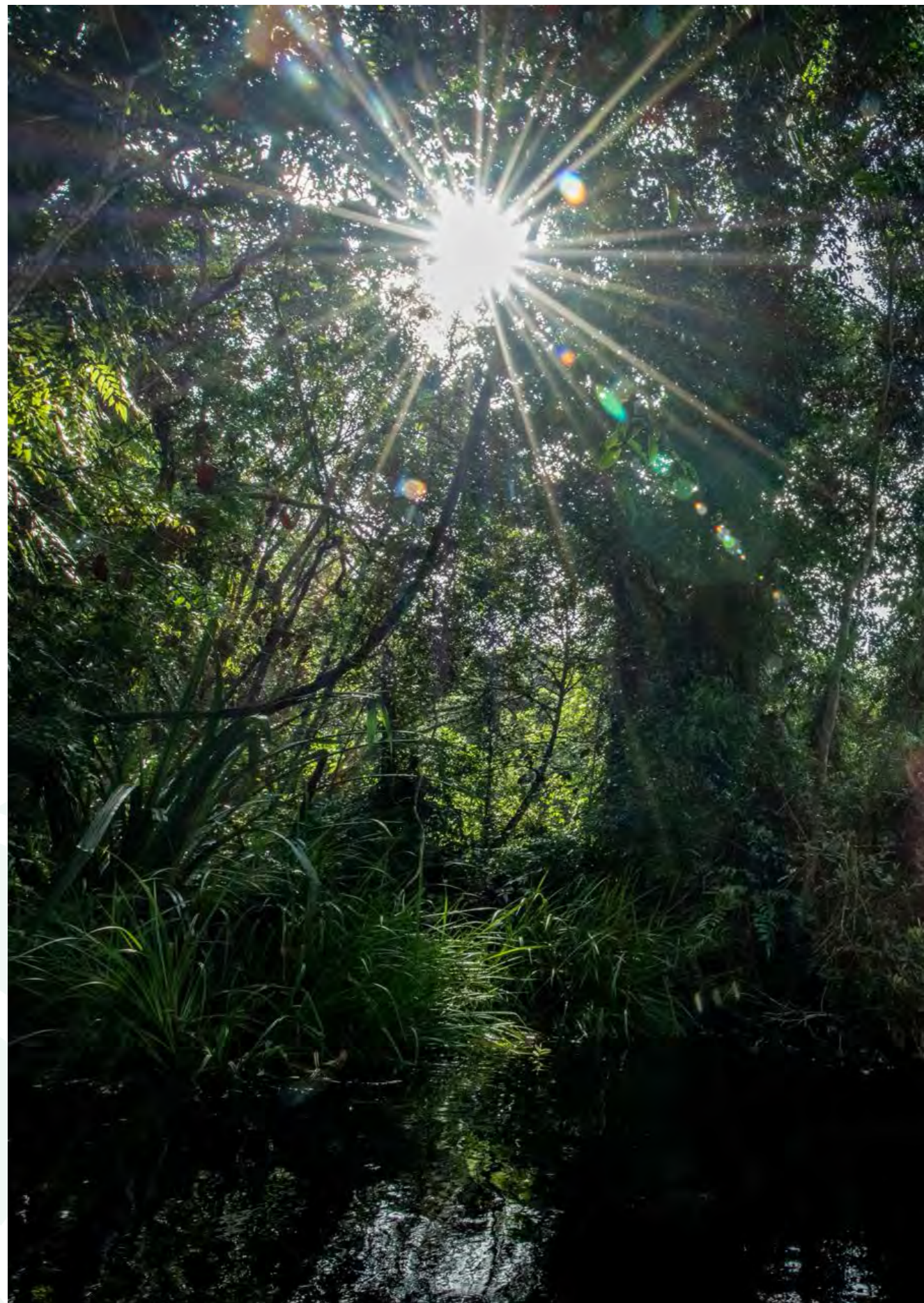
TARGETS	OUR PROGRESS IN 2021
Achieve zero net loss of conservation areas	<ul style="list-style-type: none"> Updated our Estate based conservation plans for APRIL and Supply partners Established a new management matrix that identifies threats to forest conservation and actions to address this
Positive biodiversity gains	<ul style="list-style-type: none"> Reduced instances of encroachment into concession conservation areas and RER. Frontier Sumatra, featuring RER as the subject of a major film documentary, premiered globally in 2021 Carbon stock survey completed <p>2022 Focus</p> <ul style="list-style-type: none"> Peatland Forest restoration activities – to restore hydrological function of previously degraded peatlands; For example, a total of 23 further canals were blocked in 2021 Develop species specific conservation management plans Five nurseries operational with 23,000 seedlings ready to plant Participatory land use planning with surrounding communities to identify conservation opportunities outside concessions

Table 3: Biodiversity and Ecosystem April2030 Targets

Through our Thriving Landscapes commitment, we acknowledge that protected areas are only as effective in protecting ecosystem functions as the extent of support provided for responsible forestry management and governance. The resources required for such support include adequate and sustainable investments and the involvement of multiple stakeholders.

Our 2021 progress against these targets is summarised in this chapter. For a summary of the implementation to date, visit [APRIL2030 Progress Update](#).

² World leaders, corporations at COP26, take major step to restore and protect forests. UN News. (2022). Retrieved 24 January 2022, from <https://news.un.org/en/story/2021/11/1104642>
³ Pariona, A. (2021). The World's 17 Megadiverse Countries. Retrieved 25 February 2022, from <https://www.worldatlas.com/articles/ecologically-megadiverse-countries-of-the-world.html>
⁴ Regulating services. Food and Agriculture Organization of the United Nations. (2022). Retrieved 24 January 2022, from <https://www.fao.org/ecosystem-services-biodiversity/background/regulating-services/en/>



7.1 MANAGEMENT APPROACH

The Conservation Forest Management Framework developed by APRIL in 2018 is an inclusive framework to protect, restore, and enhance identified conservation values and support our conservation commitments. We work to minimise negative impacts on biodiversity and ecosystems by dedicating areas for plantation forestry, while ensuring financial and technical support for the management of dedicated conservation and restoration areas.

Our strategy in managing large landscapes and protecting biodiversity and ecosystems is to locate and protect the most significant biodiversity values within or immediately adjacent to our concession boundaries, where practical. This ensures that the ecosystem is well buffered by actively managed forestry plantations, in line with our production-protection model. As a result, they are secured from potential human threats such as illegal logging, encroachment, fire, and wildlife poaching. As part of our management approach on biodiversity, APRIL monitors and reports flora and fauna species identified across our concessions including threatened species.

Guided by SFMP 2.0, APRIL is committed to no deforestation, no new development on forested peatland, supporting forest conservation, and the responsible management of our forest plantations. Specific commitments have been made for biodiversity to protect species of conservation concern.

APRIL continues to take actions to protect biodiversity and ecosystems through the following management practices:

- Land Conservation and Restoration
- Wildlife Protection

LAND CONSERVATION AND RESTORATION PROGRAMMES

Deforestation and biodiversity loss across the world continue to be of concern for stakeholders globally. Indonesia is one of the most biologically diverse countries in the world but is subject to a multitude of direct drivers of biodiversity and ecosystem change - land-use change, climate change, pollution, natural resource use and exploitation, and invasive species⁵.

APRIL's SFMP2.0. commits to a landscape approach and the Conservation Forest Management Framework is the mechanism to implement the commitment which includes working with a range of stakeholders and local communities.

Landscape Conservation Approach

APRIL has committed that for every hectare of commercial plantation, the company will set aside an equal area for conservation. As at December 2021, APRIL is managing 360,200 hectares of natural forest and wetland areas to protect ecosystem functions and to conserve biodiversity.

Our conservation priorities focus on the following:

- Protecting existing forests from any degradation;
- Partnering with local communities, governments, Technical Service Organisations, and NGOs to deliver on landscape level outcomes; and
- Ensuring our conservation and restoration delivers environmental, social, and economic benefits.

APRIL implements an adaptive management approach to assess each working area using environmental impact assessments, before developing appropriate conservation programme in consultation with key stakeholders. These assessments also enable APRIL to identify a suite of ecological and social indicators that need to be monitored, verified and reported to assess progress.

The RER project aims to protect, assess, restore, and manage peatland forests. Established in 2013, RER is one of the largest ecosystem restoration projects in South East Asia. It consists of 150,711 ha of peatland swamp forest on the Kampar Peninsula, in east Sumatra, Indonesia.

RER has recently been certified with the PEFC sustainable forest management certification, which provides assurance that the forest is managed in line with challenging environmental, social and economic requirements – balancing people, planet and profit.

An external advisory board made up of Indonesian and international experts on conservation, wildlife protection, and landscape management guides RER. The advisory board meets to review progress and provide advice on restoration and opportunities for scientific research and monitoring.

⁵Models of drivers of biodiversity and ecosystem change | IPBES secretariat. (2022). Retrieved 25 February 2022, from <https://ipbes.net/models-drivers-biodiversity-ecosystem-change>

The conservation programme takes into consideration the potential conservation value of surrounding areas up to a radius of five kilometres from the concession boundaries. In recent years, RER teams have embarked on several initiatives:

- Development of a field laboratory at our Eco-Camp. It provides research scientists with the facilities to conduct peat forest, wildlife, and climate research.
- Modifying our monitoring of the interface between natural forest and forestry plantations. The new method has enhanced observation of birdlife through visual sightings and bird calls.
- Utilising technology, through the use of camera traps and drones for biodiversity monitoring and forest mapping.

Various measures are in place to protect forest areas from illegal activities. They include land cover change monitoring, security patrols, community engagement, and boundary demarcation. APRIL coordinates and works together with personnel from the government and local communities to protect conservation areas from illegal activities and encroachment. APRIL maintains regular communication with local communities through village meetings and board signage to keep them updated on conservation management plans.

Read more about the RER [here](#).



Together with the BBKSDA Riau or the Natural Resources Conservation Centre, an organisation under the Indonesia MoEF, APRIL aided in the tracking of a 3-year-old female Sumatran tigress, Corina, which was reintroduced into the RER on the Kampar peninsula in December 2020. Corina was rescued after being ensnared in a wire trap and had sustained injuries in her right front leg. After nine months of rehabilitation, she was released with a global positioning system collar. Radio-collar tracking after release found her to be healthy with numerous signs of feeding.”

WILDLIFE PROTECTION

APRIL conducts a combination of assessments - HCV and Environmental Impact Assessments - to allow for the identification of key values and the potential impact from any threat on these values.

Our conservation teams carry out regular patrols across concession areas to identify encroachment activity - which can include illegal logging or mining, poaching, or fire incidents. These regular patrols support the security of our concession areas, while also allowing the teams to conduct snare sweep operations to protect wildlife. APRIL commits to combat hunting and illegal trade, as such hunting is not permitted except with explicit agreement and with recommendations from the relevant regulatory bodies.

Safeguarding Wildlife





To educate and inform our stakeholders – both internal and the local communities, awareness-raising sessions on wildlife conservation are conducted. We focus on specific species such as the Sumatran Tiger and Elephant and we pay close attention to other rare, threatened and endangered species including the Sunda Pangolin, the River Terrapin, and the Ramin paya, which are all ‘Critically Endangered’ according to IUCN Red List.

In 2021, one of the conservation team's key priorities was the analysis of tiger prey availability and habitat suitability based on biodiversity data and global positioning system tracking data. The team continued cooperation with internal and external stakeholders, such as the Balai Besar Konservasi Sumber Daya Alam (BBKSDA) Riau, specifically in law enforcement and wildlife management.



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APRIL SPECIES OF SPECIAL CONCERN

TAXA	CRITICALLY ENDANGERED	ENDANGERED	VULNERABLE
 Mammals	3	6	9
 Amphibians & Reptiles	0	3	2
 Birds	0	4	7
 Plants	7	9	12
TOTAL	10	22	30

In 2021, APRIL carried out a comprehensive biodiversity survey across some concession areas. This resulted in the identification and addition of several species to the species inventory record.

APRIL has also successfully conducted a camera trap survey of biodiversity to establish baselines of animals present in our concessions. In future annual monitoring may make use of innovative technology, able to identify species present in concessions that would otherwise be undetected if traditional methods were used.

Read more at [Appendix C Sustainability Figures](#) section.

However, there were also challenges that APRIL faced in 2021. Indications of attempted poaching of songbirds increased after an observed reduced demand in the last two years. APRIL will continue protecting our ecosystems from poachers and actively participate in collaborative educational initiatives.

Moving forward to 2022, APRIL is looking to expand the camera trap survey by deploying it to three watersheds with the assistance of Kent University. The study is expected to be in full operations in 2022. APRIL will also begin the implementation of a programme in partnership with the WCS to support the prevention of the illegal trade in wildlife.

CONSERVATION EFFORTS WITH OUR STAKEHOLDERS

In collaboration with other stakeholders, our conservation team championed initiatives such as:

- Ongoing outreach to our employees, contractors, and the local community on sustainable forest management practices of protected areas and the enhancements of livelihoods through skill training.
- Regular and joint patrols with village officials, law enforcement personnel, and related agencies such as Kesatuan Pengeloan Hutan Meranti and Bidara – both organisations focus on proper management of forest areas.
- Ongoing collaboration with Fauna and Flora International on the RER initiative since 2013.
- Partnership with WCS in Indonesia to support wildlife protection from illegal trade.



8. FOREST MANAGEMENT

Natural climate solutions can provide around one-third of the cost-effective climate mitigation needed between now and 2030. Sustainable forest management has an important contribution to make through improving forest productivity, forest ecosystem restoration, meeting the rising demand for renewable wood fibre based products with sustainable wood through international recognised sustainable forestry practices, and preventing wildfires releasing carbon into the atmosphere.

Unmanaged land is at risk of deforestation, burning, encroachment, or slash-and-burn land clearing methods. These methods are favoured because they allow for agriculture to occur where it is usually not possible – due to soil infertility, dense vegetation, low soil nutrient, uncontrollable pests, etc. Yet, slash-and-burn contributes to persistent environmental problems – carbon emissions, erosion, nutrient loss, and biodiversity loss.

Our forestry operations, including our supply chain, provide our business with renewable wood fibre resource for pulp and paper production. We work to optimise the area of land for production purposes and implement conservation and restoration efforts as shared in *Chapter 7 Biodiversity and Ecosystem Services*.

APRIL is firmly committed to zero deforestation, and zero conversion of natural forests and other ecosystems by protecting the landscapes in which we operate, and we are committed to no illegal logging by supporting best practices in forest management in all countries where we source wood.

Our approach to sustainable forest management is governed by our SFMP 2.0 commitments. The policy drives the various commitments implemented by APRIL behind promoting forest health and protection, and advancing peatland management. The policy also informs our wood procurement practices - to subject our suppliers to a due diligence process prior to and during the contract term.

Our progress in these areas are measured by the respective APRIL2030 Thriving Landscape targets as highlighted in the table:



APRIL2030 TARGETS

TARGETS	OUR PROGRESS IN 2021
Advance tropical peatland science and contribute to global knowledge and practice	<ul style="list-style-type: none"> Set up peatland science research lab at Eco-Camp in Restorasi Ekosistem Riau Develop a tropical peat science research hub with relevant partners
50% gain in fibre plantation productivity	<ul style="list-style-type: none"> Fibre productivity increased by 5% compared to baseline (3 year rolling average) 61% of our plantations are on the higher end of productivity range with their MAI greater than 25T/Ha/yr

Table 4: Forest Management APRIL2030 Targets

APRIL continually strives to improve the management of our forests because improving sustainable forest plantations in the right areas will mean supporting our operations and our philosophy to do good for the five 'Cs' – the Community, the Country, the Climate, the Customer, and the Company.

planning and estate management. All relevant employees attend training to enhance their awareness of the processes. Our various internal performance management systems in place allow us to review the data and ensure compliance.

The SFMP 2.0 applies to APRIL and all of the company's current and future wood-fibre suppliers, as well as any future acquisitions.

8.1 MANAGEMENT APPROACH

Part of sustainable forest management is ensuring that the forestry plantations are healthy, productive, and well-managed. APRIL's management practices supporting this objective include research and development, soil and site management, prescription silviculture, fire management, pest control etc.

GOVERNANCE BEHIND OUR SUSTAINABLE FOREST MANAGEMENT

The sustainability department under APRIL's Executive Management Committee, with oversight and guidance from the Stakeholder Advisory Committee and inputs gathered from stakeholder forums, ensures the implementation of SFMP 2.0. The role involves monitoring, auditing, and developing operational procedures to support the effective implementation of the commitments.

Activities carried out by the sustainability department include ensuring current certifications are maintained, incorporating new standards, developing fire prevention, forest protection and conservation programme, and maintaining and developing relationships with our stakeholders. In addition managing independent audits, conducting fibre supply due diligence and land cover change monitoring. These activities are executed in collaboration with personnel from other functions of APRIL including mill operations, production,

SFMP MONITORING AND AUDITING

The implementation of our SFMP 2.0 commitments is monitored through internal audit processes covering all standard operating procedures. APRIL's Stakeholder Advisory Committee oversees an annual external SFMP assurance to assess compliance across these commitments. Led by KPMG Performance Registrar Inc., the assurance reports assure the progress that APRIL has made in delivering on its commitments. These reports identify opportunities for improvement and are published on our Sustainability Dashboard. For more information about the assurance report, visit [KPMG Interim Report on SFMP2.0 Implementation](#).

INDEPENDENT CERTIFICATION OF OUR SUSTAINABLE FOREST MANAGEMENT

Internationally recognised and credible certification is an essential element of APRIL's approach to ensuring responsible forest plantation management. It provides assurance to our stakeholders that APRIL's products and processes meet credible international standards. APRIL manages a diverse portfolio of globally recognised international third party certifications.

Forest Certification

As of December 2021, a total of 762 512 ha of our concessions are PEFC certified. In 2021 APRIL further expanded the area certified under PEFC to include an area of 40 721 ha within RER. Our progress demonstrates our commitment to ensuring that our forests are managed according to international standards. Of APRIL's, Supply partners and Community Forest total concessions areas, 81% carry PEFC certification. Read more at *Appendix C Sustainability Figures* section.

The Enhanced Singapore Green Labelling Scheme (SGLS) ensures resources from forests or plantations are gathered and harvested in a responsible and environmentally-friendly manner, minimising disturbance of natural eco-systems and conserving biodiversity. As of December 2021, all of APRIL's concession areas remain certified with SGLS.

