



APRIL2030

PROGRESS & PATHWAYS

An Update on APRIL2030 Commitments and Targets

Published February 2025



CONTENTS

①

INTRODUCTION

01 Striving for Impact

②

REFLECTIONS FROM LEADERSHIP

03 Leadership View
05 Sustainability Perspective
08 Expert Viewpoint

③

APRIL2030 TARGETS AND PROGRESS

09 Status of Targets
10 APRIL2030 Commitments

④

APRIL2030 COMMITMENT PILLARS

11 Climate Positive
17 Our Solar Journey
19 Thriving Landscapes
25 Community Conservation
27 Inclusive Progress
35 Identifying Livelihood Challenges
37 Sustainable Growth
43 New Clothes From Old

⑤

GOVERNANCE

45 Oversight & Accountability

⑥

CONCLUSION

47 Well Done is Better Than Well Said



1

INTRODUCTION

STRIVING FOR IMPACT

APRIL2030 is our agenda for meeting the challenges of a crucial decade for climate, nature and sustainable development. It is the company's commitment to deliver a positive impact on climate, nature and people while growing our business sustainably.

At the start of the decade, we set out ten-year sustainability goals made up of 18 specific and measurable targets under four commitment pillars. Work began on these targets in 2019 to define the scope, level of ambition, and relevance to the business and to the global sustainability goals. The full APRIL2030 agenda was officially launched the following year at the height of the Covid pandemic. It builds on our Sustainable Forest Management Policy (SFMP) 2.0 which laid down the company's no deforestation commitment and other sustainability pledges in 2015.

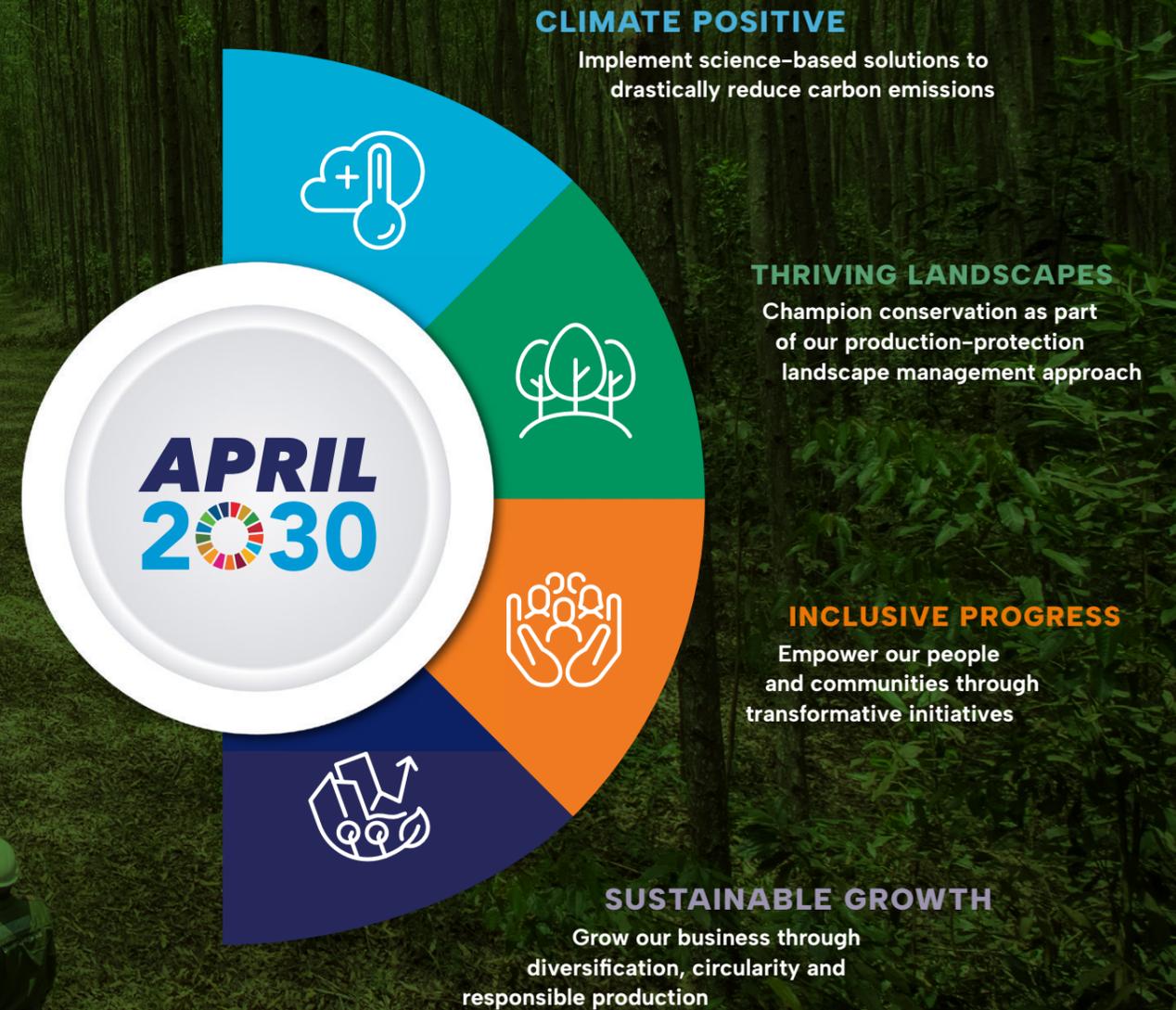
For each of the targets, we defined performance indicators, resulting in 35 performance metrics for APRIL2030. They set quantifiable goals for the company to meet by the end of the decade and were intended to contribute to the global 1.5 degrees C climate goal and the United Nations' Sustainable Development Goals.

In order to measure progress against the targets, we established a baseline for most of the indicators using 2019 data. These baselines were independently verified by KPMG PRI Canada as being fit for purpose and accurate. For most of these, the scope of the targets is APRIL's own fibre and manufacturing operations, though within the Inclusive Progress pillar, most targets refer to impacts on local communities surrounding APRIL's operational area.

We have reported on progress towards the APRIL2030 targets through our annual Sustainability Reports. This report is an opportunity for a more expansive appraisal of progress at the mid-way point toward the end of the decade.

The intention is to reflect on the highlights and challenges so far and how the effort to deliver on the APRIL2030 goals has been a catalyst for transformation. We also discuss how we will act on those metrics that are proving to be more challenging to progress.

Data reported here for 2024 are up to October. Full year figures will be reported in the 2024 Sustainability Report.



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

REFLECTIONS FROM LEADERSHIP

PROGRESS, CHALLENGES, & ASPIRATIONS

LEADERSHIP VIEW

Anderson Tanoto

| Managing Director, RGE

When we unveiled our APRIL2030 commitments and targets in 2020, we highlighted that it was an opportunity to play our part in achieving a lower carbon economy and to make a positive impact on climate, nature and people by 2030.

Four years on as we take stock of progress so far, we have delivered on what we said we would do, while demonstrating that business growth and sustainability transformation can go in hand-in-hand as an effective business strategy.

Our APRIL2030 progress, set out in the pages that follow, builds on the foundation set by our Sustainable Forest Management Policy 2.0 and the consistent fulfilment of our no deforestation commitment since 2015.

At the same time, we've grown our business, deliberately and with diligence. We've done that through investment in downstream diversification into new growing markets for sustainable textiles and packaging, to meet the growing global demand for sustainably produced everyday consumer products.

While our expanded production capacity has made meeting some of our original APRIL2030 targets more challenging, it has also demonstrated the ability of the private sector to stretch ambitions and adapt to changing economic or market conditions. Our growth

has put us in position to support the decarbonisation of our operations, the extension of our investments in nature and biodiversity, and driven inclusivity and lifted-up local communities, while growing our business sustainably.

The data in this report speaks to our progress. Emissions from land use change are down by more than a fifth. We now send less than half as much solid waste to landfill per tonne of product. We had no solar power at our mill at the start of the decade. We now

to thank the Champions of each commitment pillar and the team and partners who have worked to ensure the realisation of our vision for 2030 and beyond.

Despite headwinds in the macro environment, with various companies and state actors globally back-peddling on commitments, we remain fully committed and on track for our APRIL2030 targets. These headwinds are also a sobering reminder that sustainability roadmaps should not

"APRIL2030 has become a catalyst for new ideas, new partnerships and new solutions that extend beyond our commitments and targets."

have solar panels providing 26.3 MW, allowing us to double our target for solar to 50 MW by 2030.

In support of local government efforts, we've contributed to a reduction in infant stunting in the villages that surround our plantations. The number of villages with 14% or less stunting has gone from 16 in 2019 to 74 now and this trend continues to improve.

The collective commitment from our people, who have applied their skills and expertise to embrace cleaner, more efficient ways of working, has also been vital to our progress. I want

be deemed as anti-growth, nor inflationary in nature, for product cost structures and consumer pricing.

APRIL2030 has proven to be more than the sum of its parts. It has become a catalyst for a new mindset towards business sustainability where doing good for climate, nature and people is also about achieving a sustainable, profitable business. Thank you for taking an interest and joining us in this journey!

SUSTAINABILITY PERSPECTIVE



Lucita Jasmin

Director of Sustainability and External Affairs, APRIL Group

“Our APRIL2030 commitments and targets can only be delivered through the efforts of the entire organisation.”

During the past four years of APRIL2030 implementation, we have seen how having a unified, forward-looking agenda can serve as a catalyst for integrating sustainability into our business strategy and operations.

Our 18 targets — organised under four commitment pillars — were conceived from the beginning to remain anchored on business strategies, operational realities and the needs of the local communities.

Collectively, they have helped move the organisation from a reactive to a strategic approach to sustainability, and from a focus on managing risks to also pursuing opportunities to deliver more positive impact on climate, nature and people.

