



Cultivating Unity through Shared Values

2024 Sustainability Report



SUSTAINABILITY REPORT THEME



CULTIVATING UNITY THROUGH SHARED VALUES

APP Group strengthens its sustainability journey by turning shared values into shared momentum. This unity empowers people across the Group, from fiber plantations and production floors to logistics networks and community partnerships, to contribute with purpose and clarity.

Each step forward reflects a commitment not only to responsible business practices but to building an industry that protects forests, uplifts livelihoods, and delivers value through integrity. When everyone moves in alignment, progress becomes more than a goal; it becomes a way of working, growing, and leading together.

The theme of our 2024 Sustainability Report, ***Cultivating Unity Through Shared Values***, reflects a commitment to lead not just through strategy, but through conviction. These values —respect, integrity, and long-term thinking —guide how we manage natural resources, develop sustainable products, and strengthen relationships across our value chain. Every decision, whether in procurement, logistics, or local engagement, contributes to a broader ecosystem of progress, one built on trust and sustained by clarity.

APP does not rely on isolated programs or fragmented goals. Instead, we build coherence by encouraging subsidiaries, suppliers, and partners to work towards shared expectations. This alignment strengthens governance, enhances risk awareness, and supports more consistent engagement with people and ecosystems. The Group promotes this through open dialogue, capacity-building initiatives, and systems that improve transparency across the value chain. These efforts help all parties make informed decisions, uphold common sustainability goals, and contribute effectively to collective progress.

Each subsidiary within the Group operates with autonomy, but not in isolation. Local realities inform how we adapt and innovate, while shared values ensure we move in the same direction. These values encourage us to act with purpose, whether we are restoring degraded landscapes, investing in product circularity, or enabling inclusive development. This is how we create value that lasts: by linking commercial growth with environmental and social resilience.

We continue to advance our sustainability journey by fostering unity through shared values. This approach empowers people across the Group, employees, subsidiaries, suppliers, and communities, to move in the same direction while contributing in ways that reflect their strengths and realities. Progress does not rely on instruction from the top but grows from a shared commitment, where every voice, action, and partnership plays a role in shaping a more resilient and responsible future. This is not only our path to long-term success, but it is also our contribution to a more equitable and sustainable world.



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Welcome to APP Group (APP)
2024 Sustainability Report.





MESSAGE FROM LEADERSHIP [GRI 2-22] [OJK D.1A] [OJK D.1C]

Message from the President Director APP Purinusa Ekapersada

Over the past year, shifting global dynamics and complex operating challenges have underscored the need for resilience, strategic foresight and collective action.

APP Group is committed to integrating sustainability into every aspect of our operations, as we recognize that long-term success is built on a strong foundation of environmental responsibility, social progress, and good governance.

As a large pulp and paper producer, we acknowledge the responsibility that comes with it. Growth must go hand in hand with sustainability, ensuring business progress aligns with environmental stewardship and community well-being. APP's Sustainability Roadmap Vision (SRV) 2030 provides a clear direction, guiding our advancements in impactful initiatives across products, forests, and people, while reinforcing our commitment to support the Government of Indonesia's target achieving net zero emissions by 2060 or earlier.

With this vision in place, APP has remained focused on building on existing strengths and refining our strategies to ensure our efforts create shared value. Our commitment to sustainable business practices remains strong, and by strengthening governance across the value chain and maintaining transparency, we uphold the integrity of our operations while contributing higher standards for the industry.

Beyond environmental responsibility, sustainability is about people. Businesses must grow in a way that benefits all stakeholders, including shareholders, employees, suppliers and the communities we serve. We are dedicated to upholding human rights, investing in our workforce, and supporting our communities.

Looking ahead, our focus remains on advancing responsible practices across our operations. Every decision we make, from supply chain enhancements to investment in green energy, is guided by the conviction that sustainability is the foundation of long-term success.

None of this progress would be possible without the trust and support of our stakeholders. I extend my deepest appreciation to our employees, partners, and shareholders for their continued confidence, commitment and collaboration. Together, we will work together to shape an industry that is resilient, forward-thinking, and responsible in its pursuit of sustainable progress.

Thank you for your support.

Andrie S Yapsir
President Director





Message from the Chief Sustainability Officer APP Group

[GRI 2-22] [OJK D.1a] [OJK D.1b] [OJK D.1c]

Driving Sustainability Through Action

Sustainability is the driving force behind our innovation, efficiency, and long-term growth. As stewards of Indonesia's natural resources, we recognise the immense opportunity to lead transformative change. By treating sustainability as an investment, we build resilience, unlock innovation, and create lasting value for businesses, communities, and the environment.

One of our critical paths on this sustainability journey has been decarbonisation. In 2024, following years of preparation, we proudly submitted our Science-Based Targets initiative (SBTi) commitment, charting a clear path to significantly reduce Scope 1 and 2 emissions while laying the foundation for Scope 3. By embedding sustainable practices across our entire value chain, we extend our impact beyond operations to drive meaningful change across the industry.

Sustainability cannot be achieved in isolation. Recognizing the challenges faced by suppliers, particularly in chemicals, transport, and logistics, we have taken a proactive approach, which is to lead industry-wide workshops and coaching sessions to equip partners with the knowledge and tools needed to transition to low-carbon solutions. When businesses see sustainability as an opportunity rather than an obligation, they take ownership, accelerating collective progress toward a more sustainable future.

True sustainability is about creating shared value and long-term empowerment. As part of our commitment to building resilient communities, we developed the Desa Makmur Peduli Alam program, which evolved from our initial 2015 conception of Desa Makmur Peduli Api. Over time, this initiative has grown beyond production into full-scale commercialisation, connecting farmers to markets and enhancing product quality. As DMPA expanded to encompass broader environmental conservation and sustainable land use, it evolved and was adopted across APP, reinforcing community resilience and long-term sustainability.

Conservation is a responsibility we take seriously. We have set aside vast areas for protection while proactive measures help mitigate risks such as illegal logging and land disputes through collaborative solutions. Our advocacy efforts, through partnerships with the Indonesian Chamber of Commerce and APINDO, continue to drive systemic improvements, from land-use reforms to stronger policies against illegal logging.

This reinforces an often-overlooked reality, that responsible forestry does not equate to deforestation. In fact, the industry implements robust protection measures, including sustainable forest management, conservation, and preservation efforts. Sustainable forest management is about balance, ensuring that responsible growth aligns with conservation.

To further strengthen sustainability across our supply chain, we built a product tracing system well before the European Union Deforestation Regulation (EUDR) requirements were introduced.

This allows customers and stakeholders to verify the origin and sustainability of our products with confidence. It reinforces trust, ensures compliance, and supports global efforts toward sustainable sourcing.

As we move toward 2025, APP is scaling its restoration and carbon sequestration initiatives through public-private partnerships. Our mangrove restoration and landscape conservation projects are already making a difference, and with the support of diverse stakeholders, we can accelerate these efforts for even greater impact.

We view ESG considerations as essential investments in long-term resilience. Sustainability is most powerful when embraced at every level—across businesses, industries, and communities. While challenges remain, our commitment to progress is stronger than ever.

To our stakeholders and partners—thank you for your trust, support, and shared commitment. Together, we can build a future where businesses, people, and the environment thrive in harmony.

Thank you for engaging with our sustainability journey.

Elim Sritaba
Chief Sustainability Officer





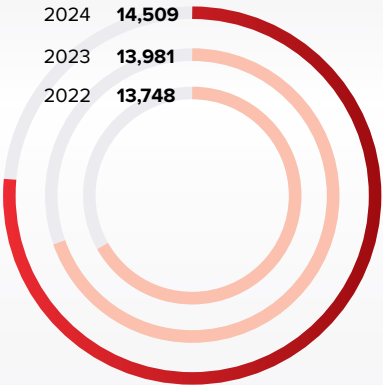
THROUGH THE LENS 2024

Economic Performance

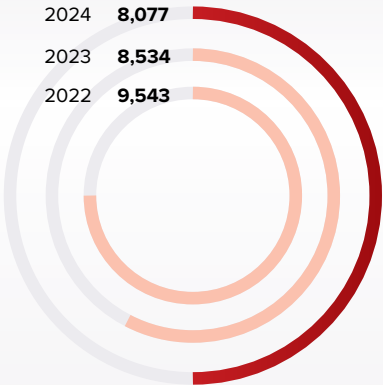
[GRI 201-1] [OJK B.1]

FINANCIAL DATA

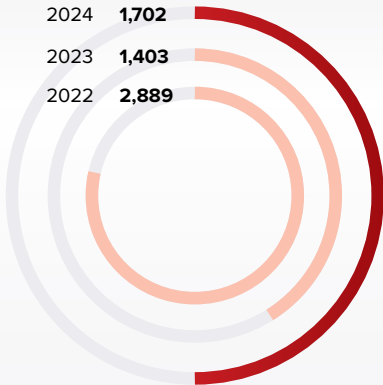
Production Realization
(thousand tons)



Net Sales Realization
(in million US\$)



Net Revenue Realization
(in million US\$)



SUSTAINABLE PRODUCTS [OJK B.1.A] [OJK B.1.D]

Biogradable Paperboard	2022		2023		2024	
	Sales Volume MT	Revenue USD	Sales Volume MT	Revenue USD	Sales Volume MT	Revenue USD
Indonesia	1,466	2,560,862	1,004	1,564,214	1,774	2,518,336
Export	9,672	18,808,023	4,300	7,029,174	6,914	11,194,395
Total	11,137	21,368,886	5,304	8,593,388	8,688	13,712,731

Enza	2022		2023		2024	
	Sales Volume MT	Revenue USD	Sales Volume MT	Revenue USD	Sales Volume MT	Revenue USD
Indonesia	19,981	26,082,199	17,656	22,889,657	22,651	28,527,343
Export	71,206	90,518,152	54,279	67,533,769	54,515	69,589,048
Total	91,187	116,600,351	71,936	90,423,426	77,167	98,116,391



Environmental Performance

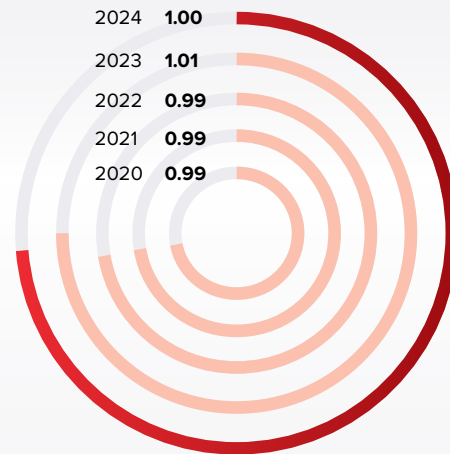
[GRI 302-1] [OKJ B.2]

100%

OPERATIONAL EMISSIONS HAVE BEEN CALCULATED NATIONWIDE

We submitted our commitment to the Science-Based Targets initiative (SBTi) in 2024 to reduce Scope 1 and Scope 2 emissions

CARBON EMISSION TREND



GHG EMISSIONS (SCOPE 1, 2, 3)

GHG Emissions

2024

Scope 1	11,475,287
Scope 2 (Electricity, market based)	588,173
Subtotal Scope 1 & 2	12,063,460
Biogenic Scope 1 & 2	16,405,458
Scope 3 fossil	10,636,531
Biogenic Scope 3	2,737,865

BLUE PROPER



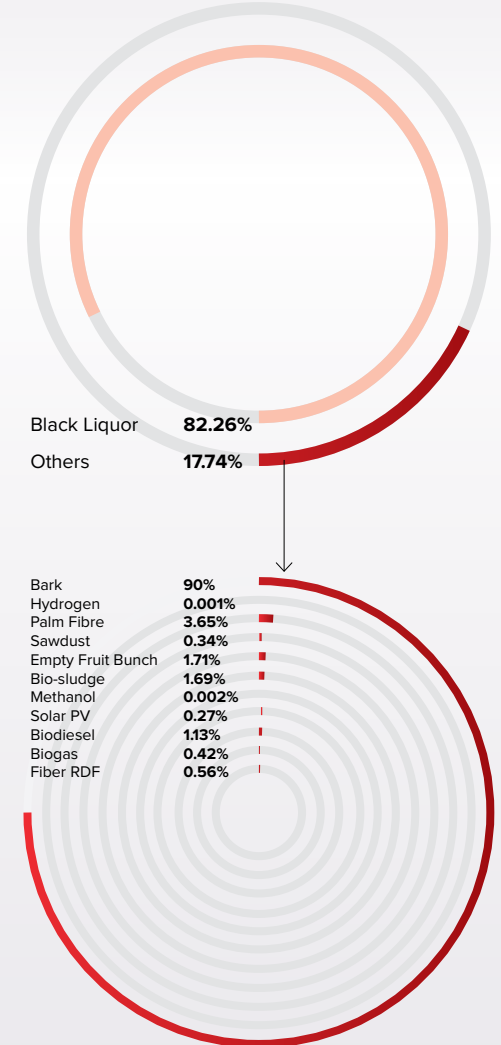
- Indah Kiat Perawang
- Indah Kiat Tangerang
- Pindo Deli Karawang
- Tjiwi Kimia
- Lontar Papyrus
- Ekamas Fortuna
- OKI
- Purinusa Ekapersada
- Riau Abadi Lestari
- Satria Perkasa Agung
- Wirakarya Sakti
- Finnantara Intiga

CERTIFICATIONS IN OPERATIONS

■ ISO 14001	100%
■ ISO 9001	100%
■ PEFC COC	100%
■ COMPLIANCE WITH IFCC-PEFC	100%
■ ISO 50001	
■ ISO 27000:2018	
■ ISO 14064-1 FOR OKI MILL	

RENEWABLE ENERGY [GRI 302-1]

58% OF ENERGY SOURCES



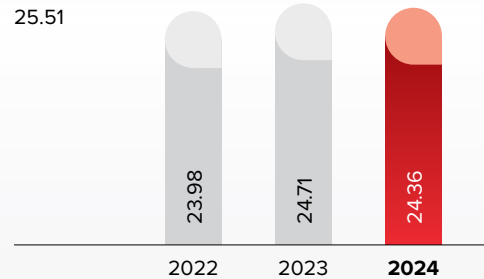
*Since 2024, RDF has utilized waste as an energy source.



ENERGY INTENSITY TREND

Energy Intensity
(GJ/ton)

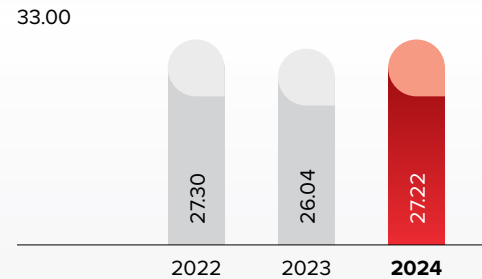
2018 (baseline)



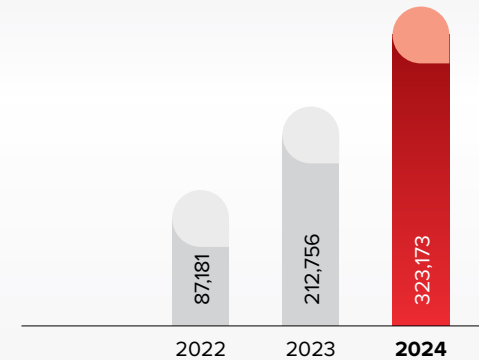
WATER INTENSITY TREND

Water Intensity
(m3/ton)

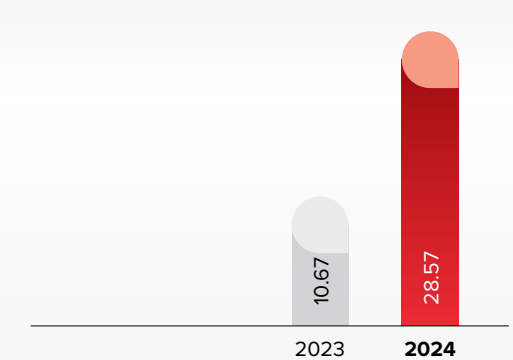
2018 (baseline)



PURCHASE REC (RENEWABLE ENERGY CERTIFICATE) PLN

REC purchase
(MWh)

ROOF SOLAR PV INSTALLATION

Solar PV Installation
(MWp)

58%

Renewable energy utilization of all energy consumption



90%

Reduction of waste to landfill from 2018 baseline



0.008%

The total concession area was impacted by fire



5%

Reduction in energy intensity from 2018 baseline



47%

Recycled fiber composition in production



E-product tracing for customers: a reliable product traceability system



18%

Reduction in water intake intensity from 2018 baseline



99%

Critical peat dome areas have been restored



Mangrove restoration collaboration



39.24 MWP

The total MWP capacity has been installed for the rooftop solar PV system



99%

Reduction in illegal wildlife poaching tools found in concessions.



APP conducted environmental due diligence across our entire pulpwood supply chain, covering six companies within our own concessions and 30 longterm suppliers.



CIRCULAR BIO-ECONOMY [GRI 306-2]

APP utilises biomass and energy recovered from recycled materials, such as sludge and bark, to reduce reliance on fossil fuels.

Material:
Beyond fiber, APP integrates reclaimed materials into its packaging, with 21% sourced from local or imported post-consumer waste

Waste:

Waste	UoM	2022	2023	2024
Landfill	tonnes	515,914	209,533	49,844
Utilised by a licensed third party		117,769	71,662	87,920
Recycled		600,104	546,885	571,757
Temporary storage (to be off-site recycle)		9,379	4,028	4,532
Total hazardous waste		1,243,166	832,108	714,053
Landfill		-	-	-
Utilised by licensed third party		287,764	356,625	182,591
Recycled		1,816	138,367	567,348
Temporary storage		73,332	63,078	23,761
Total non-hazardous waste		362,912	558,071	773,701
Total Landfill		515,914	209,533	49,844
Total recycled		601,920	685,252	1,139,105
Percentage recycled		37%	49%	74%
Waste landfill intensity		0.3	0.2	0.034
% Reduction		1%	60%	90%
Total Hazardous Waste/Ton-prod-equivalent		0.1	0.1	0.1

Notes : In 2024, APP improve data collection



Social Performance [OJK B.3]

EQUALITY & WELFARE [GRI 405-1] [GRI 405-2]



A DEI (Diversity, Equity, and Inclusion) Committee monitors and evaluates its implementation and provides regular updates to the Board



Srikandi APP: a platform to support women-focused programs and campaigns across the company, encouraging dialogue, mentorship, and collaboration among employees



14%

Females hold management roles



5.3 HOURS

Average training for male employees



1:1

Wage and compensation ratio for male and female employees



18 REPORTS

Concerning human rights violation through whistle-blower channel were addressed and taking appropriate corrective actions



16%

Females in APP governance bodies



5.5 HOURS

Average training for female employees



90%

Employees attended human rights training



The types of benefits received by employees are life insurance, health insurance, parental leave, special recognition program, pension fund, company-paid vacation, annual leave, religious leave, and unpaid leave.



29.8%

Females hold senior management positions in Headquarters



100%

Employees are covered by the CLA (collective labor agreement) and company regulations



1,027

Security personnel participated in human rights training between 2022 and 2024



DRIVEN BY PURPOSE



Using the Consumer Goods Forum (CGF) Human Rights Coalition's self-assessment tool, APP achieved 'Established' maturity level a more step from target to attain 'Leadership' status by 2025



APP conducted human rights due diligence across our entire pulpwood supply chain, covering six companies within our own concessions and 30 long-term suppliers



Using the PRISMA application, PT OKI Pulp and Paper Mills received a green category rating with a score of 85



No employees caught occupational disease in 2024



68%

Disputes resolved



0.23

LTIFR in Forestry



0.52

LTIFR in Mills



90%

Employees have attended ethics-related trainings and passed the post-training assessment



64 DAYS

Average in handling whistleblower reports



90%

Reduction in fires incident in DMPA villages achieved (upstream)



100%

Longterm pulpwood suppliers received relevant communication on their obligations and signed the SCoC document



85%

Outsourcing suppliers received relevant communication on their obligation and signed the SCoC document



COMMUNITY EMPOWERMENT

[GRI 413-1] [OJK B.3]

APP collaborated with 2,242 partners to implement Community Empowerment (CE) programs, investing approximately USD 2.2 million. These programs positively impacted 215,468 beneficiaries downstream and more than 88,900 beneficiaries upstream.