As we are committed to ending disassociation with FSC and achieving forest certification based on FSC timelines and processes, training on FSC Controlled Wood standards and

the FSC National Standard for Indonesia was carried out in 2021 for APRIL and its suppliers. See our progress with FSC in Chapter 5.3.8. Non-governmental Organisations.

On a national level in Indonesia, APRIL holds Sustainable Production Forest Management (PHPL) and Sistem Verifikasi Legalitas Kayu (SVLK) certifications since 2012 and 2013 respectively. PHPL and SVLK certify the legality of Indonesian timber products.

8.2 Precision Forestry

Our responsible forestry practices include meeting our commitments to best management practices for soil and peat. These involve analysing our soil to improve soil fertility where needed, matching species to the soil types of our areas, and research into potential pest and diseases that may impede growth of our trees. APRIL established a research and development programme focused on improving the productivity of our sites.



RESEARCH AND DEVELOPMENT

The Fibre R&D department focuses on improving tree growth and productivity to achieve higher yielding plantation forests per unit of land. The goals for the research are to support higher productivity, better pulping properties and increased resilience to threats posed by pests and diseases. To accelerate breakthroughs, APRIL has a centralised research and development facility that comprises three main areas - Tree Improvement, Plant Health and Silviculture. The key challenges faced by the R&D team during the year have been on studying the productivity variations of plantations among clones of Eucalyptus and families of Acacia crassicaarpa and the type of plantation sites they were intended to be planted on.

Our research and development department employs 265 people and has led significant developments in forestry research and nursery management in the last few years. The team uses a range of technological tools and processes to support these areas of work:

- Study of physical and chemical soil properties
- Study of wood properties and fibre yield
- Molecular identification of genetic material and plant pathogens
- Control pollination methods to further improve certain tree traits
- Tissue culture production for operational needs and research

APRIL does not use any genetically modified organisms (GMOs) in any of its research programmes and initiatives, or in any areas where research takes place under our direct or indirect responsibility. See APRIL's GMO Policy [here](#).

PEST AND DISEASES

APRIL is committed to minimising the use of chemical pesticides as part of its forest management. The plant health team in APRIL undertakes continuous monitoring of pests and diseases in nurseries and plantations to inform the implementation of an Integrated Pest Management (IPM) programme.

Our IPM strategies principally focus on long-term prevention of Pest & Diseases (P&D) through integrated techniques such as screening tolerant planting material, accurate diagnosis and identification of P&D, monitoring, biological control, and sound silviculture practices – including pesticide application when necessary.

Within nurseries, the IPM includes monitoring and control activities to collect data on P&D infestation levels at the early stages through the installation of both sticky traps and light traps. Trichoderma biocontrol agent mixed in nursery media is used to reduce the impact of diseases and the release of Trichogramma eggs parasitoid or green lacewing predator is used to control pests. Pesticides are applied according to the P&D monitoring data when necessary. The IPM strategy has led to a reduction of pesticides applied in the nursery by 23% per 1,000,000 plants produced between 2019 and 2021.

Similarly, P&D are monitored in all plantations especially during the critical age of plant growth where the chances of pest infestations are higher. When pests are detected above the threshold limit, insecticide will be applied only in the required area. Preliminary evaluations indicate that release of Trichogramma eggs parasitoid reduces further increase of pests, giving the basis to current intensification of this. Our IPM strategy has reduced insecticide application in our plantations by 27% between 2020 and 2021.

The IPM strategy has led to a reduction of pesticides applied in our operations by 27% between 2019 and 2021.



The intensive research programmes by our R&D teams act as a preventive measure to the P&D that affect tree growth in nurseries and plantations. With the use of several diagnostic tools, we are able to rapidly identify plant pathogens that affect tree growth in nurseries and plantations in a cost-effective manner. Technology has also helped our laboratory identify P&D that are not easily detectable through conventional morphological methods. Subsequently, our findings were used to screen plant materials, particularly determining their tolerance to P&D.

The R&D teams seek to reduce plant stress and the susceptibility of plants to P&D. Appropriate pest-tolerant materials are selected through a screening facility that has been established with the capacity to test over 10,000 plants each year.

During 2021, our R&D team focused on the analysis of pest dynamics and their behaviour in the field, investigating their life cycle, feeding behaviour, types of damage caused – including the time of damage, and their natural enemies. Knowledge about life cycle and behaviour will enable us to develop effective and timely control methods. Understanding of their natural enemies will support research for further development of biological control.

The study will be tested and developed at different times of the year, with different age classes of the pests, and at different locations. So far, a pest control standard operating procedure has been developed. The plant health team has also made recommendations regarding an updated pest monitoring system that is cost-effective. Part of this research has been published in national and international journals, being available to all the community.

SITE AND SOIL MANAGEMENT

APRIL implements best practices in soil and site management that is underpinned by our “No Burn” policy and water table management.

Standard operating practices – minimal soil tillage, spot soil preparation, and harvesting techniques - are designed to minimise soil disturbance and compaction, and maximize retention of soil nutrients and water. Minimal soil tillage and spot soil preparation have been used to minimise water runoff, and permanent soil sample plots have been installed to monitor soil fertility changes across rotations. Our soil erosion control includes preparing the site in respect to the topography of the site. This year, the teams explored using Light Detection and Ranging (LIDAR) imagery in micro planning with the goal of reducing soil compaction and erosion.

Other best practices established around soil conservation are to minimise sedimentation, establish buffer zones, and minimise disturbance on steep slopes and areas with insufficient vegetation cover. APRIL implements buffer zone specifications of watercourses and riparian zones.

Where negative impacts on soil are identified from actual or previous activities, corrective action is taken such as soil erosion control to reduce or eliminate negative impacts and restore the soil's health. Areas that have been previously damaged or degraded have rehabilitation measures applied.

The company continues to invest in research on soil management to match the soil and site characteristics that enable optimum seedling survival across various field conditions. In 2021, much focus was placed on improvements in precision cultivation, weeding and steep area operations and analysing our soil to improve soil fertility where needed, matching species to the soil types of our areas.

GENETICS AND SILVICULTURE

We seek to improve the productivity and quality of our forest plantations sustainably through silviculture practices, conducting scientific research and development to enhance our practices.

The R&D team focused on identifying new Acacia and Eucalyptus genetic deployment gains and pest control methods in 2021. Our structured tree breeding programme for our two primary genera in our forestry plantations – Eucalyptus and Acacia - consist of continuous selection and deployment of genetic materials. The objectives are to raise productivity and fibre properties of the clones and families by increasing the volume of fibre harvested per hectare and optimising wood consumption at the mill.

Technology is used to accelerate our structured tree breeding programme. The technological development behind DNA marking and finger printing has made the selection of good fibre characteristics - fast growing, resistant genetic materials - swifter in our bio-molecular laboratory. This long term breeding programme has resulted in good volume mean annual increment (MAI), form straightness, uniform stems, P&D resistance and superior wood properties.

In parallel, the R&D team focuses on silviculture and provides technical expertise on improving operational procedures in plantation management. This included recommendations for more cost effective fertilizer regimes, optimal spacing and singling/pruning procedures, and weed control.

The principle of IPM is also followed in our weed control programme, with weeding rounds only within the first 2 years from planting. The remainder of the rotation is needs based depending on plantation age, stand condition and weed condition types and coverage. Pesticides used in our operations, are in accordance with the FSC Pesticides Policy. See Appendix D on page 132 list of active ingredients for chemical pesticides applied in 2021.

Recommendations are made according to the characteristics of respective sites to aid in growth, control and the composition of our forest areas, ensuring the yield of plantations is optimised and sustained.

Through a combination of our procedures, APRIL increased 2019-2021 plantation fibre productivity by 5% compared to its baseline year of 2017-2019 (3 year rolling average). The MAI of our wood fibre yields over the last three years have consistently improved. Productivity improvements enable us to produce more from the same plantation footprint.



PEATLAND MANAGEMENT

Peatlands cover only about three per cent of the global terrestrial area, but store twice as much carbon as all the world's forests. Responsible management of peatland production landscapes is crucial since peatlands are one of the largest natural terrestrial carbon stores. Peatlands are also critical for preserving global biodiversity, minimising flood and drought risk and helping to address climate change⁶. In Indonesia, peatlands cover approximately, 10.8% of the national land mass⁷.

APRIL has approximately 4% of the total peatland area in Indonesia, of which more than half is protected intact peatland as part of our conservation and restoration management. There are a total of 244,271 hectares of APRIL's forestry plantation concessions on peatland.

The Independent Peat Expert Working Group (IPEWG) was established with distinguished national and international peatland scientists to provide guidance to APRIL on its peatland roadmap implementation as part of SFMP 2.0 commitments. The IPEWG met virtually on six occasions in 2021 to provide advice and inputs on how APRIL can best manage its peatland concessions in a responsible manner. Our operations on peatland are managed in line with national regulation and established scientific protocols and standards, including our data collection, measurement, and analysis processes.

Advancing Tropical Peatland Science

APRIL has invested in science to guide our peatland management practices. The main goal is to build and transfer a robust scientific understanding to deliver a balance between production, protection and social development without further loss or degradation on peat. This comprises practical implementation of land management practices:

- to minimize the negative environmental impact (carbon loss and subsidence) while improving plantation productivity on peat; and

- to maintain and improve restoration and conservation area on peatland as Nature-based Solutions (NbS) to promote synergies between climate change and biodiversity programmes.

All together, improved understandings will further guide the production-protection landscape model.

There are two main research focuses:

Greenhouse Gas Emissions and Removal Monitoring

- Improving information on CO₂, methane (CH₄), and nitrous oxide (N₂O) emission factors
- Improving process-based understanding to guide science-based peatland management practices for reducing GHG emissions at landscape level

APRIL is measuring the CO₂ and CH₄ emissions across different land cover types in tropical peatlands (namely intact peatland, degraded peatland, and plantation) using the Eddy Covariance technique. In order to get a comprehensive GHG balance, APRIL began measuring nitrous oxide (N₂O) emissions using manual soil flux chamber techniques from different land use types. The results are intended to establish Tier 3 GHG emission factors in peer-reviewed publications.

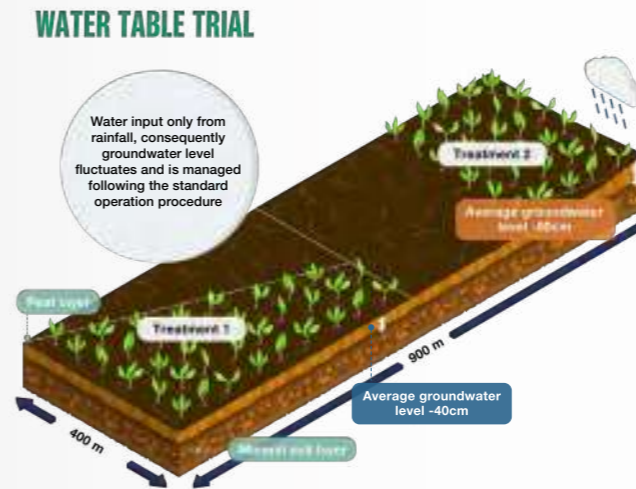
Peatland Hydrology

- Highlighting the interlink between hydrology, vegetation and biogeochemical processes in tropical peatlands

In 2019, two trials, water table and lysimeter, were established with the objective to highlight the interlink between hydrology, vegetation and biogeochemical processes in tropical peatlands. The water table trial follows operational water management practices, while the lysimeter plots are controlled using an artificial recharge and discharge mechanism.

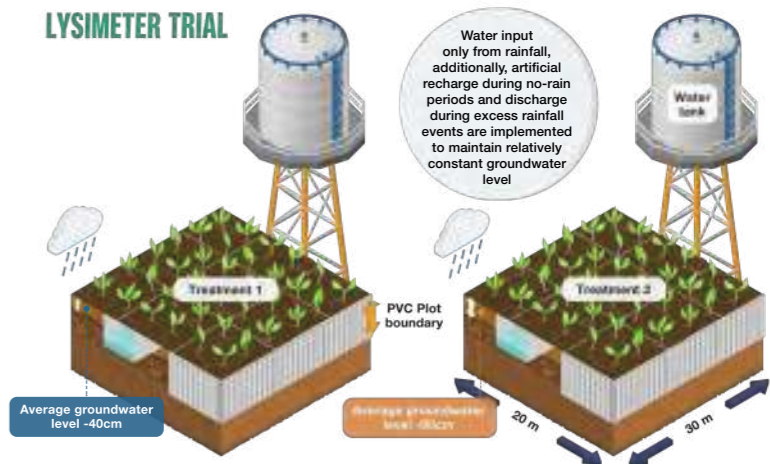
- Developing a better understanding of hydrological processes in tropical peatlands at the landscape level.

Our transpiration study aims to improve the understanding of the relative contribution from the transpiration process to the total water balance at different groundwater levels.



They are set to capture various plant physiological and hydrological processes in response to water table depths of 40 and 80 centimetres. Both trials are scheduled to run until 2023.

As part of the research, transpiration rates are also measured as one of the key processes in terrestrial ecosystems linking water, carbon, and energy exchanges between the vegetation and the atmosphere.



In addition, employing a physically based and spatially distributed hydrological model, APRIL has sought to better comprehend the landscape-scale hydrological processes in a peat dominated island off the eastern coast of Sumatra, Indonesia. The hydrological model was built in reference to high resolution topographic data and a comprehensive data set from field measurements.

The study aims to quantify major hydrological processes in tropical peatland ecosystems and evaluates the impact of land cover change on tropical peatland hydrology. Our findings are intended to support the development of best practices that are essential to advancing responsible peatland management.

⁶ IUCN. 2022. Peatlands and climate change. [online] Available at: <https://www.iucn.org/resources/issues-briefs/peatlands-and-climate-change> [Accessed 22 January 2022].

⁷ Restoring Indonesian peatlands, protecting our planet | UNOPS

Research on tropical peatland is one of the key focuses of the Thriving Landscapes commitment area within our APRIL2030 targets, which aims to advance tropical peatland science and contribute to global knowledge and practice. APRIL progresses this research through:

- Establishing collaborations with leading national and international scientist;
- Participation in and presentation of research findings at national and international scientific conferences;
- Publishing research findings as peer-reviewed journal articles.

APRIL collaborates with leading national and international scientists from various universities and research institutions. A number of ongoing research programme that directly contribute to the enhancement of our operations on peatland have been established in consultation with IPEWG and other research collaborators.

APRIL has recently established three research collaboration programmes with University of Birmingham (measuring methane emissions from Acacia stem), NUS Environmental Research Institute (integrated tropical peatland research), and NUS Centre of Nature-based Climate Solutions

(enhancing the credibility and integrity of nature-based climate solutions).

The research findings have been presented at various regional and international scientific conferences. Some notable events include the European Geosciences Union General Assembly, the American Geophysical Union Fall Meeting, AsiaFlux Conference, International Peatland Congress, and the Peat Society of Indonesia.

As at December 2021, APRIL has three peer-reviewed publications:

- Rate and spatial variability of peat subsidence in Acacia plantation and forest landscapes in Sumatra, Indonesia – published in Geoderma 2019
- Impact of forest plantation on methane emission from tropical peatland – published in Global Change Biology, 2020
- Conservation slows down emission increase from a tropical peatland in Indonesia – published in Nature Geoscience, 2021

National and international scientists and policy-makers have referred to the findings in peer-reviewed journal articles.

INDICATOR	2021	2022 FOCUS
Collaboration	<ul style="list-style-type: none"> • IPEWG • University of Indonesia • University of Wisconsin-Madison, USA • National University of Singapore • University of Alberta, Canada • DHI Water and Environment, Singapore 	<ul style="list-style-type: none"> • IPEWG • University of Indonesia • University of Wisconsin-Madison, USA • National University of Singapore • University of Alberta, Canada • DHI Water and Environment, Singapore • AgResearch, New Zealand • University of Exeter, UK
Conference paper	10	4
Peer reviewed publication	1 in Nature Geoscience	1

2021 NEW RESEARCH INITIATIVES

1. Quantifying fluvial carbon export through the aquatic system

The amount of carbon stored in peatlands can also be transported via the aquatic system, yet the consideration of the fluvial carbon export in previous research is still limited. In order to get comprehensive estimates of the total carbon emissions from peatland landscapes, APRIL initiated research to quantify the total fluvial carbon export across different land cover types. Water samples are collected from canals and natural streams to quantify dissolved organic carbon (DOC) and particulate organic carbon (POC) export. The monitoring is conducted with guidance from IPEWG and scheduled to run until 2023.

2. Measuring GHG emissions from Acacia stems

Our measurements using the Eddy Covariance technique indicate that Acacia plantation on peatlands promoted the alteration of methane emission through groundwater level and vegetation mediated transport. However, there is lack of study that investigates the pathways and mechanism of methane emission in particular from Acacia stems. Therefore we are using static chamber and trace gas analyzers (LICOR Inc, USA) to measure methane fluxes from stems at Acacia plantation under different water table regimes. In order to get a comprehensive understanding of GHG emission from this pathway, it also includes measurement of CO₂ and N₂O fluxes. This study is conducted in collaboration with University of Birmingham and IPB University and scheduled to run until 2023.

3. Technology-driven innovations for enhancing the credibility and integrity of nature-based climate solutions

Understanding the magnitude of the carbon exchanges in tropical peatland ecosystems is critical in order to recognize their role for climate change mitigation strategies. However, such understanding is constrained by current lack of sufficient data from field measurement covering spatially heterogeneous peatland landscapes. APRIL and NUS Centre of Nature-based Climate Solutions (CNbCS) has established a 3-year collaborative research programme to develop carbon stocks and flows models by integrating field measurement, remote sensing and modelling. The expected outcome of this research is to create near-real-time carbon prospecting maps of the study site.



FOREST PROTECTION

APRIL is committed to protecting our plantation forests from fire or any other risk of loss of timber or damage.

Our landscape planning work supports our commitments to manage the land responsibly. Various measures are in place to protect forest areas, including production, conservation and restoration areas, from illegal activities. They include land cover change monitoring, security patrols, community engagement and boundary demarcation.

Patrols are conducted to identify any illegal activity. Activities that infringe the law or our policies are recorded by our patrol team along with the details of the entity that conducted the misdeeds and the location coordinates of the activity. Breaches of law or regulations are reported to the relevant authorities.

In the case of an emergency - fire, natural disasters or illegal encroachment - an Emergency Response Team (ERT) is deployed to the concession area to cordon off the area, and report to relevant authorities internally and externally as required by our standard operating procedure.

Monitoring Land Cover Change

Monitoring land cover change enables APRIL to assess land cover and land use activities in all our concessions. This monitoring aids in our efforts to protect forest areas across production, and conservation and restoration areas from unauthorised or illegal encroachment, settlement, or other illegal activities.