From its inception, there was a clear acknowledgment that our APRIL2030 commitments and targets could only be delivered through the efforts of the entire

organisation. Since the launch of APRIL2030, we have raised the awareness and understanding of sustainability across all levels of the organisation through leadership communication, education and importantly, by incorporating APRIL2030 targets into individual KPIs.

Important actions that have been pushed to the forefront through APRIL2030 include our work on human rights impact mitigation and improvements in gender balance and equality. We have also closely examined our approach to poverty alleviation to ensure we deliver targeted impact, while a review of the strategic risks facing our organisation has broadened our Climate Positive scope to now include climate adaptation strategies and actions.

APRIL2030 has also reinforced our leadership in conservation, enabled by our conservation fund, generated through an internal tariff on fibre

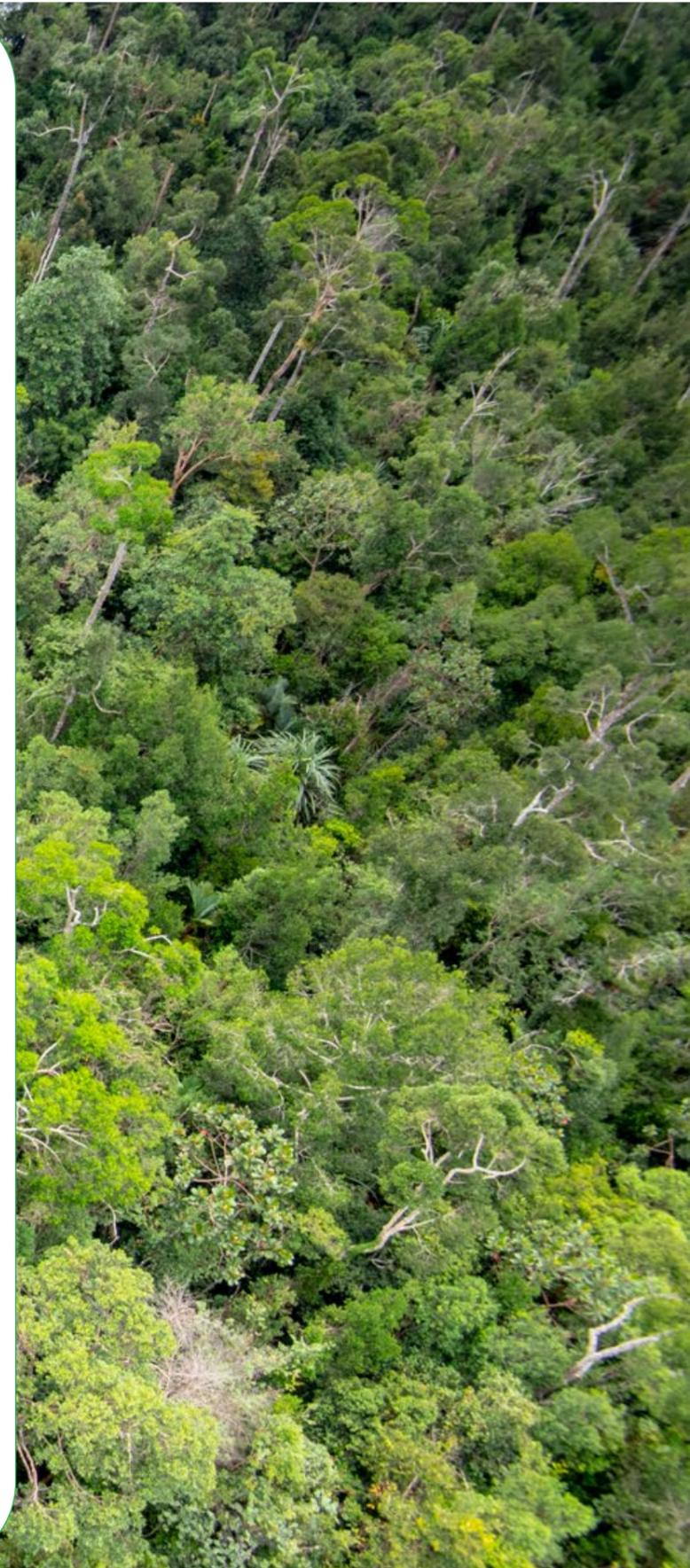
supply to the mill. This initiative does much more than providing funding certainty for our conservation initiatives, as it further demonstrates the effectiveness of our Production-Protection approach. This approach, unique to APRIL, also delivers the capability to support conservation partnerships beyond our operational boundaries, and is a working example of how the private sector can finance and implement conservation projects within and beyond its value chain.

While APRIL2030 has sharpened our focus on the sustainability of our own operations, we have done so in an external environment that has been very dynamic, marked by a flurry of developments: from geopolitical and regulatory changes to a proliferation of guidance, frameworks, standards and tools.

Throughout, we have strived to focus on what matters most, which is delivery on the ground, in our operations and the communities surrounding them. We have had to adapt as necessary — and will continue to do so — while ensuring that any change remains aligned to our business strategies and operational realities, and enhances our ability to enable action and impact on the ground.

While delivering on our APRIL2030 commitments and targets, we have kept to our foundational sustainability commitments captured in our Sustainable Forest Management Policy 2.0, particularly no deforestation. We’ve always said APRIL2030 was neither a diversion or a substitute for these foundation commitments, and our progress and performance over the past four years have shown this to be the case.

Moving forward, we will continue to stay true to what we meant APRIL2030 to be — a catalyst for transformation, a unified agenda around which we rally concerted action across the organisation, and about positive impact for climate, nature and people.



“APRIL didn’t rush into rolling out their targets...

...they took time to carry out a precise baseline analysis so they would be able to accurately track progress against the targets.”

EXPERT VIEWPOINT

Jeff Sayer

Co-Chair of the Stakeholder Advisory Committee

We take it for granted now, but APRIL’s adoption of its 1-for-1 commitment in 2015 was a huge step for the company and for the wider industry in the region. Very few forestry companies anywhere in the world, either then or now, have publicly stated that they will set aside an equal area for conservation to match their plantation footprint.

But you could argue the launch of its APRIL2030 targets was an even bigger move. We have seen a lot of large organisations and brands make big sustainability-related undertakings over the last 10 years or so, and the reality is that many are struggling to meet these targets and will continue to struggle.

APRIL did not rush into rolling out these targets. I had the opportunity to see firsthand how the company went about determining those areas where they could achieve the greatest impacts and then select the targets accordingly. There were a couple of very noticeable elements in this process. First, this was a real organisation-wide effort. The management team involved teams from different levels of the company in the process. Second, they took time to carry out a precise baseline analysis so they would be able to accurately track progress against the targets.

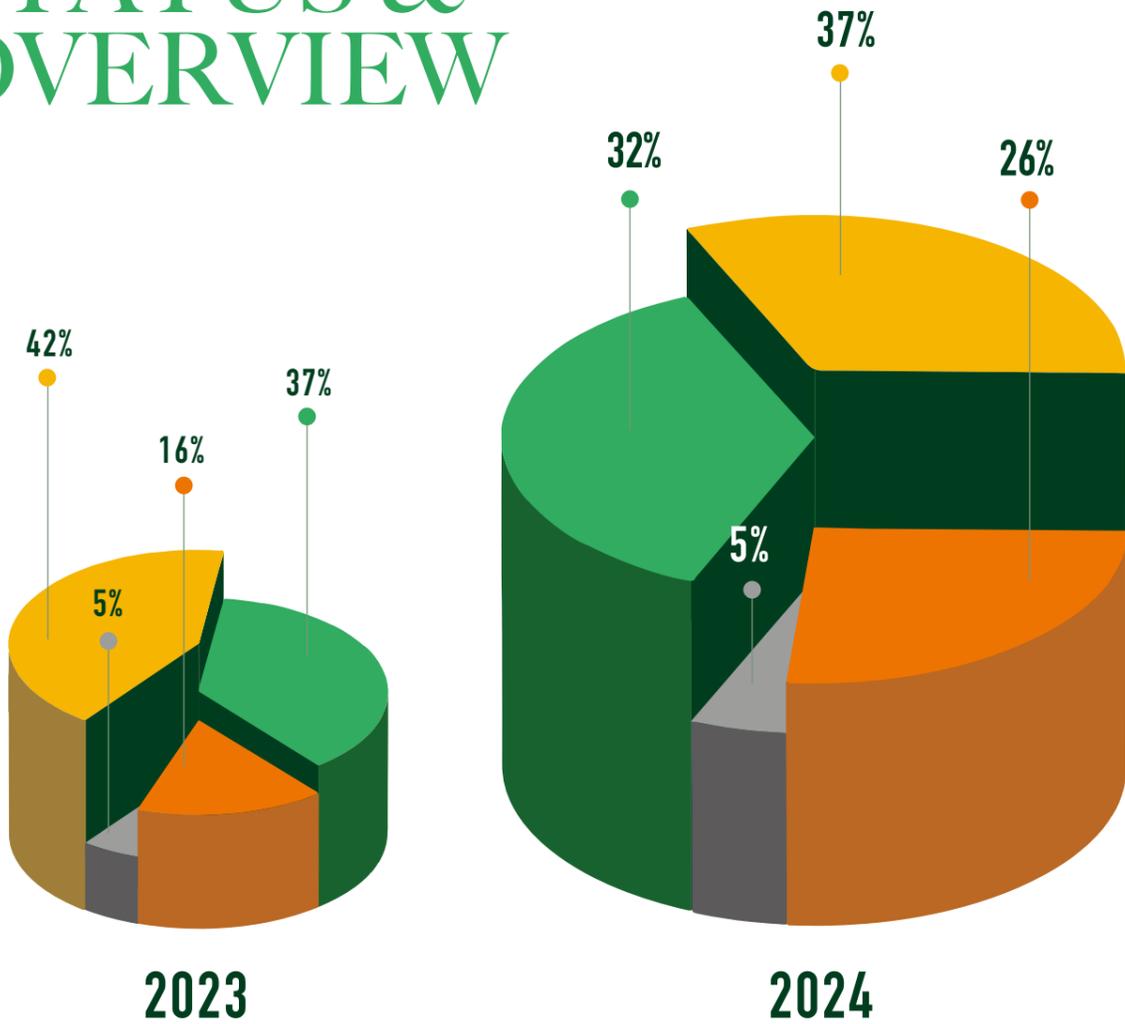
Now, four years on, we can see that APRIL is openly and transparently reporting on progress against these targets. As we can see, the company is making progress in some targets, but others are challenging. This shows that APRIL places a value on sharing what it has learned on this journey towards 2030. It’s not going too far to say that APRIL has put in place industry-leading management and operational practices to guide the implementation of its APRIL2030 strategy.