The Number of CE Program Beneficiaries Mills Downstream

Program	2024
Charity	120,856
Infrastructure	40,297
Capacity Building	21,860
Community Development	32,455
Total	215,468

Number of Partners and Beneficiary Communities

Program	2024
Partners	2,242
Beneficiaries Community	2,416



DMPA Upstream Data



230

Village Owned Enterprises



>88,900

People benefiting from DMPA programs



459 VILLAGES

Benefiting from DMPA programs



160

Women's groups benefiting from DMPA programs



Sustainability Governance

GOOD CORPORATE GOVERNANCE



90%

The total workforce completed BCoC evaluation



14

Conflict-related reports were submitted via APP's whistleblowing mechanism and duly investigated



100%

Pulpwood suppliers received dissemination on the SCoC



2

Business operations were assessed and evaluated for integrity risks, including corruption vulnerabilities



100%

The workforce completed anti-bribery training via BCOC and policy socialization



85%

Total outsourcing partners were trained in compliance with APP's ethical and sustainability requirements



100%

Governance body members received training on anti-corruption policies



100%

Pulpwood suppliers received communication on APP's Anti-Bribery and Corruption Policy



52

Confirmed corruption cases were identified during the reporting year and acted upon



CDP Supplier Engagement Leader A List Badge

Corporate supply chain engagement on climate issues

ESG RATINGS BY INDEPENDENT INSTITUTIONS



CDP Score for APP Indonesia

CLIMATE	: B
FOREST	: B
WATER SECURITY	: B



Ecovadis
70/100



SPOTT Rank 5
with score:78.3%/100%





ECOSYSTEM

[GRI 2-6] [OJK C3.D]

MILLS IN SUMATRA

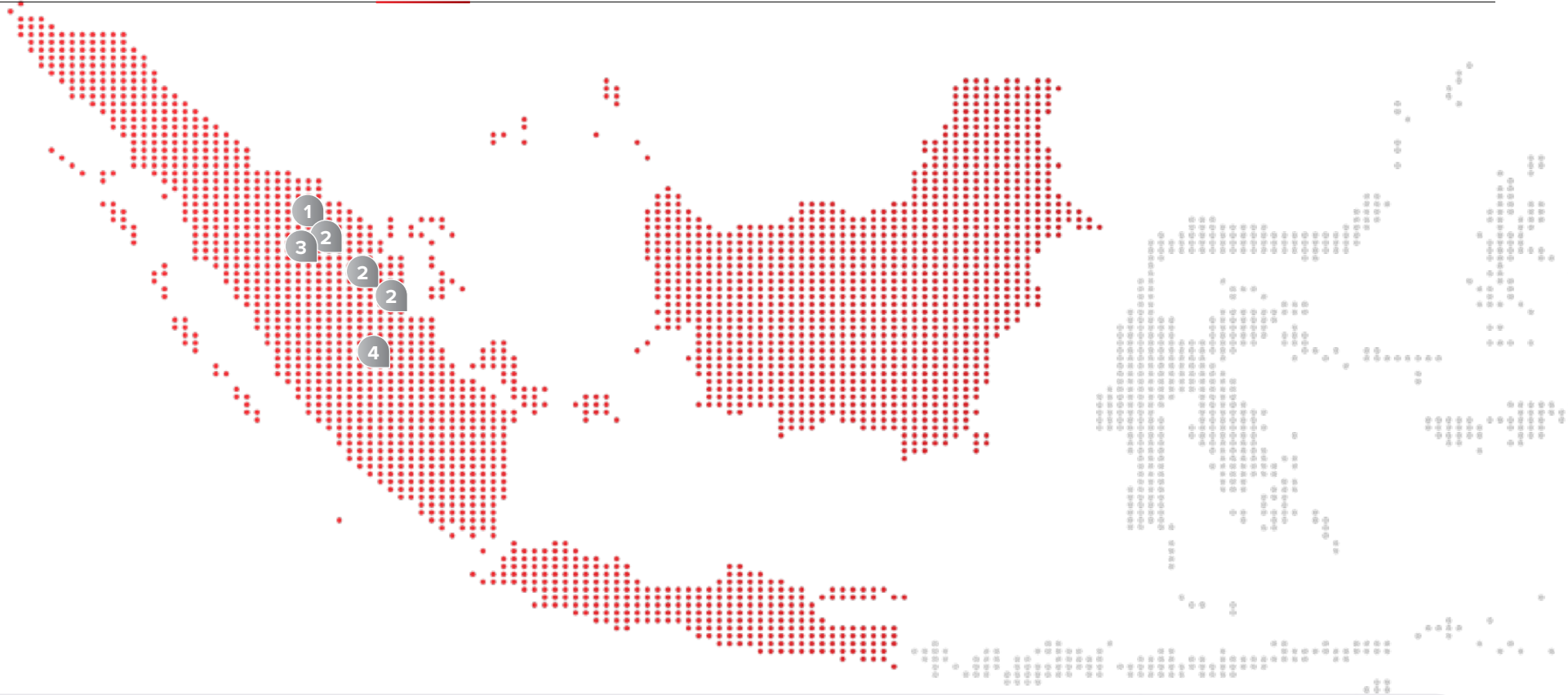
Mills					
	1	2	3	4	5
	Pindo Deli Perawang	Indah Kiat Perawang	Univenus Perawang	Lontar Papyrus	OKI
Production Lines	22 Tissue Machines 19 Tissue-Converting Machines	4 Pulp Lines; 9 Paper Machines; 2 Tissue Machines	1 Tissue Machine	2 Pulp Lines; 8 Tissue Machines	2 Pulp Lines 6 Tissue Machines
	Tissue and converted tissue products	LBKP (Leaf Bleached Kraft Pulp), LUKP (Leaf Unbleached Kraft Pulp) wood-free printing, writing, copier, tissue, and chemical products	Tissue	LBKP (pulp) and tissue	LBKP (pulp) and tissue
Key Products					



MILLS IN JAVA

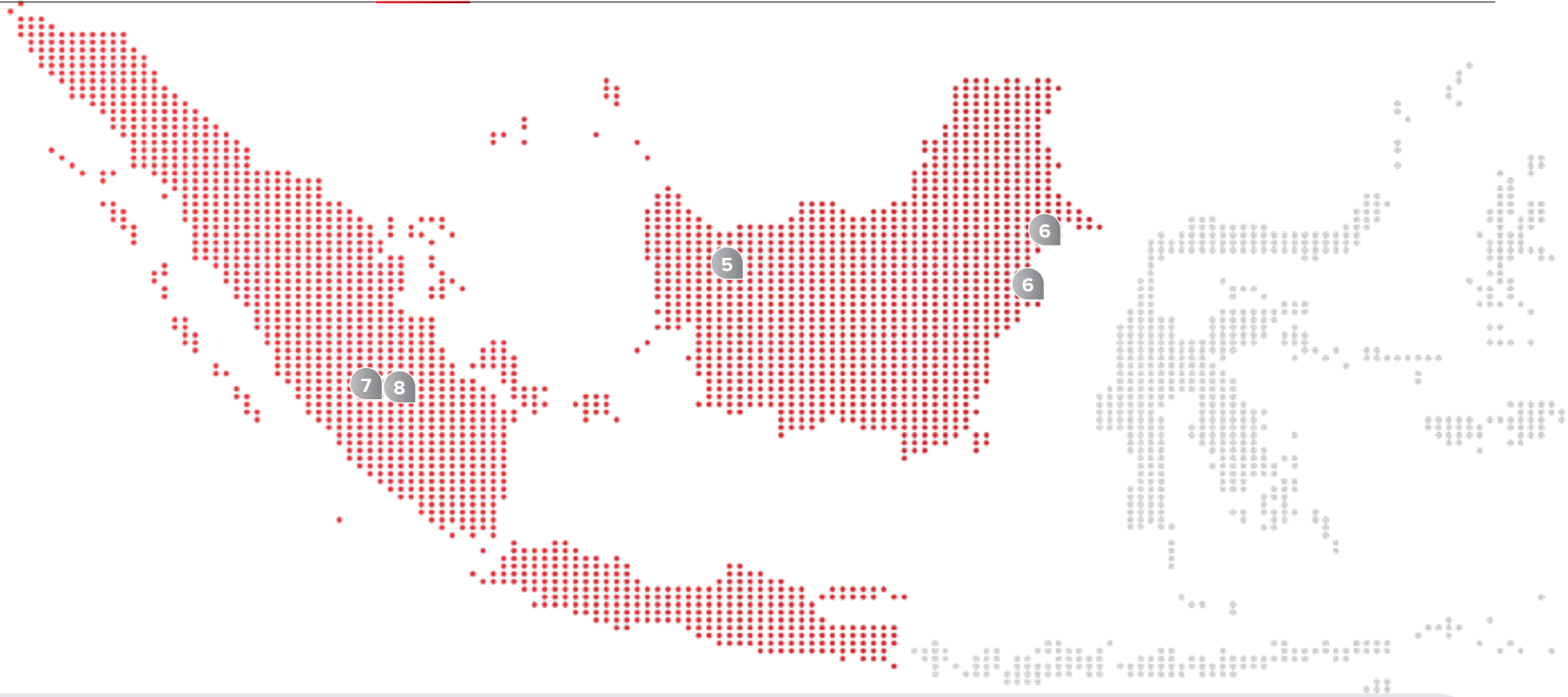
Mills	Production Lines	Key Products	6 Indah Kiat Serang	7 Tjiwi Kimia	8 Head Office Jakarta	9 Indah Kiat Tangerang	10 Pindo Deli Karawang
			6 Paper Machines 5 Corrugators Machines 7 Offset Machines	13 Paper Machines		3 Paper Machines	12 Paper Machines; 3 Tissue Machines
			White cardboard packaging paper, brown cardboard packaging paper, corrugated paperboard, and packaging and boxes from paper and cardboard	Uncoated paper, coated paper, carbonless paper, medium paper, linerboard, Kraft paper, notebook, memo pad, notepad, looseleaf paper, spiral-bound notebook, envelope, continuous form, wrapping paper, packaging paper, paper bag, and corrugated cardboard box used for industrial packaging.		Coloured printing, writing and copier, computer, and duplicator paper, specialty paper	Writing, printing, copier, pre-print and other, premium wood-free papers, cast-coated paper, paperboards, carbon-less, packaging paper, art paper, and tissue.

Mills	Production Lines	Key Products	11 Ekamas Fortuna Malang	12 Purinusa Semarang	13 Purinusa Demak	14 Purinusa Bandung	15 Purinusa Subang
			2 Paper Machines	2 Corrugator Machines	1 Corrugator Machine	2 Corrugator Machines	1 Corrugator Machine
			Medium corrugated paper, gypsum face paper gypsum backing paper, wrapping papers, kraft linerboard, sheet of paper, chipboard, coreboard, paper tube, heavy board, paper angle, paper core, and pallet paper	Corrugated Paper Packaging	Corrugated Paper Packaging	Corrugated Paper Packaging	Corrugated Paper Packaging



FORESTRY

FMU Concession Area License	1 PT. Arara Abadi	2 PT. Satria Perkasa Agung	3 PT. Riau Abadi Lestari	4 PT. Wirakarya Sakti
	296,164 ha	SPA : 77,702 ha SPA Serapung : 11,927 ha SPA Sinar Merawang : 10,070 ha	12,000 ha	287,166 ha
	- SK.817/MENLHK/SETJEN/HPL.0/9/2021 - SK Addendum No.SK 1131/MENLHK/SETJEN/HPL.2/11/2022	- SPA: NO.SK.725/MENLHK/SETJEN/HPL.0/9/2021 - SPA SERAPUNG: SK.134/MENLHK/SETJEN/HPL.0/2/2022 - SPA SINAR MERAWANG: SK.135/MENLHK/SETJEN/HPL.0/2/2022	SK.985/MENLHK/SETJEN/HPL.0/10/2021	SK.1141/MENLHK/SETJEN/HPL.0/11/2021



FMU

Concession
Area

License

5	PT. Finnantara Intiga	6	PT. Sumalindo Hutani Jaya	7	PT. Wahana Agro Mulia (Operations have not yet commenced)	8	PT. Warna Agung Sejahtera (Operations have not yet commenced)
	299,700 ha	SHJ I: ± 10,000 ha SHJ II: ± 70,300 ha		6,290 ha		6,439 ha	
	SK PBPH NO.SK.1041/ MENLHK/SETJEN/ HPL.0/11/2021	- SHJ I: SK.763/MENLHK/SETJEN/ HPL.3/9/2021 - SHJ II: SK.764/MENLHK/SETJEN/ HPL.3/9/2021		SK.252/Menhut-II/2009		SK.213/Menlhk/Setjen/ HPL.0/5/2021	

SUSTAINABILITY APPROACH





SUSTAINABILITY GOVERNANCE

Strong corporate governance is the backbone of APP's sustainability strategy.

Every decision we make is guided by a balance of economic, environmental, and social considerations, ensuring that responsible business practices drive long-term success. Our governance framework is anchored in Good Corporate Governance (GCG) principles, complying with national and international legal requirements that uphold transparency, accountability, independence, responsibility, and fairness across all aspects of our operations.

To institutionalize this commitment, we have established a Governance Policy and Business Code of Conduct (BCoC), approved by the Management Board and applicable to all employees. Beyond internal implementation, we extend governance education to our business partners, ensuring alignment with APP's ethical and sustainability standards across the value chain. Maintaining strong governance mechanisms not only safeguards our operations but also strengthens our ability to adapt to evolving sustainability challenges. [GRI 2-24]

Key Governance Priorities at APP

Building on this foundation, APP has identified key governance priorities that drive our sustainability agenda and business integrity:



1. Balanced Decision-Making

We evaluate business impacts beyond short-term financial performance, ensuring that governance supports long-term sustainability and responsible growth.



4. Sustainability Integration

By embedding sustainability considerations into our governance structure, we ensure that corporate decisions align with APP's commitments to sustainable development.



7. GRI Reporting & Transparency

To uphold accountability and transparency, APP's sustainability governance aligns with GRI Standards (GRI 2-24), ensuring clear and comprehensive disclosure of our governance practices.



2. Regulatory Compliance

We implement a structured process to uphold legal and regulatory requirements across all business functions, ensuring adherence to global and local standards. (GRI 2-27)



5. Board Oversight

Our Board of Directors plays an active role in sustainability governance, holding monthly meetings with management to review performance, strategic direction, and key objectives. [GRI 2-12]



3. Stakeholder Trust

Effective governance fosters robust relationships with investors, employees, customers, and communities, enhancing trust in our dedication to responsible business practices. [GRI 2-29]



6. Employee Awareness & Governance Culture

A strong governance framework is only effective when embedded across all levels of the organization. One of our key challenges is fostering employee awareness of sustainability's significance. To address this, the Sustainability Team actively communicates governance expectations and integrates sustainability objectives into KPIs. Newly hired employees participate in governance orientation programs to align their goals with APP's corporate values.



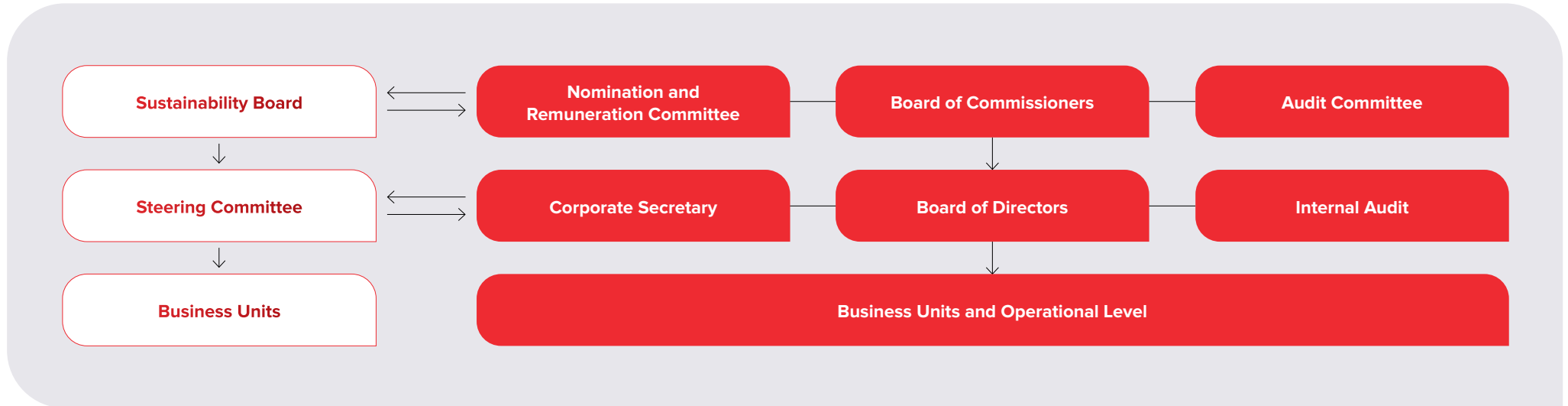
Governance Composition, Structure and Oversight [GRI 2-9] [OJK A.1]

Our governance framework ensures that sustainability principles are fully integrated into decision-making, risk management, and business strategies across the company's value chain.

We drive continuous improvements in environmental, social, and governance (ESG) performance through structured oversight, dedicated leadership, and a collaborative approach.

In its ongoing commitment to sustainability, APP has established a dedicated Sustainability Committee, chaired by the President Director, to integrate sustainability at the highest leadership levels. To ensure comprehensive oversight of sustainability strategies, APP has also formed a steering committee comprising the Chief Sustainability Officer, Chief Human Resources Officer, and Chief of Corporate Affairs and Communication Officer. This diverse group enables a holistic approach, incorporating environmental, social, and governance considerations into APP's operations.





Sustainability Board

The Sustainability Board, composed of members of the Board of Commissioners and Board of Directors, leads the company's sustainability vision and mission. The Board is responsible for integrating sustainability considerations across business operations, ensuring alignment with global ESG standards. [GRI 2-11]



Sustainability Committee

The Sustainability Committee, chaired by the President Director, ensures the implementation of sustainability initiatives and provides strategic direction for sustainability-related decision-making. [TCFD G1]



Steering Committee for Sustainability

The APP Steering Committee comprises the following:

- Chief Sustainability Officer (CSO)
- Chief Human Resource Officer (CHRO)
- Chief of Corporate Affairs & Communication

Together, lead the sustainability strategy and plans for APP across the company's value chain and ensure that sustainability policies incorporate key priorities, such as climate-related risk management, responsible business conduct, and stakeholder engagement. [GRI 2-12]



Business Units

Business units play a key role in translating the company's sustainability vision, mission, and strategy into action. Guided by the Sustainability Committee, they ensure sustainability goals are consistently applied across operations.

Each unit is jointly led by the Business Unit Head and the Mill Head, with support from Division Heads and Department Heads responsible for Environmental, Social, and Governance (ESG) areas. Together, this Management Team oversees the implementation and monitoring of sustainability policies in line with corporate commitments. This structure helps embed ESG principles into daily operations, driving accountability, continuous improvement, and long-term impact across the value chain. [GRI 2-13]



Management Team

The Management Team, which consists of senior management members responsible for overseeing various departments, plays a central role in implementing governance policies within business operations. They conduct quarterly reviews of economic, environmental, and social risks, ensuring compliance and alignment with sustainability goals. [GRI 2-14]

The Management Team provides ongoing feedback to the Board of Directors on sustainability reporting and governance performance. They play a key role in assessing climate-related risks and opportunities, ensuring that sustainability remains embedded across all decision-making processes. [TCFD G2]

The Sustainability Committee's primary role is to align sustainability initiatives with the company's business strategy and core values, emphasizing climate change and its associated risks and opportunities.

Climate considerations are embedded into the organization's strategy, aligning business goals with climate targets. This integration influences investment decisions, research and development, and supply chain management, ensuring climate factors are considered at the highest decision-making levels.

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders (GMS) serves as the highest authority within a corporation, providing shareholders with a platform to discuss and decide on strategic company matters. Shareholders at the GMS ratify financial statements, establish company policies, elect and dismiss members of the Board of Directors, and determine management remuneration. By participating in these decisions, shareholders influence the company's direction and sustainability. The GMS ensures management remains accountable and transparent to shareholders.



BOARD OF COMMISSIONERS

The Board of Commissioners is a supervisory body responsible for ensuring effective company management in the best interests of shareholders. It holds the authority to provide strategic direction, oversee company policies, and evaluate executive performance. Key responsibilities include selecting and evaluating members of the Board of Directors, monitoring the company's compliance with regulations and ethical standards, and making decisions on critical matters such as corporate restructuring or mergers and acquisitions.

APP upholds the principle of independence within its Board of Commissioners, ensuring that members have no direct interests in the company's operations. Several committees within the Board support its supervisory role, including the Audit Committee, the Nomination and Remuneration Committee, and the Ethics Committee. These committees enhance the Board's effectiveness by focusing on specific governance aspects.

The Audit Committee oversees compliance with accounting regulations and procedures. The Nomination and Remuneration Committee manages the selection, evaluation, and compensation processes for members of the Board of Directors. The Ethics Committee ensures adherence to applicable regulations and ethical standards.

Through an independent Board structure and efficient committee operations, APP strengthens its supervisory quality and ensures sound decision-making in its business activities.

BOARD OF DIRECTORS

The Board of Directors at APP holds responsibility for making strategic decisions and overseeing management to drive the company's growth and long-term success. It establishes the company's strategic goals, monitors management performance, and makes critical decisions that shape the company's direction.

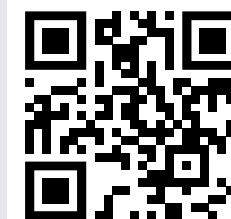
The Board's key roles include selecting and supervising executive management, assessing risks, and setting financial and investment policies. It also ensures that the company operates in compliance with relevant regulations and standards.

To uphold objectivity and prevent conflicts of interest, APP maintains an independent Board of Directors structure, ensuring that its members are distinct from those serving on the Board of Commissioners.