Executed by comparing detailed satellite images taken at different times, APRIL can identify changes over the selected timeframe. Our dedicated team of remote sensing analysts gather information every 16 days. Such frequency in analysis effectively means that an experienced and skilled technician can identify land cover change potentially as a result of deforestation activities.

After a land cover change is identified and recorded, a field team will be sent to assess and verify the change on the ground. Since natural forests are dynamic systems - new trees grow and old or ill trees decay - distinguishing forest cover change linked to encroachment and other illegal activity is best confirmed visually.

The land cover change area is located by the field team using Global Positioning System (GPS). The team then investigates it either on foot or via drones. During their assessment,

evidence of the causes of change is collected and reported to APRIL's management. If the land change is deemed to be caused by illegal forest clearance, immediate actions are taken - external authorities such as the police, will be alerted and the area will be cordoned off.

Fire Management

Fire is a key threat to the landscape, environment, and communities in Indonesia and neighbouring countries. Smoke haze can have a catastrophic impact on human health.

Since 1993, APRIL has had a strict 'No Burn' policy and continues to adhere to the Indonesian Government's legal requirement and in addressing the risks posed by fires. Our approach to reducing the risk of forest fires consists of four key elements: fire prevention; fire preparation; fire suppression, and fire recovery which form a comprehensive fire management approach. APRIL continues to support integrated fire management efforts across the landscapes in which it operates.

Fire Monitoring

The period from 1 July to 30 September is announced every year as the annual Fire Danger Period where fires are most prone to occur due to the dry season.

APRIL has invested significantly in fire suppression resources. We use fire detection resources from two National Aeronautics and Space Administration (NASA)-based systems' - the Moderate Resolution Imaging Spectroradiometer (Modis) and National Oceanic and Atmospheric Administration (NOAA)- monitoring technologies. The technologies are satellite hotspot monitoring systems that complement the spotting capabilities of APRIL's fire monitoring towers and closed-circuit television camera towers located around the forest plantations.

Our Rapid Response Team - including 260 professional fire fighters and 39 community-based fire prevention and control groups, are deployed rapidly to contain and extinguish fires when detected.

As a pre-emptive measure, our programme recognizes and manages fires up to three kilometres outside of our concessions. We also provide support for fire suppression activities carried out by local government authorities.



Collaborative Efforts with Communities

APRIL regularly engages with local communities, employees, and contractors, to inform them of our management practices in place to promote sustainable and responsible forestry. They are made aware of our forestry policies and the national law applicable to our concession areas. Our Fire Free Village Programme (FFVP) is one such programme that aims to educate and raise awareness on responsible forestry management among local communities.

Resolving Land Claims

Land dispute in Indonesia could be due to many interrelated factors contributing to the disputes, such as overlapping jurisdictions that cause legal uncertainty; lack of law enforcement; and the hike in global demand for food, land, infrastructure, renewable energy, and conservation.

APRIL has a long history of engaging and supporting local communities where it operates. Our community engagement work revolves around capacity building, education, and social infrastructure supporting community forestry initiatives.

Together with other stakeholders, APRIL actively works to resolve land claims through Land Dispute Resolution. Land dispute is noted as any dispute on the ownership, control, management and use of the particular land. The types of land disputes listed are land claims and land encroachment. Land claims are further categorised to ensure they are addressed through appropriate legal processes. A procedure that guides the settlement and resolution of disputes is compiled regardless of the time needed to achieve a resolution.

As of December 2021, a total area of 94,894 hectares has been identified where ownership, control, management and use of the particular site may be under dispute. APRIL's dedication has proved successful in its progression in land claims and continually work collaboratively towards resolving these areas. All instances are reported to the local and provincial authorities in line with laws and regulations. Land claims on conservation areas are processed through the company's land dispute resolution mechanism.

8.3 INCREASING OPERATIONAL EFFICIENCY

In 2019, APRIL began a new mechanised approach to harvesting in our plantations. The approach involves the implementation of the cut-to-length system where trees are

harvested on plantation areas with equipment that makes the harvesting process more efficient, and safer for our operators; with ergonomically designed machinery that reduces the level of manual operations.

The cut-to-length system uses mechanised harvesters, forwarders and sledges. The benefits of the machinery include improved wood delivery quality in terms of debarked wood and reduced wood waste, increased machinery efficiency and decreased operational costs.

The mechanisation of harvesting minimises the environmental impact as the cut-to-length system helps to keep organic matter spread across field areas, which improves soil nutrition and limits soil erosion. Productivity is also optimised through this approach while adhering to our sustainability commitments to improve yield.

8.4 WOOD SOURCING

APRIL is committed to sourcing wood in an environmentally and socially responsible manner as part of our sustainable management of forests as renewable resources and to avoid the risk of contributing to unsustainable and/or illegal practices.

In 2021, APRIL received a total wood supply of 14,546,184 M³ covered by timber legality certification – IFCC-PEFC, Pengelolaan Hutan Produksi Lestari (PHPL), or Sistem Verifikasi Legalitas Kayu (SVLK). Compliance to these third-party verification and certification systems and Indonesia's legality system is part of our commitment to only source from responsible sources.

Our wood is sourced from APRIL forest plantations inclusive of supply partners and open market suppliers, all of which are responsibly managed, and supply legal wood from non-controversial sources. The origins of all wood we procure are assessed and traceable to ensure that credible and robust assurances are in place to ensure that any wood products supplied to us originate from sustainable sources and do not contribute to deforestation. Our wood suppliers are monitored through a rigorous due diligence system to ensure their compliance with APRIL's and legal requirements.

We work with open market suppliers that provided approximately 15% of total supply in 2021 and suppliers of community forest plantations that made up around 1% of our total wood supply in 2021.

APRIL is actively working to strengthen our stakeholder relationships through a significant increase in level of engagement, especially with open market suppliers.

They are required to adhere to APRIL SFMP 2.0. and where appropriate APRIL takes the lead in sharing new initiatives, procedures, and practices that can improve our suppliers' operations. By providing clearer communication processes and better information flows, we are able to exchange knowledge and best practices that will benefit the company and our stakeholders.

Due diligence

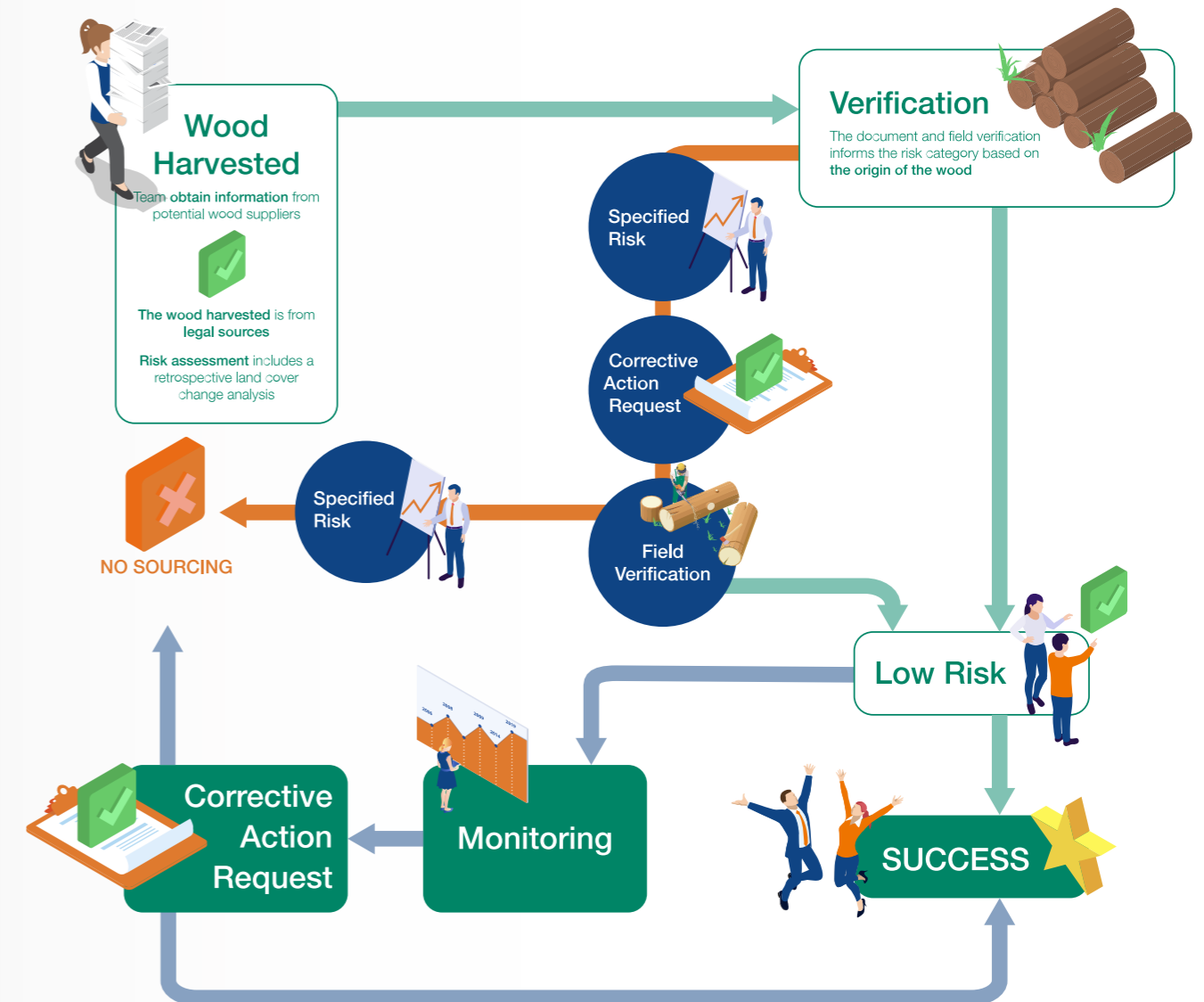
APRIL ensures that all wood sourced from external sources are subjected to a rigorous due diligence process prior to and during the contract term. APRIL's due diligence process is based on the responsible wood sourcing criteria of our SFMP 2.0 and international and national regulations.

Through our wood suppliers' due diligence and legality certifications, APRIL ensures that all of its wood comes from responsible sources. The provision of relevant

documentation from the wood suppliers further aids the initial review and during field inspection, wood suppliers are required to provide relevant and up to date documentation. The legality of the plantation forests, compliance to environmental and employment regulations, and traceability, are all critical information that ensures APRIL's wood is from responsible sources.

No field inspections could be carried out in 2021 because of the nation-wide restrictions implemented to tackle the COVID-19 pandemic. The team engaged with suppliers remotely through virtual meetings in lieu of field inspections.

There was one new community wood supplier in 2021 that was assessed under APRIL's environmental and social criteria as part of our due diligence system. Our existing suppliers are subjected to ongoing due diligence reviews. Any subsequent new suppliers of APRIL will be subjected to the same supplier due diligence procedure.





Inclusive Progress

The progress that APRIL has achieved to date were made possible through the commitment of our people, the contributions of our suppliers, and the support of communities in which we operate. We strive to build and maintain strong relationships with these stakeholders, and to promote collaboration opportunities. This is done by respecting the human rights of all stakeholders, providing vulnerable groups with the support they need, and empowering our employees by creating rewarding and safe work environments.

This section further elaborates on our approach, performance, and initiatives to create a better society, including:

- » Human Rights
- » Community Livelihoods
- » Employee Wellbeing, Health, and Safety





9. HUMAN RIGHTS

People are a crucial component across all aspects of our business operations. Our business actions can influence people either positively or negatively, in terms of their human rights. There are increased legal, moral, and commercial needs for businesses to recognise the importance of human rights and to implement them accordingly. APRIL recognises the importance of respecting human rights and takes prudent actions to manage any potential risks that may impact human rights throughout our business processes.



9.1 MANAGEMENT APPROACH

We operate our business in accordance with internationally recognised human rights conventions and standards and local and national regulations. They provide guidance to our company to embrace the importance and value of human rights and ensure we demonstrate application of human rights in individual roles and responsibilities. Our human rights policy is in line with best practices including:

- International Bill of Human Rights
- International Labour Organisation's Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights
- UN Declaration on the Rights of Indigenous Peoples
- International treaties ratified by the Government of the Republic of Indonesia
- Local and national laws where APRIL operates
- United Nations Global Compact

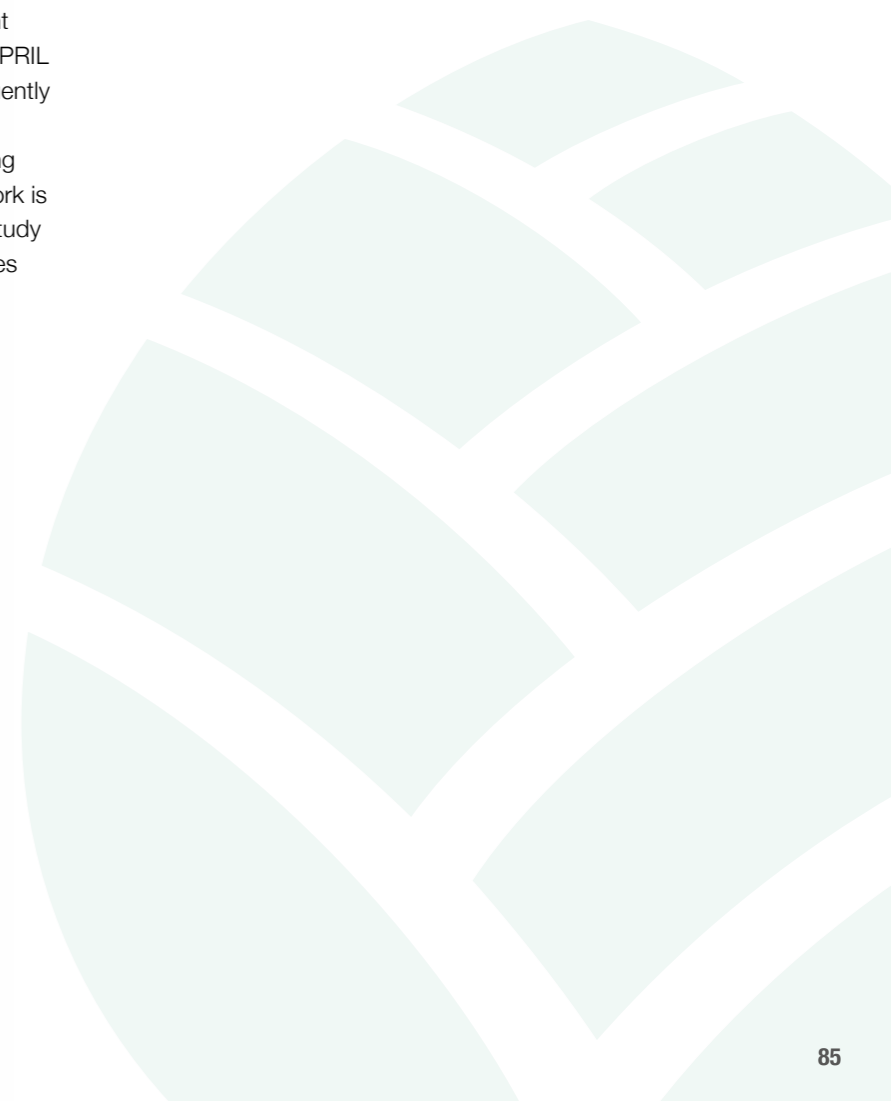
APRIL has implemented several measures in order to uphold human rights and to manage risks that are found throughout our value chain.

APRIL's respect for human rights is an integral part of our overall management approach and sustainability commitments. Our Executive Committee, comprising the President and senior leaders from across the business, ensures the implementation of robust sustainability governance, including human rights in APRIL. This is also overseen by our independent Stakeholder Advisory Committee which serves as a channel for stakeholders to raise their concerns and grievances, among other functions. We regularly review and report on progress made in identifying, mitigating and remedying any case of violation. This is undertaken through our annual Sustainability Report, as well as on our website.

As part of our effort to raise awareness on Human Rights within our workforce, we conducted human rights training in 2021. Introductory Training on Human Rights was attended by 35 senior managers from various departments within APRIL. We will continue to give training sessions on human rights to our employees in future.

APRIL HUMAN RIGHTS POLICY

Our existing SFMP 2.0 covers a number of significant aspects of our operations, including human rights. APRIL developed a Human Rights Policy in 2021, subsequently published early in 2022, which demonstrates the company's commitments to respecting and managing human rights. A human rights due diligence framework is being developed following a human rights scoping study that identified the potential salient human rights issues relevant to the pulp and paper industry in Indonesia.