3

APRIL2030
PROGRESS OVERVIEW

TARGETS, STATUS & OVERVIEW



APRIL2030

Commitment



CLIMATE POSITIVE

Implement science-based solutions to drastically reduce carbon emissions

Targets

2023 2024

Achieve net zero emission from land use		
Reduce product carbon emission intensity by 25%		
Source 90% of mill energy needs from renewables and cleaner energy sources		
Source 50% fibre operation energy needs from renewables and cleaner energy sources		



THRIVING LANDSCAPES

Champion conservation as part of our production-protection landscape management approach

Invest in landscape conservation		
Zero net loss of conservation area		
Positive biodiversity gains		
Supporting wildlife protection in Indonesia		
Advance tropical peatland science		
Increase fibre plantation productivity by 50%		



INCLUSIVE PROGRESS

Empower our people and communities through transformative initiatives

Zero extreme poverty within a 50-km radius of our operations		
50% reduction in stunting in target villages		
Promote quality education		
Promote access to healthcare		
Advance equal opportunities for women		



SUSTAINABLE GROWTH

Grow our business through diversification, circularity and responsible production

98% chemical lime and soda recovery rate		
80% less solid waste to landfill		
25% less water used per product tonne		
Incorporate 20% recycled textile in VSF production		



4.1

COMMITMENT PILLARS

CLIMATE POSITIVE

We implement **science-based solutions** to drastically reduce carbon emissions



GETTING TO CLIMATE POSITIVE

What does it mean to be a climate positive company? It is the aspiration to bring the climate impact of your business down to zero and then tip the scales toward creating a net environmental benefit. That's a huge task for any organisation, but for APRIL — a growing company with nearly a million hectares of forest concession areas, and a mill complex that consumes around 15 million tonnes of plantation wood per year — it means nothing short of transformation.

“We’ve examined every aspect of what we do from tree saplings to paper products to find opportunities to reduce our climate impact,” says Noel Myburgh, FiberOne Director, who is responsible for the company’s fibre operations planning, peatland sciences and operational quality control. “The APRIL2030 goals gave us a clear direction of travel — clear unwavering targets to which we are held accountable both internally and externally.” But working out the route towards

them has meant understanding the interlocking complexity of different aspects of our fibre and mill operations in more depth than ever before.

Evidence-led Approach

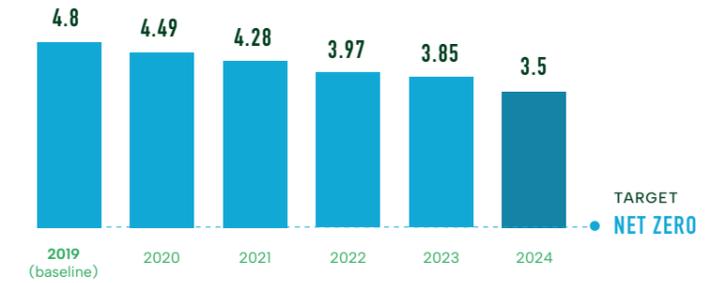
Finding the right path towards the Climate Positive targets has required an empirical trial and error approach — particularly in the context of increased productivity and output. With so many different potential avenues to potentially cut emissions, we have had to be clear-headed and data-led on where to put most effort.

“We had to ask ourselves, ‘Which are the things that we can tackle that are going to actually get us toward our target?’” says Myburgh. That has meant dropping two thirds of ideas along the way where the data was not convincing or the benefits not big enough.

Targets

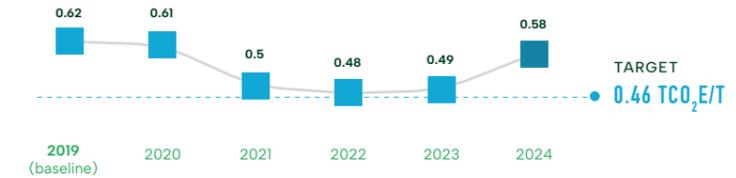
NET ZERO EMISSIONS FROM LAND USE

Emissions from Land Use Change (MtCO₂e)



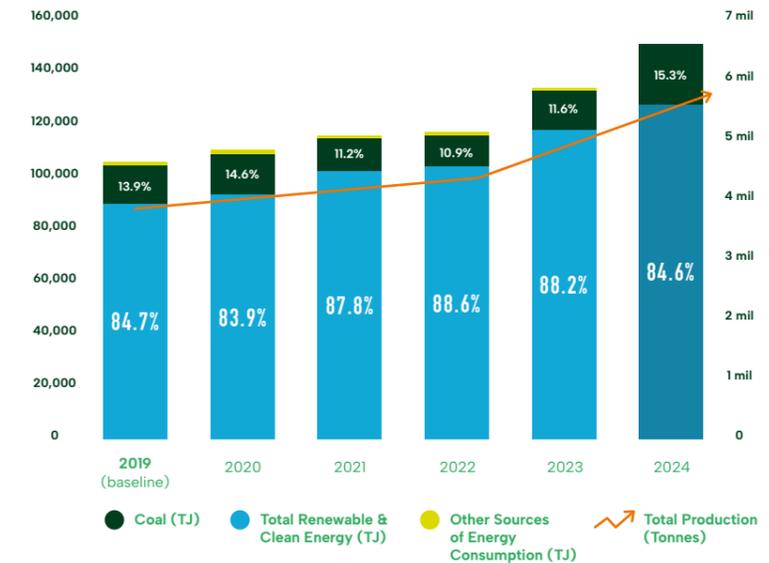
REDUCING PRODUCT EMISSION INTENSITY BY 25%

Emissions per Product Quantity (TCO₂e/T)



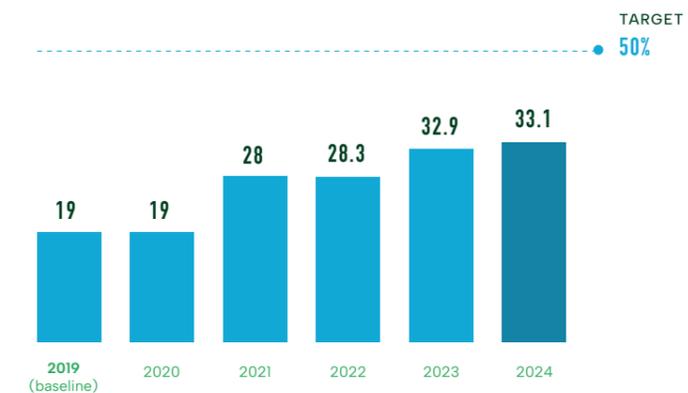
90% RENEWABLE ENERGY AT MILL

Mill Energy Use and Consumption



50% FIBRE OPERATIONS ENERGY FROM CLEANER & RENEWABLE SOURCES

Fibre Operations Renewable / Clean Energy Use (%)



TARGET STATUS: Achieved (Blue), On Track (Green), Progressing (Yellow), Not Progressing (Red), In Development (Grey)

Progress Notes

- The values represent land use change (LUC), the main driver of emission reductions to date. We will report a complete land sector emissions inventory in our 2024 Sustainability Report including emissions from land management and mechanical fibre operations.
- Continued reductions through zero deforestation/conversion and sustainable forest management

- Increases in fossil fuel use in 2024 have been due to an expansion of mill production capacity to accommodate more energy intensive products
- We will achieve reductions in product emission intensity and increases in renewable energy by:
 - Implementing energy efficiency measures
 - Further investment in solar energy
 - Optimising power boilers by increasing biomass-based renewable energy

- Continue fuel blend transition from B30 towards B50 for plantation sector and woodhauling
- Trial and phase-in electric vehicles (EVs) to replace diesel trucks
- Continued roll out of solar energy in fibre estates

The majority of our emissions are directly-produced scope 1 due to the energy use that we control on site (our scope 2 indirect emissions from energy sourced from outside are negligible). At the mill, we are working to decarbonize the sources of energy we use. An extra challenge in the last 12 month has been the introduction of an additional manufacturing plant for producing paperboard products which are particularly energy intensive. That has meant an uptick in energy requirements, but renewable and clean energy sources are being increased to accommodate for this.

For example, we are introducing more biomass into our boilers, which includes bark from harvested trees so we can reduce the quantity of coal we use to power the mill.

In addition, our successful solar roll-out is giving us access to more renewable electricity and evolving technology may enable us to produce steam for our manufacturing processes using electricity. We're also committed to not installing any new coal-fired boilers.

Our emissions from land use change continue to come down due to our steadfast commitment to no deforestation and conversion. Our intention is to balance any residual emissions in the future by using carbon credits from avoided emissions at the

vast conservation areas we manage. Most notable is Restorasi Ecosistem Riau (RER), an area of forest the size of greater London, around 150,000 hectares, which is a verified carbon project under Verra standards. This places us in a uniquely advantageous position of having carbon credits within our own value chain.

