



13 December 2021

## **RGE Responds to NBC Story**

A story ran on the US news channel NBC on 11 December 2021 (Singapore time) alleging a link between production of sustainable viscose and deforestation in Indonesia. The story included reference to RGE as a leading global producer of viscose and APRIL as a supplier of fiber.

In working with NBC producers in advance of the story airing, APRIL provided clear, compelling evidence to NBC that in fact no deforestation by APRIL or its suppliers has occurred. The detailed response from APRIL can be found in the below link:

<https://www.aprildialog.com/en/2021/12/12/april-group-response-to-nbc-story/>

Regarding concerns expressed in NBC's story that increased global demand for pulp, paper and viscose will lead to greater deforestation, this is simply not the case with APRIL or its suppliers. APRIL has clearly stated that it has no intention of expanding its forest concessions and that future demand for fiber supply will be met from its existing supply chain, including from intensification and productivity gains from existing plantations.

### **Viscose-Rayon**

Viscose-rayon is made from 100% wood cellulose, and serves as a natural alternative to cotton and petroleum-based synthetic fabrics such as acrylic, polyester, nylon and others. The highly absorbent nature of viscose-rayon enables it to take dyes very well, bringing about rich and radiant colours without losing its natural lustre which makes it highly attractive to manufacturers.

Our wood fibre supply is sourced from sustainably managed plantations and forests. These trees are renewable resources which are harvested within 5 years for the next cycle of planting and harvesting, thus ensuring a constant supply of renewable raw materials. Consisting of natural plant-based polymers, viscose-rayon is biodegradable and naturally decomposes into the soil.

### **RGE Sustainability Track Record**

Overall, the NBC story also purports a narrative that RGE's operations have led to negative environmental impacts in Indonesia.

RGE companies have been pioneers of many sustainability commitments in the region for well over one decade. We were the first to adopt the High Conservation Value Framework since 2005, the first to do independently verified sustainability reporting following Global Reporting Initiative standards since 2004, and the first to have a global certification for sustainable forest management under the Programme for Endorsement of Forest Certification (PEFC) in Indonesia. Since 2015, all RGE companies adhere to the RGE

Sustainability Framework which, among other commitments, prohibits deforestation by the companies and their suppliers.

Beyond stopping deforestation, RGE companies have actively championed the protection of biodiversity and high conservation value forest. For instance, APRIL has a unique 1 for 1 commitment which is to conserve a hectare for every hectare of plantation as part of its sustainability policy. This conservation effort has resulted in 380,000 hectares (2.5 times the size of London) of natural forest under active management and protection. This conservation effort is unparalleled by any other industry players. RGE companies continue to build on their sustainability commitments by announcing their 2030 vision. These forward-looking commitments are underpinned by specific, science-based or measurable targets which aim for a positive impact on climate, nature and people.

The engagement with NBC further assured that our group's policy compliance, assurance process, supplier due diligence and land cover change monitoring is robust and accurate. Unfortunately, the story purports otherwise. We will continue to take any allegations of deforestation seriously and work with all suppliers to ensure compliance with our policies and practices.

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