MANAGING HUMAN RIGHTS IMPACTS

To further enhance our management of human rights risks and impacts, APRIL is developing a HRDD Framework to be finalised in 2022. It will outline the actions to identify, measure, report, and where needed remediate salient human rights issues. We are engaging with external human rights experts to conduct a gap analysis on our policies and procedures, and undertaking scoping studies to identify APRIL's salient human rights issues across the spectrum of our business. These actions include:

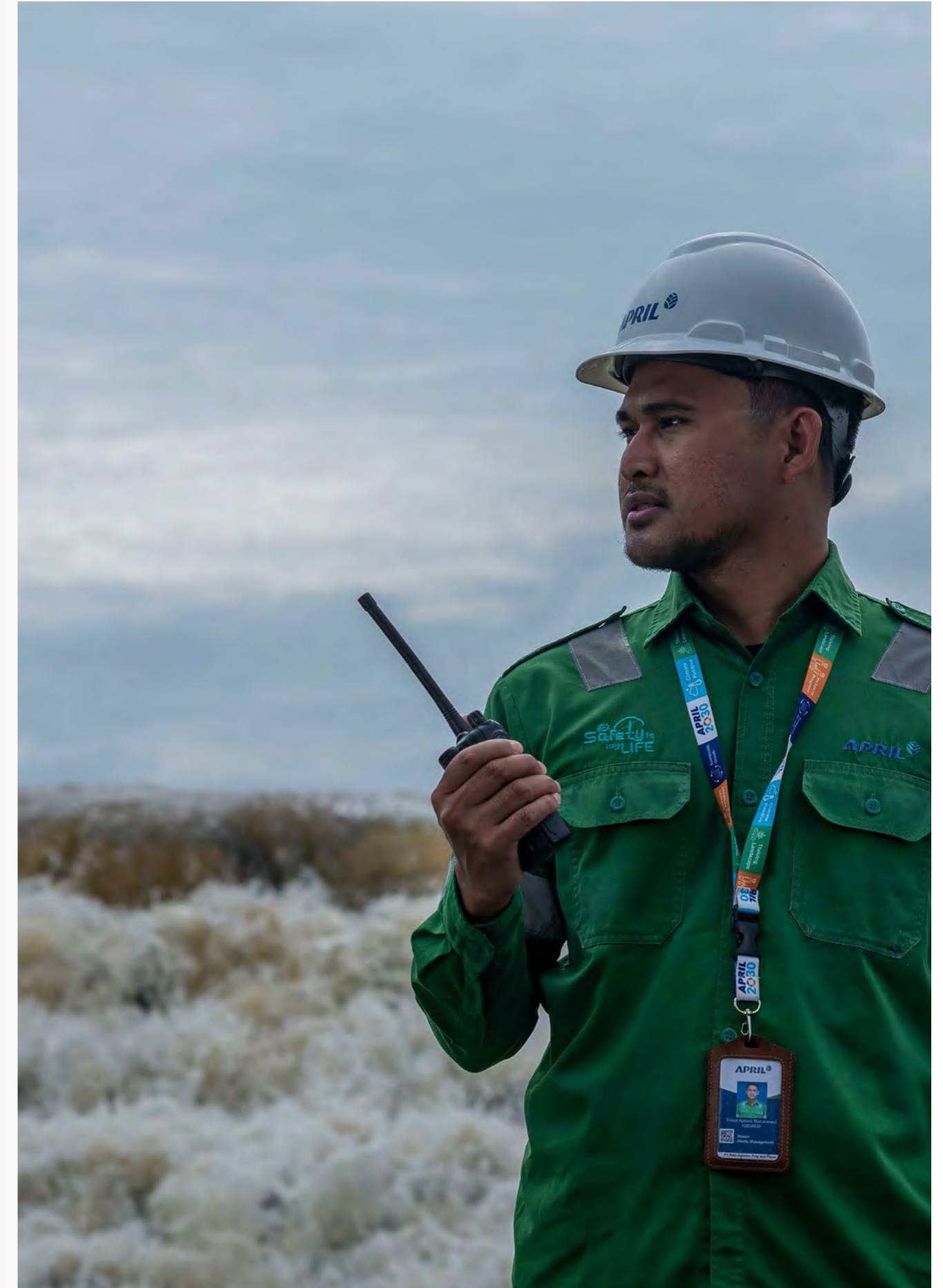
- Reviewed relevant APRIL documents and external references;
- Conducted internal stakeholder interviews;
- Human rights risks were analysed based on the potential salience of impacts on rights holders based on the forestry sector and context for Indonesia;
- Initial list of human rights issues was shortlisted to 16 potential issues of highest relevance for APRIL in Indonesia; and

- Each of the shortlisted human rights issues listed was analysed using a standardised HRIA Tool based on Scope, Scale, Remediability/ irreversibility, and Likelihood of Occurrence, taking potential vulnerable groups into consideration.

Based on the review, the following human rights issues are found to have high salience priority level: Occupational Health and Safety; Land Acquisition and Use; Indigenous Rights (Social, Cultural, and Civil Rights and Land); Community Livelihoods; Environmental Impacts; Responsible and Sustainable Procurement; Diversity, Equity, and Inclusion; Human Rights Violations by Security Personnel; and Climate Impacts.

The output from the review will inform the next step, which is a Human Rights Impact Assessment (HRIA), to identify and assess APRIL's actual and potential human rights issues and the performance of the APRIL's management systems in managing and mitigating those identified risks.

APRIL'S HUMAN RIGHTS DUE DILIGENCE



EMPLOYEES AND CONTRACTOR RIGHTS

As a member company of the RGE Group, we require our employees to adhere to the RGE Global Code of Conduct (CoC) and act responsibly as individuals and collectively in accordance with the CoC. We are committed to creating an organisational culture that respects human rights. The CoC was launched in early 2018 through a global business process that applied to all employees. The guidelines encompass the corporate responsibility and commitment to uphold ethical and professional business practices and the necessity to comply with applicable legal requirements. For example, areas covered include corporate responsibility to honour human rights, rules on political donations, protecting the interests of the company and its employees, and dealing appropriately with relationships that may pose a conflict of interest with company practices and standards. The CoC is available to our employees. We provide an annual refresher to our employees in regards to the RGE CoC and core values, health and safety awareness and training, and internal audit processes. There are three main items that are used as references for the employees:

- RGE Global CoC Booklet
- CoC Leaflet
- CoC Whistleblower Posters

APRIL strives to offer equal opportunities for all, regardless of age, gender, race, religion or nationality. APRIL is committed to promote equal opportunity and diversity in the workplace, including equal opportunity and participation for women, and to prohibit and eliminate all forms of discrimination and harassment.

The relevant regulations apply to the working relationship between parties in the recruitment process and employees' working hours, leave, wages, benefits, and occupational health and safety. The Collective Labour Agreement also promotes a fair and equitable workplace with no discrimination, forced labour, and no child labour.

We respect and uphold the right of employees and contractors to become a member of a labour group. As of 31 December 2021, employee and contractor participation in labour groups is 54.5%.

RESPECTING THE RIGHTS OF INDIGENOUS PEOPLES AND THE LOCAL COMMUNITY

As part of measures to respect human rights, APRIL also recognises and respects the customary and legal rights of local communities and indigenous peoples.

Community Engagement Plan

APRIL recognises the importance of frequent community engagement to ensure any concerns are effectively raised and addressed. This engagement provides APRIL with direction for future development for local communities, while at the same time helping to reduce conflict and improve local knowledge. Engagement with local communities is embedded across the operational activities of our organisation - from operations to the plantation, to management of conservation forests and programmes for supporting communities' livelihoods.

There are three methods used to engage local communities:

Stakeholder consultation forums

To ensure any local communities' concerns are addressed, APRIL conducts a consultation forum with local communities where they can be heard and share any concerns. Our Social Capital Department engages directly with local communities to prioritise the activities for the year.

Free, Prior, Informed Consent Principles

APRIL is strongly committed to respecting human rights including the rights of indigenous Peoples and Communities to give or withhold their Free, Prior and Informed Consent (FPIC). An FPIC process will be conducted prior to commencing new development or expansion of our activities that may potentially affect the rights holders following the procedure outlined in our FPIC SOP which adopts international best practice and standards.

Annual Consultation

APRIL is committed to engage with potentially affected local communities by openly discussing our Annual Work Plan. Local communities are informed on the specific plantation areas where operational activities will be taking place in the coming years. Given the feedback provided, this allows APRIL to better design our work plan and make adjustments when necessary. This stakeholder consultation occurs on an annual basis.

HUMAN RIGHTS IN THE SUPPLY CHAIN

APRIL seeks to incorporate best practices in human rights across our supply chain. To mitigate any human rights risks presented in our supply chain, there is a thorough process to check suppliers' compliance with our SFMP 2.0, such as respecting rights of communities and traditional people in their business operations. The due diligence process for suppliers is conducted through document review and field inspection. These commitments are incorporated into contractual terms.

9.2 Grievance Mechanisms and Access to Remedy

A grievance resolution mechanism is maintained that is readily accessible via online and offline channels for all stakeholders to raise any potential concerns, including those related to human rights. Employees can report through the confidential Whistleblowing Hotlines with assurances of anonymity and confidentiality. All grievances and concerns raised will be recorded and investigated to facilitate a satisfactory resolution. We commit to provide and cooperate in effective remediation through timely, equitable and legitimate processes, including dialogue and engagement. We regularly monitor the effectiveness of our grievance resolution mechanism, as explained in Section 4.2. Grievance mechanism.



10. COMMUNITY LIVELIHOODS

APRIL recognises that the landscapes where we operate also service the needs of the surrounding communities. Diverse land uses in Indonesia provide basic resources and may carry significant values to communities. We recognise that the success of the company will be greater when we operate among healthy and prosperous communities. It is our philosophy to aid communities in their growth as we grow alongside them.

APRIL plays a part in demonstrating the social values within the Melayu community in Riau Province, where APRIL operates. The social value of involving individuals and villages helping each other are applied when conducting extensive discussions with the communities around our operation.

By engaging openly, we can support opportunities for community development and respond to potential issues as part of building successful relationships with the local community. Working together with the communities, we can improve our understanding about which actions

are appreciated and to learn of areas that cannot be compromised. APRIL actively works to maximise the positive impacts and minimising the negative impacts that result from our operations. In 2021, we invested in building infrastructure and providing other necessary support, in line with the needs of our communities.

Our main focus in 2021 was to ensure that there are clear baselines for all of the APRIL2030 Inclusive Progress targets and undertook the following Inclusive Progress actions:



APRIL2030 TARGETS

TARGETS	OUR PROGRESS IN 2021
Zero extreme poverty within a 50 kilometre radius of APRIL	<ul style="list-style-type: none"> Collaborated with Bina Swadaya to establish a Livelihood Study in 10 villages surrounding our mill area to identify resources needed and to develop a pilot programme for eradication of extreme poverty. Delivered vocational training for 62 local youths. Fostered entrepreneurship among local communities by empowering over 200 SMEs in 6 sectors Increased incomes of 59 (out of 79) farmer groups by more than 15% through agribusiness programme Increase income for 65 (out of 97) Small Medium Enterprises by more than 15% through economic programme
50% reduction in stunting among children below 5 years old in villages in Riau	<ul style="list-style-type: none"> Collaborated with SMERU Research Institute to establish a healthcare quality baseline, monitoring system and a nutrition map that provides information to villages about serious nutrition problems. Conducted capacity building for 706 village health officers from 243 integrated health center –public healthcare services at villages level.
Promote quality education to achieve 10% above (PISA) ranking in APRIL-supported schools.	<ul style="list-style-type: none"> Established end-line EGRA, EGMA for 60 existing elementary schools, partnered by Myriad Consulting to conduct evaluation for programme phase 1 Established baseline EGRA, EGMA, INAP for 172 selected schools with Myriad Consulting.
Advance equal opportunities and participation for women	<ul style="list-style-type: none"> Adopted and became the signatory to UN Women's Empowerment Principles Using the Women's Empowerment Principles Gender Gap Analysis Tool (WEPs Tool) assessed gender equality performance to identify strengths, gaps, and opportunities to determine the baseline.
Promote access to healthcare for targeted villages in Riau	<ul style="list-style-type: none"> Completed primary healthcare service assessments in Pelalawan (10 health center & 18 auxiliary health center in 34 villages) by Riau University

Table 5: Community Livelihood APRIL2030 Targets

In 2022, APRIL plans to develop and strengthen our partnership with the local government in our operating areas to drive progress in our APRIL2030 Inclusive Progress targets. We believe collaboration and partnership with multi stakeholders are crucial in achieving our targets. APRIL2030 Inclusive Progress targets are aligned with SDG 1: No Poverty, SDG 2: Zero Hunger, SDG 3: Good Health and Wellbeing,

SDG 4: Quality Education, SDG 5: Gender Equality, SDG 15: Life on Land, SDG 17: Partnership for Goals

Although the targeted villages that we work with are all in Riau province, they differ greatly in terms of their circumstances and capabilities. It is crucial for APRIL to comprehend the strengths and weaknesses of each community to tailor our programme according to their needs.

10.1 Management Approach

As a company based in a developing economy, the responsibility to function sustainably while delivering essential progress for communities is greater than ever. Each programme in our roadmap has short, medium, and long-term strategies in place and activities are reviewed periodically to ensure progress. Our community development teams measure our performance against our commitments on an annual basis.

Our community development approach is driven by consultations with the following relevant stakeholders: government heads at the provincial, district, sub-district, village, and/or Organisasi Perangkat Daerah level; academic or research institutions; and the communities themselves.

Led by sub-teams under the Social Capital Department of APRIL, the Community Development (CD) teams report to our Social Capital Department Head.

The CD teams manage the process of community development programme. However, the overarching community development strategy and decision making lies with the Executive Management Committee of APRIL.

As a major employer in Riau Province, APRIL is responsible for contributing to the social and economic development of the communities where we operate. All of our operations have community development programmes incorporating community engagement, impact assessments, development programmes, and implementation.

The pandemic continued to pose challenges for our CD teams in programme implementation in 2021. Governmental and Company policies aimed at managing the pandemic have constrained our programme implementation. Many of the community training sessions were conducted virtually. The training sessions are then followed up by a direct coaching session with several participants each time.

In 2022, APRIL plans to establish partnerships with the district heads and their respective Organisasi Perangkat Daerah to ensure a better implementation of our community development programme. APRIL is also seeking to strengthen our existing relations with nongovernmental organisations (NGO), such as Binas Swadaya Consultant, Bumi Hijau Institute, Tani Foundation, Krealogy, and Earthworm Foundation, to improve the quality of our community programme.

GUIDANCE FOR COMMUNITY DEVELOPMENT PROGRAMME

Our commitment to build a sustainable business incorporates the principles of involvement, investment, and integration for local communities that are directly or indirectly impacted by our forestry operations.

According to our data, our operations have resulted in direct and indirect impacts on a total of 167 villages in Riau with 60 villages in the Kuantan Singingi district, 20 villages in the Kampar district, 36 villages in the Pelalawan district, 30 villages in the Siak district, and 21 villages in the Meranti Islands district.

It is important to APRIL to support these local communities and to promote social and economic development. The company's strategies lay the foundation to guide the planning and reinforce the objectives of the programme.

APRIL consults with stakeholders—primarily the local communities—during the planning stages and after the execution of CD programme to evaluate the effectiveness of these initiatives. This is done through social impact assessments.

Our Policies

In line with our SFMP 2.0 commitments, we strive to create jobs, provide better access to quality education, empower communities, and improve local livelihoods in rural areas. Where possible, APRIL incorporates small- and medium-sized farmers or enterprises into our supply chain.

Our SFMP 2.0 emphasises the importance of respecting the rights of indigenous peoples and communities, which guides the propositions of our community development programme. Our Human Rights Policy is set out in accordance with internationally recognized human rights conventions and standards, such as the International Bill of Human Rights (Universal Declaration of Human Rights, International Covenant on Economic, Social and Cultural Rights). For more information, refer to *Chapter 9 Human Rights*.

Other policies that shape our programme are:

- **The Rencana Pembangunan Jangka Menengah Daerah Policy**, also known as the Regional Medium Term Development Plan, which provides overarching guidelines on provincial and district level development plans published by the government.

- **Free, Prior, Informed Consent Principles** influence our Community Engagement Plans. Local communities are provided with opportunities to share their inputs, feedback, and concerns regarding APRIL's operations. This engagement improves decision making and ensures we respect local knowledge and reduce conflicts.

Seeking Feedback from Local Communities

We seek feedback at every level among communities, including vulnerable groups to gain better insights and to identify specific gaps which we need to improve on for the next iteration of our CD programme. Each community has consultations conducted by the CD Team. These officers and coordinators from APRIL maintain engagement with communities from the village level to the provincial level.

APRIL's Social Capital team invites the local communities to consultation forums that the company conducts. The participants may include stakeholders who have been affected by the company's operational activities or those who are interested in our activities.

Annual village consultation forums are held at the village level in priority villages around APRIL's operations to discuss our Annual Work Plan. The company informs the communities of the specific forestry plantations where operational activities will take place in the coming year. The village government, village customary institutions, youth representatives, and community representatives are all invited to attend the forum.

During this time, APRIL welcomes any feedback from the communities prior to the commencement of the activities shared.

APRIL also conducts workshops with District offices in collaboration with Badan Perencanaan Pembangunan Daerah in each district where we operate.

Assessing our Social Impacts

To gather a better understanding of the social impact we have on the local communities surrounding our operations, we conduct social impact assessments. The social impact assessments specifically analyse the impact of APRIL's operational activities, and our community empowerment programme.

The primary objective of the social impact assessments is to identify social and economic impact from APRIL's activities through its operation and social initiative programme.

In 2021, APRIL undertook two Social Impact Assessment (SIAs) in various districts in Riau to understand the social impacts that the company causes or contributes to the community as well as the community needs and expectations of the company.

Specifically, the SIAs highlighted that there is no high risk social impacts, demonstrating that the principles of SFMP 2.0 and FSC (principles 3 & 4) are not violated and that company activities have not resulted in social tensions.



10.2 IMPROVING COMMUNITY LIVELIHOODS

ZERO EXTREME POVERTY

APRIL undertakes a number of initiatives to reduce extreme poverty within a 50km radius of its mill, with the goal of eradicating extreme poverty by 2030.

We offer employment to scholarship-holding graduates from our Talent Pool Scholarship Programme.

We upskill community members to enhance the services they provide to the company. This initiative is a Micro Small Medium Enterprises (MSME) in-line programme whereby APRIL aids the development of skills in local MSMEs that provide ancillary services to the company. We also provide a similar programme to MSMEs that do not have a working relationship with APRIL to ensure inclusivity.

We partnered with TaniHub Group, a platform to connect farmers in Indonesia with business owners, with the ultimate goal of creating a better ecosystem for agriculture. The partnership provided capacity building initiatives to pineapple farmers and linked them to the TaniHub digital platform to enable access to the online marketplace.

These initiatives contribute to SDG 4, Quality Education, by substantially increasing the number of youth and adults who have relevant skills, including:

- Technical and vocational skills**
The CD Team trained 62 local youths to learn numerous operational skills, such as operating heavy equipment, machinery operators and mechanics, and welding. These young people have gone on to work for APRIL and our partners.
- Entrepreneurship**
Collaborating with the Ministry of Micro, Small, and Medium Enterprises in Indonesia, APRIL hosted a programme to foster entrepreneurship capabilities and interest among local communities by providing technical skills and mentorship. APRIL mentored the communities on subjects such as obtaining financing from local banks and leveraging opportunities to market their products and services.
- Farming and agricultural skills**
APRIL's Integrated Farming System Programme helps equip local farmers with knowledge on sustainable farming practices and provides agricultural assistance to support farmers in adopting economically viable farming methods.

EMPOWERMENT

Assistance



85 Farmer groups
in 66 villages



105 SMEs offline
in 49 villages



243 SMEs inline groups

- in 6 sectors
- Supply material
 - Transportation
 - Water truck
 - Harvesting
 - Manpower
 - Project

Material Distribution



Production materials for 44 farmer groups



Production materials for 10 SMEs offline

Non formal training (*sekolah lapang*) for 8 farmer groups

Trainings for 41 SMEs
Nameplate for 40 SMEs

REDUCTION IN STUNTING

Indonesia is considered to have the fifth highest number of stunted children in the world according to the UN Children's Fund Indonesian chief of nutrition, Jee Hyun Rah. Stunting refers to children who are short for their age due to poor nutrition. The adverse effects go beyond physical development. Those who survive into early childhood are faced with weakened immune systems, making them more prone to diseases.