We are driving the reduction in the carbon impact of our fibre operations by increasing the proportion of biodiesel in the fuel blend we use in vehicles for wood hauling and harvesting, with plans to go beyond government-mandated levels. And experiments are underway to use electric vehicles for some wood hauling routes.

We're also looking ahead to future climate risks and opportunities. In 2023, we conducted a climate scenario analysis using the approach recommended by the Task Force on Climate-Related Financial Disclosures (TCFD). This assessment will inform the development of an organization-wide climate adaptation plan to build business resilience.

There's still a way to go, but we can see clear benefits from our research and testing of various solutions. "We're working in an environment where sometimes we don't even know what the rules of the game are. But we're going ahead anyway because we know it's the right thing to do," says Myburgh.



"We've examined every aspect of what we do from tree saplings to paper products to find opportunities to reduce our climate impact."

— Noel Myburgh, FiberOne Director

Previous: We've accelerated our solar PV roll-out and doubled our target to 50 MW of installed capacity by 2030

Left: We've established four Eddy Covariance Flux Towers on our concessions to take precise measurements of CO₂, methane and other variables

Above: We added 7 electric buses to the fleet at our mill complex in 2024, bringing the total to 18

SUMMARY

Highlights

- **Net zero emissions from land use**
 - Land use change emissions continue to decrease from 4.8 MtCO₂eq in 2019 to 3.5 MtCO₂eq in 2024.
- **50% fibre operations energy from cleaner and renewable sources**
 - Shifting from B30 to B35 biodiesel blend for our plantation sector machinery and our trucks has boosted the percentage to 33.1% in 2024 from a 19% baseline in 2019.

Challenges

- **90% renewable energy at the mill and 20% reduction in product emission intensity**
 - This has slipped to 84% from the 88.24% recorded in 2023 because our expanding operations mean we have higher energy requirements and need to boost renewable and clean energy sources more quickly to keep up.

Cleaner and renewable energy powering our fibre operations increased from

19%
to
33%





OUR SOLAR JOURNEY

APRIL's solar operations have grown rapidly from a low base into an entirely new business for RGE

APRIL's solar journey is part of our ambitious target to generate a greater proportion of the energy we require from renewable sources. The plans will also contribute to achieving our 2030 target of reducing the emissions intensity of our products by 25%.

But it is bigger than that. This is a story of how starting small and learning as you go can feed back into core business strategy. In this case, it has led to entirely new commercial opportunities.

The solar rollout at APRIL began with a small 1MW installation, mounted on a previously unusable landfill area, completed in 2021. Over the past five years, the cost of solar power has come down drastically, which has allowed us to accelerate the rollout of solar PV panels.

Capacity was further boosted by installing panels on the roof of the new paperboard production facility that was commissioned in early 2024. This has taken total capacity to 26.3 MW, meaning our original target of 25 MW by 2030 has already been exceeded. This has enabled us to double our solar target to 50MW by the end of the decade.

In September 2024, Anderson Tanoto, Managing Director of RGE, spoke about the role of solar power in supporting the energy transition pursued by RGE and APRIL.

Speaking at the Indonesia International Sustainability Forum, he said: "Five years ago, there was this beautiful conflux of coal prices going high, solar panel prices coming down, and there was an economic reason to invest in solar panels. Fast forward, five years later, we've installed solar panels across our landfill permits, and we're able to actually generate good returns on investment on these projects."

APRIL has now identified an opportunity to roll out solar panels at the remote offices in some of the company's 27 plantation estates spread around Riau Province. These are currently powered by diesel generators and require regular fuel deliveries. We have a target to generate 50% of the energy

needs of our fibre operations — planting, harvesting and transport across over 450,000 hectares of commercial plantations — from renewable and cleaner sources by 2030.

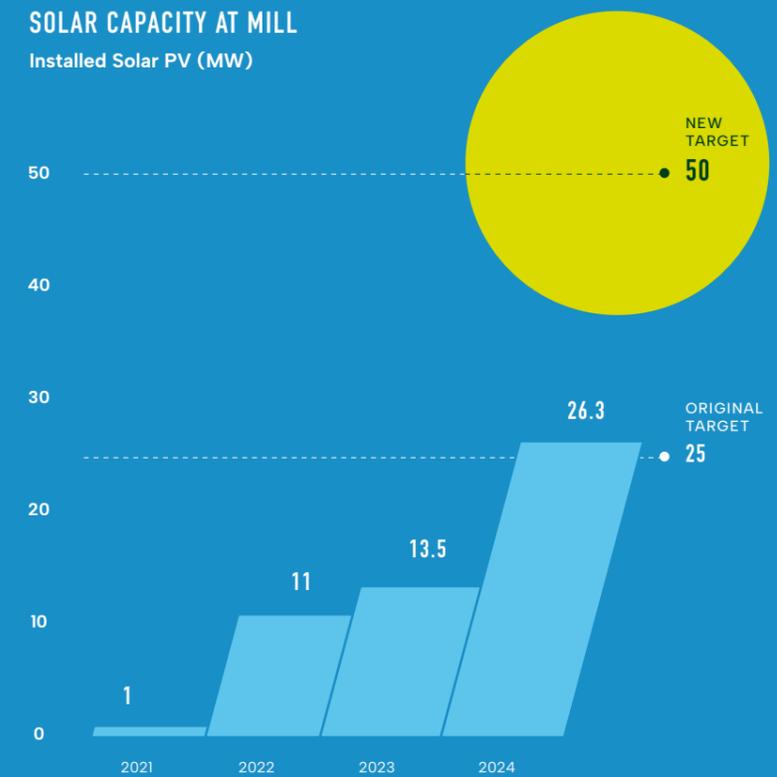
An initial small-scale trial in 2023 was successful. "That gave us confidence, because it worked exceptionally well, and we saw that our diesel usage dropped tremendously," says Noel Myburgh, FiberOne director, who added it produced a "mindset change for our people."

And it hasn't stopped there. The experience from installing solar at APRIL's mill complex

in Kerinci has informed a new joint business venture between TotalEnergies and RGE, APRIL's parent company. Called Singa Renewables, the project received conditional approval in July 2024 from Singapore's Energy Market Authority to export 1 GW of solar photovoltaic energy from Indonesia to Singapore.

The project will also contribute to Indonesia's energy security and to reducing APRIL's carbon emissions. It will involve installing 90km of transmission lines to bring green electricity from the new solar plant to the company's mill complex at Kerinci.

SOLAR CAPACITY AT MILL Installed Solar PV (MW)



4.2

COMMITMENT PILLARS

THRIVING LANDSCAPES

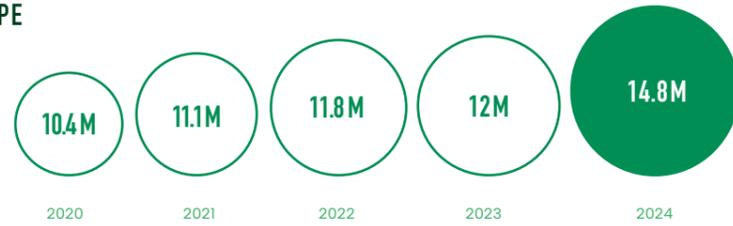
We champion **conservation** as part of our production-protection landscape management approach



Targets

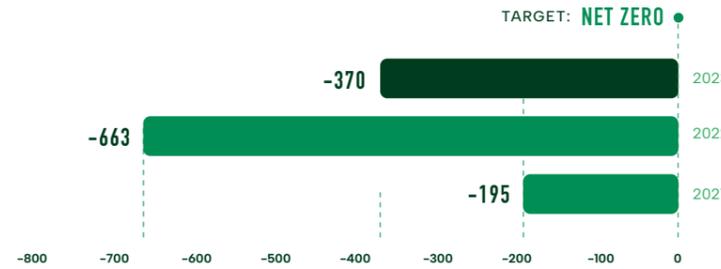
INVEST IN LANDSCAPE CONSERVATION

Annual Budget Allocation for Conservation Funding (US\$)



ZERO NET LOSS OF CONSERVATION AREA

Net Loss of Conservation and Restoration Area (Ha)



*No data for 2024. Annual monitoring to be reported in 2025.

AREA OF FOREST BEING RESTORED

Area of Forest Restored to Increase Potential Habitat (Ha)



*No data for 2024. Annual monitoring to be reported in 2025.

SPECIES OF CONCERN

No. Species Identified at RER Conservation Area

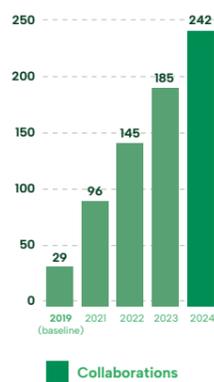


*No data for 2024. Annual monitoring to be reported in 2025.