This separation prevents conflicts of interest and reinforces good governance practices and transparency, ensuring that the Board of Directors' decisions are made objectively in the overall and best interests of the company. [GRI 2-11]

In terms of sustainability, both the Board of Commissioners and the Board of Directors play essential roles in approving strategies and policies related to sustainability and social and environmental responsibilities. They oversee the company's economic, environmental, and social impact, ensuring that APP aligns its operations with responsible practices. Through the General Meeting of Shareholders, shareholders have the opportunity to provide input and feedback on the company's sustainability initiatives, further reinforcing APP's commitment to sustainable growth and stakeholder engagement. [GRI 2-12] [GRI 2-13].

Scan the QR code for the terms of office, duties, and responsibilities of the Board of Commissioners



NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) leads the selection process for members of the Board of Commissioners and the Board of Directors. The process begins with identifying the company's needs and establishing criteria for candidates, focusing on expertise, experience, and independence. The NRC reviews potential candidates who meet these criteria, evaluating their qualifications and ability to fulfil the roles' duties and responsibilities. This evaluation process includes interviews, track record assessments, and reference checks. [GRI 2-10]

To support continuous development, the NRC also designs capacity-building programs for members of the Board of Commissioners and the Board of Directors. Following the evaluation, the NRC submits its recommendations for appointing Board of Commissioners' members to the GMS for final approval. This structured approach ensures that all appointments are made with careful consideration, aligning with the company's best interests and commitment to good governance.

GOVERNANCE BODY TRAINING

Providing comprehensive training to business leaders is essential to ensure they understand critical aspects of corporate governance, including sustainability. This training equips them with the knowledge and competencies needed to make informed, sustainable decisions while effectively fulfilling their roles and responsibilities. [GRI 2-17] [OJK E.2]

By deepening their understanding of environmental, social, and governance (ESG) issues, the Boards of Commissioners and the Board of Directors can contribute more effectively to shaping strategies, policies, and practices that promote sustainable corporate growth.

Within APP's organizational structure, personnel are divided into management and non-management levels. The management level is responsible for governance functions and participates in various training programs. These programs ensure that APP's leadership remains equipped to uphold governance standards and drive sustainable growth.



Managerial training

Focused on leadership development, effective communication, mentoring new leaders, and enhancing leadership influence.



Compliance training

Covering standards such as ISO 9001, ISO 14001, ISO 45001, social audits, and health and safety practices.



Governance training

Encompassing the Business Code of Conduct and human rights principles.

GOVERNANCE BODY EVALUATION

APP evaluates the performance of the Board of Commissioners and the Board of Directors using a balanced scorecard that focuses on four key areas: finance, customers, processes, and organization. This annual evaluation assesses both individual and collective performance, with target weights adjusted according to each member's roles and responsibilities.

For managerial positions and above, APP implements a 360-degree feedback assessment. Superiors, peers, and subordinates provide anonymous evaluations, ensuring a holistic and fair approach that delivers comprehensive feedback for the development and improvement of both boards. This approach helps ensure that evaluations are conducted holistically and fairly and provides comprehensive feedback to assist in the development and improvement of the Board of Commissioners and the Board of Directors. [GRI 2-18]

GOVERNANCE BODY REMUNERATION

Remuneration for the Board of Commissioners and the Board of Directors comprises fixed and variable components, including salaries, honoraria, incentives, and allowances. In determining remuneration structure, policies, and amounts, APP considers several factors, such as industry standards relevant to its business activities and scale, as well as the specific duties and responsibilities of board members.

Performance targets and achievements, including those pertaining to sustainability, are systematically evaluated to ensure that remuneration is appropriately aligned with individual contributions and verified performance outcomes. In addition to individual performance, APP assesses the balance between fixed and variable benefits, taking into account various risk factors and the company's financial stability. This comprehensive approach ensures that remuneration corresponds to board members' contributions while supporting the company's overall objectives. [GRI 2-19]

The remuneration determination process involves identifying company needs, reviewing relevant industry practices and regulations, evaluating individual performance, and consulting with senior management and external auditors. Factors such as job responsibilities, risk levels, performance achievements, and the balance between fixed and variable components are also considered. The proposed remuneration packages are then presented to the Board of Directors or the GMS for final approval before implementation. This ensures that remuneration aligns with good corporate governance principles and contributes to the achievement of company goals. [GRI 2-20]

APP does not disclose total annual compensation for confidentiality reasons. [GRI 2-21]

GOVERNANCE IN EXTRAORDINARY SITUATIONS

To ensure resilience in times of crisis, APP has established mechanisms for reporting significant or extraordinary events:



Incident Reporting & Management

APP provides structured channels for promptly identifying and addressing sustainability-related incidents to mitigate potential risks.



Board Oversight & Emergency Decision-Making

The Board of Directors holds emergency meetings to evaluate significant events and make necessary strategic decisions. [GRI 2-16]



Operating with Ethics and Integrity

The Ethics Committee comprises members of the Board, top management, and those in charge of governance.

This committee plays a vital role in promoting integrity, transparency, and the practical implementation of ethical standards throughout the organization. It ensures that APP's operations and employee conduct consistently align with its Code of Ethics and core values.

Doing business the right way means upholding ethics and integrity at every level. APP operates with a firm commitment to transparency, accountability, and responsible corporate governance. Across its operations, the Group ensures strict compliance with regulations, fosters trust with stakeholders, and embeds ethical principles into daily decision-making. This approach not only strengthens sustainability efforts but also reinforces long-term business resilience. We adhere to a robust set of policies, guidelines, and frameworks, ensuring compliance with regulatory requirements and alignment with global sustainability and ethical standards.

BUSINESS CODE OF CONDUCT

The Business Code of Conduct (BCoC) serves as a guiding framework for all employees, ensuring ethical decision-making and compliance with company values. To make this policy easily accessible, the BCoC is publicly available on the company's website, reinforcing transparency and accountability across all levels of the organization.

BCoC training is an annual mandatory program organized by APP for all employees to help strengthen their understanding of ethical responsibilities. The training covers key areas such as diversity and inclusion, working environment free from abuse and harassment, conflicts of interest, anti-bribery and corruption, grievance and violations reporting channels and mechanism. Employees must pass an assessment at the end of the training, demonstrating a minimum level of knowledge in applying these principles to real-world scenarios. [GRI 2-24]



*in 2024



30,409

EMPLOYEES

completed BCoC evaluation.



1,027

SECURITY PERSONNEL

have participated in human rights training between 2022 and 2024. [GRI 410-1]



SUPPLIER CODE OF CONDUCT

APP ensures that its supply chain aligns with ethical and sustainability standards through the implementation of the Supplier Code of Conduct (SCoC). This framework sets clear expectations for environmental responsibility, occupational health and safety (OHS), fair labor practices, business ethics and integrity conduct, ensuring that all supplier partners operate in compliance with these principles. As part of the vendor registration process, all new vendors should read the SCoC and submit their understanding and commitment for adherence by providing the form's signature.

To enforce accountability, APP conducts regular and rigorous assessments to verify that suppliers adhere to the SCoC requirements. These evaluations help identify any gaps, ensuring that business practices remain aligned with APP's sustainability commitments.

Non-compliance with the SCoC will result in strict consequences. Suppliers who fail to meet ethical and sustainability standards risk terminating their business relationship with APP. This measure reinforces the company's commitment to maintaining a responsible, transparent, and sustainable supply chain.

CONFLICT OF INTEREST

Maintaining unbiased decision-making and stakeholder trust is critical to APP's commitment to ethical business practices. Conflicts of interest can compromise transparency, influence decisions unfairly, and impact the company's reputation. To prevent this, the Ethics Committee provides oversight at the highest levels of the organization.

This committee proactively identifies and addresses ethical risks, particularly at the senior management level. The committee reviews sensitive investigative matters through regular meetings and ensures that APP's ethical principles

are upheld in all business decisions. By offering guidance on ethical conduct, the committee ensures that APP's leadership consistently operates with integrity and accountability.

Confidentiality remains a priority in matters of conflict of interest. Discussions and disclosures related to such issues are strictly limited to relevant parties, reinforcing APP's commitment to responsible governance and ethical leadership.



*in 2024

100%

OF PULPWOOD SUPPLIERS

received dissemination on the SCoC.



126

OUTSOURCING SUPPLIERS

(85% of total outsourcing partners) have shared their commitment for in compliance with APP's ethical and sustainability requirements. [GRI 308-1][GRI 308-2]

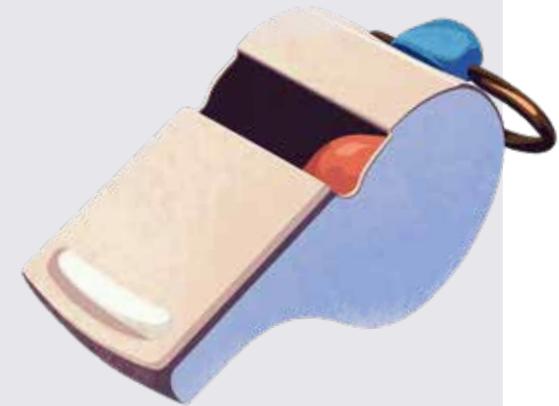


*in 2024

14

CONFLICT-RELATED REPORTS

were submitted via APP's whistleblowing mechanism and duly investigated. [GRI 2-15]





ANTI-CORRUPTION AND ANTI-BRIBERY

APP does not tolerate bribery and corruption. The company enforces a strict anti-bribery and anti-corruption policy, ensuring that ethical business conduct is upheld at every level. Zero tolerance is the foundation of APP's approach, reinforcing integrity and accountability across all business activities.

To enhance its commitment, APP has adopted the principle of ISO 37001 Anti-Bribery Management System, an internationally recognized standard designed to prevent, detect, and address bribery risks. This system strengthens APP's internal controls, ensuring that anti-corruption measures are embedded within its governance framework.

APP proactively identifies and mitigates integrity risks through regular risk assessments conducted across its operations. Led by the Corporate Risk & Integrity (CRI) Division, this process focuses on detecting vulnerabilities related to corruption and fraud, ensuring compliance with anti-bribery policies and strengthening overall corporate governance.

*in 2024

Operations Assessed for Corruption Risks [GRI 205-1]



CRI assesses operations for corruption-related risks.



2

of operations at Ekamas Fortuna Mill and Wirakarya Sakti Forestry were assessed and evaluated for integrity-related risks, including corruption vulnerabilities.

Communication & Training on Anti-Corruption [GRI 205-2] [OJK E.3]



100%

of governance body members received training on anti-corruption policies.



100%

of the workforce completed anti-bribery training via BCOC and policy socialization.



100%

of pulpwood suppliers received communication on APP's anti-bribery policies.

Confirmed Corruption Incidents & Actions Taken [GRI 205-3]



52

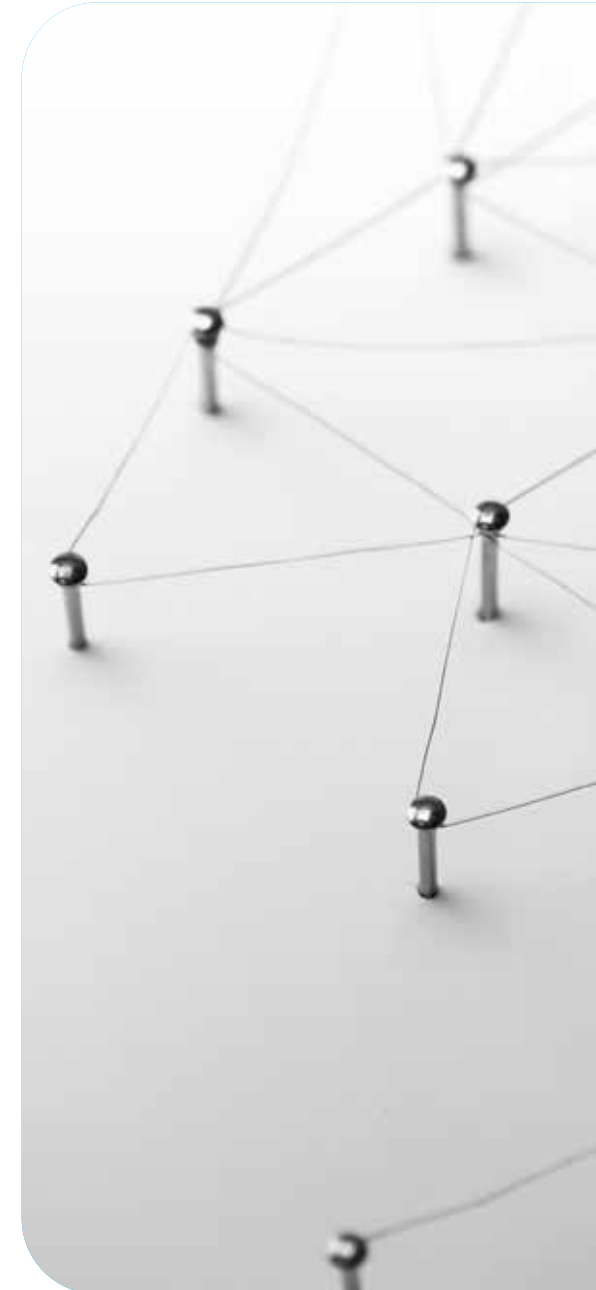
confirmed corruption cases were identified during the reporting year and acted upon.





ANTI-CORRUPTION COMMUNICATIONS AND TRAINING BY REGION [GRI 205-2]

Company Name	Location	Number of Participants
PT Indah Kiat Pulp & Paper Tbk	Perawang	5,505
	Serang	3,787
	Tangerang	795
PT Pabrik Kertas Tjiwi Kimia Tbk	Mojokerto	4,776
PT Ekamas Fortuna	Malang	819
PT Lontar Papyrus Pulp & Paper Industry	Tebing Tinggi	1,508
PT Pindo Deli Pulp and Paper Mills	Karawang	4,180
	Perawang	1,581
PT OKI Pulp & Paper Mills	Ogan Komering Ilir	3,007
PT Purinusa Ekapersada	Semarang	248
	Demak	177
	Bandung	269
	Subang	159
PT Arara Abadi	Riau	1,521
PT Riau Abadi Lestari	Riau	52
PT Satria Perkasa Agung	Riau	247
PT Wirakarya Sakti	Jambi	704
PT Finnantara Intiga	West Kalimantan	177
PT Sumalindo Hutani Jaya	East Kalimantan	127
APP HQ	Jakarta and Tangerang	720
Warna Agung Sejahtera	South Sumatra	22
Wahana Argo Mulya	South Sumatra	28





STRENGTHENING BUSINESS PARTNER ENGAGEMENT IN BUSINESS ETHICS CONDUCT

Integrity and corruption prevention are fundamental to building sustainable and ethical business relationships.

To reinforce this commitment, APP integrates anti-corruption principles, human rights, fair employment practices, business integrity and ethical conduct into its Supplier Code of Conduct (SCoC) for all suppliers. This ensures that business partners understand and uphold ethical business practices. This year training conducted for pulpwood supplier in Sumatera region equips partners with the knowledge to prevent, identify, and report unethical practices, including discrimination, forced labor, harassment and abuse, bribery, gratuities, extortion and fraud. Suppliers and business partners contribute to a more transparent and responsible supply chain by embedding these principles into their operations.

Key Benefits of Business Partner Participation in SCoC Commitment Letter and Training

- Business partners gain a clear understanding of ethics and integrity-related risks and their impact on business operations.
- Training fosters an ethical supply chain where all parties commit to responsible and transparent business conduct.
- By learning to recognize and report potential violations, business partners help prevent unethical practices before they occur.
- A shared commitment to integrity and transparency enhances trust and strengthens partnerships.
- Conducting SCoC training ensures that all business partners align with APP's ethical standards, contributing to a more responsible and accountable industry.

Business Partners Informed and signed SCOC (By Type) [GRI-205-2]

Category	Total
Active Vendors (excluding outsourcing)	4,177
Outsourcing Vendors	126
Total	4,303





GRIEVANCE MECHANISM

APP has implemented a transparent grievance mechanism that allows stakeholders to raise concerns in a structured and accessible manner. This initiative fosters open communication and encourages constructive feedback.

The grievance mechanism operates 24/7 through the Integrated Call Center (ICC), providing a direct reporting channel for both internal and external stakeholders. Reports are handled by the Corporate Risk and Integrity (CRI) division, a team of trained officers and investigators with technical certifications in triage, investigation, and reporting. In alignment with SRV 2030, all reports are targeted to be resolved within 90 days. [GRI 2-25]

Beyond the grievance mechanism, APP actively engages with stakeholders through direct consultations and meetings, ensuring their perspectives and concerns are integrated into company policies and decision-making. This proactive approach strengthens transparency, enhances trust, and enables APP to better align its operations with stakeholder expectations.

APP has also established a whistleblowing system that allows internal and external parties, including employees, suppliers, contractors, customers, and the public, to report suspected violations of company policies. This system plays a key role in detecting and preventing misconduct

safeguarding company assets, and upholding corporate integrity. Reports are handled with strict confidentiality, ensuring whistleblowers' identities and information remain protected. Whistleblowers are also protected from retaliation. [G.1.2.2] [G.1.2.4] [G.1.2.5] [G.1.2.8] [GRI 2-26]



POLITICAL NEUTRALITY STANCE

APP maintains a strict policy of political neutrality, ensuring that the company does not engage in activities that could influence policy-making or political decisions. This stance reflects our commitment to transparent, responsible, and sustainability-driven business operations, free from political affiliations or undue influence.

At the same time, APP respects the individual rights of employees to participate in political activities outside of their professional roles. Employees are free to engage in political expression and advocacy in a personal capacity, provided that they do not represent or associate the company with any political entity. To uphold this principle, APP prohibits the use of company resources, facilities, or branding in any political activities.

This policy is clearly communicated and consistently enforced across the organization, ensuring that APP remains aligned with global ethical standards while respecting fundamental freedoms. [GRI 415-1] [G.3.1] [G.3.2]

238

REPORTS

all of which have been reviewed and addressed.

74

CASES

were deemed unfounded due to insufficient initial information.

IN ADHERENCE TO OJK F.24, WE DISCLOSED:

Category	2022	2023	2024
Concerns Received	68	171	238
In the Initial Assessment Process	0	0	0
Cases Closed	17	75	74
Management Action	25	76	130
Completed Investigations	24	9	12
Ongoing Investigations	2	11	21



Business Impact and Risk Management

We acknowledge the inherent environmental impact of our operations, which rely on natural resources derived from forests.

APP prioritizes sustainable forest management and enforces stringent procurement practices to mitigate these impacts. We only source pulpwood from suppliers certified in sustainable forest management, ensuring strict adherence to our Forest Conservation Policy (FCP). Through the Supplier Evaluation and Risk Assessment (SERA) framework, APP rigorously screens suppliers to confirm compliance with environmental and ethical standards. Guided by our Sustainability Roadmap Vision (SRV) 2030, APP conducts annual internal audits across all operations to monitor environmental impact and ensure compliance with national regulations and global standards.

Beyond environmental stewardship, we focus on creating positive social impacts through our Community Empowerment programs, designed in collaboration with local communities where we operate. These initiatives are shaped by active community engagement, allowing residents to share feedback and concerns through established grievance mechanisms. A key program, Desa Makmur Peduli Alam (DMPA), is evaluated using the Social Return on Investment method to measure its effectiveness. The results reveal significant progress, including improved community income, increased environmental conservation awareness, and enhanced education and healthcare access. The DMPA program has also contributed to reducing greenhouse gas (GHG) emissions through activities like tree planting and forest fire prevention. More information about DMPA can be found on page 79.

In addressing the complex challenges of sustainability, APP has committed to a comprehensive risk management framework that identifies, assesses, and mitigates potential risks affecting the company's sustainability and reputation. This approach enables APP to minimize negative impacts while maximizing positive contributions. [OJK D.1.c]

External Challenges in Advancing Sustainability

Implementing sustainability initiatives presents several challenges, including low public awareness of sustainable products. This limited awareness has led to reduced demand for biodegradable products as consumers are often unwilling to pay a premium for eco-friendly alternatives. Additionally, regulatory frameworks are still evolving and standard methodologies, especially at the international level, have yet to be fully established. Despite these obstacles, APP has integrated these considerations into its sustainability risk management framework, ensuring that no significant risks affect its operations.

That said, these challenges have also created opportunities. Increasing global awareness of environmental issues has driven higher demand for eco-friendly products among environmentally conscious consumers. Our commitment to sustainability, including the use of recycled fibers and renewable energy, has strengthened our competitiveness in the global market. [OJK E.5]

APP's dedication to sustainable practices has opened doors for collaboration with international organizations such as the World Economic Forum and the United Nations Global Compact. These partnerships provide APP with greater access to global markets, advanced technologies, and the latest industry insights. The year 2024 presented new opportunities for APP as we continued advancing our SRV 2030 and progress towards net-zero target by 2050.





TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Climate change is reshaping the context in which APP operates, impacting our value chain, influencing strategic decisions, and challenging us to build long-term resilience. In response, we are embedding climate considerations across governance, strategy, risk management, and metrics and target to support sustained value creation and business continuity.