APRIL works across Riau to reduce stunting in children below 5 years old in targeted villages. The agency of Health Research and Development conducted a Basic Health Research initiative in 2018 which uncovered alarming statistics regarding stunted children in Indonesia.

APRIL channels our efforts specifically in Kampar, Kep. Meranti, Pelalawan, Kuantan Singingi, Siak, and Riau. These areas show stunting among 21-32% of all children under the age of five.

Using the nutrition map devised by SMERU Research Institute in 2021, APRIL was able to implement initiatives to aid the situation, including:

- Recovery Supplementary Feeding;
- Provision of Supplementary Food Counselling;
- Training and coaching Posyandu (pos pelayanan terpadu/integrated service post) cadres;
- Facilitating Posyandu (pos pelayanan terpadu/integrated service post) health equipment and equipment;
- Health and nutrition health campaign.

ENHANCEMENT

Stunting Prevention



25 363 Supplementary feeding packages for toddler groups



706 Posyandu cadres from 243 Posyandu received trainings

Other Health Support



Provided Oxygen House (*Rumah Oksigen*) to support Covid-19 response

Socio-cultural



Provided 1,812 basic staple packages for 5 villages



Provided 8,155 basic staples packages during Founder's Day 2021

Provided sport packages and assistance for other events in 40 villages

Infrastructure



Repaired 2 bridges in Pangkalan Terap

Provided materials for 105 projects covering roads, worship and public facilities, and village administration offices.

PROMOTE QUALITY EDUCATION

Significant progress has been made in Indonesia's educational system, including major improvements in enrolment and gender parity. However, providing quality education at all age groups remains a challenge.

APRIL has made continued investments in local education by providing scholarship programme from high school to university level, sponsoring teacher trainings, and purchasing equipment, such as projectors, sports equipment, and books, for schools, as well as furniture.

EDUCATION

Scholarship



97 University students

300 High school students

Assistance



60 Primary schools

4 Vocational schools

Schools Facilities and Infrastructure



Provided materials to improve:

9 Schools

Distribution



780 Books to 60 primary schools

Vocational Training



24 Welder participants

10 TeFa operator participants

15 Heavy equipment mechanic participants

05 Crane operator participants

08 TeFa heavy equipment mechanic participants

In recent years, APRIL supported the Social Infrastructure Project in Riau to build infrastructure intended for social, cultural, religious and other purposes. Schools, mosques, village centres, sports arenas, community halls, roads, and related facilities were constructed.

We will continue to support students from all educational levels through the support we offer in our outreach programme to schools and the communities. We share updates on vocational training programmes in APRIL's and in our partners' operations and we promote student apprenticeships in our partners' companies. We also provide books for schools as well as furniture.

10.3 FIRE FREE VILLAGE PROGRAMME

In 2015, APRIL launched the Fire Free Village Programme (FFVP) to educate and raise awareness about the negative impacts of land burning among local communities in Riau, Indonesia. The programme involves working closely with local communities to replace the need for fire as a land clearing tool, reducing the risk of fire spreading to surrounding areas.

The FFVP directly supports SDG 13: Climate Action and SDG15: Life on Land.

The three stages of the FFVP are 'Fire Aware Community' (FAC), 'Fire Free Village' (FFV), and 'Fire Resilient Community' (FRC).

In 2021, the FFVP engaged with 215 villages around APRIL's concession areas – 141 villages at the FAC stage. The programme has succeeded in reducing the rate of fires from 4,279 ha in 2013 to 532 ha in 2021 in villages involved in FFVP.

As villages progress through the three-stages, participation has a positive impact on the communities as well. Community members are selected as Fire Crew Leaders with a primary responsibility to prevent fires within the premises of the village and the surrounding concession areas.

The crew leader then progresses to become a Forest Protection Ranger where their responsibilities are expanded to include spotting and handling cases of illegal activities – illegal logging and illegal wildlife trade, amongst other activities. For more information visit [Fire Free Village Programme](#).

10.4 SPECIAL CONTRIBUTIONS FOR COVID-19 IN 2021

The CD Team reallocated 25% of its budget to provide support for affected communities during the pandemic. A Basic Food Programme was set up with nutrition packages provided to families with young babies and expectant mothers. Local communities were briefed on daily hygiene practices to limit the spread of the virus. Health services focused on children under five years old and family planning was also shared with the communities. This initiative supported SDG 3: Good Health and Wellbeing.



11. EMPLOYEE WELLBEING, HEALTH, AND SAFETY

APRIL recognises the importance of the wellbeing, health, and safety of our employees in contributing to the growth of our business with improved trust, employee engagement, and collaboration. Given the impact of the COVID-19 pandemic, this topic has become more crucial than ever. If our employees' wellbeing and health are not taken care of and are affected by COVID-19, it impacts our business operations in terms of reduced productivity due to reduced resources. In addition, the rise in the importance of employees' wellbeing, working conditions, diversity, and equality of opportunities all present an opportunity for APRIL to further enhance our management of talent.

One of the key priorities for APRIL is improving gender equality. As included in our APRIL2030 targets, APRIL aims to advance equal opportunities and participation for women to thrive in their workplaces.

APRIL2030 TARGETS

TARGETS	OUR PROGRESS IN 2021
Advance equal opportunities and participation.	<ul style="list-style-type: none"> 57 women in leadership roles 34% of women participated in APRIL's community development programmes.

Table 8: Women participation in APRIL's workforce across different roles

11.1 MANAGEMENT APPROACH

We follow the core values of our parent company, RGE, of Team Ownership, People, Integrity, Customer, and Continuous Improvement (T.O.P.I.C.C.) that set the standards for corporate governance and business ethics. The T.O.P.I.C.C. values provide guidelines for employees, which include provisions for fair and non-discriminatory engagement with stakeholders, avoidance of conflicts of interest, zero tolerance of corrupt practices, and a grievance mechanism for employees. The T.O.P.I.C.C. code also aims to meet or exceed applicable legal requirements. This applies to all employees of APRIL and each employee is required to sign a statement of compliance.

We have also established a governance process to oversee the implementation of these values across the company, which also defines the entity responsible for overseeing this process.

APRIL Group has a total of 8,785 employees and 21,612 contractors as at December 2021, working across all business functions and locations. Employee and contractor data for APRIL and supply partners are captured in our human resource system.

As APRIL provides accommodation facilities on site in Kerinci for employees, the majority of the concerns received in 2021 was related to neighbourliness. Actions have been taken to address the concerns raised, which include raising

employee awareness around cleanliness, awareness on general behaviour, awareness of people values, and being a good neighbour. We will continue to monitor the process to evaluate the effectiveness of our approach.

Reporting Concerns

Employees can raise any issues or concerns that occur in the course of their work, which may include dissatisfaction, insecurity, unrest, and perceived injustices. All employees

have the responsibility to report misconduct if they observe any breach of the Code. Anyone making a report will have their identity and the information they shared protected and kept confidential. The first point of contact is the reporting manager. However, if individuals are uncomfortable sharing the issue with their reporting manager, the Business Group Human Resources representative is always available for consultation. APRIL addresses and resolves issues through established procedures, which include guidelines to address the issues that are raised.



RESPONDING TO COVID-19 PANDEMIC

COVID-19 poses a significant risk to the wellbeing and health of our employees. APRIL has implemented several measures to manage the impact of COVID-19, which have allowed our business to continue to operate as normal through the pandemic.

Business Continuity Plan

A Business Continuity Plan was implemented to provide precautionary measures to manage pandemic associated risks. This focussed on taking care of the physical and emotional wellbeing of our employees, contractors, and their dependents. Measures included:

- Travel restrictions, including the reduction in the number of passengers in on-site buses and increased frequency in bus schedules.
- Safe management measures at workplaces (COVID-19 vaccination status, self-testing); Temperature checks; Distribution of masks; Contact tracing and quarantine.
- The division of work groups (working in office/home teams) and; Work from home protocols/arrangement.
- Other health protocols for employees who display symptoms or have tested positive.
- Health and promotion Campaigns – health talks.
- COVID-19 examination and swab tests for employees and their families who had tested positive.
- Vaccination programmes for all employees and contractors.

COVID-19 Special Task Force

We established a special taskforce, which acts as an internal body to monitor and mitigate COVID-19 transmission and regulation risk within the operational and residential areas, by acting according to the latest guidelines issued by the Government. We provided support to employees who had tested positive, had mild symptoms, and during quarantine by:

- Offering support from medical doctors.
- Providing supplies including medicines, vitamins, and meals.
- Providing online seminars about managing stress after being infected and having restricted movement.

- Constant check in with employees who are in quarantine to provide necessary support and implementation of protocols to govern visits by stakeholders and other external parties to our operations in Kerinci.

11.2 TALENT DEVELOPMENT

APRIL recognises the importance of ensuring employees are equipped with strong leadership capabilities and required technical skills. We have invested in developing our talent pool and establishing the mechanisms to manage our talent. These activities are mainly facilitated by the Human Resources Department and the respective departments responsible for the development of employees.

DEVELOPMENT PROGRAMS

The people manager is responsible for employee development programmes. Several training programmes for employees have been implemented in the areas of development of technical capabilities and soft skills such as leadership, people management, business ethics, and business planning. These are provided at the APRIL Learning Institute (ALI), which is located in Kerinci, on site at the company's operations. As part of their training, employees also learn about workers' rights, which allow them to understand and use their rights in case an infringement of their rights occurs. In 2021, the average training hours per employee across our workforce was 8.4 hours per employee undertaken at ALI, which is under the management of the Human Resources Department.

TALENT MANAGEMENT MECHANISM

APRIL established our talent management mechanism for internal capabilities in line with the projected growth of the company. Our Human Resources Department has in place several internal systems that ensure our employees at every career level have their professional development plans set out.

A monitoring and reporting mechanism is in place to track both human resources team's and employees' performance respectively. Management Development Plan Reviews are conducted regularly to monitor the development and progress of employees. During the review, employees receive annual performance and career development reviews from their respective supervisors. We ensure employees are compensated in a fair, equal and transparent manner and are rewarded based on merit and performance and in line with government guidelines on compensation and minimum wages. Regular meetings are held internally to report progress to senior management.

DEVELOPING OUR EMPLOYEES

Leaders at APRIL are identified for the Leadership Executive Development Program, where professional development, leadership skills and the dynamics of team management to achieve shared objectives is covered. Non-management employees attend a mix of technical and soft skills training depending on individual positions. In 2021, employees had undergone an average of 8.4 training hours.

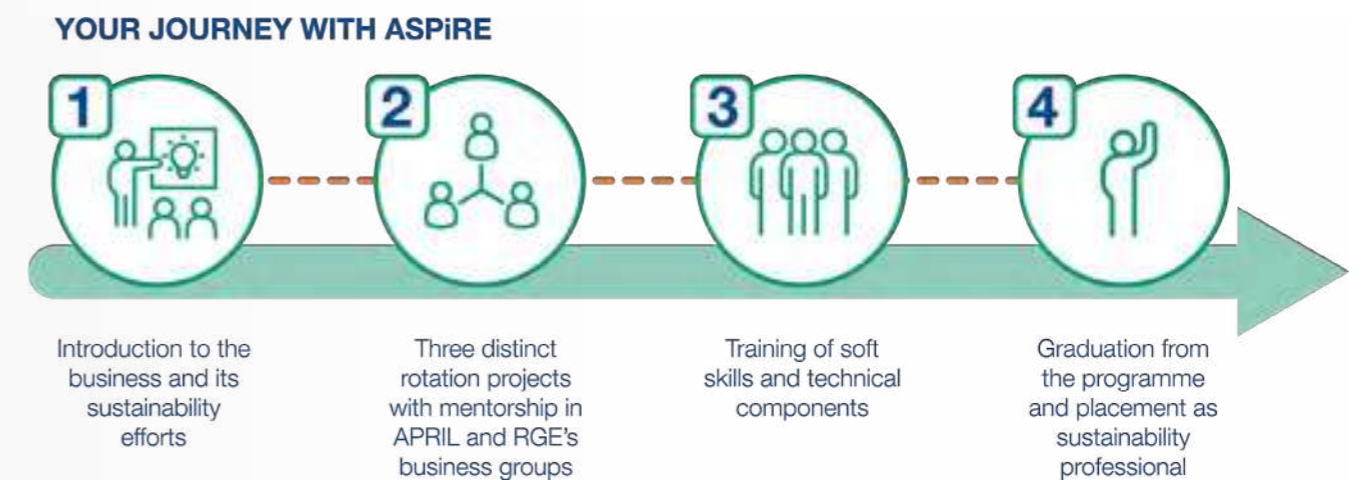
Empowering Future Sustainability Leaders

Reflecting the importance of sustainability across our operations, internal competency for sustainability is built to equip employees with relevant skills and knowledge as we progress to develop leaders who are able to tackle the sustainability challenges of today.

APRIL Sustainability Professional Readiness Program

The APRIL Sustainability Professional Readiness Programme (ASPiRe) is an 18-month accelerated talent development programme designed to recruit and train graduates who have a passion for sustainability and its contribution to responsible business. Candidates are exposed to a range of sustainability-focused roles and issues in APRIL as well as in other RGE business groups through rotations across a number of different projects and teams. Throughout the rotation, a mentor will be assigned to provide insights, technical input and supervise the achievement of the projects and related assignments.

Since inception in 2018 this programme has successfully supported the further career development of five candidates who have either chosen to remain with APRIL or move into other sectors after completing the programme. The 3rd ASPiRe batch started in October 2020 and the trainees are currently completing their final rotation before graduating in 2022.



WBCSD Leadership Programme

The WBCSD Leadership Programme aims to provide an in-depth understanding of sustainable development challenges and opportunities to practice strategic business decision making. Through the WBCSD Leadership Programme, every year APRIL selects an employee to participate in the one-year rigorous curriculum. APRIL is able to utilise this opportunity as a member of this global, CEO-led organisation of over 200 leading businesses, working together to accelerate the transition to a sustainable world.

This experience has benefited participants in several ways. In 2021, APRIL's Deputy Director of Corporate Communications was selected to join this vibrant programme together with other participants from various countries.

11.3 EQUAL OPPORTUNITIES AND PARTICIPATION

In alignment with our commitment to be an equal opportunity employer, APRIL is a signatory to UN Women's

Empowerment Principles and is working to adopt the principles to promote effective participation of women employees. Using the WEPs Gender Gap Analysis Tool, APRIL is at the beginning stages of recognising the importance of gender equality to our business with various policies or programme in place that are helping to advance gender equality in our business, and we have identified other opportunities to do more. Going forward we will continue to ensure a more consistent approach to promoting gender equality.

The inclusion of employees from different backgrounds promotes diversity in our culture and knowledge, improving creativity and productivity across our business operations. We strive to increase the number of women in leadership and operational roles.

As included in our APRIL2030 targets, APRIL aims to advance equal opportunities and participation for women to thrive in their workplaces.

ROLES	GENDER	NUMBER	%
Executive Committee	Male	5	83%
	Female	1	17%
Senior Management	Male	429	88%
	Female	57	12%
*Non-Management Employees & Contractors	Male	24,581	81%
	Female	5,816	19%

Table 7: Distribution of women participation in APRIL's workforce across different roles

*For this report there is no differentiation between full time and part time that has been established.

11.4 PROMOTING EMPLOYEES' WORKING CONDITIONS AND WELLBEING

As one of the largest employers in Riau province, APRIL aims to take care of the wellbeing of employees and contractors through the provision of appropriate facilities. For example, we provide accommodation for more than 10,000 employees on site in Kerinci. Several provisions have been put in place to promote wellbeing, through different projects and programmes. This includes sporting facilities, easy access to quality medical and healthcare facilities, provision of schools, and consideration of cultural needs.

Our full-time employees in manufacturing and plantation operations in Riau are entitled to the following insurance benefits-In Badan Penyelenggara Jaminan Sosial Kesehatan (BPJS), covering labour and health aspects. For labour, cover includes incident and accidents related

to work, death due to working incidents and accidents, life and disability, and pension for workers after the age of 56 years old. For medical aspects, it covers parental leave, medical insurance and other additional life insurance.

MANAGING OCCUPATIONAL HEALTH AND SAFETY

APRIL recognises the critical importance of providing a safe working environment for all our employees, contractors, local communities, and visitors. Comprehensive operational health and safety policies are in place to ensure workers are protected from potential occupational health and safety hazards. A team is established that is responsible for monitoring and managing the issues and risks related to health and safety.

To ensure constant communication, meetings are scheduled to review and address any issues and we provide training to increase employees' awareness and to improve our practices overall.

COMPONENTS	RESPONSIBILITIES & OBJECTIVES
Monthly Health and Safety Committee Meetings & Operational review meetings	<ul style="list-style-type: none"> Chairperson – Relevant Leader / APRIL President Held at all levels of organisation, from estate to business unit. Review safety issues and performance and recommend improvements.
Staff Daily Briefing/Safety Talk/Awareness	<ul style="list-style-type: none"> Demonstration of engagement and leadership in areas related to health and safety. Improve employees' awareness and knowledge on health and safety measures. Encourage behavioural change from employees—for example, safety Traffic Light System.
Occupational Health and Safety Department and Loss Prevention and Control Department	<ul style="list-style-type: none"> Oversee issues related to health and safety. Implement policies, lead behavioural change, and provide guidance during implementation.
Training/Specialist Training	<ul style="list-style-type: none"> Specialised skills training to ensure safe operating practices.
Internal Audit Team	<ul style="list-style-type: none"> Internal auditing and investigation of accidents.

Table 9: Health and Safety Programme

Encouraging Behavioural Change

Employees can practice “Stop Unsafe Action/Condition and Take Safe Action” procedures, when they find themselves working in unsafe conditions or undertaking an unsafe act (e.g. working without proper protective equipment). Safety Traffic Light Systems have been implemented to improve our overall safety performance and to monitor the level of implementation of health and safety measures across all employee activities.

The Company encourages our employees, contractors, and staff to live by the Safety Golden Rules—which covers the basic steps to take in order to mitigate risks. The Safety Golden Rules cover daily activities such as the use of potentially hazardous equipment, heavy duty equipment, working at heights, handling chemicals, and the use of any means of transportation.

Modernising Operations for Safer Working Environment

New mechanised harvesting is being implemented, which uses ergonomically designed equipment and machinery to fell, process and extract timber, providing safer working conditions for workers previously carrying out high risk manual activities. Read more at *Chapter 8.3 Increasing Operational Efficiency Implementing Best Practices*.