PEATLAND SCIENCE

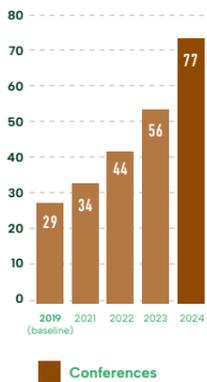
COLLABORATIONS

No. Collaborations



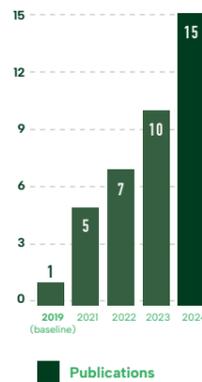
CONFERENCES

No. Dialogues, Workshops and Conferences Attended



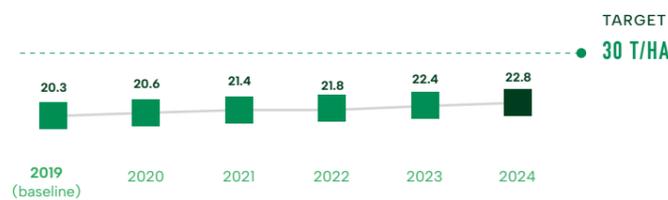
PUBLICATIONS

No. Peer-Reviewed Scientific Publications



50% GAIN IN FIBRE PLANTATION PRODUCTIVITY

Mean Annual Increment (T/Ha)



TARGET STATUS: Achieved (Blue), On Track (Green), Progressing (Yellow), Not Progressing (Orange), In Development (Grey)

Progress Notes

- We will continue to allocate of US\$1 / tonne wood delivered
- Annual allocated budget is based on the tonnage of plantation wood delivered to the mill the year before. Total budget allocation in a given year is often higher though because of carry over from previous years (e.g. the total allocated in 2024 was US\$16.1m)

- Adhere to Conservation Forest Management Framework (CFMF) for conservation practices in concessions
- Adopt Conservation Management Plans for each concession estate
- Implement land conflict resolution mechanism
- Acquire more conservation area in 2025

- Continue canal blocking in RER and forest restoration work
- Continue investment in technology to build capacity for wildlife monitoring
- Continue wildlife research
- Establish strategic partnerships for wildlife protection & illegal wildlife trade prevention
- Develop field operator and patrol personnel capacity

- Continue long-term research on emissions, peatland hydrology, and subsidence
- Further develop strategic partnerships with scientific communities, universities, and think tanks

- Develop and incorporate genetic improvements of crop plants and clonal breeding
- Continued investment in integrated pest and disease management
- Contractor development and mechanisation
- Adopt site-specific management plans
- Improve log quality and reduce fibre losses from plantation to mill



Integrating nature and biodiversity protection into a sustainable forest management approach has always been part of our commitment

We have done that in three ways: first, by treating conservation not as a cost, but as an investment. As a natural resources company with stewardship over significant land areas, we are reliant on the ecosystem services that this land area provides. Second, we have invested in high-level biodiversity expertise, ensuring we have in-house capacity to inform decision-making, bolstered by outside experts.

And lastly, we established a financial mechanism linking fibre supply to our work on biodiversity.

For every tonne of plantation wood delivered to the mill, APRIL assigns a dollar to conservation work. This unique internal levy meant we were able to allocate US\$14.8 million for conservation in 2024 alone and over US\$60 million since 2020. That means that all parts of the business, including the finance teams and operational departments, have a stake in the company's investments in the natural landscapes we manage as well as in conservation projects beyond our boundaries. Our production-protection approach balances production and conservation on the landscape. It also provides the stable funding certainty required for a significant, long-term commitment to conservation.

Conservation Fund

FIBRE SUPPLY DELIVERY (TONNES)

	2020	2021	2022	2023	2024
FIBRE SUPPLY DELIVERY (TONNES)	11,098,933	11,787,483	11,964,368	14,784,447	14,790,924

Total budget (in US\$ '000)

Total spend (in US\$ '000)

	2020	2021	2022	2023	2024
Total budget (in US\$ '000)	10,434	11,099	11,787	11,964	14,784
Total spend (in US\$ '000)	8,926	8,867	9,692	14,910	13,440
1 Restorasi Ekosistem Riau	4,517	3,364	3,710	3,769	5,257
2 Community Conservation and other activities in the landscape	4,251	4,312	4,447	4,881	5,094
3 Partnerships and other external conservation initiatives	158	1,191	1,535	1,208	3,089
4 Additional ecosystem restoration	-	-	-	5,052	-

Remaining Fund (annual reconciliation in US\$ '000)

	2020	2021	2022	2023	2024
Remaining Fund (annual reconciliation in US\$ '000)	1,508	3,740	5,835	2,889	4,233

Provision of APRIL Conservation Fund arising from APRIL internal mechanism where US\$1 is allocated to conservation for every tonne of plantation wood delivered to the mill. The current year's total allocation is based on the actual delivery of plantation wood for the previous year. Funds unspent from the previous year are carried over to the current year.



Previous: Our flagship RER conservation project has a staff of 75 plus over 50 rangers who patrol the forest

Left: The Rhinoceros hornbill (*Buceros rhinoceros*) is present in RER. It is classed as Vulnerable on the IUCN Red List.

Right: Rangers patrol our conservation areas looking for evidence of poaching and illegal logging

“Why this is so successful is because we’ve embedded conservation and nature as a fundamental part of our business strategy,” says Craig Tribolet, Deputy Director of Sustainability. “So it’s not an add on. It’s not a nice-to-have.”

Boosting Productivity

That puts the focus on another key APRIL2030 metric — increase in plantation productivity measured as Mean Annual Increment (MAI). This is improving steadily each year towards the target of a 50% increase set out in the APRIL2030 strategy — effectively producing more fibre without expanding our plantation footprint.

Keeping that number moving upwards requires a relentless focus on R&D in areas as diverse as advanced tree genetics, integrated pest management, sophisticated data integration and plantation monitoring using drones, fixed-wing aircraft and satellite. All this is brought together by meticulous planning that ensures operationally, the right compartments are planted, weeded, fertilised and harvested at the right time, across around 475,000 hectares.

Mark Holmes, Head of Fibre Operations, says he expects improvements in the productivity of the *Acacia crassicaarpa* plantations to gain further momentum now that the company has established a clonal breeding programme. “We’re now focusing on incrementally increasing the deployment of the best performing *Acacia crassicaarpa* clones,” he says.

More productive plantations deliver more money for conservation through the one dollar per tonne mechanism. That conservation fund is providing finance for our signature conservation project Restorasi Ekosistem Riau, but also our wider restoration and recovery work. In 2023 we conducted restoration work on over 114 hectares of forest, though overall there was a net loss of conservation area of 370 hectares due to some human encroachment and land claims settled with local communities.

Outside of APRIL’s boundaries, we have used the fund to support conservation projects managed by others, such as the PT Restorasi Habitat Orangutan Indonesia (RHOI), a project in East Kalimantan Province that is protecting and restoring around 86,000 hectares that is home to orangutans.

Beyond this, we have piloted community conservation partnerships totalling 30,000 hectares as we aim to develop incentives to encourage the engagement of local communities in conservation.

Another important aspect of this pillar is our contribution to increase the understanding of the scientific community and other stakeholders on tropical peatland science. We established four Eddy Covariance Flux Towers — 40- to 48-metre-tall steel structures that carry state-of-the-art equipment for measuring carbon dioxide, methane and other variables high above the canopy — on the company’s concession land. Published data exist for only five other such towers in Indonesia.

Over the years, the measurements from these towers have generated data for several peer-reviewed scientific publications, including one published in Nature in 2023. This has made a significant contribution to the scientific understanding of the contribution of peatland to climate change and has been taken into consideration by the Indonesian government in its long-term planning for peatland.



“We invest heavily in research to achieve the best possible match between the tree genetics, the most effective silviculture practices and the right planting site. That’s what is pushing up productivity.”

— Mark Holmes, Head of Fibre Operations



SUMMARY

Highlights

- **50% gain in fibre plantation productivity**
 - Our research and development work in a variety of fields has contributed to a 12% increase in Mean Annual Increment since 2019.
- **Advance tropical peatland science**
 - Our 25-person peatland science team includes three PhDs and six at masters level. They have made significant contributions to the field including more than 20 publications in peer reviewed journals since 2021 (including Nature) and over 300 collaborations with other scientific groups.

Challenges

- **Zero net loss of conservation area**
 - We have seen some encroachment into the conservation areas we manage. These small net losses will be made up for when we expand our conservation areas in the coming years.

114 HECTARES of forest restoration work

US\$60 MILLION allocated to conservation since 2020

COMMUNITY CONSERVATION

Supporting local villages to monitor and project areas of natural forest under their control



Above: The community conservation program runs in parallel with APRIL's conservation work in the Restorasi Ekosistem Riau forest areas

Since 2023, APRIL has established Community Conservation partnerships that engage local communities around APRIL's operational area on the conservation of forested areas that are under their control.

The scheme is separate from the APRIL2030 conservation targets and additional to the company's 1-for-1 commitment to set aside an equal area of land for conservation as its production forests. It builds on APRIL's years of work with these

communities under its Fire Free Village Programme which offers education, support and incentives to villages not to clear land by burning. Building on these relationships, and in partnership with the Earthworm Foundation, APRIL is now

incentivising villages to keep natural forest areas intact.

Each village gets a holding fee of US\$10,000 a year to maintain a forest area, no matter how big or valuable it is in biodiversity terms. Satellite monitoring ensures that encroachment or logging isn't happening. "This straightforward approach plus our existing relationships with the communities have allowed us to ramp the scheme up quickly," says Craig Tribolet, Deputy Director of Sustainability. In 2023, APRIL signed MoUs with villages covering 30,000 ha at a cost of under US\$250,000 and we will increase that to 100,000 ha by 2030.

Over time, the intention is to make community-based monitoring more sophisticated — perhaps based on variables such as the water quality in streams or the number of endangered species present.

At the heart of the scheme is an important principle: APRIL is funding a service that puts the value on the biodiversity. "It's a slightly nuanced shift in thinking," says Tribolet, "which is reflected in the agreements the communities sign to be part of the scheme."

"The scheme is still in its infancy and there's a long way to go in terms of linking payments more directly to tangible conservation outcomes," he adds.

A POSITIVE IMPACT ON NATURE AND COMMUNITIES

APRIL's long-term sustainability goals, as articulated in APRIL2030's four pillars, represent an ideal focus for a nature-based company; namely, to be ecologically responsible, socially acceptable, while also economically viable. The targets are ambitious, demanding massive effort, resources, and a strong and uninterrupted commitment. Considering APRIL's plans and what it has achieved so far, the company is on the right course toward the realisation of its goals.