Climate governance at APP is integrated at the highest levels of the organization to ensure alignment between climate-related priorities, APP's overall business strategy, and long-term objectives. Oversight and coordination mechanisms are in place to guide implementation across key functions, enabling consistent and effective execution of climate initiatives enterprise-wide.

Our strategic direction is guided by the Sustainability Roadmap Vision (SRV) 2030, which incorporates climate considerations across short, medium, and long-term horizons. Scenario analysis, using data from the Intergovernmental Panel on Climate Change (IPCC)'s Sixth Assessment Report, informs our understanding of how future climate pathways could impact our mills, forestry operations, and value chain resilience. Climate-related risks, including both transition and physical risks, are assessed through our Enterprise Risk Management framework. These assessments are applied consistently across our operational and geographic boundaries, enabling proactive identification, evaluation, and response to emerging risks.

To ensure transparency and accountability, APP tracks key climate-related indicators such as greenhouse gas emissions, water usage, and sustainable fiber sourcing. These indicators are aligned with the targets outlined under Pillar-1 Production and Pillar-2 Forest of SRV 2030, forming the basis for continuous improvement across our operations.

Through this integrated approach, APP aims to provide stakeholders with a clear and forward-looking view of how climate-related factors are shaping our strategy, operations, and financial resilience.

Governance

Our climate-related governance detailed under the sustainability governance section on page 21, ensures that climate-related risks and opportunities are integrated into corporate decision-making. This underscores APP's commitment to sustainability.



To know more about our governance approach for managing climate-related risks and opportunities, please refer to Sustainability Governance on page 21.

[Go to Page 21](#)

Strategy

As part of our evolving climate strategy, we are proactively adjusting our climate-related time horizons.

This initiative reflects our commitment to staying ahead of environmental challenges and seizing new opportunities. This adjustment not only strengthens our resilience but also underscores our dedication to sustainable growth and environmental stewardship.

OUR APPROACH TO CLIMATE-RELATED IMPACT

APP's sustainability strategy is guided by SRV 2030, which shapes how we assess and manage climate-related risks across defined time horizons.

In 2024, we revised our time frames to better align with the TCFD framework and internal planning cycles. Therefore, we evolved disclosure standards: short term (0–3 years), medium term (3–10 years), and long term (beyond 10 years). These updates support more targeted and forward-looking decision-making across our operations.

To support this strategy, we conducted a climate risk assessment using three distinct global climate scenarios. These scenarios are based on the latest Global Climate Models from the Intergovernmental Panel on Climate Change (IPCC)'s Sixth Assessment Report (AR6), giving us a robust picture of how climate risks may evolve over time.



Sustainable pathway with strong climate action scenario

(SSP1-2.6)



Middle of the road scenario

(SSP2-4.5)



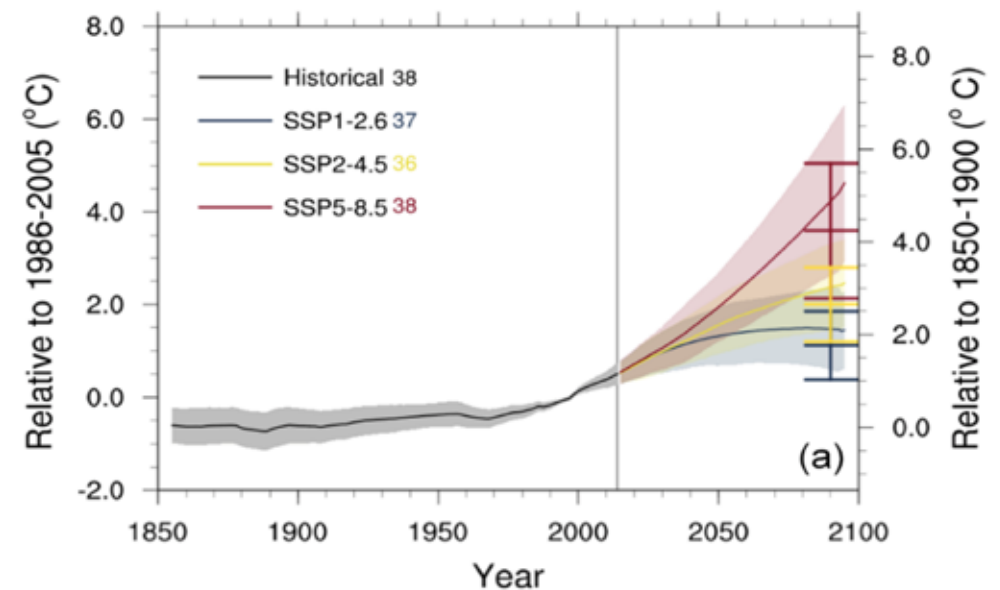
Fossil-fueled, high emission trajectory scenario

(SSP5-8.5)

By analyzing how weather extremes, such as prolonged drought, increased rainfall intensity, and temperature volatility, may unfold under different futures, we can make better-informed decisions today. This insight directly feeds into our long-term strategy and our adaptive measures, supported by multi-year metrics and targets outlined in SRV 2030.

In line with this approach, we have identified key climate-related risks and opportunities across our operations, focusing on mill sites in Sumatera and Java, as well as forestry management units in Sumatera and Kalimantan. These areas are not only core to our supply chain but could be impacted by both physical climate impacts and regulatory shifts, making them critical points of focus as we chart a path forward.

Climate model projections from the Scenario Model Intercomparison Project (ScenarioMIP) of CMIP6¹





CLIMATE-RELATED RISKS

(TCFD S1)

PHYSICAL RISK



Fluvial flood due to extreme precipitation

More intense and frequent heavy rains and longer droughts, leading to higher costs for infrastructure repairs, agricultural losses, increased insurance premiums, economic disruptions, and water management expenses.



Drought

Considering its locations, the mill faces high risk of drought within the next 5-10 years if climate change is ignored, which will cause financial losses due to decreased output and potential downtime.



High risk of heatwave

Rising heatwave risks across our operating areas could drive up cooling demands in mills, increasing energy costs. In forestry operations, the heightened wildfire threat puts plantations and productivity at greater risk.

TRANSITION RISK



Indonesia is leaning towards “cap and tax” system

The government will set limit (cap) on the amount of emissions allowed for the pulp and paper industry.



Transitioning to lower emissions technologies

Adopting lower-emissions technologies in our mills requires substantial investment and may increase short-term cost, but its essential for reducing long-term carbon risks.



IAS 36, Impairment of Assets

This requires companies to consider whether climate-related matters affect those reasonable and supportable assumptions

Climate-related Risks

PHYSICAL RISKS



Fluvial flood due to extreme precipitation



Drought



High risk of heatwave

TRANSITION RISKS



Indonesian is leaning towards “cap and tax system”



Transitioning to lower emissions technologies



Assets Impairment risks

Climate-related Opportunities

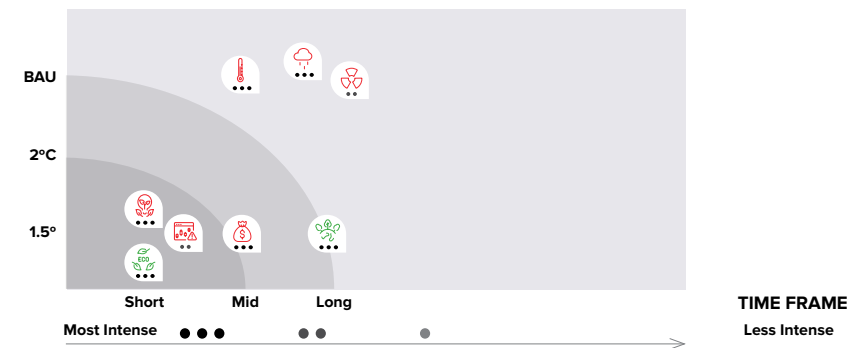


Rising demand for eco-friendly product



Development of Sustainable Plantation Forests

SCENARIOS



CLIMATE-RELATED OPPORTUNITIES

Rising demand for eco-friendly products

Consumers are increasingly seeking sustainable options for everyday items such as paper printouts, receipts, envelopes, paper cups, napkins, toilet rolls, tissues, and cardboard. This shift encourages companies to innovate by using recycled materials, reducing waste, and adopting cleaner production methods.

Development of Sustainable Plantation Forest

By establishing and managing these forests responsibly, we can enhance carbon sequestration, reduce greenhouse gas emissions, and support biodiversity. Sustainable plantations also help meet the rising demand for eco-friendly products, providing a renewable source of raw materials for the pulp and paper industry.



INTEGRATING CLIMATE RISKS AND OPPORTUNITIES INTO OUR STRATEGY

[GRI 201-2] [OJK A.1]

To address the risks posed by climate change, we have implemented a comprehensive approach that covers both physical and transition risks. These strategies are designed to safeguard our operations, reduce potential financial impacts, and ensure long-term resilience in a rapidly changing environment. Below, we outline the key measures we are taking to manage these risks effectively.

To enhance both opportunity and resilience, APP can leverage the growing consumer demand for eco-friendly products, exemplified by our offerings such as Foopak Bio Natura and Paperline Box, which are cardboard boxes made from recycled and certified PEFC-managed fibers. Simultaneously, fostering a robust and sustainable future necessitates the continued development of sustainable plantation forests, backed by globally recognized sustainable forest certification. This approach not only supports responsible production but also strengthens our ability to adapt to the intensifying impacts of climate change.

In line with the 1.5°C scenario, we have engaged consultants to develop a carbon reduction strategy aligned with SRV 2030 targets. This includes setting clear targets for reducing fossil fuel reliance, increasing renewable energy use, and expanding solar panel adoption. [TCFD S2, S3]

PHYSICAL RISK

Our operations face potential exposure to physical risks including flooding, water scarcity, and wildfires. These risks can disrupt operations, damage assets, and lead to higher costs.



To combat the threat of flooding, we have invested in robust protective barriers around vulnerable sites and elevated our raw materials and products storage area to safeguard them from potential water damage. These proactive measures are designed to protect our assets and ensure seamless flow of operations, even in the face of extreme weather events.



Given our heavy reliance on water in production, we are taking significant steps to address the potential risk of water scarcity. We are optimizing water usage, deploying advanced water-saving technologies, and fostering a culture of water conservation within our workforce. These initiatives are crucial in securing our water supply for the future, ensuring both operational continuity and long-term sustainability.



In areas prone to wildfires, we have implemented the Integrated Fire Management (IFM) System, a comprehensive approach that includes fire prevention education and training for both local communities and our staff. By actively engaging with these groups, we are reducing fire-related risks, minimizing potential damages, and ensuring that we are well prepared to respond rapidly and effectively.

TRANSITION RISK

The transition to low-carbon economy presents its own set of challenges, from shifting regulations to evolving market dynamics and technological disruptions. These transition risks could impact our business model and financial stability, but we are taking decisive action to mitigate their potential effects.



We are reducing energy consumption, boosting efficiency, and transitioning from fossil fuels to renewable energy sources. In parallel, we are investing in cutting-edge low-carbon technologies, ensuring that we stay ahead of regulatory changes and meet the expectations of our stakeholders.



To navigate the uncertainties of this transition, we conduct in-depth cost-benefit analyses, carefully evaluating the most financially sustainable strategies. This allows us to align our decarbonization efforts with our broader business objectives, ensuring a smooth and profitable transition to a low carbon future.



When climate related transition impacts threaten asset value, we take rigorous approach to assess the recoverable amounts and develop strategic plans for either recovering or responsibly decommissioning affected assets. These actions are designed to minimize financial risks, protect our investments, and safeguard the long-term resilience of our business.



Risk Management

INTEGRATING CLIMATE-RELATED RISK INTO ENTERPRISE RISK MANAGEMENT

We integrate climate-related risks into our enterprise risk management (ERM) process to ensure long-term business resilience and strategic agility.



This process follows four key steps: [TCFD R3]

1.



2.



3.

Identifying Climate-Related Risks

The process begins with a systematic identification of climate-related risks, encompassing both physical risks, such as extreme weather events, prolonged droughts, and wildfires, and transition risks, including regulatory changes, evolving market demands, and reputational pressures. These risks are identified through engagement with internal stakeholders across business units, risk owners, and sustainability experts, ensuring a comprehensive understanding of exposure across APP's operations, particularly in our mills and forestry assets.

Assessing Risk Impact and Probability

Once risks are identified, APP conducts an in-depth assessment to evaluate their likelihood and potential impact on operations, financial performance, and long-term business sustainability. Secondary risks, such as supply chain disruptions caused by climate change, are also considered.

We then apply scenario analysis to assess these risks over different time horizons. This includes modeling based on climate scenarios from the IPCC's Sixth Assessment Report, allowing us to evaluate how climate change could affect asset performance, resource availability, cost structures, and supply chain stability. The analysis provides both quantitative and qualitative inputs to determine the likelihood, severity, and timeframes for each identified risk.

Risk Prioritization

The results are integrated into the ERM system using a risk register, where climate-related risks are assessed alongside other financial, operational, and strategic risks. Each risk is meticulously ranked and prioritized based on its potential impact on APP's objectives and risk appetite. The assessment results, which include the impact and probability of each risk, help determine their significance. This prioritization ensures that significant climate risks are promptly escalated to relevant decision-making bodies, including senior leadership and the Sustainability Board. These risks are then factored into key business processes such as investment planning, capital allocation, and operational strategy, ensuring a holistic approach to risk management.

→ 4.

Implementing Risk Management Strategies

Based on risk prioritization, APP crafts tailored strategies to tackle climate-related risks head-on. These strategies include:

- Investing in climate-resilient infrastructure to withstand extreme weather,
- Diversifying supply chains to ensure stability,
- Adopting eco-friendly technologies to reduce environmental impact, and Implementing adaptation policies to boost operational resilience.

These measures are seamlessly integrated with our enterprise strategy and the commitments outlined in SRV 2030. For instance, we might diversify fiber sourcing to avoid climate-vulnerable regions, enhance energy efficiency in our mills, or fortify fire prevention systems in our forestry concessions. Progress is diligently tracked through performance indicators and reported regularly to ensure accountability.



5.

Review and Report

Once risks are identified, APP conducts an in-depth assessment to evaluate their likelihood and potential impact on operations, financial performance, and long-term business sustainability. Secondary risks, such as supply chain disruptions caused by climate change, are also considered.

INTEGRATING CLIMATE-RELATED RISK INTO ENTERPRISE RISK MANAGEMENT

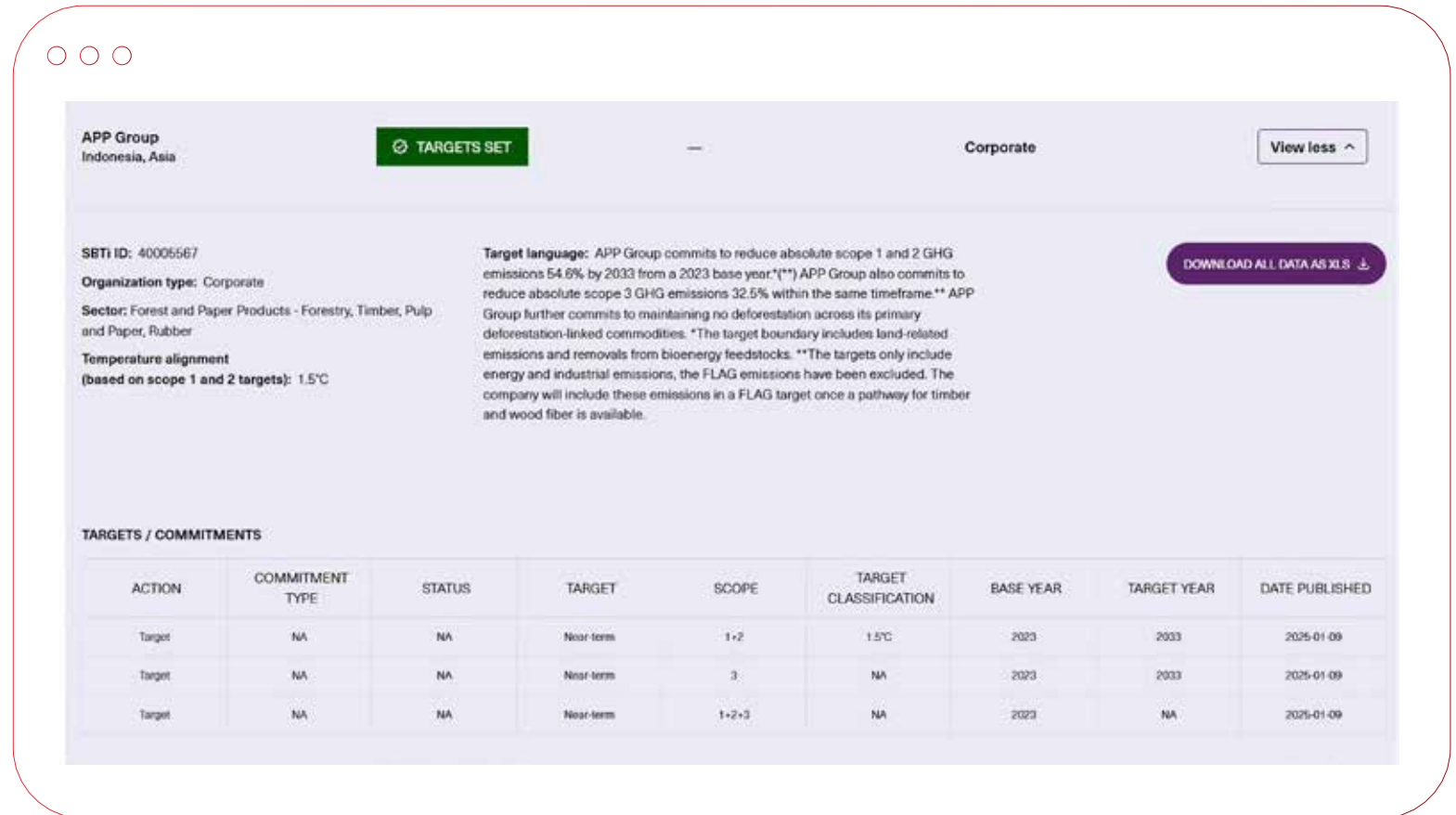


By embedding climate-related risks into our enterprise risk management process, APP strengthens its capacity to anticipate disruptions, align strategic goals with sustainability outcomes, and build long-term resilience in an increasingly complex climate landscape.



Metrics and Targets

APP discloses the key metrics it uses to assess climate-related risks and opportunities, ensuring they are closely aligned with its business strategy and risk management. It has set science-based targets, including an SBTi-approved near-term target for 2033, which supports its long-term climate strategy. These efforts align with Indonesia's national goal to reach net-zero emissions by 2060, reflecting APP's strong focus on responsible and transparent climate action. [GRI 302-4] [OK F.12]



Near term target by 2033

↓ **54.6%**

Reduction of Scope 1 and 2 emissions

↓ **32.5%**

Reduction of Scope 3 emissions from 2023 baseline

<https://sciencebasedtargets.org/target-dashboard>



SUSTAINABILITY STRATEGY

Sustainability Roadmap Vision

The Sustainability Roadmap Vision 2030 (SRV 2030) is a strategic framework to drive APP's long-term sustainability commitments.