APRIL equips workers to protect them from exposure to occupational health and safety hazards. Various awareness and training days have been undertaken for all employees and contractors.

Employees are encouraged to be proactive and to take responsibility for their own safety. This in turn enhances our existing health and safety performance. In addition, minimum standards are set to ensure best practices, including compliance with the following international and national health and safety standards and regulations:

- International Labour Office Code of Practice on Safety and Health in Forestry Work; and
- Food and Agriculture Organisation Compendium on Occupational Safety and Health in Forest in harvesting and silviculture.

We have also adopted best practices from internationally and locally recognised Occupational Health and Safety Management Systems that provide guidance to manage workplace risks, reduce occupational injuries and diseases and enhance physical and mental health, which include the following:

- International Occupational Health and Safety Management Systems—International Organization for Standardization 45001 Standard;
- Indonesia’s principle of Occupational Health and Safety Management System (Sistem Manajemen Keselamatan Kerja [SMK3]);
- Contractor Safety Management systems; and
- Worker Transportation Standards.

In total, 100% of our employees and contractors are covered under APRIL’s externally audited occupational health and safety management system.

Health and Safety Targets

We have set the following health and safety targets:

- Zero fatalities;
- A lost time injury frequency rate of 0.03; and
- Maintaining Indonesia’s principle of Occupational Health and Safety Management System (OHMS)/ (Sistem Manajemen Keselamatan Kerja [SMK3] and International Organization for Standardization 45001 certification.

High-Consequence Work Related Injuries

With deepest regret, in 2021 five fatalities occurred in our fibre operations. Four of these arose from incidents involving transport or heavy equipment and one was a result of a falling tree. Two further fatalities arose in our mill operation. One employee died following an incident in the wood yard, and another employee died in the coal storage area, in accidental circumstances.

APRIL has expressed our deepest condolences to the family members of the deceased. Thorough investigations are conducted after all incidents and action plans implemented to address root causes and prevent repeat incidents. The incidents are also reported to the relevant provincial and government authorities.

DRIVING NEW SAFETY CULTURE

The Company maintains a strong commitment to meet our health and safety targets by further improving our health and safety measures and working to meet industry safety benchmarks. From 2022 onwards, the focus will move from a compliance approach to add a commitment and care approach, which includes promoting a ‘speak up’ culture, sharing ideas and observation, and owning health and safety

learning. In addition, we will continue with the rollout of the Contractor Performance Management System that aims to further enhance safety standards throughout the company’s supply chain and limit future incidents. Employees will continue to be involved in making health and safety suggestions and the rules for contractor safety will be enforced. We continue to monitor and measure the effectiveness of our approaches, and make revisions as needed.





Sustainable Growth

Sustainable Growth of our business underwrites our investments in climate, nature and people. It is based on our business becoming more productive, diversified and circular as part of responsible production in the bio economy. A key priority for our business is to minimise negative impact on the environment. Circular economy principles offer opportunities to create business value while maximising our resources. In a circular bioeconomy, biological resources are renewable, sustainably managed, recovered and reused as much as possible.

We promote circularity and material efficiency across our operations and although most of our pulp and paper manufacturing processes are designed to incorporate circular economic principles at their core, some linear movement still remains across our value chain. Transforming these linear movements to become more circular is a priority.

We are working to scale up our contributions to a circular bioeconomy through our investment in innovation and the widespread adoption of low-carbon and circular wood fibre products that substitute non-renewable and fossil-based materials.



12. RESOURCE EFFICIENCY

In line with our APRIL2030 targets for Sustainable Growth, we are committed to improving the efficiency of our resource utilisation in our business. APRIL takes far-reaching responsibility for our owned manufacturing operations and their impact on people, the environment and wider society over the long term.

This corresponds with an increase in market demand and stakeholder expectations for sustainable pulp and paper products. The efficient use of available resources has enabled us to generate greater output with minimal increase in material consumption, maximising the profitability and growth of the company while minimising potential negative impacts. We also strongly believe that by focusing on the

efficient use of resources, we will stimulate innovation and further improve efficiency, which will support increased competitiveness and long term sustainable growth.

We have made progress towards our APRIL2030 targets through different initiatives implemented in 2021. We continue towards our targets to achieve chemical recovery and reduce solid waste by 2030.

APRIL2030 TARGETS

TARGETS	OUR PROGRESS IN 2021
98% Chemical Recovery	<ul style="list-style-type: none"> Achieved 96.1% Chemical Recovery Re-use of lime from rotary kiln that will optimise and reduce soda losses through refined targets and operational efficiencies Implemented a new dual-purpose initiative that enables the removal and recovery of soda from brown-fibre through washing to improve the brown fibre quality for use as fuel substitute
80% less Solid Waste to Landfill	<ul style="list-style-type: none"> Reduced solid waste to landfill by 35% as compared to the baseline (45.6kg/T) Reduced sludge waste through re utilization as biomass fuel
20% Recycled Textile Used in Viscose Fibre	<ul style="list-style-type: none"> Collaborated with our sister company Asia Pacific Rayon (APR) as well as Reverse Resources and Closed Loop Fashion to conduct a pre-consumer textile waste survey in countries such as Indonesia, Sri Lanka, and Bangladesh Submitted our patent application in regard to the treatment of textile waste as feedstock for textile fibre, which will allow us to efficiently utilise recycled textile Increased ability to decolorise and separate polyester from the textile waste with up to 50% polyester content Successfully trialled a mix of 50% recycled textile pulp with regular dissolving wood pulp for viscose

Table 11: Sustainable Growth APRIL2030 Targets

Overall, meeting these targets represents a significant challenge to our business and through the review of production processes, and innovation, we will continue to make progress in 2022, including further collaboration with external experts to identify feasible, scalable solutions.

12.1 MANAGEMENT APPROACH

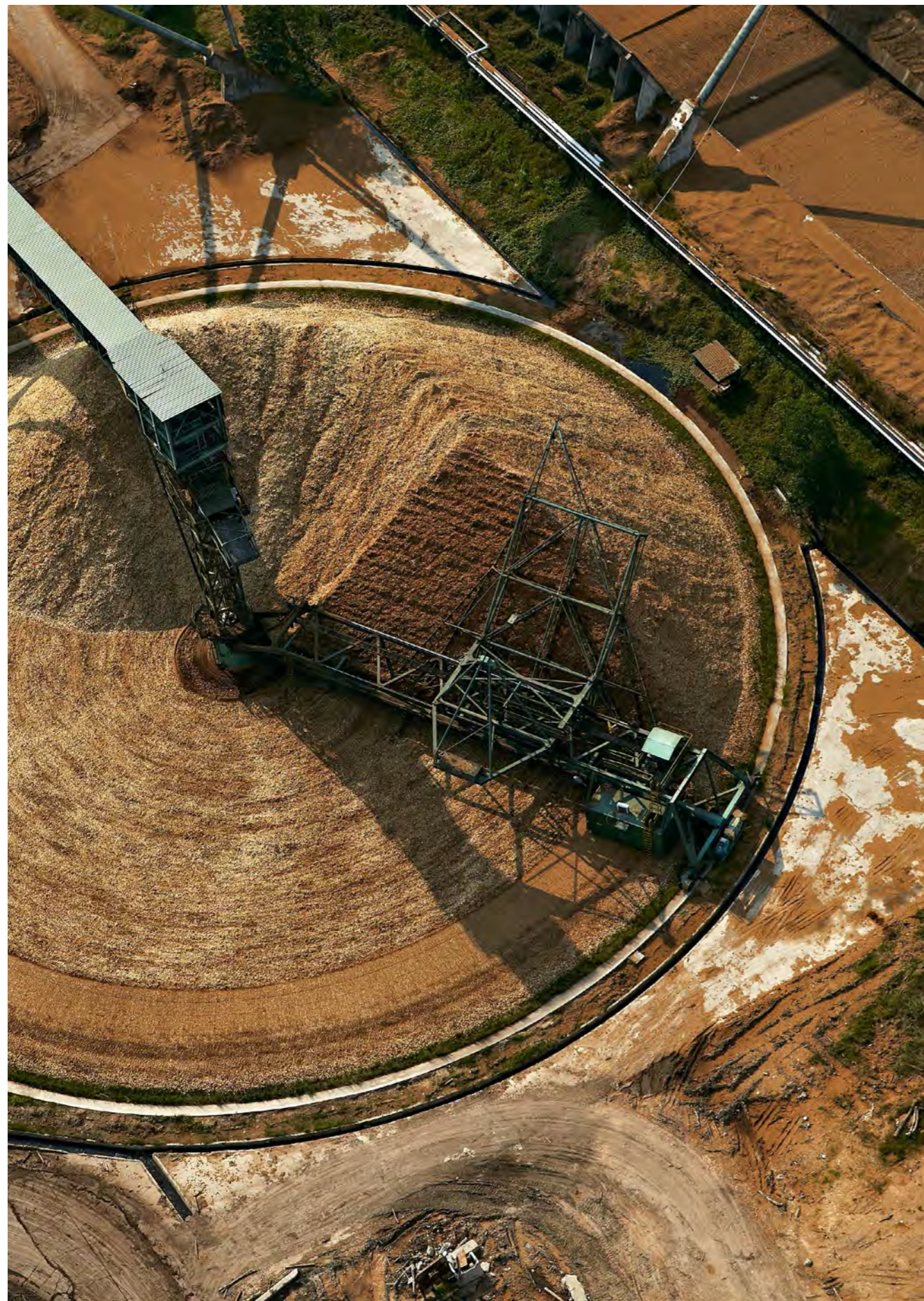
It is essential that APRIL complies with all applicable laws and regulations and meets industry standards and processes. We use European Union Best Available Techniques (EU-BAT) for integrated Kraft process mills and Confederation of European Paper Industry (CEPI) standards for benchmarking. As required by regulations, our environmental monitoring of manufacturing operations is based on a mandatory Environmental Impact Assessment and reported in conformance with regulatory requirements. There were zero incidents of environmental regulatory non-compliance in 2021.

Additionally, we recognise the importance of managing our potential environmental impact and addressing the concerns of both internal and external stakeholders. APRIL has been certified with the ISO 14001 Environmental Management System standard - an internationally recognised management system - since 2003. The system acts as a framework for the required monitoring and compliance protocols and provides guidance for the mill operations team to improve our environmental performance with the given best practices. The data are recorded in our internal system and regularly reported to national, provincial and district environmental agencies.

We aim to continually improve our material and energy efficiency throughout our operations along with the increased utilisation of renewable energy. This priority area is guided by our tailor-made decarbonisation strategy and aligned with climate science.

TEAM	RESPONSIBILITIES
Operational Team	<ul style="list-style-type: none"> Conducts the monitoring of waste, air emissions, and water management Environmental performance analysis and continued improvement Solid waste management Chemical Management
Mill Environment Team	<ul style="list-style-type: none"> Data consolidation and reporting Coordinate all environmental related activities including licensing or permit applications, audits, and pollution prevention initiatives

Table 10: Teams Responsible for Resources Management



12.2 INCREASING MATERIAL EFFICIENCY AND CIRCULARITY

We are committed to clean manufacturing and understand the impacts of the chemicals we use in our process. Although we have an elemental chlorine free bleaching process, we are mindful about the consumption of chlorine dioxide and have been able to reduce our use by 4.2% from 2019 to 2021. We were able to achieve this by prioritising bleaching stages like Oxygen Delignification. We set annual internal targets aimed at continuous reduction in chemical utilisation.

USING RENEWABLE MATERIALS

In 2021, we produced a total of 2,868,525 tonnes of pulp and 1,103,362 tonnes of paper. 91% of the production of pulp and paper involved the use of renewable materials for year 2021. This includes fibre, water, carbon dioxide, and starch. The non-renewable materials used include salt, sodium sulphate, limestone, and ground calcium carbonate. The use of both renewable and non-renewable materials in pulp and paper have increased, which is expected with an increase in production output.

CHEMICAL RECOVERY

The use of chemicals is essential for our manufacturing processes and therefore we uphold strict chemical

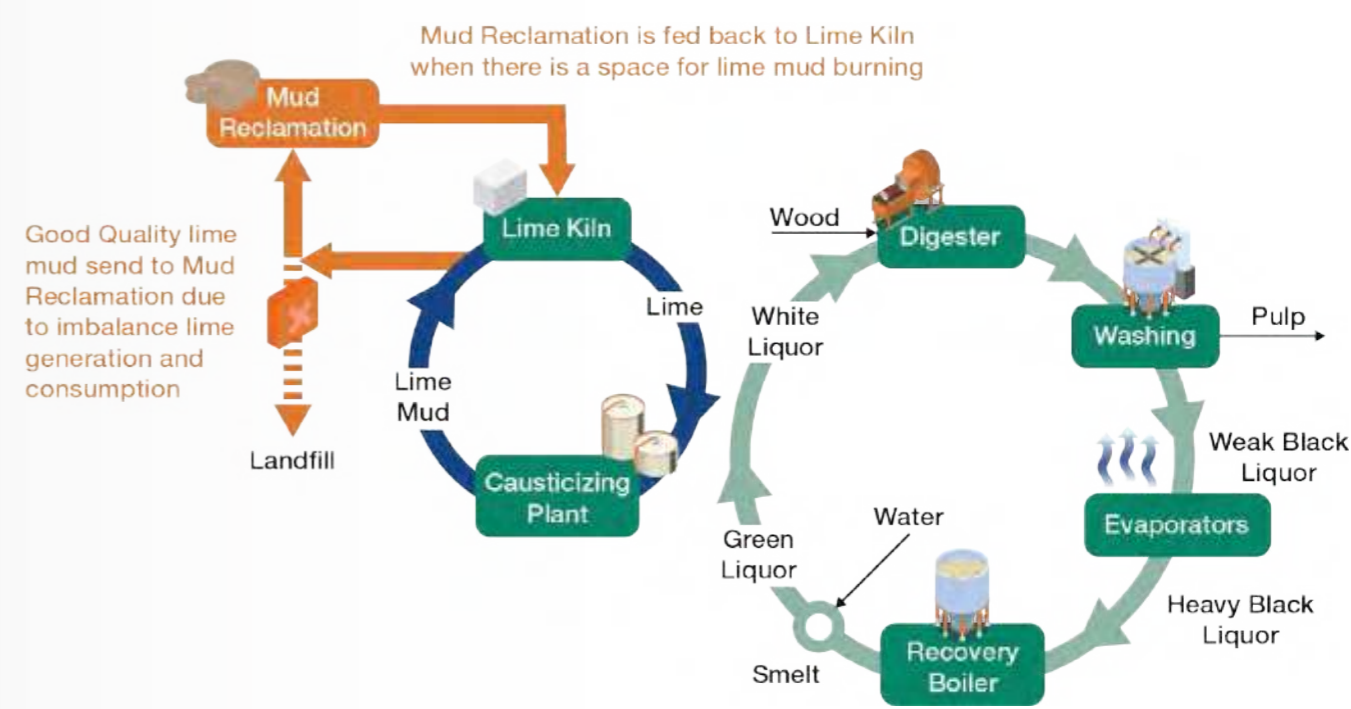
safety measures to protect the health of our employees, communities and the environment surrounding our facility.

We apply basic principles of safe, responsible, sustainable and economical use and reuse of chemicals, where practicable through the chemical lifecycle – from procurement, storage, use, re-use, repurposing, transportation to safe disposal.

This priority area is managed in line with both national and regional hazardous and toxic substances regulations which includes the criteria set out in both the Rotterdam and Stockholm Conventions.

In addition to maximising the value of both renewable and non-renewable materials, we reuse byproducts that would otherwise end up as waste for disposal.

APRIL is on track to meet our APRIL2030 target of 98% chemical recovery with several initiatives implemented. Our lime reclamation project has been successful in reclaiming all lime mud for re-use in our chemical recovery process. The success of this initiative has prompted our expansion to establish a second lime reclamation plant. In addition, we also have implemented a new dual-purpose initiative that enables the removal and recovery of soda from brown-fibre through washing to improve the brown fibre quality for use as fuel substitute. In 2022, we will continue with feasibility studies specifically aimed at improvements in chemical recovery.



SOLID WASTE MANAGEMENT

One of our APRIL2030 commitments is to reduce solid waste to landfill by 80%. We optimise our use of materials, which not only improves material efficiency, but also reduces waste generation that requires to be landfilled. Our operation generates solid wastes, which are classified into hazardous waste and non-hazardous waste. Our waste management team conducts data measurement and calculation across all waste generation points and report the findings in compliance with internal guidance on waste management monitoring.

Reducing Solid Waste to Landfill

We are on track to meet our target. In 2021, the landfilled waste we produced amounted to 150,143.00 tonnes, which is 35% less than the 2019 baseline, and we managed to reduce the waste to landfill with the reuse of 315,552.00 tonnes of waste as by-products.

In 2021, our production activities produced 393,369 tonnes of hazardous waste, which is lower than the amount produced in 2020. An example of hazardous wastes produced are dregs and grits, lime mud and various types of ash. The hazardous waste produced from production activities is disposed at landfills at the Pangkalan Kerinci complex, while the wastes produced during non-production activities are handled by a licensed third party. Total non-hazardous waste produced in 2021 was 60004.67 tonnes, higher than the quantity produced in 2020. We managed to reuse some elements of non-hazardous waste for our production and road development. Some examples are bottom ash utilised for road sub-base and brown fibre utilised as fuel for the mill's power boiler. The solid waste goes through different methods of transportation, storage, utilisation, and disposal after characterisation while complying with regulations.

We will continue to identify areas to reduce, reuse, and recycle as the foundation of our waste management strategies.

TYPE OF WASTE COMPOSITION	2019	2020	2021
HAZARDOUS WASTE			
Boiler Ash	27,064	28,228	34,625
Lime Mud	4,454	31,386	10,980
Dregs & Grits	32,685	35,197	37,744
Sludge	78,997	79,898	81,504
Fly Ash	141,829	143,868	150,521
Purged Ash	0	0	178
TOTAL	285,029	318,577	315,552
NON-HAZARDOUS WASTE (MT)			
Non recyclables	98,710	39,423	129,819

Table 12: Waste composition in metric tons (MT)

Keeping Resources in the Loop

We promote sustainable waste management by reusing waste to generate energy (waste-to-energy). We are now able to use sludge as a fuel substitute. It mainly consists of fibre solid material that was generated from clarifying pulp and paper mill waste water and it can be burned using existing boiler technology to generate the energy that is required for the production facilities. One of the challenges we faced is the moisture content in brown fibre and sludge due to the nature of the fibrous sludge. We aim to address the issues by installing drying technology to reduce moisture and improve fuel efficiency.