It is quite realistic to estimate that some targets, such as those relating to net zero emissions from land use, zero net-loss of conservation areas, and equal opportunities, will materialize in 2030. However, there are targets that present challenges, because their realization involves dealing with external factors. For example, the implementation of programmes to address commitments on poverty reduction require close synergy with local government and the buy-in and acceptance of local communities. But these programs must be persevered with to improve people's capacity to overcome poverty permanently.

All in all, APRIL can be proud of the challenge it has set with such ambitious targets, and its total commitment to achieving them. To my knowledge, APRIL is in front of many other companies in Indonesia, in terms of its vision and commitment to go beyond its statutory and legal obligations, and to be a company that has an increasingly positive impact on nature and on communities.



Ida Bagus Putera Parthama is co-Chair of the Stakeholder Advisory Committee. He is Executive Chair of the Indonesian Watershed Forum. He previously held various senior positions at the Indonesian Ministry of Environment and Forestry.



4.3

COMMITMENT PILLARS

INCLUSIVE PROGRESS

We **empower** our people and communities through transformative initiatives

EMPOWERING OUR COMMUNITIES

As a responsible company, we have always believed that we must integrate social objectives into our business goals. Our operations are part of a bigger social landscape where we have a huge opportunity to effect positive social change.

We have had a long history of implementing traditional community development initiatives which had a real impact on the ground. Since 2020, the Inclusive Progress pillar of APRIL2030 has provided a platform to broaden and deepen those impacts.

“When we designed APRIL2030 five years ago, we adopted a business plan approach, where ‘what gets measured gets done’,” says Sihol Parulian Aritonang, President Director at PT Riau Andalan Pulp and Paper. He says that brought a business-rigor to the company’s milestones on health, education and poverty which provided a focus for teams and a way to keep

programmes on track even though social impact is harder to measure and quantify. “Having hard numbers in place helps us better implement our programmes,” he says.

Another positive factor has been APRIL’s strong relationship with the local and national government, which has helped to accelerate progress. Take healthcare: In 2022, we signed the first public-private partnership with the Ministry of Health in Indonesia. Its purpose is to improve early detection of childhood disease and maternal health conditions.

The scheme rests on the assumption that early detection means better health outcomes and cheaper interventions. It has three components: procurement of diagnostic equipment, training for medical teams, and improving the rate of referrals from local health centres to hospitals.



Above: Our programme to combat infant stunting includes advice on healthy eating



Top: Our healthcare work aims to improve early detection of childhood disease and maternal health conditions

Middle: Our support for local schools has improved outcomes in literacy and numeracy

Below: Our programme to combat infant stunting has reached around 16,000 children



Twenty-seven local medical centres have benefited from equipment and training while a further 14 are receiving other assistance from APRIL. Of those local health centres that have received equipment and training, two are now meeting the national standards of service delivery. The focus of attention now is on improving the flow of referrals for treatment.

Healthy Communities

In another area of community healthcare, the eradication of stunting among children under five, progress has come from working with local government. The company has a target of halving the rate of stunting in target villages from the 28% baseline in 2020. “Part of our approach is bottom up. We provide food supplements and education to families whose economic situation makes their children vulnerable to stunting – reaching around 16,000 children in 73 villages in the last year,” says Aritonang. We are also training staff at village children’s health centres on how to prepare nutritious meals using local ingredients. They then pass this on to local parents.

Equally important is a top-down approach of supporting local government to align with their policies and make infant stunting a priority. “As a result of our advocacy, four local districts have introduced regulations aimed at reducing stunting and three have allocated more budget to the issue,” he says. Our work supporting local government has contributed to a decrease in stunting rates to 13.6%, very close to our 2030 target. Among our target villages, those with a stunting rate of 14% or less is up from 16 in 2019 to 74 in 2024.

Another highlight is the work to improve education outcomes among local communities. Following the launch of APRIL2030, APRIL signed a Memorandum of Understanding with the regional governments of the Pelalawan, Siak, Kepulauan Meranti, Kampar, and Kuantan Singingi districts outlining support for

“Our work on tackling extreme poverty tells us that we can only be successful if we run the extra miles, get solid data, and then design interventions that can work with individual households.”

— Sihol Parulian Aritonang, President Director at PT Riau Andalan Pulp and Paper

Targets

ERADICATE EXTREME POVERTY

Villages within 50km-radius of APRIL operations

Target (2019) Achieved (2024)



No. Households lifted out of Extreme Poverty: 10%

No. Villages receiving intervention: 41.4%

Progress Notes

- Maintain local government partnerships
- Livelihood programmes (Agribusiness and small and medium-sized enterprises (SMEs) development)
- Improve healthcare access
- Education and scholarships

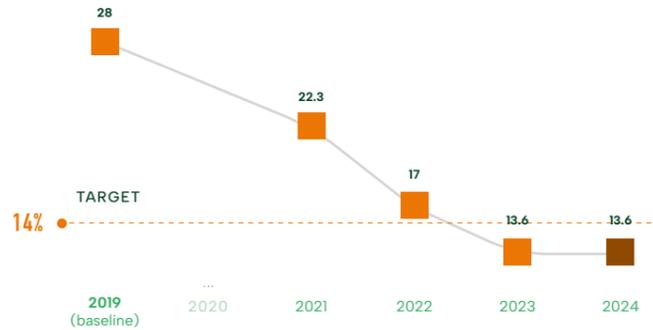
- Policy advocacy and behavioural change communication in four districts (Pelalawan, Siak, Kampar, Kep. Meranti)
- Capacity development at local health clinics
- Providing basic medical equipment (anthropometry) & supplementary feeding programme
- Data refers to Riau Province as a whole, not just target villages. APRIL has contributed to wider progress on the issue spearheaded by local government

- Strategic partnerships with local and national governments to improve healthcare accessibility
- Develop capacity of healthcare clinics by training healthcare workers and supporting medical equipment
- Support local healthcare clinics to execute referrals to hospitals where appropriate

- Continue school facilities improvement
- Continue training of trainers programmes for regional facilitators (principals, teachers, and school supervisors)
- The Rapor Pendidikan report reflects the condition of schools and other educational units based on national assessment and survey data. It serves as a tool for schools and regional governments to identify issues, analyze their causes, and improve overall education quality.
- Data are for elementary students in 172 elementary schools across 5 regencies. Our initiative covers both elementary and junior high schools, but the results for junior high school students will be reported in 2025.
- *Numeracy and Literacy numbers for 2024 are targets. The results will be reported later in 2025.

50% REDUCTION IN STUNTING

Stunting Rate among children below age 5 in Riau Province (%)



- Policy advocacy and behavioural change communication in four districts (Pelalawan, Siak, Kampar, Kep. Meranti)
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MATERNAL & CHILDREN (HEALTHCARE)

MINIMUM STANDARDS

No. Facilities Meeting Min. Government Standards



EARLY DETECTION

No. Facilities with Early Detection Equipment



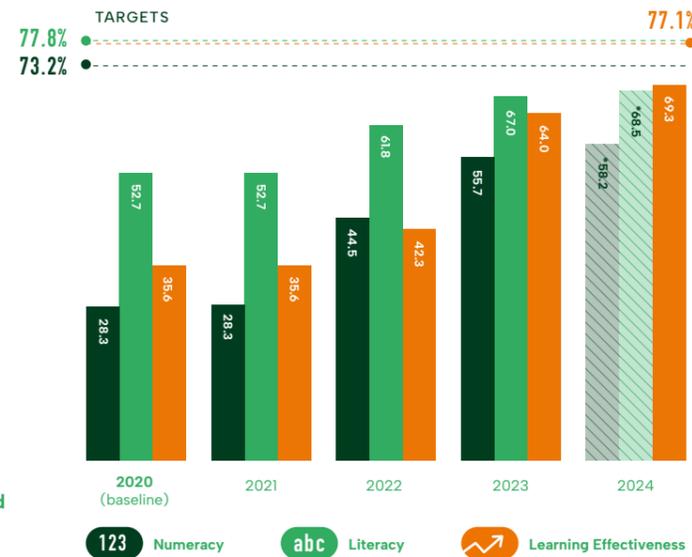
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EDUCATION

NUMERACY

Children reaching National Assessment Standard (Rapor Pendidikan) (%)



LITERACY

Children reaching National Assessment Standard (Rapor Pendidikan) (%)

LEARNING EFFECTIVENESS

Students Reaching Assessed Minimum Standard of Learning Effectiveness (%)

123 Numeracy abc Literacy Learning Effectiveness

- Continue school facilities improvement
- Continue training of trainers programmes for regional facilitators (principals, teachers, and school supervisors)
- The Rapor Pendidikan report reflects the condition of schools and other educational units based on national assessment and survey data. It serves as a tool for schools and regional governments to identify issues, analyze their causes, and improve overall education quality.
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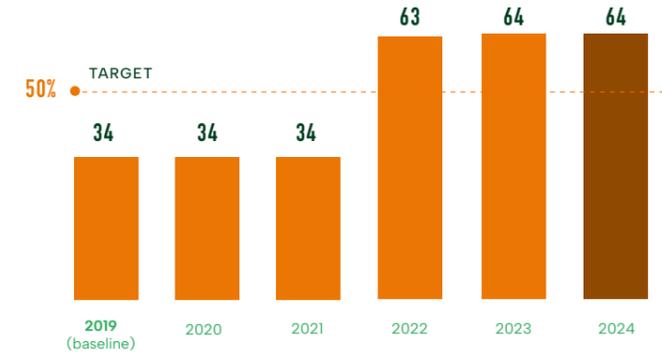
TARGET STATUS Achieved On Track Progressing Not Progressing In Development