The SRV 2030 is APP's comprehensive multi-year sustainability strategy aimed at contributing to reducing and mitigating the risks of global climate change. It outlines key impacts relevant to our stakeholders across our businesses and wider supply chain, with ambitious targets across three pillars (production, forest and people). This roadmap aligns with global climate goals and the United Nations Sustainable Development Goals (SDGs) to ensure APP's operations contribute to a more sustainable and responsible future. [GRI 2-22]

APP regularly monitors and reports on the progress of SRV 2030 to uphold transparency and accountability to stakeholders. [OJK D.1.a]

PRODUCTION

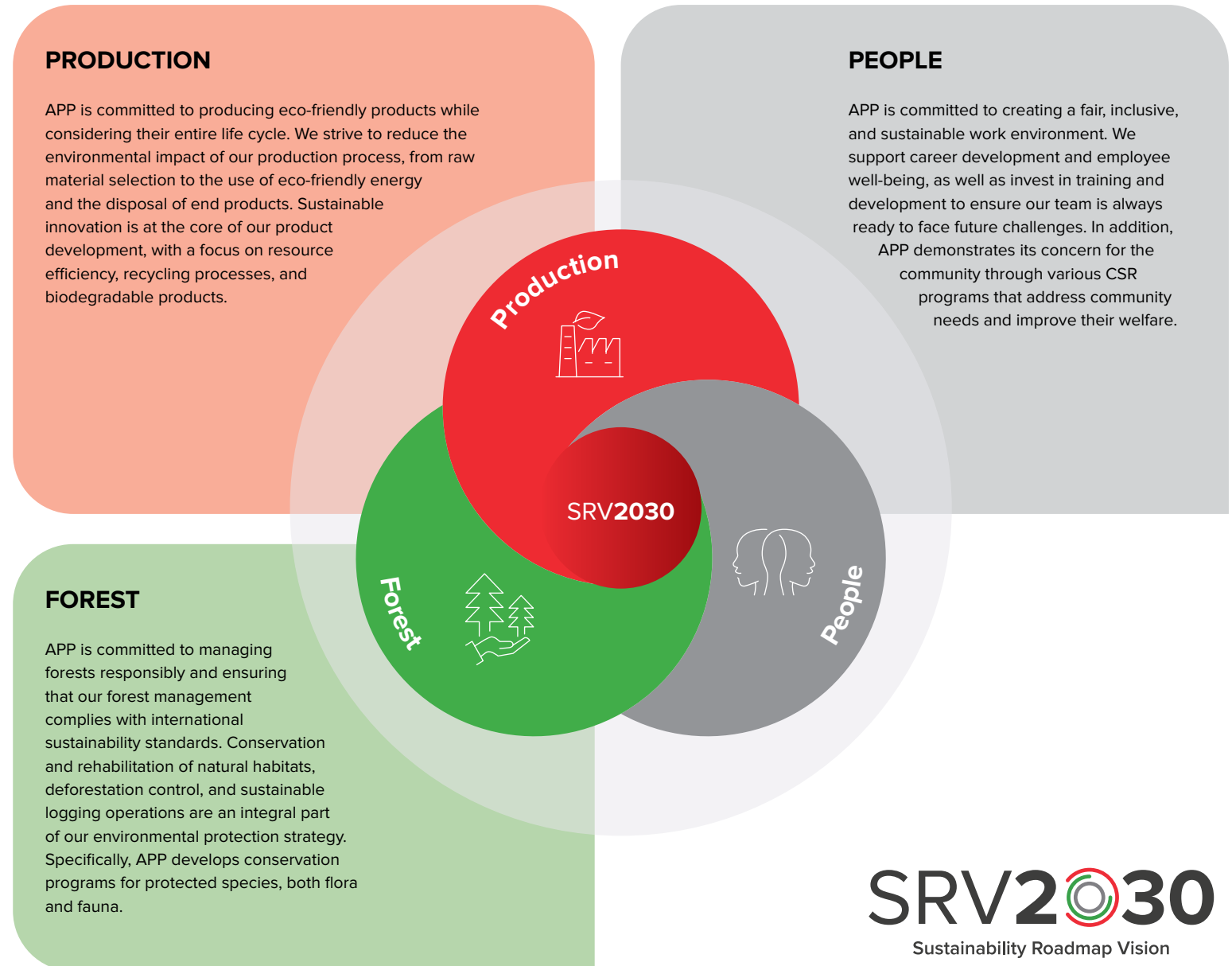
APP is committed to producing eco-friendly products while considering their entire life cycle. We strive to reduce the environmental impact of our production process, from raw material selection to the use of eco-friendly energy and the disposal of end products. Sustainable innovation is at the core of our product development, with a focus on resource efficiency, recycling processes, and biodegradable products.

PEOPLE

APP is committed to creating a fair, inclusive, and sustainable work environment. We support career development and employee well-being, as well as invest in training and development to ensure our team is always ready to face future challenges. In addition, APP demonstrates its concern for the community through various CSR programs that address community needs and improve their welfare.

FOREST

APP is committed to managing forests responsibly and ensuring that our forest management complies with international sustainability standards. Conservation and rehabilitation of natural habitats, deforestation control, and sustainable logging operations are an integral part of our environmental protection strategy. Specifically, APP develops conservation programs for protected species, both flora and fauna.



SRV2030
Sustainability Roadmap Vision

Leadership Commitment to Sustainability

APP recognizes that in order to achieve long-term sustainability goals, commitment from the leadership is key. Central to this commitment is the appointment of a dedicated Chief Sustainability Officer (CSO), who leads the implementation of APP's sustainability strategies. [OJK E.1]

Beyond internal operations, APP's leadership actively contributes to global sustainability efforts. A key initiative is Indonesia's Forestry and Other Land Use (FOLU) Net Sink 2030, which aims to transform the forestry sector into a net carbon sink by 2030. As one of Indonesia's largest forestry companies, APP plays a significant role in contributing to this target. To that end, APP has adopted sustainable forest management practices, invested in technological innovations, and prioritized public education to raise awareness of environmental conservation. [OJK D.1.a]

APP's global commitment was further reinforced through its participation in the 29th Conference of the Parties (COP 29) to the United Nations Framework Convention on Climate Change (UNFCCC) in Azerbaijan in November 2024. The attendance of APP's CSO underscores the company's dedication to contributing to climate discourse and action on an international stage.

At the COP 29 Climate Change Conference in Azerbaijan, APP reaffirmed its commitment to contribute to Indonesia's climate targets and global goals through decarbonization initiatives and sustainable energy transition efforts. Through its participation, APP Group emphasized the importance of energy transition as a key step towards emission reduction, especially in the industrial sector. As part of its decarbonization strategy, APP has also reduced its reliance on fossil fuels using biomass and solar panels at facilities such as Indah Kiat, Tjiwi Kimia, and OKI, where 99% of the energy comes from renewable sources. [OJK D.1.b]

APP also reaffirmed its commitment to peatland conservation through a landscape-based, collaborative approach, as presented by Iwan Setiawan, Deputy Director of Corporate Strategic & Relations. Utilizing advanced tools like LiDAR to map over 4.5 million hectares in Sumatra, APP focuses on maintaining hydrological balance, reducing fire risks, and restoring degraded peatlands, targeting over 38,000 hectares by the end of 2023. The company partners with local and international stakeholders, including researchers and communities, to develop science-based solutions and promote sustainable practices. This effort highlights the importance of cross-country collaboration, as echoed by panellists from the DRC and CIFOR, and reflects APP's broader mission to balance environmental stewardship with responsible business operations.

At COP 29, APP also explained its continuous commitment to coastal conservation through sustainable mangrove management, aligning with Indonesia's national climate goals. Represented by Jasmine Natalia Prihartini Doloksaribu, APP highlighted its restoration of 550,000 mangrove trees across 19,000 hectares since 2010, in collaboration with government bodies, NGOs, and local communities. Mangroves play a vital role in carbon absorption, coastal protection, and biodiversity, and APP's initiatives also support community livelihoods through eco-tourism and mangrove-based enterprises. This integrated approach reflects APP's dedication to environmental stewardship and sustainable development.





Sustainability Performance Index for Mills and Forests

[GRI 2-22] [GRI 2-24]

APP tracks its sustainability performance through the **Sustainability KPI Index**, an in-house tool designed to **monitor key sustainability parameters** across its operations.

This index measures **resource efficiency, environmental practices, employee well-being, and community engagement**, ensuring alignment with APP's sustainability commitments. Each parameter has clearly defined KPIs, providing a structured approach to measuring progress.

Performance is assessed **quarterly and annually**, with results reviewed by **both operations and management teams**. Beyond measuring target achievements, these evaluations help to identify opportunities for improvement and innovation to enhance APP's sustainability impact.

The Sustainability KPI Index also plays a key role in **linking employee performance and overall organizational efforts to the achievement of SRV 2030 targets**. By systematically monitoring and evaluating progress through each SRV 2030 pillar, APP ensures it remains on track to meet its sustainability goals.

PRODUCTION PILLAR

1.

Increase the share of renewable energy in the energy mix



2024 Progress

Outlook / Remarks

30% reduction in carbon intensity based on the 2018 baseline (1.14 tCO₂e/ton of product)

1.00 tCO₂e/ton of product
12% reduction

In progress

Increase the use of renewable fuels by 50% of total fuel consumption

58%

Achieved

25% reduction in energy intensity from the 2018 baseline (25.51 GJ/ton)

24.29 GJ/ton
5% energy reduction

In progress

30% reduction in water intensity from 2018 baseline (33.00 m³/ton)

27.22 m³/ton
18% water reduction

On track

30% COD emissions lower than government regulations*

27%

On track

2.

Zero waste to landfill



Zero waste to landfill (baseline 2018: 518,696 ton)

90%

On track

3.

Increase recycled fiber composition



Minimum 30% recycled fiber composition

47%

Achieved

4.

Increase product biodegradability and resource efficiency



At least one new biodegradable product

Product introduction to global brand owners is ongoing and commercialization has commenced globally (launch, sales commenced)

On track



FOREST PILLAR

1.

Source only from certified Sustainable Forests and increase fiber productivity



2024 Progress

Outlook /
Remarks

Maintain 100% of operating units in compliance with voluntary Sustainable Forest Management (SFM) certification

All of APP's Sustainable Forest Management Units (FMUs) have been verified in compliance with the voluntary certification readiness schemes – IFCC-PEFC certified

On track

2.

Conserve HCS (High Carbon Stock) forests and HCV (High Conservation Value) forests and continue restoration efforts



95% of natural forest concessions will be maintained in good condition by 2030

Maintaining 86% of natural forests in good condition

On track

3.

Conserve critical peatland ecosystems



100% of critical peat dome areas are restored

99% of critical peat dome areas have been restored

On track

4.

Protect Indonesia's flora and fauna, focusing on three priority wildlife species and ten species of rare trees



Three animal species and ten tree species maintained and protected

Monitoring minimum 42 Sumatran Tigers, 163 Sumatran Elephants, 17 Orangutans. Repopulated 4 tree species in conservation areas: Balangeran, Ulin/Bulian, Kulim, and Ramin.

On track

Reduce the number of human-wildlife conflicts with fatalities involving endangered species within concession areas to no more than 10% of the total number of fatal conflicts in the province by 2030.

Conflicts with fatalities occurring within concessions at 13%. Restrict the fatalities with maximum 10% compare total conflicts in province level

On track

Reduce the number of poaching tools found in concessions by 90% compared to the 2019 baseline

99% reduction in illegal wildlife poaching tools found in concessions.

Achieved

5.

Maintain fire-impacted areas below 2%



Less than 2% of total concession areas were impacted by fire

0.008% of the total concession area was impacted by fire.

Achieved



PEOPLE PILLAR

1.

Reduce land conversion for agriculture purposes with the use of fire



2024 Progress

Outlook /
Remarks

Reduce 75% of fire incidents in DMPA (Integrated Forestry and Farming System)

90% reduction in fires in DMPA villages achieved

Achieved

Resolve 75% of disputes

68% of disputes resolved

On track

2.

Respect the rights of local communities and Indigenous people through increased multi-stakeholder engagement



Increase 30% partnerships with community groups and other key stakeholders in APP operations.

Partnerships with 4,658 community groups by the end of 2024, an increase of 78% compared to the 2020 baseline

Achieved

3.

Increase the number of women in management positions



30% of senior management positions at APP headquarters are held by women

29.8% (65 of 218) of women hold senior management positions at APP Headquarters

On track

4.

Strengthen organizational capabilities



A total of 2,500 participants in the APP People Development Program in 2030 (cumulative participants)

344 participants in People Development Programs, such as Management Trainee, Graduate Trainee, and ITSB Program

On track

Reduce lost time injury frequency rate (LTIFR) to below 1

0.23 LTIFR in Forestry
0.52 LTIFR in Mills

Achieved



PEOPLE PILLAR

5. Best practices for fraud reporting and managing whistleblowing reports.



Average number of days for handling whistleblower reports is 90 days

2024 Progress

64 days average in handling
whistle-blower reports

Outlook /
Remarks

Achieved

6. Best practices to ensure compliance with the Business Code of Ethics



All APP employees, independent supplier companies, and outsourcing companies are aware of and comply with APP Business Code of Conduct.

90% of employees have attended training and passed the post-test training passing grade.

On track

100% of independent pulpwood suppliers have been communicated with and have signed the SCoC document.

Achieved

85% of outsourcing suppliers have been communicated with and signed the SCoC document.

On track

75% alignment of business processes with APP BCoC

Implementing and integrating BCoC Principles - Gift & Entertainment, Anti-Bribery & Corruption, and Whistleblower Program to all APP employees - Indonesia & IBOs.

On track



Sustainability Culture Strengthening APP's Commitment

The Management Team plays a crucial role in fostering a strong culture of sustainability across APP's operations. Beyond overseeing compliance and strategy implementation, the team actively drives initiatives that embed sustainability into the company's core values and daily practices. To strengthen this commitment, APP has developed a range of programs designed to integrate sustainability into its operations, workforce, and stakeholder engagements. These targeted initiatives ensure that sustainability is not just a policy but a fundamental part of the company's identity and long-term success. [OJK F.1] [GRI 2-13] [GRI 2-24]

Development of Eco-Friendly Products

Innovating sustainable products with enhanced recyclability and biodegradability.

Workforce Development & Training

Implementing training programs that enhance employee understanding of sustainability and ethical practices.

Transparency in Sustainability Reporting

Strengthening disclosure mechanisms to ensure transparent, accurate, and accountable reporting of sustainability initiatives.

Community Empowerment

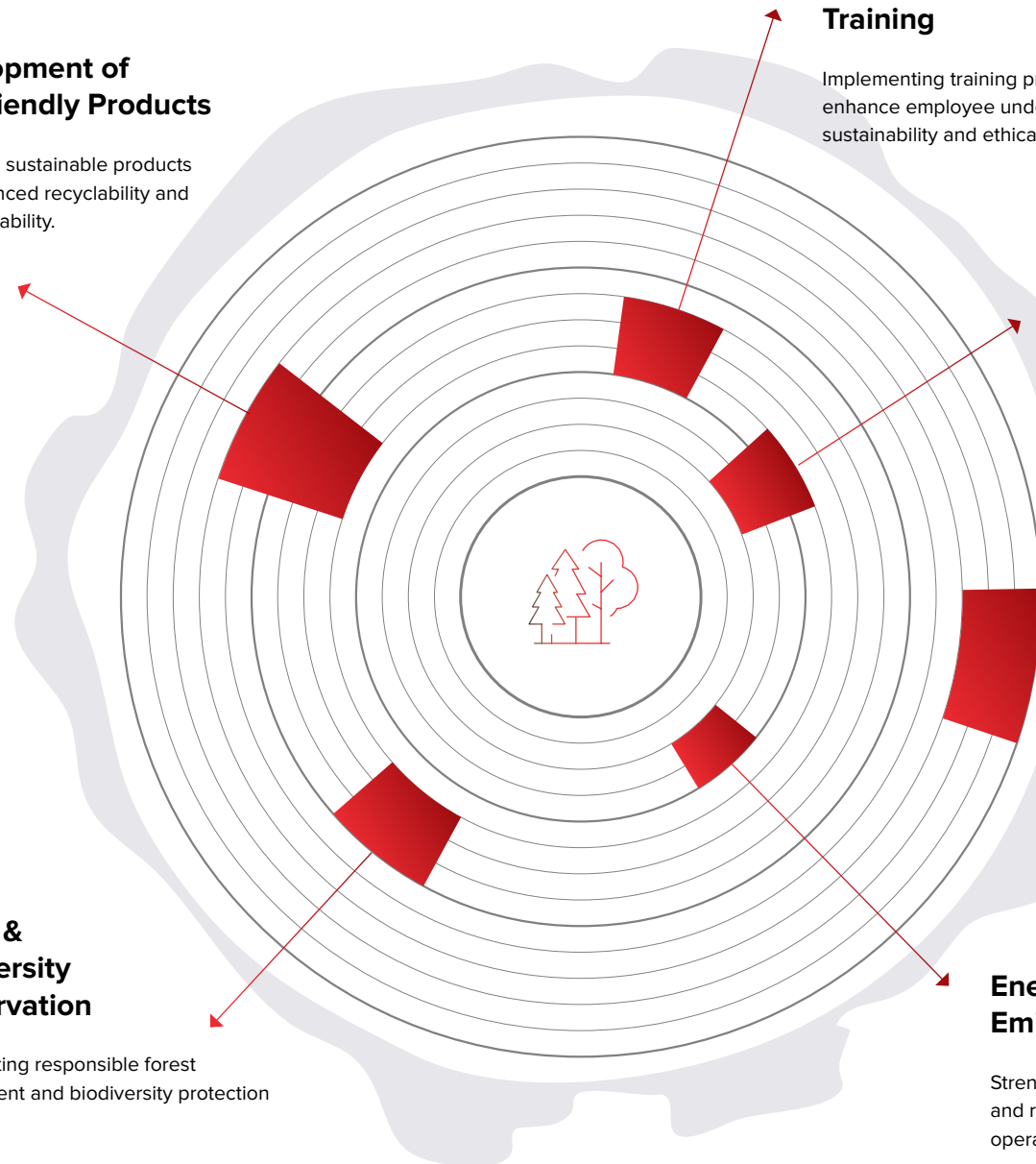
Supporting programs that improve livelihoods and well-being in communities where APP operates.

Forest & Biodiversity Conservation

Implementing responsible forest management and biodiversity protection initiatives.

Energy Consumption & Emission Reduction

Strengthening energy management and reducing carbon emissions across operations.





Materiality [GRI 3-1]

APP considers the identification and management of material topics essential to its long-term sustainability strategy. By integrating materiality into our governance and reporting frameworks, we ensure that sustainability is not treated as a standalone agenda but as an integral part of our business. This enables APP to continuously adapt, maintain stakeholder trust, and deliver sustainable value across all areas of our operations.

By understanding which issues matter most to our business and stakeholders, we can focus our efforts where they create the greatest impact. Our approach to materiality extends beyond compliance as it informs strategic decision-making, strengthens risk management, and drives long-term value creation.

We review and update our material topics to reflect changing stakeholder expectations, market dynamics, and global sustainability trends. These topics guide our sustainability initiatives and shape how we report performance, ensuring that we remain transparent, accountable, and responsive.

We apply a structured materiality assessment process to identify the economic, environmental, and social issues most relevant to our operations. This includes active stakeholder engagement through surveys, focus group discussions, and expert consultations. Insights gathered are then evaluated and validated by the Board to ensure alignment with our business strategy, values, and APP's SRV 2030 commitments. The resulting material topics reflect both our impact and the expectations of those we serve, ranging from economic contributions and climate resilience to employee welfare and responsible supply chains.



For a detailed description of our materiality assessment process, material topics, and alignment to the Sustainable Development Goals (SDGs), please refer to the Materiality section in the Disclosure Chapter on page 147.

[Go to Page 147](#)





ALIGNMENT WITH NATIONAL AND GLOBAL CLIMATE COMMITMENTS

Science-Based Targets Initiative (SBTi)

APP aligns its climate strategy with both global frameworks and national decarbonization initiatives. In December 2024, APP's near-term decarbonization targets received approval from the Science-Based Targets initiative (SBTi), making it Indonesia's first major resources company to achieve this recognition.

<https://sciencebasedtargets.org/target-dashboard>



Forestry and Other Land Use (FOLU) NET SINK 2030

At the national level, APP actively supports Indonesia's Forestry and Other Land Use (FOLU) NET SINK 2030 plan, a strategic initiative designed to enhance carbon absorption and reduce emissions across the forestry sector. By integrating this framework into its operations, APP strengthens its role in climate mitigation, sustainable land use, and responsible resource management.

<https://app.co.id/-/app-support-folu-net-sink-2030>

SUSTAINABILITY PERFORMANCE





Economic Performance [GRI 201] [OJK B.1]

The global pulp and paper industry remained resilient in 2024, navigating shifting market dynamics and economic pressures. The market was valued at approximately US\$379.6 billion and is projected to reach US\$551.2 billion by 2034, representing a healthy compounded annual growth rate (CAGR) of 3.8% between 2024 and 2034.

In Asia Pacific alone, the pulp and paper market size was valued at US\$148 billion in 2024 and is predicted to be worth US\$217.7 billion by 2034, rising at a faster CAGR of nearly 4%. This growth will be driven by increasing demand for packaging materials, sustainable paper products, and innovations in eco-friendly production methods.¹

Key markets, including North America, Europe, and the Asia-Pacific region, contributed to the industry's performance during the year. The Asia-Pacific region, in particular, experienced continued expansion due to rising consumer demand and investment in advanced manufacturing technologies, such as digitalization and automation, which optimized production efficiency and cost management. Despite this positive trajectory, the sector faced challenges, including fluctuating raw material costs and supply chain disruptions, as a result of slow economic growth worldwide and persistent geopolitical tensions. The transition towards sustainable forestry practices and the push for carbon neutrality also influenced market operations, prompting companies to adopt greener technologies and alternative fiber sources.²

During 2024, the Company's management implemented various strategic initiatives to enhance efficiency. The marketing strategy, by focusing on Asia and the domestic market, which are not significantly affected by the economic crisis, and its penetration into new prospective markets, has assisted in marketing the Company's products. In the aspect of production, the Company had maximized the capacity level of the production machine and implemented cost-saving and efficiency programs in all aspects of its operations.

Looking ahead to 2025, Indonesia's economy is projected to maintain robust growth, with gross domestic product (GDP) forecast to range between 5.0% and 5.2%, driven by strong domestic consumption and strategic policy support.³ The domestic economy grew by 5.03% in 2024.⁴ Likewise, the outlook for the pulp and paper industry remains optimistic as the need for paper and packaging products is expected to rise on the back of higher food, online shopping, and printing demand.⁵

The industry today is evolving towards more sustainable packaging. In addition, competition in the cultural and industrial paper segments is intensifying both domestically and globally. Success in these markets depends on brand strength, product quality, distribution, pricing, and sustainability. To this end, the Group has developed Foopak Bio Natura and Enza, an eco-friendly packaging solution designed to reduce environmental impact. This innovative product line offers biodegradable and compostable food packaging made from responsibly sourced materials.