BY-PRODUCTS CAPTURE AND REUSE

The precipitated calcium carbonate plant in operation since 2007 captures a proportion of the carbon dioxide by-product from the lime kiln plant which is converted into quicklime for paper production processes. In 2021, we captured a total of 68,858 tonnes of emitted carbon dioxide that is used to produce the precipitated calcium carbonate.



One of several benefits of our fully integrated mill is the ability to interchange by-products. One such example is the production of hemi caustic also known as steeping ley a by-product from the viscose process. Since the start-up of our sister company APR in 2019 we have been able to divert the hemi caustic produced in their process to supplement the pulp mills caustic needs, resulting in a reduction in the utilisation of purchased caustic by 30%.

Recycling Textile used in Viscose Fibre

We are committed to meeting the target of 20% of recycled textile (RT) used in viscose fibre. As part of our effort to determine suitable feedstock availability and the status of collection, distribution and sorting infrastructures, we have collaborated with our sister company APR as well as Reverse Resources and Closed Loop Fashion to conduct a pre-consumer textile waste survey in Indonesia, Sri Lanka, and Bangladesh. We have also submitted our patent application for the treatment of textile waste as feedstock for textile fibre, which will allow us to efficiently utilise recycled textile. To date, we are able to decolorise and separate the polyester from the textile waste with up to 50% polyester content and have successfully trialled a mix of 50% RT pulp with regular dissolving wood pulp for viscose.

Challenges we have faced included the following:

- Relatively high textile waste cost;
- Lack of collection, sorting, and distribution infrastructure;
- Lack of establishment of consistent and suitable feedstock supply; and
- Limited market uptake.

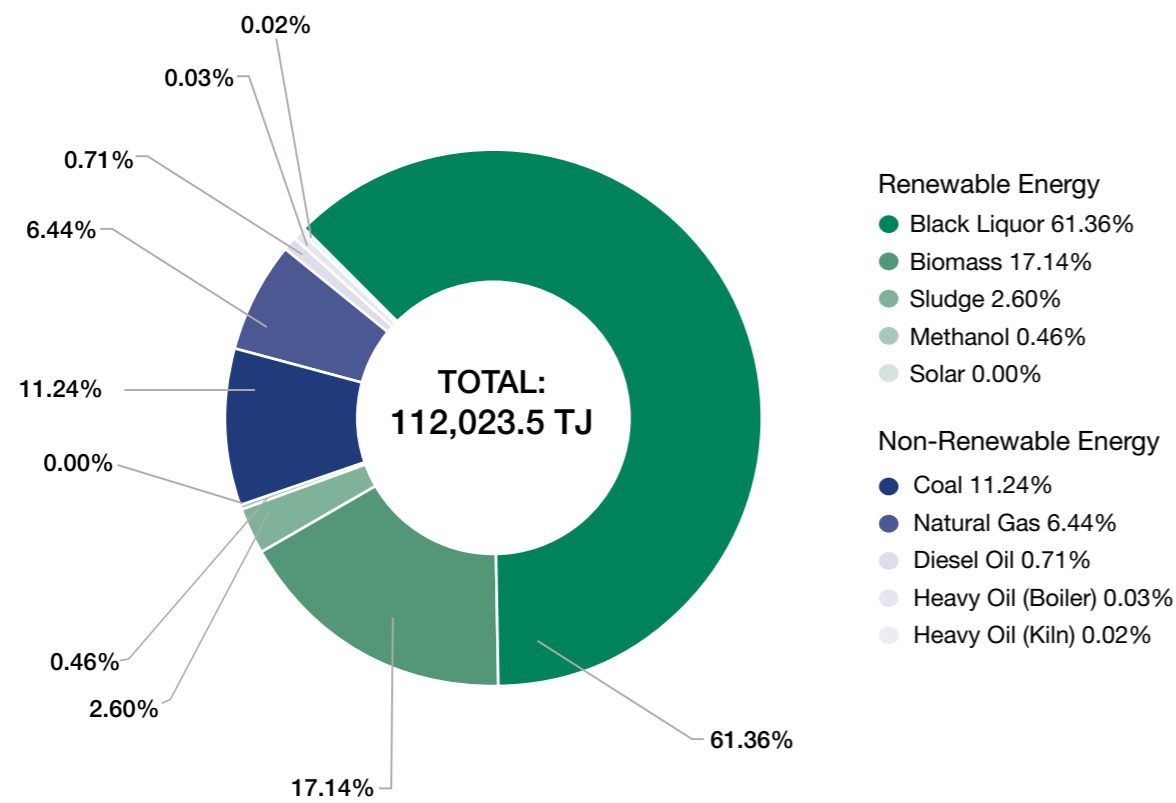
To address these challenges and to ensure we are on track to meet the APRIL2030 targets, we are planning to continue the trials for higher mixed ratio of RT pulp in viscose processes and will continue to research alternative methods to utilise textile waste efficiently. We currently have the basic engineering in progress that helps to scale up our process.

12.3 ENERGY EFFICIENCY

APRIL continues to identify areas to improve our energy efficiency throughout our operations with internal tools and certified environmental and energy management systems. As part of our effort to reduce our reliance on fossil fuels, we utilise renewable fuel sources to generate energy and produce electricity for our production facility. In 2021, 87% of total energy consumption was produced and sourced from renewable and cleaner energy sources. We aim to continue to improve the proportion of renewable energy sources that we use for energy consumption, in line with our APRIL2030

commitment to reduce carbon emissions. In 2022, we plan to install another 10-megawatts of solar panel capacity to generate additional renewable energy, in addition to the 1MW already established.

The primary source for our renewable energy is black liquor, bark, and sludge from the production facility. As an example, pulp production produces black liquor as a by-product. To enhance our capabilities in recovering the methanol, we commissioned a new methanol plant in 2020. The impact became apparent last year as the methanol recovered in 2021 increased by 36% and led to an increase in biofuel available to fuel the mill facility.



In 2021, we reduced our reliance on fossil fuels through using 1,398,966 tonnes of bark, palm husk, screen rejects and sludge for fuel.

AIR EMISSION

The use of combustion fuels for energy produces air emissions that include particulate matter, sulphur oxide, and nitrogen oxide respectively. These emissions are arising from a variety of sources at APRIL including power boilers, recovery boilers, lime kilns, chemical plant for bleaching, and digesters. Our mill operations department is responsible for conducting regular monitoring, measurement, and analysis of this data. Daily reports are generated and shared with national, provincial and district environmental agencies as per regulatory requirements.

To understand our impact from air emissions and to comply with government requirements, we have three monitoring

systems in place against several air pollutant parameters including:

- Continuous Emissions Monitoring Systems - Air Emission Standards, as stipulated in the Ministry of Environment Decree Number 13 of 1995;
- Sistem Informasi Pemantauan Emisi Industri Kontinyu - online live government monitoring system that is integrated with our continuous emissions monitoring system since 2021 on the power boilers only;
- Manual point sources, including an external lab.

We constantly monitor and measure our air emissions to manage our impact and to identify opportunities for improvement.

	2019	2020	2021
Nitrogen Oxide (NOx)	7059	5253	2648
Sulphur Oxide (SOx)	5253	3221	3910
Particulate Matter (PM)	2658	2596	2487

Table 13: Significant Air Emissions (tons)



13. WATER STEWARDSHIP

Global supplies of usable water are dwindling due to extreme weather conditions and increasing global demand. Even though Indonesia is not a water scarce country and our immediate operations are not directly affected by this global challenge, we recognise the importance of water stewardship in our operations to reduce the impacts of our water usage.

Manufacturing pulp and paper is water-intensive through each stage of operations - production, heating, cooling, and cleaning between processes. Water is relatively abundant where we operate in Riau province. This particular region is classified as having a “very low risk” of water scarcity by the WWF 2021 Water Risk Filter tool.

Nonetheless, APRIL works towards reducing our water usage intensity through recycling, waste water management, and upgrading or retrofitting our equipment. For example,

our water is withdrawn from the Kampar River near our operational facilities to support production processes.

Our APRIL2030 targets have been set to increase the efficiency of water usage and to reduce our water intake from the Kampar River over time.

APRIL is taking actions towards its target to reducing process water use per product tonne, including mapping of water balance and improving performance of water-intensive facilities.

APRIL2030 TARGETS

TARGETS	OUR PROGRESS IN 2021
25% Less Water Use per Product Tonne	Water use remained stable in 2021 with the water consumption mitigation measures, including recycling and re-use. This includes initiatives to increase condensate return throughout the process, reducing the need for freshwater makeup.
	<p>Initiatives</p> <ul style="list-style-type: none"> Throughout the paper making process various adjustments are being undertaken which improve the circularity of water use enabling efficient reuse of water.

Table 14: Water Stewardship APRIL2030 Targets

13.1 MANAGEMENT APPROACH

The EU-BAT Reference Document for integrated kraft process mills and the CEPI standards set the benchmark for our water management in our mill operations.

Water withdrawal, consumption, and effluent discharge are recorded continuously using calibrated water flow meters at a number of distribution points throughout our mill. These monitoring and consumption measurements allow us to

maintain a water balance; and enable us to fulfil our regulatory requirement as specified in our abstraction licence.

APRIL adheres to Governmental water standards and consults industry standards as guidance for going beyond compliance. Each business unit in APRIL is responsible for the implementation, monitoring, and improvements of the various internal requirements as well as those by appropriate governing or other bodies. Our dedicated Certification and Compliance department ensures timely reporting to government and undertakes internal audits as necessary or prepares for external audits.

Our water management approach is vital and thoroughly measured. In 2021, total water withdrawal was 123,039 mega litres (ML), 5% higher compared to 2020.

This increase is a result of an increase in production and increased water use generally associated with planned annual maintenance shutdown activities. About 83% of the water withdrawn was treated and returned to the Kampar River.

APRIL has a water reduction strategy in place that involves a range of initiatives and continue to reap the benefits of the water pre-treatment facility we installed in 2020 that processes withdrawn water including the clarification and filtration processes. The facility has helped us in optimising our water usage to reduce the need for pumping and heating fresh batches of water. Overall, less energy is required for our manufacturing processes.

13.2 WASTE WATER MANAGEMENT

Waste water from the production process contains biological and inorganic elements which must be treated and or removed before being discharged back into the Kampar River. Our mill operates and manages an integrated waste water treatment plant that processes up to 280,000 m³ of waste water every day. This facility consists of chemical treatment processes that function continually during processes such as removal of sludge, nutrient supply to the bacterial pond, and utilities maintenance. Water discharge to the Kampar River, a surface water body, from our mill facility is regulated by the relevant authorities with limits on the water quality that is to be discharged. In 2021, the total water discharge to surface was 101,936 ML.

Our mill facility technicians conduct waste water volume measurements and quality assurance every day to monitor the treatment plant's overall performance to ensure processes are in line with our environmental impact assessment. Each month, we engage an accredited third-party laboratory to test our waste water quality and to ensure data accuracy in our collection.

Monitoring and reporting is also done per regulatory requirements on various pollutant parameters, specifically on TSS, BOD, COD, nitrogen, phosphorus and an absorbable organic halogen (AOX). The concentration of waste water levels—including BOD, COD, and TSS, were also under the regulatory threshold.

In 2021 we established a mill wide COD reduction task team. The team pinpoints area specific contributors to COD in our mill waste water in order to establish progressive mill wide COD reduction plans linked to departmental performance ratings. Based on this we have set an initial overall 3% annual reduction target for 2022.

We will focus our attention in 2022 on engaging with technology providers that will enable us to establish a longer term year on year reduction strategy for COD and BOD starting from 2023. While we have yet to set specific targets for BOD, we believe a reduction in COD would drive down BOD given the shared empirical relationship between them. We are committed to achieving BOD output 75% below local government requirements.

In 2021, APRIL discharged 31.6 m³/adt of waste water back to the Kampar River, well below the permissible threshold of 85 m³/adt under local environmental regulations.

In 2018, the Ministry of Environment and Forestry listed the requirements for the installation and operation of the online monitoring systems, which conduct the continuous monitoring of Waste Water Quality. Businesses were given two years to comply with the regulation including the requirement that all such systems are to be calibrated annually by a National Organisation for Standardisation accredited laboratory.

The installations of the treated waste water online monitoring system in our mill facilities were completed in 2020. APRIL continues to maintain the systems and has had uninterrupted data transmission to the Ministry of Environment and Forestry in Jakarta to provide real-time waste water quality monitoring. The present system accurately measures Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), Total Suspended Solids (TSS), pH, flow rate, and volume of treated waste water.

APPENDIX:

A. KPMG ASSURANCE STATEMENT



KPMG LLP

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Independent Limited Assurance Report

To the management of APRIL Group (“APRIL”):

We have been engaged by the management of APRIL INTERNATIONAL ENTERPRISE PTE.LTD. to undertake a limited assurance engagement on certain performance information disclosed in the APRIL 2021 Sustainability Report (the ‘Report’) for the period covering January 1 – December 31, 2021 as described below.

Subject Matter and Applicable Criteria

The scope of our limited assurance engagement, as agreed with management, comprises the performance information (the ‘Subject Matter Information’) described in Table A.

The Subject Matter Information, contained within the Report, has been determined by management on the basis of APRIL’s assessment of the material issues contributing to sustainability performance and that most impact and influence its stakeholders.

Table A: Subject Matter Information

#	Subject Matter Information
1	The claim on page 10 that “This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option”.
2	The claim on page 63 that “As part of our management approach on biodiversity, APRIL monitors and reports flora and fauna species identified across our concessions including threatened species”.
3	The claim on page 81 that “Through our wood suppliers’ due diligence and legality certifications, APRIL ensures that all of its wood comes from responsible sources”.
4	The claim on page 64 that “Various measures are in place to protect forest areas from illegal activities. They include land cover change monitoring, security patrols, community engagement, and boundary demarcation”.
5	The claim on page 73 that “APRIL increased 2019-2021 plantation fibre productivity by 5% compared to its baseline year of 2017-2019 (3 year rolling average)”.
6	The claim on page 70 that “Of APRIL’s, Supply partners and Community Forest total concessions areas, 81% carry PEFC certification”.
7	The claim on page 116 that “APRIL is taking actions towards its target to reducing process water use per product tonne, including mapping of water balance and improving performance of water-intensive facilities”.
8	The claim on page 102 that “In alignment with our commitment to be an equal opportunity employer, APRIL is a signatory to UN Women’s Empowerment Principles and is working to adopt the principles to promote effective participation of women employees”.

#	Subject Matter Information
9	The claim on page 85 that “APRIL developed a Human Rights Policy in 2021, subsequently published early in 2022, which demonstrates the company’s commitments to respecting and managing human rights. A human rights due diligence framework is being developed following a human rights scoping study that identified the potential salient human rights issues relevant to the pulp and paper industry in Indonesia”.
10	The claim on page 93 that “In 2021, APRIL undertook two Social Impact Assessment (SIAs) in various districts in Riau to understand the social impacts that the company causes or contributes to the community as well as the community needs and expectations of the company”.
11	The claim on page 18 that “All of APRIL’s suppliers are required to adhere to APRIL’s Code of Procurement Ethics as part of our commitment to promote fair competition in the procurement of goods and services”.

There are no mandatory requirements for the preparation, publication or review of sustainability performance metrics. As such, APRIL applies the Global Reporting Initiative’s Sustainability Reporting Standards in defining report content as well as its own internal reporting guidelines and definitions (found in the Glossary section of the Report) and the following criteria for qualitative claims:

- The claim fairly reflects the implementation status of the related management systems, processes and initiatives;
- The claim does not omit or distort information relevant to the scope or effectiveness of the systems, processes and initiatives:

(together, the “Applicable Criteria”).

Management’s responsibilities

Management is responsible for the preparation and presentation of the Subject Matter Information in accordance with the Applicable Criteria current as at the date of our report. Management is responsible for determining the appropriateness of the use of the applicable criteria. Management is also responsible for determining APRIL Group’s objectives in respect of sustainability performance and reporting, including the identification of stakeholders and material issues, and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility and professional requirements

Our responsibility in relation to the Subject Matter Information is to perform a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (‘ISAE’) 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. ISAE 3000 requires that we plan and perform our procedures to obtain the stated level of assurance, in accordance with the Applicable Criteria.

Assurance approach

We planned and performed our work to obtain all of the evidence, information and explanations we considered necessary in order to form our conclusion as set out below. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of performance information for the Subject Matter Information, and applying analytical and other evidence gathering procedures, as appropriate. Our procedures included:

- Inquiries of Management to gain an understanding of APRIL's processes for determining the material issues;
- Inquiries with relevant staff at the corporate and concession level as well as fiber suppliers to understand the management approach and reporting processes for the Subject Matter Information,
- Where relevant, performing walkthroughs to evaluate the design of internal controls relating to management approach and reporting of the Subject Matter Information;
- Comparing the reported claim for the Subject Matter Information to underlying data sources on a sample basis, including comparison of site conditions at the concession level to reported data for a sub-sample of the data;
- Inquiries regarding key assumptions and the re-performance of calculations on a sample basis; and,
- Reviewing the performance information for the Subject Matter Information presented in the Report to determine whether it is consistent with our overall knowledge of, and experience with, the sustainability performance of APRIL.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, those applied in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence, quality control and competence

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by the International Ethics Standards Board for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies *International Standard on Quality Control 1* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement was conducted by a multidisciplinary team which included professionals with suitable skills and experience in both assurance and in the applicable subject matter.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that for the period from January 1, 2021 to December 31, 2021, the Subject Matter Information described above and disclosed in the 2021 Sustainability Report have not been prepared and presented, in all material respects, in accordance with the Applicable Criteria, current as at the date of our report.