Targets

ADVANCE EQUAL OPPORTUNITIES

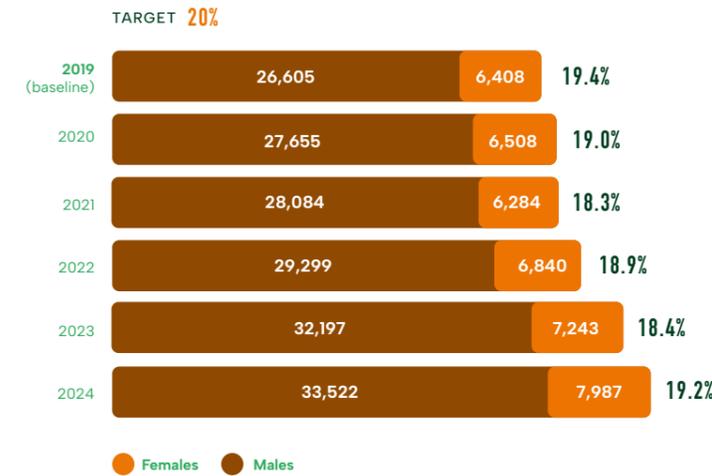
50% WOMEN IN COMMUNITY DEVELOPMENT PROGRAMMES

Women in Community Development Programmes (%)



20% FEMALE REPRESENTATION IN WORKFORCE

Females (%)



NO. OF FEMALES IN WORKFORCE

No. Females

20% WOMEN IN LEADERSHIP

Women in Leadership (%)



NO. OF WOMEN IN LEADERSHIP

No. Women in Leadership

TARGET STATUS Achieved On Track Progressing Not Progressing In Development

Progress Notes

- Target Achieved

- Continued investment in facilities that support women workers (i.e. daycare, lactation rooms)
- Identify non-traditional jobs for women
- Continue Gender Action Plan implementation
- Continue worker training and awareness programmes to tackle discrimination
- Note workforce includes employees and contractors.
- Increase access to leadership development



elementary schools and junior high schools within the company’s operational areas, focusing on improving literacy and numeracy outcomes.

Since then, tangible progress has been made, with the number of schools involved in the improvement program growing from 60 to 172, yielding positive results. The proportion of elementary students meeting national assessment standards (Rapor Pendidikan) has increased from 28.3% in 2021 to 55.7% in 2023 for numeracy, and from 52.7% to 67% for literacy in the same time period.

In late 2024, APRIL conducted an achievement survey with Regional Facilitators (Fasilitator Daerah or Fasda) to assess the quality of effective learning. The survey measured indicators such as school leadership and management, teacher pedagogy, and student performance in literacy and numeracy. Results showed a significant improvement in effective learning quality, rising from 35.1% in 2021 to 69.3% in 2024. These findings align with the national literacy and numeracy assessment results for the same year. Additionally, during 2024, knowledge-sharing sessions and training programs were coordinated for 824 teachers across the 172 elementary schools.

One area where progress has proved more difficult are the targets for gender progress within the business. The APRIL2030 goal is for one fifth of the

workforce and the same proportion of employees in leadership positions to be female.

“The absolute number of female employees has more than doubled from 909 in 2019 to 2,010 in 2024, but because the business is expanding, the proportion has remained below 20%,” adds Aritonang.

“Progress is difficult in part because we are also pushing back on deeply ingrained cultural norms and customs. Our Gender Action Plan, implemented last year, seeks to remove barriers to the progress of women through the organisation and the creation of enabling factors to encourage high-flyers to stay in the workforce.”

That means training and awareness programmes to tackle discrimination and support such as lactation rooms, daycare centres for young children, and taxis home for female workers on late shifts at the mill.

“The aim is to eliminate as fast as possible the conditions that may constrain women from chasing their dreams,” says Aritonang.

Left: The number of schools supported by our improvement programme has increased from 60 to 172

Right: We are removing barriers to women’s success in the workplace



GENDER EQUALITY AND HUMAN RIGHTS

We began working with APRIL in 2022 when the company first became a member of the Indonesia Business Coalition for Women Empowerment (IBCWE). We carried out an initial gender equality assessment and, from that, we developed several recommendations around training on workplace biases, gender equity and flexibility in the workplace.

APRIL has adopted many of these recommendations. In particular, the company has put in place a gender action plan to help drive its Inclusive Progress commitments in the area of workplace equality. It has also put in place standard procedures for dealing with sexual harassment, which arose from the human rights impact assessment done in 2022. We are now working with HR teams and department heads to advise on the implementation of this gender action plan.

We have found that teams at APRIL are very open to our recommendations. There were some sensitivities at the start, as they were adapting to new policies and ways of doing things. But we can now all see the value for APRIL of improving gender equality as a key part of the company’s wider commitment to human rights.

We were also involved in reviewing the action plan to implement APRIL’s new Diversity, Equity and Inclusion policy. This shows APRIL’s commitment to further strengthen their inclusive culture.



Zelda Lupsita is HR Program Manager at the Indonesia Business Coalition for Women Empowerment

SUMMARY

Highlights ✓

- **Promote quality education**
 - Numeracy and literacy rates are increasing at the schools we are supporting. The percentage of reaching the national assessment standard (Rapor Pendidikan) for numeracy in the target schools went from 28.3% in 2021 to 55.7% in 2023. The equivalent increase for literacy was 52.7% to 67%.

- **50% reduction in stunting in target villages**
 - Our direct interventions to improve child nutrition combined with our work supporting local government have led to an increase in villages with a stunting rate of 14% or less from 16 in 2019 to 74 in 2024.

Challenges △

- **20% of women employees in the workforce and in leadership position**
 - The aim is for our Gender Action Plan to have an impact on this metric. Although the absolute number of women in the workforce (employees and contractors) at APRIL continue to increase, their proportion has remained static due to the company’s growth.

13.5%
INFANT STUNTING
rate in Riau Province 2024
(compared with 28% in 2019)

172
SCHOOLS
supported in 2024
(target 248 by 2030)

IDENTIFYING LIVELIHOOD CHALLENGES

Validating government data on extreme poverty for assessment and action

One barrier to the success of APRIL's community development work is that, very often, the poorest village members who would benefit most from programmes are the least likely to access them. Patient work with communities has uncovered that people in this group are typically afraid that

the interventions will fail, and they might shoulder the blame among the community.

Creating well-designed interventions with intensive facilitation and technical assistance to give them the confidence to participate has

proven an effective solution to this obstacle. So too has research to capture a more precise picture of which households within the 200 plus villages surrounding our operations are living in extreme poverty so that help can be better targeted to them.

Having this information gives us a solid baseline to work from and means we can target our interventions for maximum impact. To establish this baseline, we undertook a survey of around 7,700 of the poorest households in villages surrounding our production area to better identify those suffering from extreme poverty. The exercise validated government data and assessed which of the households are below the extreme poverty line of living on US\$1.90 per day.

This was a massive exercise according to Sihol Parulian Aritonang, President Director at PT RAPP, who leads the company's community development work. The survey involved APRIL's teams knocking on the doors of each of those households individually and sensitively asking questions about family composition, income and the issues they face.

Over nine months, this work in 2023 has built up a detailed picture of extreme poverty in the area surrounding APRIL's operations. It established the locations and identities of 1,913 families living below the

extreme poverty threshold across 123 villages. "Knowing where our work on poverty is most needed will be invaluable in successfully achieving our Inclusive Progress targets over the second half of this decade," says Aritonang.



Above and Right Three: Our livelihood programmes benefit people who live in the villages surrounding our operations in multiple ways

1,900 of 7,700 SURVEYED HOUSEHOLDS

live below the extreme poverty line of living on US\$1.9 per day

4.4

COMMITMENT PILLARS

SUSTAINABLE GROWTH

We grow our business through product **diversification**, **circularity** and **responsible** production



A WHOLE-BUSINESS APPROACH TO INNOVATION

The Japanese business philosophy of Kaizen encourages continuous improvement by engaging employees at all levels in a company. At APRIL, we apply this as a relentless focus on Quality, Productivity and Cost (QPC) that is not just owned by the management but is everyone's responsibility.

Sustainability fits neatly into that picture because creating more circular production systems that recover and reuse key resources or find value in waste products often lead to higher productivity and lower cost. "Sustainability and responsible production can work hand-in-hand," says Eduward Ginting, Chief Operating Officer at the Kerinci operations base.

Managers are continuously looking for opportunities to make operations more efficient and save costs. While return on investment (ROI) and payback period are important criteria in the allocation of capital, increasingly managers also prioritise sustainability goals and targets.

"Under the Sustainable Growth pillar, we are already well on the way to achieving the 80% reduction target in solid waste to landfill," says Ginting. The weight per tonne of product is down from 71 kg in 2021 to 32.3 kg in 2024. That has been achieved by using bottom ash from our power boilers as a sub-base for roads as well as turning brown fibre from pulp production and sludge from our wastewater treatment plant into feedstock to fuel our boiler.

Supply Chain Resilience

APRIL is also turning industrial waste such as zinc sludge into fertiliser that can be used in our plantations. This partly displaces the commercial fertilizer that the planting teams dust around each seedling they put in the ground to give them an early growth boost. The motivation is partly to save cost on fertiliser and reduce waste from the mill.

But more significantly, it will make the company more resilient to disruptions in our supply chain. In late 2023, a storm that impacted Chinese ports led to a halt in supply of fertiliser. The hiatus left APRIL days away from running out, which would have severely impacted our operations.

The main effort to tackle our target of reducing water use per tonne of product by a quarter is yet to come, says Ginting. The existing equipment for washing and bleaching the pulp is nearing the end of its lifetime and is due to be upgraded. "We are planning a multi-million dollar renewal project in the coming years to install new equipment that will also be more efficient and will help us achieve our 25% target."