The urgency for companies to transition to more sustainable business practices has never been greater. APP is committed to upholding responsible practices, strengthening ethical standards, and improving product competitiveness to stay ahead of the shift. In response to dynamic market conditions, we will focus on key strategic areas to achieve our business goals, while also prioritizing economic contributions at a national level to benefit our various stakeholders. By staying vigilant against emerging risks and implementing proactive measures to safeguard our operations, we reinforce our commitment to business sustainability in the long term.

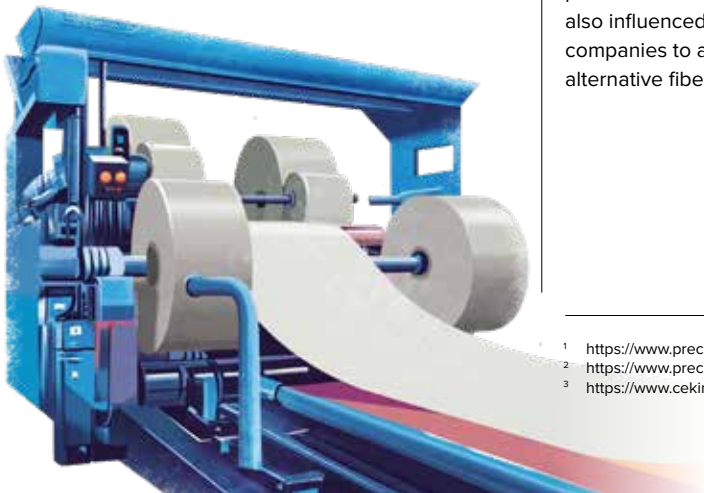
¹ <https://www.precedenceresearch.com/pulp-and-paper-market>

² <https://www.precedenceresearch.com/pulp-and-paper-market>

³ <https://www.cekindo.com/blog/indonesia-economic-outlook-2>

⁴ <https://www.bps.go.id/en/pressrelease/2025/02/05/2408/indonesia-s-economic-growth-2024-was-5-03-percent-c-to-c--indonesia-s-economic-growth-in-q4-2024-was-5-02-percent-y-on-y--indonesia-s-economic-growth-in-q4-2024-was-0-53-percent-q-to-q-.html>

⁵ <https://www.precedenceresearch.com/pulp-and-paper-market>





Direct Economic Value Generated and Distributed [GRI 201-1] [OJK F.2]

	2022 (in million US\$)	2023 (in million US\$)	2024 (in million US\$)
Economic Value Generated			
Net Sales	9,543	8,534	8,077
Economic Value Distributed			
Operating Costs	5,826	5,771	5,505
Employee Costs	246	302	300
Payments to Providers of Capital	607	721	763
Tax Payments	10	14	12
CSR Costs	4	4	4
Total Economic Value Distributed	6,693	6,812	6,584
Total Economic Value Retained	10,384	11,684	12,565

Comparison of Production, Sales and Net Revenue Targets and Performance [GRI 201-1] [OJK F.2] [OJK B.1]

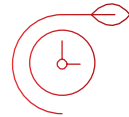
	2022	2023	2024
Production Realization (thousand tons)	13,748	13,981	14,509
Net Sales Realization (in million US\$)	9,543	8,534	8,077
Net Revenue Realization (in million US\$)	2,889	1,403	1,702



Sustainability-Driven Product Lineup [OJK F.3] [OJK B.1]

BIODEGRADABLE PAPERBOARD

Free from plastic coatings and harmful chemicals, APP's biodegradable paperboard products, Foopak Bio Natura and Foopak Bio Container, provide a safe and sustainable alternative for food service applications, including cups, containers, and paperboard packaging. These products comply with international food safety and sustainability standards, making them an ideal choice for businesses seeking environmentally responsible packaging solutions.



BIODEGRADABLE

Decomposes naturally within 12 weeks, leaving no environmental pollution



REUSABLE/RECYCLABLE

Reduces wastage as it can be reused or recycled along with other paper packaging products



FOOD SAFE

Certified safe for packaging food

	2022		2023		2024	
	Sales Volume MT	Revenue USD	Sales Volume MT	Revenue USD	Sales Volume MT	Revenue USD
Indonesia	1,466	2,560,862	1,004	1,564,214	1,774	2,518,336
Export	9,672	18,808,023	4,300	7,029,174	6,914	11,194,395
Total	11,137	21,368,886	5,304	8,593,388	8,688	13,712,731

ENZA

ENZA is a specialty paper brand, designed to meet a wide range of packaging and industrial needs with a strong focus on sustainability and performance. Enza products are known for their specification:

- Plastic-free and bleach-free, reducing chemical and water usage.
- FDA-certified for direct food contact.
- PEFC-certified, ensuring it comes from sustainably managed forests.
- Designed for quick-service restaurant packaging, such as takeaway wrappers, box liners, and carry-out bags.

- Available in lightweight grades (35–70 gsm) with high tensile and tear strength.
- Suitable for various printing methods, including offset, flexography, foil stamping, and embossing—especially with soy-based inks for food safety.

Beyond food packaging, Enza papers are also used in tobacco packaging, floral wraps, medical and pharmaceutical products, hanger covers, sachets, shopping bags, and even in industrial applications such as lamination and interleaving for materials like plywood, stainless steel, and glass.

	2022		2023		2024	
	Sales Volume MT	Revenue USD	Sales Volume MT	Revenue USD	Sales Volume MT	Revenue USD
Indonesia	19,981	26,082,199	17,656	22,889,657	22,651	28,527,343
Export	71,206	90,518,152	54,279	67,533,769	54,515	69,589,048
Total	91,187	116,600,351	71,936	90,423,426	77,167	98,116,391



Tax Governance [GRI 207-1] [GRI 207-2] [GRI 207-3] [GRI 207-4]

APP's commitment to nation-building is reflected through the honouring of its tax obligations to the Indonesian government.

As one of the largest players in the pulp and paper industry, APP operates at a vast scale, making significant investments in infrastructure and production. In recognition of its contributions, the Indonesian government provides tax incentives to support economic development. These tax incentives are essential in facilitating large-scale investments and infrastructure advancements necessary for the sustainable growth of the pulp and paper industry.

In addition to income tax contributions, APP actively fulfils its obligations by paying import and export duties, transportation tariffs, and other trade-related levies. The Group's retail activities generate consumption taxes and duties, further supporting national revenue streams. APP's operations create significant employment opportunities across its offices and mills. The labor-intensive nature of the industry results in substantial employment tax contributions, which aids economic progress.

Mill	2024 Tax Rate	Reason
Statutory tax rate	22%	The effective corporate income tax rate is lower than the statutory tax rate due to the government tax holiday for OKI (until 2027), and a 3% reduction in the corporate income tax rate for public company. [GRI 201-4]
Effective corporate income tax rate	11%	

Forestry	2024 Tax Rate	Reason
Statutory tax rate	22%	The effective corporate income tax rate is lower than the statutory tax rate due to tax losses carried forward and tax credits. [GRI 201-4]
Effective corporate income tax rate	2%	

As part of our commitment to responsible taxation, APP adheres strictly to national tax regulations and maintains transparency and accountability in its tax policies. Our tax strategies are reviewed annually to ensure compliance with evolving tax laws. By upholding high governance standards, we strengthen public trust and support long-term national development. APP's tax policies and strategies are reviewed and approved by the Chief Financial Officer and undergo an annual review to ensure alignment with current tax regulations.



**APP's Tax Governance and Control Process**

Consulting with tax experts and professionals to maintain adherence to regulations



Identifying, monitoring, and mitigating potential tax-related risks



Regularly evaluating compliance with tax governance and regulatory standards



Implementing audit procedures and assurance processes to fulfil all tax obligations

To reinforce ethical business practices, APP has implemented a whistleblowing mechanism that allows stakeholders to report any unethical behavior or tax-related violations. This system ensures integrity and accountability in the company's tax practices. As a key stakeholder, the Indonesian government plays a crucial role in APP's tax compliance framework. While maintaining a cooperative relationship with the authorities, APP does not engage in tax advocacy matters and remains fully committed to upholding all applicable tax laws and regulations.

Beyond taxes, APP also contributes to Indonesia's economy through Non-Tax State Revenue (PNBP). In 2023, APP paid a total income tax of US\$208 million to the Indonesian government, underscoring our significant economic impact and ongoing commitment to fiscal responsibility.



Based on the Indonesian Generally Accepted Accounting Principles (IDGAAP), APP's tax payments to the Central and Regional Governments in 2023 comprised (in US\$):

Description	Pulp & Paper Mills	Forestry Companies
Statutory Tax Rate	22%	22%
Effective Corporate Income Tax Rate	11%	2%
Third-party Revenue (in millions USD)	6,057	26
Related-party Revenue (in millions USD)	3,042	763
Total Revenue (in millions USD)	9,100	789
Profit before Income Tax (in millions USD)	1,485	16
Income Tax Paid (in millions USD)	204	4
Income Tax Accrued (in millions USD)	-179	-2
Stated Capital (in millions USD)	2,080	525
Accumulated Earnings (in millions USD)	8,544	-542
Tangible Assets Other Than Cash or Cash Equivalents (in millions USD)	9,267	109



SOCIAL



Employee Welfare [OJK B.3]

Employees are the foundation of APP's success. A motivated and healthy workforce directly impacts productivity, efficiency, and overall company performance. When employees feel valued, supported, and empowered, they are more engaged, resilient, and committed to achieving corporate goals.

APP recognizes that our employees are the pillars of the company, playing a crucial role in realizing our vision of sustainability and excellence. To foster a positive work culture, we have developed a comprehensive human rights policy that prioritizes work-life balance, well-being, and professional growth. By creating an environment that encourages job satisfaction and personal development, we ensure that employees can reach their full potential to contribute to a thriving and sustainable business.

ALIGNED TO GLOBAL FRAMEWORKS [OJK F.19] [OJK 2-23]

APP's human resource management policies and systems are guided by human rights principles, occupational health standards, and nationally and internationally recognized best practices, including the following frameworks. We ensure that all employees have reached the legal working age in accordance with the ILO Convention No. 138 on the Minimum Age for Admission to Employment, which is 18 years.

- International Bill of Human Rights
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- United Nations Guiding Principles on Business and Human Rights

The Company also complies with Indonesia's legal framework, including laws on occupational safety, employment, and social security, reflecting our commitment to ethical and fair labor practices. We strictly prohibit the use of forced labor in any form, in line with Indonesia's prevailing laws and regulations.

- Law Number 1 of 1970 concerning Occupational Safety and Health
- Law Number 39 of 1999 concerning Human Rights
- Law Number 13 of 2003 concerning Manpower

- Law Number 6 of 2023 concerning Job Creation
- Republic of Indonesia Law Number 24 of 2011 concerning Social Security Organizing Bodies
- Minister of Manpower Regulation Number 17 of 2021 concerning Procedures for the Granting of, Requirements, and Types of Additional Service Benefits under the Old-Age Benefits Program
- Government Regulation No. 36 of 2021 concerning Wages

WORKFORCE WELL-BEING

[OJK C.3.B]

APP is committed to fostering a safe, supportive, and motivating work environment across all operational sites, including at our head office, mills, forestry and production facilities. We recognize the demanding nature of industrial work and provide structured support to promote well-being, strengthen retention, and fairly reward employees for their contributions.



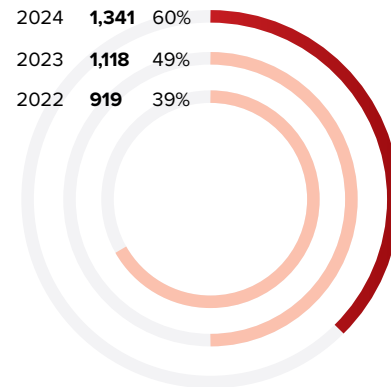


LOCAL WORKFORCE

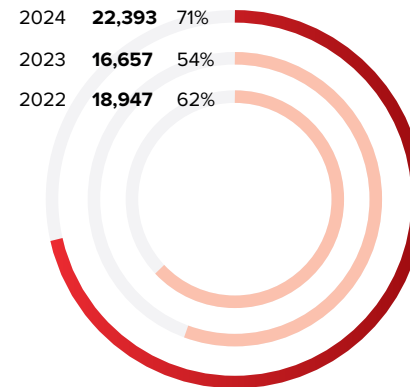
APP supports economic equity in Indonesia by prioritizing the employment of local residents from communities surrounding its operational areas. These individuals, defined as the local workforce, are given equal employment opportunities as part of our commitment to community empowerment and regional development. APP fosters sustainable economic growth by strengthening local engagement while building a skilled workforce. In 2024, 60% of APP's total management and 71% of its non-management workforce were from local communities.

Workforce Proportion from Surrounding Operational Areas [202-2]

Management



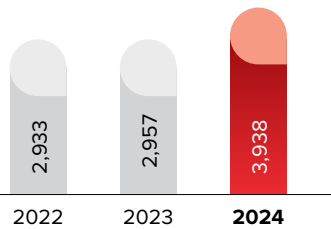
Non Management



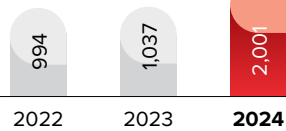
*) surrounding operational areas like Riau, Jambi, South Sumatra, Banten, West Java, Central Java, East Java, West Kalimantan, and East Kalimantan.

Workforce Origin from the Surrounding Operational Areas

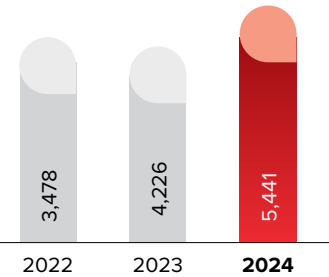
Riau



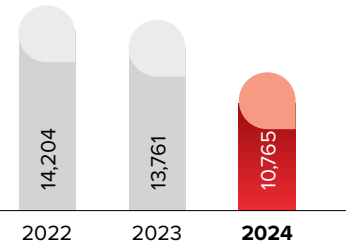
Jambi



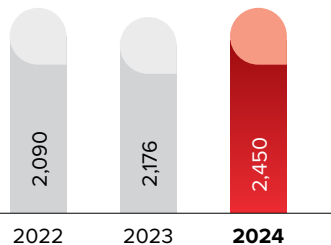
West Java



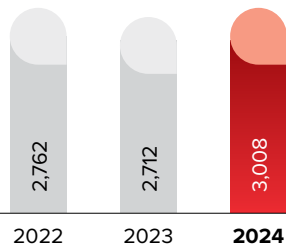
Others



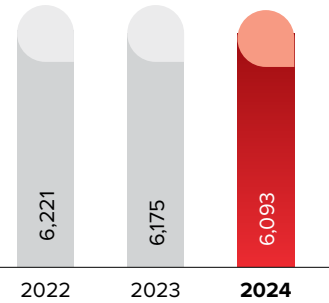
South Sumatra



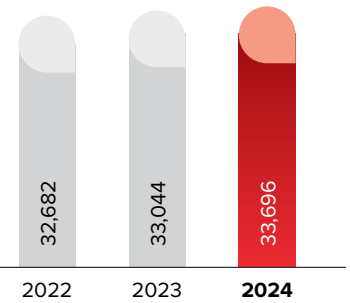
Banten



East Java



Total Employees





RECRUITMENT AND TURNOVER

APP's workforce selection is carried out objectively and transparently, regardless of ethnic, religious, racial, group, or gender background. The company upholds and provides equal opportunities for all prospective employees to join and build a career with APP. [F.18]

The employee recruitment and selection process in accordance with ILO Convention No. 138 on the Minimum Age for Admission to Employment, which is 18 years. During the reporting year, no incidents of employee rights violations related to underage labour were recorded. In addition, we do not employ forced labour in any form, and this is in line with the prevailing laws and regulations in Indonesia, including Law No. 13 of 2003 on Manpower and Law No. 39 of 1999 on Human Rights. [OJK F.19] [408-1, 409-1]



New Hires [401-1]

Age	2024				2023				2022			
	Male		Female		Male		Female		Male		Female	
< 30	2,082	25.3%	181	23.6%	2,142	27.1%	222	28.2%	1,989	27.7%	243	32.3%
30-50	557	3.3%	41	2.6%	442	2.6%	47	2.9%	547	3.0%	50	2.9%
> 50	144	2.5%	3	0.8%	104	2.0%	25	8.2%	125	2.8%	10	3.9%
Sub Total	2,783	9.0%	225	8.3%	2,688	8.9%	294	10.8%	2,661	8.9%	303	11.0%
Total	3,008				2,982				2,964			

Employee Turnover [401-1]

Age	2024				2023				2022			
	Male		Female		Male		Female		Male		Female	
< 30	640	7.2%	79	9.3%	808	9.3%	101	11.4%	916	11.3%	126	14.3%
30-50	674	3.8%	80	4.8%	808	4.5%	111	6.3%	911	4.7%	94	5.1%
> 50	603	9.5%	28	7.3%	720	12.3%	58	16.0%	500	10.2%	21	7.5%
Sub Total	1,917	6.0%	187	6.0%	2,336	7.0%	270	9.0%	2,327	7.0%	241	8.0%
Total	2,104				2,606				2,568			



SALARY AND OTHER BENEFITS

APP employees receive a basic salary and various allowances as incentives to boost productivity.

Competitive salaries and comprehensive benefits attract and retain top talent while fostering long-term employee loyalty. A well-structured remuneration package, including performance-based incentives, allowances, and welfare programs, ensures that employees feel valued and motivated.

Beyond financial compensation, benefits such as healthcare, retirement plans, and work-life balance initiatives enhance job satisfaction and promote a positive workplace culture. By prioritizing fair and competitive compensation, we strengthen our workforce, reduce turnover, and encourage a high level of productivity and commitment among employees.

APP recognizes employee performance by offering a comprehensive remuneration package tailored to their employment status in the company. [401-2]

Types of Benefits [GRI 401-2]

	Permanent Employee	Contract Employee
Life Insurance	✓	✓
Health Insurance	✓	✓
Parental Leave	✓	✓
Special Recognition Program for Employee Achievements	✓	✓
Pension Fund	✓	✓
Company Paid Vacation	✓	✓
Annual Leave	✓	✓
Sabbatical Leave (religious leave i.e. Hajj)	✓	✓
Unpaid Leave	✓	✓

APP supports its employees in balancing professional and family responsibilities. This is reflected in the support we provide before and after childbirth. In line with labor laws and the Collective Labor Agreement, female employees receive three months of fully paid maternity leave, 1.5 months before and 1.5 months after childbirth, without any impact on their salary, rights, or job security. Male employees are granted two days of paternity leave to support their spouses. [401-3]

20,513
EMPLOYEES

Are entitled to parental leave

 **858**
MALE EMPLOYEES

Took parental leave

69%
OF THE 966 EMPLOYEES

Took leave returned to their original positions

 **108**
FEMALE EMPLOYEES

*in 2024



PERFORMANCE REVIEW

APP nurtures its workforce through regular performance reviews based on Key Performance Indicators (KPIs). These reviews provide constructive feedback and inform decisions on training, incentives, transfers, and promotions, aligning individual growth with company goals. In the reporting year, APP assessed all employees, reinforcing its commitment to professional growth and equal opportunities. To enhance this process, APP implemented the SAP SuccessFactors-based ASTAR system, featuring the Performance & Goal Management (PMGM) module. This module supports continuous performance tracking, KPI management, and comprehensive feedback, fostering a dynamic and transparent work environment. By embracing these advanced tools, APP drives sustainable growth and operational excellence.

In 2024, 100% of eligible direct employees received regular annual performance and career development reviews. [404-3]

LABOR RELATIONS AND COLLECTIVE BARGAINING

The right to freedom of association is a fundamental labor principle upheld globally and guaranteed under Indonesian law. APP fully respects employees' rights to form and join unions, ensuring they have a platform to express their views and engage in decision-making concerning their rights and welfare.

To foster a harmonious and productive working relationship, APP implements comprehensive company regulations and maintains a Collective Labor Agreement (CLA), which is collaboratively developed through dialogue between management and employee representatives. This agreement clearly defines the terms of

employment, along with rights and responsibilities for both parties. As of the reporting year, APP has 12 labor unions within its factories and 10 within its forestry units, with 70% of employees unionized, reflecting a strong culture of representation. Furthermore, 100% of our employees are covered under the CLA and company regulations, ensuring all employees benefit from structured protections and fair labor practices. [GRI 2-30] [407-1]

In compliance with Indonesian labor law, APP holds regular bipartite meetings to ensure open communication and resolve any labor disputes internally. These meetings are an integral part of maintaining a positive and collaborative relationship between management and employees, and they are directly linked to the CLA. The CLA also regulates significant operational changes, such as company acquisitions or organizational restructuring. If these changes directly affect employees, APP is committed to providing at least seven days advance notice before implementation. [402-1]



EMPLOYEE PROTECTION GUARANTEE

APP ensures long-term financial security for employees through government-regulated retirement programs. These programs are designed to provide economic stability post-employment.

