



APRIL Statement on NGOs Suspension from Stakeholder Advisory Committee over Pulau Padang Canal

APRIL apologises unreservedly to its Stakeholder Advisory Committee (SAC) and other stakeholders for incorrectly referencing specific clauses of the Forest and Land Fire Control regulation (PerMenLHK No.32 year 2016) in relation to a canal constructed in its forestry concession at Pulau Padang.

We regret that this incident has led Greenpeace and WWF, as members of APRIL's Stakeholder Advisory Committee (SAC), to publicly express concerns that APRIL deliberately misled its key stakeholders and that the company was not being transparent about its actions.

APRIL will cooperate fully with a joint task-force including Indonesia's Peatland Restoration Agency (BRG) and the Ministry of Environment and Forestry to review and address the social issues and any other matters on its forestry concessions at Pulau Padang.

The SAC has noted that the majority of the Committee does not believe that the errors made in relation to the canal were intentional on APRIL's part.

We reaffirm that it is never our intention or approach to deliberately mislead and we take seriously Greenpeace and WWF's decision to suspend their membership of the SAC, which provides guidance and scrutinizes the company's sustainability commitments and their implementation.

We realize that aspects of how APRIL handled this issue led to confusion and an erosion of trust in the company's actions in some quarters, which is of great concern to APRIL. It is vital that we get our actions on sustainability and the communication of them right, given the focus and progress on implementing our Sustainable Forest Management Policy (SFMP) commitments over the past 18 months which include conserving forest areas, restoring previously degraded land, preventing and suppressing fires in and around APRIL's concessions, engagement with NGOs on sustainability and the commitment of US\$100 million over 10 years to conservation and restoration efforts.

APRIL would never jeopardize those commitments by deliberately misleading the SAC and key stakeholders. There is simply too much at stake. Mistakes were made in relation to this issue and we are doing our utmost to ensure these do not recur.

APRIL remains focused on demonstrating and assuring that our actions overall are in line with our SFMP commitments as well as the prevailing laws and regulations of Indonesia. Compliance with our SFMP is also subject to scrutiny through an independent audit commissioned by the SAC and conducted by KPMG, the results of which will be released in the coming weeks.

APRIL recognizes that positive engagement with all our stakeholders, including our critical friends, is essential, not just for trust in our business but also for the implementation of the company's ambitious sustainability plans. Our commitment to our sustainability policy remains steadfast and we will work hard to deliver on the goals which are core to APRIL's operations. We hope that over time trust will be rebuilt with stakeholders where it has been lost as APRIL implements its SFMP going forward.