Due to increases in production output, APRIL's chemical recovery figure is set to decrease before investments come on stream that will bring it back up again. A new lime kiln is planned for commissioning in Q1 of 2026. This will improve recovery of lime (CaO, CaCO₃) and get us closer to the stretch target of 98% chemical recovery.

Targets

98% CHEMICAL RECOVERY

Chemical Recovery of Lime and Soda (%)



Progress Notes

- Investments in plant to improve chemical recovery.
- New lime kiln is planned to come on stream in Q1 of 2026.

80% LESS SOLID WASTE TO LANDFILL

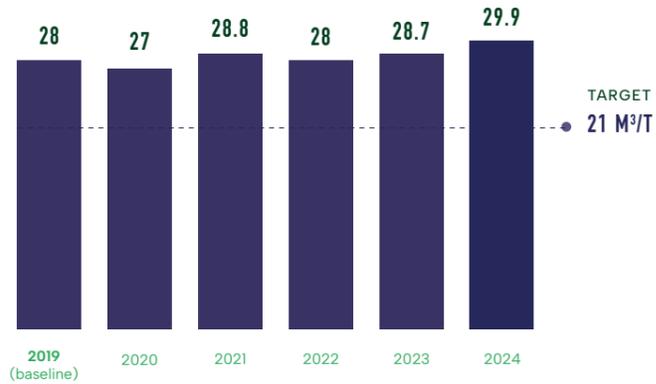
Solid Waste to Landfill per Product Weight (kg/T)



- Waste to energy optimisation
- Waste-to-value projects
- Partnerships with value-added industries

25% LESS WATER USAGE

Water Usage Intensity (m³/T)



- Planned US\$4-5m investment in equipment for washing and bleaching pulp that will contribute to significant reductions in water use

TARGET STATUS — Achieved — On Track — Progressing — Not Progressing — In Development



“There is a good synergy between our philosophy of focusing on quality, productivity and cost and sustainability. It means less consumption of chemicals and other raw material. That will reduce cost, and we will use less energy.”

— Eduward Ginting, Chief Operations Officer, APRIL Mill Operations

Previous: APRIL's Riau Andalan Pulp and Paper mill complex

Right: The expansion of manufacturing output in 2024 has increased energy demand

SUMMARY

Highlights ✓

- **80% Less Solid Waste to Landfill** — Our waste-to-value initiatives are having a big impact with the quantity coming down from 71 kg per tonne of product in 2021 to 32.3 kg/T in 2024.

Challenges ⚠

- **98% Chemical Recovery** — Consumption of purchased soda (Na₂SO₄, NaOH) and lime (CaO, CaCO₃) is higher than the 2019 baseline. More investment may be needed to achieve the target or get close to it.
- **20% Recycled Textile in our Viscose Fibre** — This target is not progressing despite technological advancements we've made to incorporate recycled textiles into our production process. Market acceptance is a major issue (see case study).

solid waste to landfill reduced from

71KG
to
32.3KG
PER TONNE
OF PRODUCT



NEW CLOTHES FROM OLD

APRIL has pushed forth the technology of textile recycling, but markets are not yet ready to bear the costs

Independent research by the Ellen MacArthur Foundation estimates that globally, a truckload of textiles is dumped in landfill or incinerated every second, and less than 1% of the textiles used to produce clothing is recycled into new clothing. That translates to huge opportunities for circularity gains in the textile and garment sectors.

The barriers to progress back in 2020 when APRIL2030 was launched were partly down to the available technology and the lack of a cost-effective collection infrastructure for recycled textiles. Our target to use 20% recycled textile in our viscose fibre was a challenge and required us to find new ways to overcome those barriers.

In 2021, APRIL's sister company APR, embarked on a process of technology development to introduce textile waste as a feedstock. We retrofitted part of our viscose fibre manufacturing machinery at our site in Kerinci, Riau so that it could accept increasing amounts of recycled material.

Our technology allows for the manufacture of textiles made from up to 50% recycled material and

50% regular dissolving pulp — well beyond our target of 20% recycled content. We now hold patents for the technology in Singapore and Europe and are pursuing patent protection in other countries.

"The technology is there, meaning it is possible," says Eduward Ginting, Chief Operating Officer, at APRIL's operations base in Kerinci. But he says the company needs the market and infrastructure to catch up and evolve.

There are other considerations that need to be carefully weighed. We are also mindful that sourcing large quantities of used clothes may adversely affect the informal secondary market for recycled textile materials, which is often the bread and butter of local communities in Indonesia. That is another good reason to proceed with caution, says Ginting.

More fundamentally, although there is increasing consumer and brand awareness of the problem of textile waste, the market is not yet ready to bear the increased cost of recycled material.

Currently, the extra cost of textiles incorporating recycled material as input is around 25% to 30%,

and with margins so tight in the garment industry that makes the economics of deploying the technology unfeasible at present.

The technology is ready to deploy though, so when market conditions change and the collection problem is solved, it will be possible to ramp up the recycled content of APR's textile output.

Above: Models show off clothing made from sustainable viscose fibre

Bottom Left: Establishing a reliable supply of used textiles has proved challenging

Bottom Right: Our technology allows for the manufacture of textiles made from 50% recycled material and 50% regular dissolving pulp.





5

GOVERNANCE

OVERSIGHT & ACCOUNTABILITY

Achieving sustainability targets requires a robust system of internal accountability and monitoring. This must make clear who is responsible for which target and ensure they have the resources required to succeed.

At APRIL, this starts at the top. APRIL2030 is overseen by a Steering Committee composed of RGE Managing Director Anderson Tanoto, APRIL Chairman Bey Soo Kiang and President Wang Bo. They provide overall strategic direction and ensure alignment with the business strategy and broader sustainability goals.

The Steering Committee meets twice a year to review performance against each of the 18 targets, address challenges, anticipate upcoming risks and make key decisions such as approving investments. At these half-yearly check-in points, they hear from the director-level Champions responsible for each pillar who report on progress.

Driving and coordinating the implementation of APRIL2030, including the relevant stakeholder engagement, partnerships, monitoring and reporting,

is the Core Team under the Sustainability Department led by the APRIL Sustainability Director.

Operational implementation is the mandate of the four pillar Champions and their co-Champions. The performance of the Champions and members of their teams is measured against APRIL2030-linked KPIs to ensure accountability and overall alignment with the business.

External accountability is maintained through the independent Stakeholder Advisory Committee (SAC), which has an advisory role and provides recommendations. APRIL2030 builds on our Sustainable Forest Management Policy (SFMP) 2.0 and on the progress made in its implementation since 2015. The SFMP 2.0 includes APRIL's foundational sustainability commitments to no deforestation and no new development on peatland, among others, and is externally assured every year by KPMG. Transparency is key to our approach to APRIL2030. We report on progress annually in the Sustainability Report and we are open about which metrics are going well, and which are more challenging.

CHALLENGES AND BREAKTHROUGHS

At APRIL2030's halfway mark, progress against APRIL's sustainability goals has been remarkable, especially on the key environmental targets related to climate, nature, and circularity.



Nigel Sizer is CEO of BioDiverse. He was President and CEO of the Rainforest Alliance and Global Director, Forests Program of the WRI.

Compared to other companies with similarly large direct footprints on the land in forestry, palm oil, mining, and agriculture, APRIL is ahead on the most significant metrics: reducing greenhouse gas emissions; conserving and restoring nature; partnership with communities to protect forests; reducing industrial pollution; and contributing to social and economic development. It is highly significant that the company's operations and supply chain have remained deforestation-free since 2015, according to third-party assurance by KPMG.

My expectation is that APRIL will be able to exceed several of the targets before 2030, placing it in small group of global firms that are breaking through in some of the most important industrial sustainability challenges and innovations needed this decade.



6

CONCLUSION

WELL DONE IS BETTER THAN WELL SAID

Bey Soo Khiong

| Chairman, APRIL Group

A vital question facing global business in this decade of action on the climate crisis is how to truly incorporate science-based action on sustainability into decision-making.

With so many global headwinds and operational challenges to deal with, it can be tempting to divert attention towards issues that are seemingly more pressing on the bottom line. But the private sector must maintain its focus on the existential threat that climate change represents to protect the interests of business, people and the planet.

Recent editions of the climate and biodiversity COPs in Cali and Baku though, as well as talks on an international plastics treaty in Busan, have shown the current limits of geopolitically-driven initiatives. Business has the capability and the resources to continue to make progress while consensus is negotiated.

Secondly, as we have demonstrated through our APRIL2030 journey, pursuing ambitious targets on climate,

nature and inclusivity brings business benefits.

Boosting our solar energy capacity and reducing our reliance on coal is reducing our energy costs. Conserving and restoring natural landscapes supports the ecosystem services that our business relies on. Investing in circular manufacturing processes that recycle expensive chemicals and use less water have a positive impact on efficiency. Funding education and health capacity is helping to build resilience in our neighbour communities where many of our suppliers are based.

These actions are the right thing to do, but they are also an insurance policy for our business. APRIL operates with the purpose of improving lives by developing resources sustainably. We believe that doing good for the community, the country, climate and our customers will be good for the company. That is our 5C's principle that guides all our actions. It is a way of acknowledging a more holistic and longer-term approach to running our business.

While we keep our 2030 commitments and targets in view, we must also constantly challenge ourselves and re-evaluate our efforts. Where should we target our efforts for the biggest result? What is the right approach? What is holding us back?

Our APRIL2030 commitments must be agile and dynamic, with the ability to seize new opportunities that arise from changing market dynamics or technology innovation.

Recognition of our responsibility. Consistency of purpose and ambition. Agile execution integrated into APRIL's planning and operations. Full buy-in from all our people. These are the hallmarks of our progress so far. They characterize the way business can evolve to address the climate and inclusivity challenge.

It is these attributes that will guide the next five years of APRIL2030 and beyond, on what is now fully recognised as our most important journey.