[401-2; 201-3]

Pension Fund Programs

Program Coverage

Retirement Guarantee
(BPJS Employment)

Employees contribute 1% of their basic salary, while the Company covers 2%

Old-Age Guarantee
(BPJS Employment)

Employees contribute 2%, with the Company covering 3.7%

Health Guarantee
(BPJS Health)

Employees contribute 1%, and APP covers 4%

In addition to financial support, APP equips employees with practical skills for post-retirement independence. Training covers entrepreneurship, farming, livestock raising, handicrafts, and household industries, empowering retirees to explore new income-generating opportunities. [GRI 404-2]:

Employees also receive financial planning training to manage their retirement savings effectively.

To preserve and transfer expertise, APP involves retired employees in developing training curricula for APP Academy through the Pool of Expert program. This initiative ensures that valuable knowledge and experience are passed on to the next generation.



Diversity, Equity, and Inclusion

A workforce rich in varied backgrounds, perspectives, and experiences drives innovation, enhances problem-solving, and strengthens the company's global competitiveness.

By fostering an inclusive culture, APP ensures that all employees receive equal opportunities for professional growth, based solely on performance and competence. However, our management recognizes that operational roles in our mills and forestry areas may be less attractive to women, and we face challenges in attracting female leaders to senior management positions, particularly in remote locations. [OJK E.5]. These challenges highlight the importance of strengthening our efforts to create a more inclusive and supportive work environment across all levels and locations.

Our commitment to diversity, equity, and inclusion (DEI) is embedded in the Business Code of Conduct (BCoC), Supplier Code of Conduct (SCoC), and Human Rights Policy. We actively work to bridge gender gaps and promote equal representation at all levels of the organization. To uphold tolerance and equality, APP strictly prohibits discrimination based on race, religion, gender, political views, and other forms of bias.

In 2024, APP continued to advance its DEI commitments by creating a more supportive environment for women in the workplace. Dedicated facilities were introduced to meet the needs of pregnant employees and breastfeeding mothers, including lactation rooms and reserved parking spaces at the selected sites—ensuring that working mothers are better supported in balancing professional and personal responsibilities. In the reporting year also marked the launch of SriKandi APP, a women-led internal community aimed at fostering female empowerment and promoting inclusive leadership. SriKandi APP serves as a platform to support women-focused programs and campaigns across the company, encouraging dialogue, mentorship, and collaboration among employees. These initiatives reflect APP's ongoing efforts to build a more inclusive culture where all individuals have equal opportunities to grow and lead.



WOMEN SPACE

"To support Diversity, Equity and Inclusion Program by building inclusive workplace for women in WIK Office"

5 GENDER EQUALITY

Parking Lot for Pregnant Women

Lactation Room

Close to Guest Parking

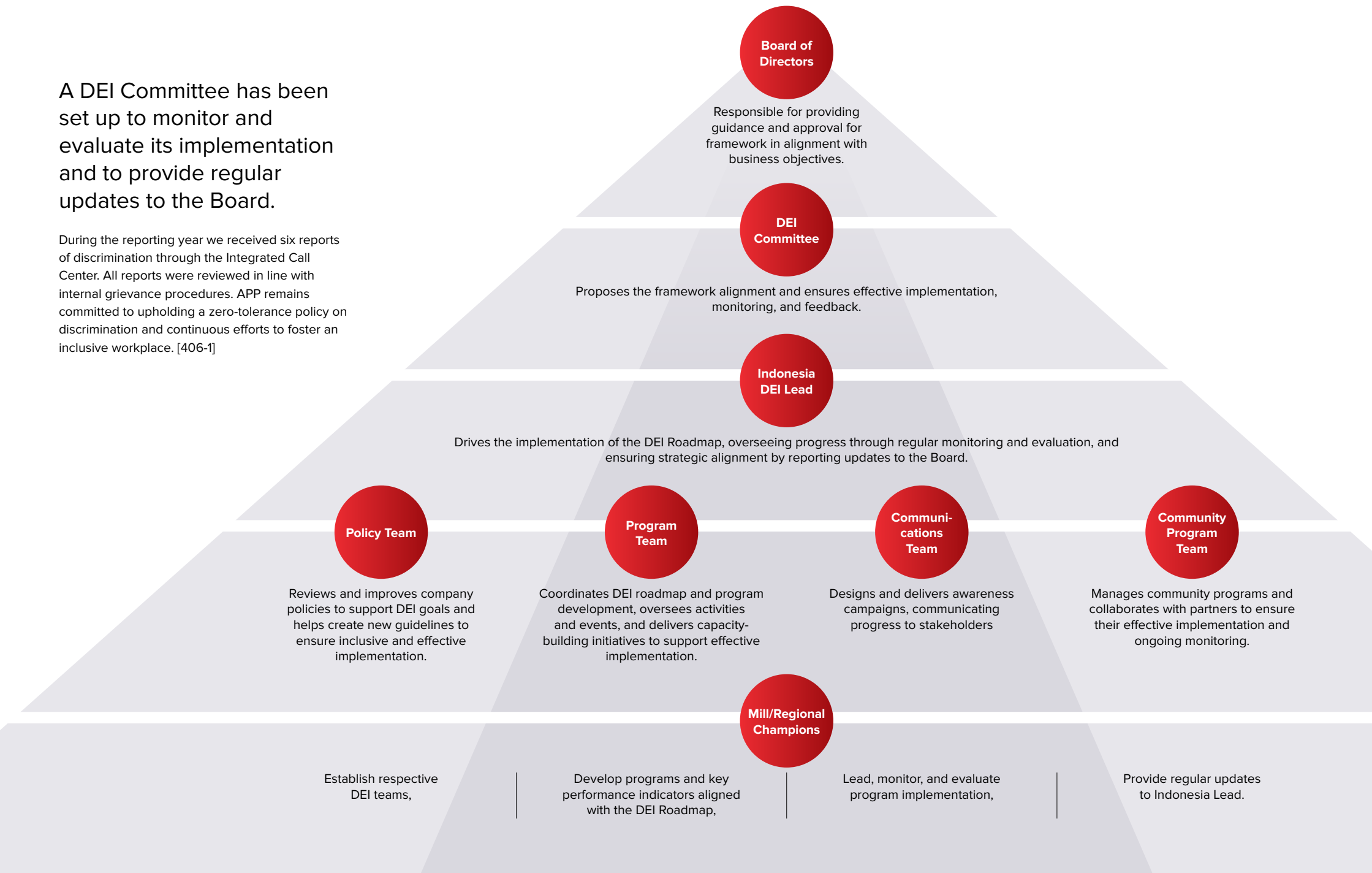
- Priority for pregnant women in their third trimester and have received a special sticker from GA
- PIC Iqbal Saputra (nur_m_iqbal@app.co.id)

Building B, 2nd Floor



A DEI Committee has been set up to monitor and evaluate its implementation and to provide regular updates to the Board.

During the reporting year we received six reports of discrimination through the Integrated Call Center. All reports were reviewed in line with internal grievance procedures. APP remains committed to upholding a zero-tolerance policy on discrimination and continuous efforts to foster an inclusive workplace. [406-1]





DIVERSITY IN GOVERNANCE AND WORKFORCE COMPOSITION

APP recognises that diverse leadership and an inclusive workforce are vital to responsible business growth and long-term value creation. In line with our commitment to DEI, we continue to monitor and improve gender and age representation across governance bodies and the broader employee base.

At the end of 2024, APP employed 33,696 people, with women making up 8% of the workforce (2,713 employees)—a figure unchanged from 2023. Of these, 14% (325 women) held management roles, marking steady progress toward more inclusive leadership. However, gender disparities remain, particularly in mill operations, forestry, and logistics, due to longstanding industry structures and role-specific requirements.

Women also comprised 16% (45 women) of APP governance bodies in 2024, consistent with the previous year. Most governance members (55%) were aged between 30 and 50, 43% were over 50, and 1% were under 30—showing a leadership team with strong experience. [405-1]

In terms of age distribution, the workforce profile in 2024 showed a relatively young demographic, with 27% of employees under the age of 30, 55% between 30–50 years, and 18% above 50. This composition supports APP's strategy to build a future-ready talent pipeline while ensuring intergenerational knowledge transfer.

APP recognises the gender gap in the industry and is working to improve it through its DEI Roadmap. The company continues to support women's participation and leadership through targeted programs and inclusive workplace policies.

WOMEN IN THE WORKFORCE

APP supports women's career advancement by fostering an inclusive work environment and promoting gender equality across operations. Women are encouraged to take on senior roles and contribute to key decision-making, reflecting our belief that diverse leadership drives sustainable success.

Technical and engineering roles in industrial sectors have, historically, tended to attract more men than women. These disparities are more pronounced in remote operational areas. Nonetheless, APP is committed to improving gender representation within the company and ensuring a recruitment and talent selection process that is free from bias and inclusive for women.





Employees Based on Gender and Employment Status [GRI 2-7] [GRI 2-8] [OJK C.3.b]

Employment Status	2022			2023			2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent	27,700	2,591	30,291	28,183	2,646	30,829	29,019	2,634	31,653
Temporary*	2,239	152	2,391	2,125	90	2,215	1,963	80	2,043
Total	29,927	2,755	32,682	30,310	2,734	33,044	30,983	2,713	33,696

*) Temporary employees include expatriates

Employees Based on Gender and Job Level [GRI 2-7] [OJK C.3.b]

Position	2022			2023			2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Management	2,122	388	2,510	2,091	348	2,439	2,073	325	2,398
Non-Management	27,794	2,378	30,172	28,219	2,386	30,605	28,910	2,388	31,298
Total	29,916	2,766	32,682	30,310	2,734	33,044	30,983	2,713	33,696

Employees Based on Age and Job Level [GRI 2-7] [OJK C.3.b]

Age	2022			2023			2024		
	21-30	30-50	>50	21-30	30-50	>50	21-30	30-50	>50
Management	23	1,499	988	25	1,396	1,018	15	1,331	1,052
Non-Management	7,913	18,597	3,662	8,655	17,508	4,442	8,974	17,291	5,033
Total	7,936	20,096	4,650	8,680	18,904	5,460	8,989	18,622	6,085

Workers Based on Educational Level [OJK C.3.b]

Educational Level	2022	2023	2024
S2 and S3	300	286	364
S1	7,220	7,831	9,783
Diploma	2,190	2,482	2,719
SMA/Equal	17,589	17,083	20,830
Total	27,299*	27,682*	33,696

*Source: SR OJK Indah Kiat, Tjiwi Kimia, Pindo Deli, Lontar Papyrus and OKI 2023, 2022

RATIO OF ENTRY-LEVEL WAGE BY GENDER TO LOCAL MINIMUM WAGE [OJK F.20]

APP offers a competitive remuneration system to attract and retain top talent while fostering employee loyalty. Compensation is determined objectively, based on performance, job level, tenure, and employment status.

We ensure equal pay for male and female employees at the same job level. Employees receive a salary equal to or above the Regional Minimum Wage (UMR) as set by local governments. APP maintains a 1:1 wage and compensation ratio for all employees, ensuring fair and equal compensation based on performance from the start of their careers. [202-1, 405-2]

Our comprehensive wage, compensation and benefit policy is grounded in the principles of a living wage, ensuring that all employees receive compensation that meets their basic needs and supports the well-being of their families. This policy reflects our commitment to upholding workers' rights to a decent standard of living and fostering long-term economic security and human dignity. This policy complies with Government Regulation No. 36 of 2021 concerning Wages and includes:

- Minimum wage, a decent living for humanity
- Wage structure and scale
- Overtime compensation
- Wages during justified absences
- Transparent wage payment methods
- Components included in wage calculations

APP believes in investing in its workforce. By taking care of our employees, we uphold our corporate responsibility and strengthen our long-term sustainability, ensuring that they remain the driving force behind our continued success.



Building a Skilled Workforce

[OJK F.22] [GRI 404-2]

Investing in employee training is essential for strengthening APP's long-term competitiveness. Skilled and competent employees drive the development of higher-quality products and services, positioning us for sustainable success. APP delivers structured training in technical expertise, managerial skills, safety, environment, and leadership, ensuring accessibility for all employees, from field supervisors to executives.

Training programs are developed through APP Academy and expert external partners based on business needs and to enhance employee capabilities. Our Human Resources Development Program equips employees with essential competencies to lead and support business growth across headquarters, mills, and forestry operations, with a target of engaging 2,500 participants by 2030. Leadership teams at mills and forestry units tailor specialized training programs based on operational goals.

Human Resources Development Program	
Program Name	Total Participants (Employee)
Management Trainee	40
Graduate Trainee	262
ITSB Scholarship	42

With more than 900 digital modules accessible to all employees, including alumni, we foster continuous learning to upskill and future-proof our workforce. APP's Metaverse application, an interactive digital platform designed to enhance employee learning and engagement through virtual environments, facilitates informal, social media-based learning where employees can participate in interactive Q&A sessions, access training materials, and engage with colleagues in a dynamic, immersive setting.

This initiative supports APP's broader training strategy by making knowledge-sharing more engaging and accessible, even for employees who have left the company. The platform leverages advanced technology to foster continuous learning and collaboration across all levels of the organization, with contributions from retired employees ensuring a wealth of expertise is shared. To reinforce workplace safety, we also provide standardized Occupational Health and Safety (OHS) training across all sites.



Average Training Hours for Employee [GRI 404-1]			
Description	Total Employees	Training Hours	Average Training Hours per Employee
Male	121,115	641,027	5.3
Female	7,400	41,064	5.5
Management	4,721	24,898	5.3
Non-Management	123,794	657,193	5.4
Total	128,515	682,091	5.3



Talent Story

Teamwork Powering APP's Traceability Journey

Our employees are valuable talents who play a key role in the company's success. They bring different skills, ideas, and energy to their work every day.



We see them not just as workers, but as important contributors to our growth and future. By offering learning opportunities and a supportive environment, we help our people grow and succeed together with the company.

As global awareness of sustainability and supply chain transparency continues to grow, APP has seen a rising demand from customers for detailed information about the origins of raw materials. In addition, new regulations such as the European Union Deforestation Regulation (EUDR) require companies to trace the source of their raw materials with greater accuracy and speed.

APP's journey toward transparency began some time ago. Several mills had already developed their own product tracing applications, and the Forestry unit had started implementing a wood tracing system. However, these systems still faced significant challenges—manual tracking processes were time-consuming and often lacked precision. These limitations sparked a major initiative: to build an integrated and reliable Product Traceability System.

Chain of Custody Manager



At the heart of this transformation were two key figures: AG, Chain of Custody Manager, and ST, IT Manager. AG brought deep knowledge of certification systems and customer requirements, ensuring that the traceability framework aligned with both regulatory and market expectations. Meanwhile, ST led the technical development, orchestrating the integration of diverse systems across mills and Forestry units into a unified digital platform.

The development began with defining the scope of products to be traced at each mill. AG and ST, together with their teams, mapped out existing applications, identified gaps, and addressed technical issues unique to each location. This was followed by data integration and the development of new features to enhance functionality and user experience.

The system was introduced through a soft launch, followed by direct trials with customers. Feedback was collected, categorized, and analyzed to refine the system further. After several rounds of improvements and internal testing, the system was officially launched and rolled out across all business units.

Of course, the journey was not without its challenges. Each mill operated on different systems, data coverage was not yet comprehensive, and not all operational facilities were automated—resulting in some data still being entered manually. These factors affected the speed and accuracy of the tracking process. Yet, through close coordination and problem-solving, AG and ST helped bridge operational and technical gaps.

Their leadership, combined with strong collaboration across IT teams from headquarters, all mills, and Forestry, as well as the GIS and Sustainability teams, was instrumental in delivering a system that not only meets customer expectations but also supports compliance with international regulations like the EUDR.

Today, thanks to the dedication of individuals like AG and ST, APP is better equipped to face future challenges with a stronger, more transparent, and more reliable Product Traceability System—a system built not just with technology, but with vision, teamwork, and purpose.

IT Manager





Human Rights

APP integrates human rights into its interactions with employees, communities, and stakeholders, ensuring that all business practices align with international human rights standards. [GRI 2-23] [GRI 2-24]

APP formulated its Human Rights Policy in 2022 with input from internal and external stakeholders, including foundations with expertise in business and human rights. The Policy communicates APP's commitment to respecting the rights of its workers, supply chain workers, surrounding communities, and other relevant stakeholders.

To anchor this commitment, APP implements a Human Rights Due Diligence (HRDD) mechanism, developed in collaboration with the Foundation for International Human Rights Reporting Standards (FIHRRST). This approach systematically identifies, assesses, and mitigates human rights risks, ensuring compliance with global best practices.

In 2024, we furthered our human rights commitment by conducting a HRDD assessment using the Consumer Goods Forum (CGF) Human Rights Coalition's self-assessment tool. APP achieved a score of 83, placing us in the 'Established' maturity level. The CGF aims for all members to attain 'Leadership' status by 2025.

APP also conducted human rights due diligence across our entire pulpwood supply chain, covering six companies within our own concessions and 30 long-term suppliers. In line with our human rights commitment, APP also screened all newly selected or contracted suppliers in 2024 using defined social criteria to ensure alignment with our ethical and labour standards.

Through a comprehensive due diligence process, APP identifies and addresses potential human rights impacts. This approach ensures that APP's salient human rights issues, which focus on the most severe potential impacts regarding non-discrimination and harassment, diversity and

inclusion, just and favourable working conditions, freedom of association, elimination of forced and child labour, occupational health and safety, land and Indigenous People's rights, community rights to a healthy environment, and access to grievance mechanisms and remedies, are effectively managed. [408-1, 409-1]

In addition, we utilised the PRISMA application, an initiative by the Directorate General of Human Rights of Indonesia's Ministry of Law and Human Rights, to assess potential human rights risks at PT OKI Pulp and Paper Mills. The business unit received a green category rating with a score of 85, indicating strong performance in identifying and addressing human rights impacts.

To support this, APP has established a robust grievance mechanism that extends to third-party workers and local communities, including an Integrated Call Centre (ICC), which can be accessed anonymously. Four channels are available for lodging complaints: direct reporting to supervisors or managers, contacting Human Resources, submitting an anonymous letter, or complaining to one of the labor unions.

In 2024, we received 18 reports of human rights violations from whistle-blower channel. We promptly addressed each issue, taking appropriate corrective actions. Due to confidentiality, specific case details are not disclosed. Remediation was provided where necessary, following our established internal processes and methodologies. [GRI 406-1]

1,027

OF SECURITY

Have participated in human rights training between 2022 and 2024. [GRI 410-1]

30,409

OF EMPLOYEES

90% of employees attended 35,401 hours of human rights training. [GRI 404-1]

30

LONG-TERM SUPPLIERS

Conducted human rights due diligence in 2024 for all pulpwood suppliers, including six APP-owned concession companies and 30 long-term suppliers.

In 2024

For further details on APP's Human Rights Policy and other HR-related policies, visit our website here.

[Go to Website](#)





Decent and Safe Workplace Environment

[F.21] [GRI 403-1] [GRI 403-8]

Ensuring a safe and healthy work environment is fundamental to APP's operations. We are committed to achieving zero occupational accidents through the implementation of a robust Occupational Safety and Health (OHS) Management System. This system aligns with national and international regulations, including Indonesia's Occupational Safety Law, Manpower Law, ISO 45001:2018, and other key standards.

- Law No. 1 of 1970 concerning Occupational Safety
- Law No. 13 of 2003 concerning Manpower.
- Law No. 17 of 2023 concerning Health.
- Government Regulation (PP) No. 50 of 2012 concerning Implementation of Occupational Safety and Health Management System.
- Minister of Manpower Regulation Number 5 of 2018 concerning Occupational Safety and Health of the Work Environment.
- ISO 45001:2018 on Occupational Safety and Health Management System.

Compliance with Occupational Health and Safety (OHS) applies to all employees, contractors, vendors, business partners, and stakeholders across all our operational areas. OHS policies are embedded within the Collective Labor Agreement, ensuring all individuals within APP's ecosystem are protected under the same safety framework. Mill Heads are responsible for overseeing the implementation of Occupational Health and Safety (OHS), supported by expert teams/ onsite advisor who maintains a dotted-line connection to the Health and Safety Head Office, and report directly to the President Director.

Raising OHS awareness is essential to achieving a zero-accident workplace and preventing work-related illnesses. To support this goal, APP provides structured OHS training tailored to employees' roles through a dedicated training matrix. The programs are delivered via induction sessions, skills development courses, certification programs, and risk management training. [GRI 403-5]

OHS Training Initiatives



Personal Protective Equipment (PPE)
Training to ensure employees use safety gear correctly



Emergency Response Training, including the use of fire extinguishers and hydrants



Safety Officer Development Program to train employees in managing and improving workplace safety standards



Fireman Development Program, covering fire prevention, firefighting equipment usage, emergency evacuation, and extinguishing techniques



Incident Management and Investigation



Occupational Health and Industrial Hygiene Training to prevent workplace-related illnesses



Top Risk Training : Working at Height, Confined Space, Chemical Handling, Electrical Safety

To maintain high OHS standards, APP conducts internal audits annually to assess strengths, identify risks, and develop improvement strategies. These audits evaluate leadership, operational processes, and safety measures. To further validate the system's effectiveness, we commission external audits, including ISO 45001 certification and SMK3 (Indonesia OHS Management System). These audit findings are used to strategize corrective actions and long-term enhancements to ensure the OHS framework remains aligned with industry best practices.