Chartered Professional Accountants
 Vancouver, Canada
 May 17, 2022



B. GRI CONTENT INDEX

TOPIC	GRI STANDARD	DESCRIPTION OF DISCLOSURE	REFERENCES AND COMMENTS	PAGE
Organisational profile	102-1	Name of the organisation	4. About APRIL	12
	102-2	Activities, brands, products, and services	4. About APRIL	12
	102-3	Location of headquarters	4. About APRIL	12
	102-4	Location of operations	4. About APRIL (See also APRIL Sustainability Dashboard for details of APRIL's operational locations)	12
	102-5	Ownership and Legal Form	4. About APRIL	12
	102-6	Markets served	4. About APRIL	12
	102-7	Scale of the organisation	4. About APRIL <i>Disclosures on net sales and revenue are omitted due to confidentiality constraints.</i>	12
	102-8	Information on employees and other workers	11. Employee Wellbeing, Health & Safety Appendix C	98-105 128
	102-9	Supply chain	4.0 About APRIL 8.4 Wood Fiber Sourcing	12 80
	102-10	Significant changes to the organisation and its supply chain	<i>Disclosure for changes in share capital structure and other capital formation, maintenance, and alteration operations is omitted due to confidentiality constraints.</i>	N/A
102-11	Precautionary Principle or approach	4.2 Governance	16	
102-12	External initiatives	5.5 External Partnerships	38	
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Strategy	102-14	Statement from senior decision-maker	1. Message from President	4
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TOPIC	GRI STANDARD	DESCRIPTION OF DISCLOSURE	REFERENCES AND COMMENTS	PAGE
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	102-17	Mechanisms for advice and concerns about ethics	4.2 Governance	16
Governance	102-18	Governance structure	4.2 Governance	17
	102-30	Effectiveness of risk management processes	4.2 Governance	18
Stakeholder engagement	102-40	List of stakeholder groups	5.4 Stakeholder Engagement	32-37
	102-41	Collective bargaining agreements	9.1 Management Approach	88
	102-42	Identifying and selecting stakeholders	5.4 Stakeholder Engagement	32
	102-43	Approach to stakeholder engagement	5.4 Stakeholder Engagement	32-40
	102-44	Key topics and concerns raised	5.4 Stakeholder Engagement	34-37
Reporting practice	102-45	Entities included in the consolidated financial statements	<i>Organisation's consolidated financial statements are not publicly available.</i> <i>This disclosure is omitted due to confidentiality constraints. However, a list of entities under APRIL is disclosed in Appendices – Scope of Report</i>	133
	102-46	Defining report content and topic boundaries	5.1 Materiality Assessment	26-27
	102-47	List of material topics	5.1 Materiality Assessment	27
	102-49	Changes in reporting	5.1 Materiality Assessment	26
	102-50	Reporting period	3. About this Report	10
	102-51	Date of most recent report	3. About this Report	10
	102-52	Reporting cycle	3. About this Report	10
	102-53	Contact point for questions regarding the report	3. About this Report	10
	102-54	Claims of reporting in accordance with the GRI Standards	3.2 Reporting Framework	10
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102-56	External assurance	Appendix A KPMG Assurance Statement	118	



TOPIC	GRI STANDARD	DESCRIPTION OF DISCLOSURE	REFERENCES AND COMMENTS	PAGE
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Climate Change	103-1	Explanation of the material topic and its Boundary	6. Climate Change	44
	103-2	The management approach and its components	6.1 Management Approach	46
	103-3	Evaluation of the management approach	6. Climate Change	44-47
	201-2	Financial implications and other risks and opportunities due to climate change	6.3 Understanding Climate-Related Risks to the Business	53-55
	305-1	Direct (Scope 1) GHG emissions	6.1 Management Approach	48
	305-3	Other indirect (Scope 3) GHG emissions	6.1 Management Approach	48
	305-4	GHG emissions intensity	6.1 Management Approach	49
	305-5	Reduction of GHG emissions	6.1 Management Approach 6.3 Understanding Climate-Related Risks to the Business	48-52
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Biodiversity and Ecosystem Services	103-1	Explanation of the material topic and its Boundary	7. Biodiversity and Ecosystem Services	60
	103-2	The management approach and its components	7.1 Management Approach	63
	103-3	Evaluation of the management approach	7. Biodiversity and Ecosystem Services	63-66
	304-2	Significant impacts of activities, products, and services on biodiversity	7.1 Management Approach	63-66
	304-3	Habitats protected or restored	7.1 Management Approach	63-66
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	7.1 Management Approach Appendix C	63 128

TOPIC	GRI STANDARD	DESCRIPTION OF DISCLOSURE	REFERENCES AND COMMENTS	PAGE
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	103-2	The management approach and its components	8.1 Management Approach	69
	103-3	Evaluation of the management approach	8. Forest Management	70-71
Wood Fiber (Raw Material Sourcing)	103-1	Explanation of the material topic and its Boundary	8.4 Wood Sourcing	80
	103-2	The management approach and its components	8.4 Wood Sourcing	80-81
	103-3	Evaluation of the management approach	8.4 Wood Sourcing	80-81
	308-1	New suppliers that were screened using environmental criteria	8.4. Wood Sourcing	80
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Human Rights	103-1	Explanation of the material topic and its Boundary	9. Human Rights	84
	103-2	The management approach and its components	9.1 Management Approach	85
	412-1	Operations that have been subject to human rights reviews or impact assessments	9.1 Management Approach	86
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	103-2	The management approach and its components	10.1. Management Approach	92
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	203-1	Infrastructure investments and services supported	10. Community Livelihoods 10.2 Improving Community Livelihoods	90 94-96
	413-1	Operations with local community engagement, impact assessments, and development programs	10. Community Livelihoods 10.2 Improving Community Livelihoods 10.3 Fire Free Village Programme	90 94-96



TOPIC	GRI STANDARD	DESCRIPTION OF DISCLOSURE	REFERENCES AND COMMENTS	PAGE
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SUSTAINABLE GROWTH

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	103-2	The management approach and its components	12.1 Management Approach	109
	103-3	Evaluation of the management approach	12. Resource Efficiency 12.1 Management Approach	108 109
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	302-1	Energy consumption within the organisation	12.3 Energy Efficiency	114
	306-4 (2020)	Waste diverted from disposal	12.2. Increasing Material Efficiency and Circularity Appendix C	111 128
Water Stewardship	103-1	Explanation of the material topic and its Boundary	13. Water Stewardship	116
	103-2	The management approach and its components	13.1 Management Approach	116
	103-3	Evaluation of the management approach	13 Water Stewardship	116-117
	303-1 (2018)	Interactions with water as a shared resource	13. Water Stewardship 13.2. Waste Water Management	116-117
	303-3	Water withdrawal	13.2. Waste Water Management	117
	303-4 (2018)	Water discharge	13.2. Waste Water Management	117
	303-5	Water consumption	13.2 Waste Water Management	117



C. SUSTAINABILITY FIGURES

Chapter 4

CATEGORY	UNIT/METRIC	2021
TOTAL CONCESSIONS AREA	Ha	1,046,894
Plantations	Ha	447,984
Livelihood plantations	Ha	33,795
Conservation & Restoration	Ha	360,200
Community & Other Uses	Ha	204,915

Table: Forest Concession Areas

Chapter 6

GHG SOURCES	TONNES CARBON DIOXIDE EQUIVALENT (TCO ₂ E)		
	2019	2020	2021
A. MILL FACILITIES			
Total Tonne CO ₂ eq	2,385,430	2,494,769	2,113,746
Total Nett CO ₂ equivalents per tonne Product	0.6227	0.6178	0.5022

Table: GHG Scope 1 Mill Emissions

Electricity Consumption	Mj	11,652,928	11,961,112	12,478,253
Heating Consumption	Mj	0	0	0
Cooling Consumption	Mj	0	0	0
Steam Consumption	Mj	54,481,174	55,870,820	58,473,711
Total electricity consumption within the organization	Mj	66,134,102	67,831,932	70,951,964

Table: Energy Consumption

FUEL	2019		2020		2021	
	TJ	%	TJ	%	TJ	%
RENEWABLE ENERGY						
A. BIOMASS						
Biomass (Bark, Fibre of Palm Fruit, Screen reject.))	19033.12	18.56	18105.59	16.96	19197.17	17.14
Black Liquor	59263.62	57.80	63864.02	59.83	68736.98	61.36
Sludge	0	0.00	524.8532	0.49	2915.203	2.60
Methanol	405.6232	0.40	328.455	0.31	513.7568	0.46
Solar	0	0.00	0	0.00	2.34	0.00
NON RENEWABLE ENERGY						
B. FOSSIL FUEL						
Natural Gas	7929.859	7.73	6732.646	6.31	7216.986	6.44
Heavy Oil (Kiln)	0	0.00	0	0.00	22.9796	0.02
Coal	14182.26	13.83	15567.77	14.59	12590.89	11.24
Heavy Oil (Boiler)	915.0436	0.89	862.7094	0.81	32.57061	0.03
Diesel Oil	794.6906	0.78	749.2397	0.70	794.6648	0.71
TOTAL ENERGY	102524.2	100	106735.3	100	112023.5	100

Chapter 7

TAXA	CR	EN	VU	NT	LC	DD	NA	*CITES	**GOI
Mammals	3	6	9	2	14	1	0	13	17
Amphibians & Reptiles	0	3	2	0	21	0	3	7	1
Birds	0	4	7	5	71	0	0	8	24
Plants	7	9	12	6	60	5	0	3	0
TOTAL	10	22	30	13	166	6	3	31	42

Table: Threatened Species according to IUCN Red list
 *CITES - the Convention on International Trade in Endangered Species of Wild Fauna and Flora
 ** GOI - Government of Indonesia Nationally listed species

IUCN Classification

CR	Critically Endangered	LC	Least Concerned
EN	Endangered	DD	Data Deficient
VU	Vulnerable	NA	Not Assessed/Evaluated
NT	Near Threatened		

Chapter 8

CATEGORY	UNIT/METRIC	2021
PEFC certified Forest concessions	Ha	721,790
PEFC certified RER	Ha	40,721

Table: PEFC Certified Area

Chapter 11

	NUMBERS
Employees	8785
Workers who are not employees e.g. contractors, supply partners	21612

Table A: Employees and contractors

Chapter 12

CATEGORY	UNIT/METRIC	2019	2020	2021
Total weight of INDUSTRIAL Hazardous waste in metric tons, and a breakdown of this total by composition of the waste	MT	285,030	318,579	315,552
Boiler Ash	MT	27,064	28,228	34,625
Lime Mud	MT	4,454	31,386	10,980
Dregs & Grits	MT	32,685	35,197	37,744
Sludge	MT	78,998	79,899	81,504
Fly Ash	MT	141,829	143,869	150,521
Purged Dust	MT	0	0	178
Total weight of INDUSTRIAL hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations:	MT	38,853.33	51,102.44	157,018
Preparation for reuse;	MT	38,853.53	51,102.44	157,018
Recycling	MT			
Other recovery options	MT			
Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations:	MT	100,725.00	41,495	129,819
Preparation for reuse;	MT	98,710.50	39,422.88	129,819
Recycling	MT			
Other recovery options	MT	2,014.50	2,072.12	0
For each recovery operation listed above, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste diverted from disposal:	MT			
Hazardous Waste	N.A	-	-	-
Onsite	MT	38,853.53	51,102.44	157,018
Offsite	MT			
Non-hazardous waste	N.A	-	-	-



D. PESTICIDES INGREDIENTS LIST

PESTICIDE GROUP	ACTIVE INGREDIENT
Additive	Alkylaryl polyglycol ether
Adjuvant/Sticker	Fatty alkyl sulphate + Fatty alkyl betain
Bactericide	Streptomycin sulfate
	Azoxystrobin + Difenconazole
	Carbendazim + Mancozeb
	Copper oxysulfate
	Cupric acetate + Tebuconazole
	Difenconazole
Fungicide	Hexaconazole
	Mancozeb
	Mancozeb + Acilbenzolar-S-metil
	Mancozeb + Mefenoxam
	Oxolinic acid
	Propineb
	Tebuconazole
Herbicide	Glyphosate
	Fluroxipyr
	Methyl-metsulfuron
	Triclopyr
	Acephate
	Acetamiprid
	Alpha Cypermethrin
	Amitraz
	Carbaryl
	Chlorpyrifos
	Clothianidin
	Cyantraniliprole
	Deltamethrin
Insecticide	Dimethoate
	Dinotefuran
	Fipronil
	Imidacloprid
	Lambda Cyhalothrin
	Profenophos
	Propargite
	Refined petroleum distilate
	Spinetoram
	Sulfoxaflor
	Thiamethoxam

E. SCOPE OF REPORT

The 2021 Sustainability Report covers the 12 entities that comprise APRIL, a limited liability company, as well as Supply Partners who have long-term agreements with the company.








APRIL GROUP COMPANIES

PT Riau Andalan Kertas	PT Riau Andalan Pulp & Paper	PT Global Alam Nusantara
PT Anugrah Kertas Utama	PT Intiguna Primatama	PT Sinar Mutiara Nusantara
PT Asia Prima Kimiaraya	PT Gemilang Cipta Nusantara	PT April Management Indonesia
PT Riau Prima Energi	PT The Best One Uni Timber	PT Indokarya Bangun Bersama






'Supply Partners' are long-term fibre supply partners and contribute to the company's 1-for-1 commitment, where APRIL has pledged to conserve or restore one hectare of forest for every hectare of plantation. Details of APRIL Group's fibre suppliers are published on its Sustainability Dashboard. From hereafter, APRIL will refer to APRIL Group.








F. SDG INDEX

GOALS	TARGETS	RELEVANT SUB-SECTION WITHIN THIS REPORT
 End poverty in all its forms everywhere	1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day.	Inclusive Progress (page 82) Community Livelihoods (page 90) Improving Community Livelihoods (page 94) Year in Summary (page 6)
	1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.	Improving Community Livelihoods (page 94) Year in Summary (page 6)
 End hunger, achieve food security and improved nutrition and promote sustainable agriculture	2.2 By 2030 end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.	Year in Summary (page 6) Community Livelihoods (page 90)
	2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.	Land Use (page 22) Improving Community Livelihoods (page 94)
 Ensure healthy lives and promote well-being for all at all ages	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.	Improving Community Livelihoods (page 94) Special Contributions for COVID-19 (page 96) Responding to COVID - 19 Pandemic (page 100) Promoting Employees' Working Conditions and Wellbeing (page 103)
 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.	Sustainability Focus Areas (page 30) APRIL 2030 Targets (page 91) Promote Quality Education (page 95)
	4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.	Sustainability Focus Areas (page 30) APRIL 2030 Targets (page 91) Promote Quality Education (page 95)
	4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.	Improving Community Livelihoods (page 94) Promote Quality Education (page 95)
 Achieve gender equality and empower all women and girls	5.1 End all forms of discrimination against all women and girls everywhere.	Employee and Contractor Rights (page 88)
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	APRIL2030 Targets (page 91) Equal Opportunities and Participation (page 102)
 Ensure availability and sustainable management of water and sanitation for all	5.a Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.	APRIL2030 Targets (page 91)
	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.	Management Approach (page 116) Wastewater management (page 117)
	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.	APRIL2030 target (page 116) Management Approach (page 116) Wastewater management (page 117)
 Ensure access to affordable, reliable, sustainable and modern energy for all	6.6 By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.	Production-Protection Model (page 22) Landscape Conservation Approach (page 63) Peatland Management (page 74)
	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services.	Energy Efficiency (page 114)

APRIL's impact and contribution to SDG's Our other SDG connections

GOALS	TARGETS	RELEVANT SUB-SECTION WITHIN THIS REPORT
 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.	Precision Forestry (page 70) Mill part Increasing Material Efficiency and Circularity (page 111)
	8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.	Resource Efficiency (page 108)
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	Employee Wellbeing, Health and Safety (page 98)
	8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.	Human Rights (page 84)
 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Employee and Contractor Rights (page 88)
	9.4 By 2030 upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.	APRIL2030 (page 45) Precision Forestry (page 70) Increasing Material Efficiency and Circularity (page 111)
 Reduce inequality within and among countries	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.	Equal Opportunities and Participation (page 102) Inclusive Progress (page 82)
	10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	Human Rights Policy (page 85)
 Make cities and human settlements inclusive, safe, resilient and sustainable	11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.	Employee Wellbeing, Health and Safety (page 98)
	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.	Air Emissions (page 115) Waste Water Management (page 117) Solid Waste Management (page 112) List of Chemicals Pesticides used (page 132)
 Ensure sustainable consumption and production patterns	12.2 By 2030, achieve the sustainable management and efficient use of natural resources.	Sustainable Forest Management (page 68)
	12.4 By 2020 achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.	1. Page 115 on Air Emissions 2. Page 117 on Waste Water Management 3. Page 112 on Solid Waste Management 4. Page 132 on list of Chemicals used
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.	Recycling of Paper Waste (page 7) Increasing Operational Efficiency (page 80) Resource Efficiency (page 108) Water Stewardship (page 116)
	12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.	Talent Development (page 100)

APRIL's impact and contribution to SDG's Our other SDG connections

GOALS	TARGETS	RELEVANT SUB-SECTION WITHIN THIS REPORT
 Take urgent action to combat climate change and its impacts	13.2 Integrate climate change measures into national policies, strategies and planning.	Policy Framework (page 20)
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	Stakeholder Engagement (page 32) External Partnerships (page 38)
 Conserve and sustainably use the oceans, seas and marine resources for sustainable development	14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.	Waste Water management (page 117)
	14.4 By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics.	Biodiversity and Ecosystem Services (page 60)
 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	15.2 By 2020 promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally	Policy Framework (page 20) Sustainable Forest Management (page 68) Production-Protection Model (page 22) Conservation and Restoration Areas (page 63)
	15.3 By 2030 combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world	Biodiversity and Ecosystem Services (page 60) Forest Management (page 68) Precision Forestry (page 70) Site and soil management (page 72)
	15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species	Biodiversity and Ecosystem Services (page 60) Safeguarding Wildlife (page 64) Species of Special Concern (page 66)
	15.7 Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products	Stakeholder Engagement (page 32) Biodiversity and Ecosystem Services (page 60) Wildlife Protection (page 64)
	15.a Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems	Land Use (page 22) Biodiversity and Ecosystem Services (page 60) Landscape Conservation and Restoration (page 66)
	15.b Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation	Environmental and Social Compliance (page 22) Biodiversity and Ecosystem Services (page 60) Landscape Conservation and Restoration Programmes (page 63) Forest Management (page 68) Forest Certification (page 70)
	15.c Enhance global support for efforts to combat poaching and trafficking of protected species, including by increasing the capacity of local communities to pursue sustainable livelihood opportunities	Biodiversity and Ecosystem Services (page 60) Wildlife Protection (page 64)
 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.	Human Rights (page 88)
 Strengthen the means of implementation and revitalize the global partnership for sustainable development	17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries	Stakeholder Engagement (page 32) External Partnerships (page 38) Assessing Climate Impact (page 48) Advancing Tropical Peatland Science (page 74)
	17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.	Our Year in Summary (page 6) Stakeholder Engagement (page 32) External Partnerships (page 38) Community Livelihoods (page 90)



APRIL 