CONTRACTOR SAFETY

[GRI 403-8]

Our occupational health and safety commitment extends beyond our employees to include contractors working within our facilities. To uphold consistent safety standards, we enforce the Contractor Safety Management System (CSMS), ensuring that all external partners operate within the same rigorous OHS framework.

As part of this system, rigorous contractor screening is conducted, allowing only vendors who meet stringent safety qualifications and hold the necessary certifications to work at APP's mills. This process ensures that every contractor possesses the required knowledge and training to implement workplace safety measures effectively.

We also implement ongoing monitoring and compliance procedures, subjecting contractors to regular safety evaluations. These assessments ensure continuous adherence to APP's OHS protocols, mitigating risks and fostering a secure working environment for all individuals operating within our premises.

HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION

[GRI 403-2]

APP applies a structured approach to identifying hazards, assessing risks, and preventing workplace accidents or occupational diseases. We carry out thorough risk assessments, analyzing different levels of risks, including inherent, existing, and residual risks. To support this, methodologies such as Job Safety Analysis (JSA) and Hazard Identification Assessment and Risk Opportunities (HIARO) are integrated into APP's flagship Safety Performance Index (SPI) program.

Incident investigation is also a key component of APP's risk management framework. We use Root Cause Analysis (RCA) to identify underlying factors contributing to workplace incidents. By understanding the root cause, corrective actions can be implemented to prevent similar occurrences in the future. When a significant incident occurs, APP issues company-wide safety alerts to raise awareness and prevent recurrence. Regular inspections and risk assessments are also conducted at potentially hazardous locations to ensure preventive measures are in place.

APP has developed a comprehensive emergency response system to address potential risks in the workplace. This system includes a structured workplace safety analysis program, periodic reviews and updates of safety procedures, and installation of protective barriers around hazardous machinery. Employees are encouraged to stop work immediately if they identify unsafe behaviors or conditions, with full assurance that they will not face retaliation for doing so. In addition, APP maintains emergency response teams trained to handle crises effectively, supported by fire trucks, ambulances, first aid rooms, evacuation routes, assembly points, and necessary medical and evacuation equipment.

Snapshot of Hazard Identification Protocol

1.

Identify hazard and risk assessment



2.

Determine proper hierarchy of control of risk



3.

Assessment of other risks and other opportunities

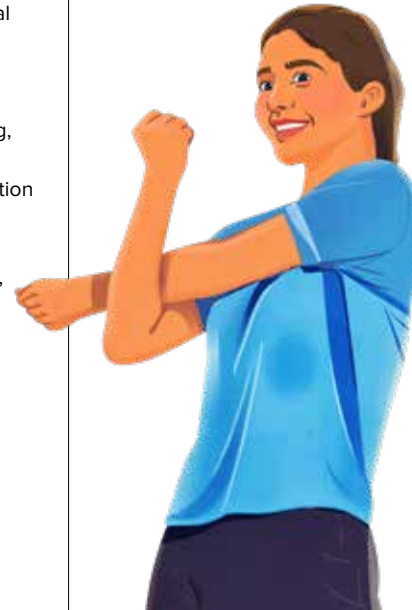


WORKPLACE HEALTH AND INDUSTRIAL HYGIENE

Ensuring employee health is a vital investment for APP, as physically and mentally healthy employees drive productivity and innovation. To this end, we offer wellness programs and healthcare services to improve employee health. Facilities such as gyms, swimming pools, and basketball and tennis courts are provided to encourage physical activity, while organized group exercises promote fitness and well-being. We host webinars and seminars on key health topics, including nutrition, stress management, hygiene, and mental health awareness. [GRI 403-3]

To identify and manage occupational diseases, APP has implemented a structured process that begins with annual medical check-ups, which help detect work-related health risks. If a condition is suspected, supporting medical reports and laboratory results are analyzed to assess its link to the work environment. APP is committed to protecting employees' health information. This data is kept strictly confidential and will not be used in ways that could benefit or harm employees. Through this commitment, APP ensures the privacy and well-being of its employees in all health-related programs. Occupational diseases that have been identified as potential risks include chronic obstructive pulmonary disease (COPD), Musculoskeletal Disorder and Noise-Induced Hearing Loss (NIHL). To mitigate these risks, APP conducts health talks and training, environmental assessments, and periodic medical check-ups for its employees.

To maintain a safe and healthy work environment, APP conducts regular workplace environmental assessments to identify and mitigate health risks. Each mill implements promotive and preventive health initiatives, such as chronic disease awareness campaigns, first aid training, medical emergency simulations, infectious disease prevention programs, and blood donation drives. Furthermore, APP fosters a culture of health and fitness through interdepartmental sports tournaments featuring futsal, basketball, badminton, creative gymnastics, and e-sports.



0
EMPLOYEE

Caught occupational disease [GRI 403-10]

To further promote employee well-being, our Behaviour-Based Safety (BBS) program plays a key role in understanding workplace behaviors and identifying risk factors that could lead to incidents. We also provide ongoing training and capacity-building initiatives to enhance safety awareness, ensure adherence to safe work procedures, and develop hazard identification skills. [GRI 403-6]

Our Holistic Health Services [GRI 403-3] [GRI 403-6]

Promotive Health Services

Encourage employees to adopt healthy lifestyles and foster a workplace that promotes overall well-being.

- APP Health Forum webinars featuring experts from APP, SehatQ doctors, and Eka Hospital
- Medical & Industrial Hygiene Training
- Health Campaigns (posters/events, including exercise initiatives)
- Food Safety Awareness
- Cardiopulmonary Resuscitation (CPR) and medical training
- Annual blood donation drives in partnership with the Indonesian Red Cross

Preventive Health Services

Focus on early disease detection and proactive health measures

- Fogging to prevent vector-borne diseases
- Iron supplements for female workers and nutritional support, including milk, for employees in high-risk occupations
- Regular health check-ups
- Conduct daily surveillance checks and follow up on medical check-up results
- Screenings for non-communicable diseases, such as blood pressure, blood sugar, cholesterol, and uric acid checks

Rehabilitative Health Services

Support employees' safe return to work after illness or injury

- Post-accident recovery monitoring and workplace injury management
- Home visits by paramedics or company doctor I for employees with serious illnesses

Curative Health Service focus on medical treatments, surgery, and therapies aimed at healing diseases, injuries, or health conditions

- Provision of first aid station/clinic and partnership with nearby health facility
- Stand by emergency transportation for medical evacuation



FIRE PREVENTION [GRI 403-7]

APP employs rigorous preventive measures to identify, assess, and mitigate fire hazards at the workplace. As part of this approach, Fire and Explosion Risk Analysis (FERA) is conducted regularly to assess high-risk areas, enabling the development of targeted fire prevention strategies. We also implement Hazard and Operability Studies (HAZOP) to evaluate operational processes, identify potential fire hazards, and introduce appropriate preventive actions.

We adhere strictly to national and industry fire safety regulations to maintain alignment with the highest safety standards. To reinforce preparedness, we run comprehensive fire safety programs, including regular training for employees, routine equipment inspections, and system tests to ensure all fire prevention mechanisms are fully functional.

APP invests in specialist firefighter training through the Fire Mills Development Program, which equips firefighting personnel with advanced skills in fire prevention, suppression techniques, and emergency response. This comprehensive strategy ensures that APP remains well-prepared to prevent and respond to fire-related incidents effectively.

WORKPLACE ACCIDENTS

APP identifies and mitigates workplace accident risks through the OHS system. Key hazards that have been identified include motor vehicle and traffic safety, falls from heights, energy isolation, powered equipment, electricity, machinery, equipment failure, hazardous materials, confined spaces, excavation work, hot work, and lifting and rigging operations.

We deeply regret that, despite rigorous safety efforts, two employees fatality accidents occurred in connection with our operational activities during the year. We have conducted thorough root cause investigations and are taking firm steps to strengthen our Occupational Health and Safety (OHS) management system to help ensure such tragedies do not happen again.

Work Accident Rate (Mills and Forestry Management Unit) [GRI 403-9]

Year	2022		2023		2024	
	Employee	Outsource	Employee	Outsource	Employee	Outsource
Fatality Rate	0.03	0.10	0.01	0.05	0.03	0.07
Rate of Workplace Accidents with Significant Consequences	0.11	0.06	0.00	0.00	0.03	0.02
Rate of Recorded Workplace Accident	3.01	0.62	3.08	0.90	2.80	0.62

Lost Time Injury Frequency Rate (LTIFR) [GRI 403-9]

Year	2022	2023	2024
Mills	0.86	0.91	0.52
Forestry Management Unit	1.12	0.77	0.23

*) The calculation is based on 1,000,000 working hours.

FEEDBACK AND COMMUNICATION [GRI 403-4]

APP's culture of workplace safety encourages active worker feedback and participation. The Occupational Safety and Health Committee (P2K3) is a key platform for employees to engage in safety-related discussions.

Comprising representatives from various work units, labor unions, and OHS experts (AK3), this committee provides employees with a channel to voice their concerns, share suggestions, and collaborate with management to enhance workplace safety.

P2K3 meetings are conducted quarterly, with outcomes reported to the Department of Manpower. To strengthen direct engagement, senior management conducts routine field patrols alongside union representatives, gaining firsthand insights into workplace conditions and identifying potential safety issues.

By prioritizing occupational health and safety principles in all areas of operations, APP upholds the protection of its employees and fosters a safe, sustainable, and productive work environment to ensure its long-term success.





Creating Social Value

[OJK F.23 / F.25] [GRI 413-1] [GRI 413-2]

Our business operations have a deep impact on local economies, infrastructure, and employment.

Managing these impacts effectively is essential for fostering sustainable livelihoods, strengthening local and regional development, and building long-term partnerships with key stakeholders.

This commitment is a key component of our SRV 2030, under the People pillar, which focuses on improving the well-being of those in and around APP's operational areas. In addition, this approach aligns with national development strategies and global sustainability goals, including the UN SDGs, which APP conforms to.

At the core of this initiative is the Community Empowerment (CE) program, which is designed to create tangible, positive change in the lives of the communities living around our areas of operations. The program, led by APP's Sustainability and Stakeholder Engagement Division, focuses on empowerment, capacity building, and fostering mutually beneficial relationships.

APP understands that its operations co-exist with local communities, and therefore, must actively work to cultivate shared values and implement initiatives that enhance their economic and social well-being. Through this empowerment, APP seeks to elevate their quality of life while ensuring sustainable economic growth, both for the country and the company.

Our commitment to community engagement is built on open dialogue and collaboration with a broad spectrum of stakeholders, including local governments, non-governmental organizations, and community members. By maintaining continuous engagement, the company gains valuable insights into community challenges and opportunities, allowing for the co-creation of impactful and sustainable solutions. All of our Community Engagement (CE) programs are developed involving with local communities and are based on in-depth research.

Ensuring that all initiatives reflect the needs and aspirations of local populations, APP upholds the principles of prior informed consent and stakeholder engagement. Regular consultation forums, held at least once a year, provide a platform for meaningful discussions with community representatives. We also conduct surveys to capture community feedback and actively participate in Development Planning Meetings (Musrenbang) at village, sub-district, and district levels.

The management of CE programs at APP follows a rigorous framework of continuous improvement. We regularly evaluate the effectiveness of our initiatives, measure their impact, and make necessary adjustments to align with evolving community needs. To enhance the depth and relevance of our empowerment programs, APP conducted Social Impact Assessments (SIA) in collaboration with academic institutions and third-party expertise, including the University of Sriwijaya (UNSRI) and Social Investment Indonesia (SII) in 2023. These assessments provided valuable insights into key social challenges, impacts, and stakeholder expectations. In 2024, we strengthened our five-year strategic plan based on the recommendations generated from the SIA and developed corresponding annual plans. By aligning our development initiatives with the findings of these studies, we ensure that our programs are tailored, impactful, and sustainable.





Our comprehensive approach has led to the successful implementation of initiatives that drive economic and social progress, with no significant adverse impacts recorded from the company's operations on surrounding communities. APP collaborated with 2,242 partners for CE programs that amounted to approximately USD 2.2 million, impacting 2,416 beneficiaries-community. This is a substantial increase compared to previous years, reflecting our belief that business growth and

[GRI 203-2]

community well-being can go hand in hand. The number of collaborations remained strong, and the number of beneficiaries increased significantly – a reflection of our growing efficiency and ability to scale impact, showing our continued commitment to aligning business growth with community well-being.

The Number of CE Program Beneficiaries Mills

Program	2022	2023	2024
Charity	89,184	110,242	120,856
Infrastructure	27,049	20,726	40,297
Capacity Building	323,848	75,476	21,860
Community Development	158,651	110,666	32,455
Total	598,732	317,110	215,468

Number of Partners and Beneficiary Communities (Mills and Forestry Management Units)

	2022	2023	2024
Partners	1,582	1,800	2,242
Beneficiaries community	1,724	1,956	2,416

CE Program Framework



At APP Purinusa Ekapersada, we are committed to driving sustainable and inclusive community development through a structured approach to Corporate Social Responsibility (CSR). Our CSR initiatives follow a four-stage framework, built on the pillars of Charity, Infrastructure, Capacity Building, and Community Development. This framework guides our Community Empowerment program, which aims to foster self-sufficiency, enhance livelihoods, and strengthen relationships with local communities.

The program is informed by insights from the Social Impact Assessment (SIA) conducted every five years. These studies provide a data-driven foundation for a strategic five-year plan, which is implemented through annually updated short-term work plans. This approach ensures impactful, data-driven, and sustainable interventions. [GRI 413-1]



1.

Identifying Community Needs and Prioritization

We conduct comprehensive community profiling through social impact studies, direct engagement, and needs assessments. Prioritization is based on urgency, feasibility, and potential impact, ensuring that our programs address the most pressing community challenges.

3.

Effective Implementation

We ensure structured execution by establishing clear timelines, roles, and responsibilities. This phase focuses on delivering measurable outcomes that align with both community aspirations and our sustainability commitments.

2.

Strategic Program Development

Our approach integrates capacity building, education, and training while fostering strategic partnerships to strengthen community resilience. Resource allocation and funding strategies are carefully designed to maximize long-term benefits.

4.

Monitoring, Evaluation, and Continuous Improvement

Through rigorous assessment, we track program success, document learnings, and address challenges to enhance effectiveness. This continuous feedback loop allows us to refine our approach and scale impactful initiatives.

By adhering to this structured methodology, APP Purinusa Ekapersada remains dedicated to fostering economic empowerment, environmental stewardship, and social well-being, ensuring our CSR initiatives create meaningful and lasting value for communities.

The program extends across 14 mills and six forestry companies within APP and long-term pulpwood suppliers, ensuring a broad and sustainable impact through diverse community initiatives. To ensure accountability and continuous improvement, APP employs a comprehensive reporting and monitoring system, involving government bodies, non-governmental organizations (NGOs), and local communities. This collaborative approach ensures that our initiatives reach the communities most in need while driving continuous program improvement.

We utilize the Social Return on Investment (SROI) methodology to compare outcomes with the resources invested in order to gain insights into the real impact of our efforts. This allows for data-driven decision-making to achieve sustainable development.

CHARITY

Provide essential social assistance and financial aid to support vulnerable communities

INFRASTRUCTURE

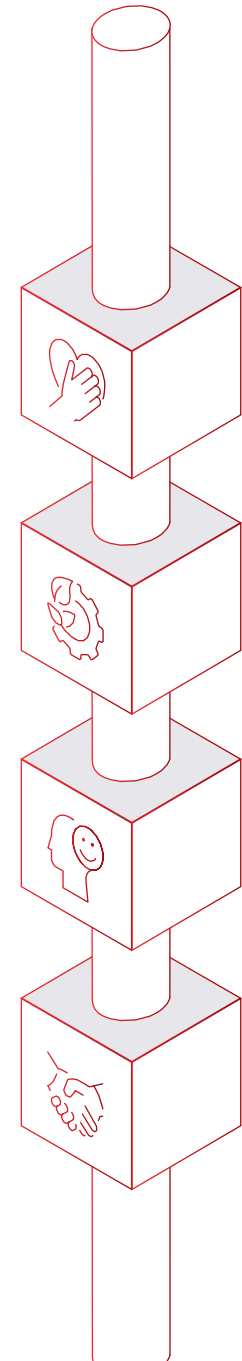
Develop and improve public infrastructure and essential amenities, ensuring communities have access to fundamental services

CAPACITY BUILDING

Support sustainable livelihoods through community-driven initiatives, including assistance for micro, small, and medium enterprises (MSMEs), farmers, and fishermen to enhance economic resilience

COMMUNITY DEVELOPMENT

Provide education, training, awareness campaigns, and scholarships to empower individuals and equip them with skills for long-term self-sufficiency



FOUR PILLARS OF COMMUNITY
EMPOWERMENT



Community

Success Story

CHARITY ■ INFRASTRUCTURE ■ CAPACITY BUILDING ■ COMMUNITY EMPOWERMENT



CHARITY PROJECTS

APP continues to support community well-being by providing timely assistance through donations and social aid programs. These initiatives are designed to address urgent local needs while promoting long-term health and development outcomes.

Health Centers

In collaboration with local health centers, Pindo Deli implemented a child nutrition and stunting prevention program. The initiative provided supplementary food, vitamins, height measurement kits, and weighing scales to Posyandu (integrated health posts), enabling early screening and health monitoring. Monthly health check-ups and hygiene awareness campaigns were also conducted to encourage early illness detection and prevent disease transmission.

Open Defecation-Free (ODF) Program for Sanitation Improvement

Tjiwi Kimia, in partnership with WC-KOEN Word Class, supported East Java's open defecation-free (ODF) initiative by funding the construction of 26 household toilets in Sidoarjo District. The program also included hygiene education for 52 beneficiaries, with a total investment of IDR 65 million, contributing to improved sanitation and public health outcomes.





INFRASTRUCTURE PROJECTS [GRI 203-1]

APP remains committed to improving the quality of life in communities surrounding its operations by supporting the development and renovation of essential public infrastructure. These efforts aim to create safer, healthier, and more sustainable living environments for underserved populations.

Strengthening Community Welfare by Supporting the Rumah Tidak Layak Huni Initiative

Since 2017, Indah Kiat Serang (IKS) has partnered with the Serang local government and the Indonesian National Military to support the Rutilahu (Rumah Tidak Layak Huni) program. This initiative targets families living in severely deteriorated housing conditions. In 2024, IKS contributed to renovating four additional homes, transforming the total to 48 homes into safe and livable spaces. The program has received recognition from the Regent of Serang, who has personally attended the handover ceremonies, underscoring the initiative's positive impact on community well-being.

Empowering Communities with Resilient Water Infrastructure

Tjiwi Kimia supports improved community infrastructure through its Clean Water Access and Hygiene Promotion program in collaboration with Habitat for Humanity Indonesia (HfHI). In Singkalan Village, we expanded clean water access from just 30 households to over 200, significantly improving daily living conditions. To ensure sustainability, we helped establish community-run systems to manage and maintain the water supply, empowering residents to take ownership of local resources. Alongside infrastructure improvements, we conduct hygiene awareness campaigns to promote safe water practices and support better public health outcomes.





CAPACITY BUILDING [GRI 203-2] [OJK B.3]

APP is committed to strengthening local capacity by investing in education, training, and mentoring programs that support sustainable development and economic resilience. These initiatives aim to equip individuals and communities with the tools and knowledge needed to thrive in the long term.

Supports higher education through the provision of scholarship programs.

Indah Kiat Perawang (IKP) supports higher education through scholarship programs benefiting 67 students from various districts in Siak Regency. By enabling access to public universities, the program empowers local youth to pursue academic success and unlock future opportunities

Supports mangrove restoration through seedling initiatives.

In the last five years, Indah Kiat Tangerang (IKT) has planted approximately 175,000 mangrove seedlings along the northern coast of Tangerang. This large-scale planting initiative is part of the company's broader environmental strategy to restore degraded coastal areas and enhance the resilience of local ecosystems

Organic fertilizer initiative by the Tani Makmur Farmer Group.

Since 2016, Lontar Papyrus has provided local fertilizer producers in Purwodadi Village, Jambi with composting training, mentoring, equipment support, and soft financial loans. Initially, the group produced 10 to 15 tonnes of organic fertilizer per month using cow dung and palm oil waste, meeting both local agricultural needs and generating additional income through sales. Support from Lontar Papyrus has enabled the group to acquire a fertilizer sieving machine, purchase a truck, and construct a warehouse to protect products from rain and maintain optimal moisture levels. The Tani Makmur Farmer Group, one of the key beneficiaries, has scaled production to 300 tonnes per month, supplying fertilizer to one of the company's pulpwood suppliers. This expansion increased their net profit by about Rp60 million per month and created employment for 32 local workers.



Fosters community employment through tapioca flour and shrimp processing

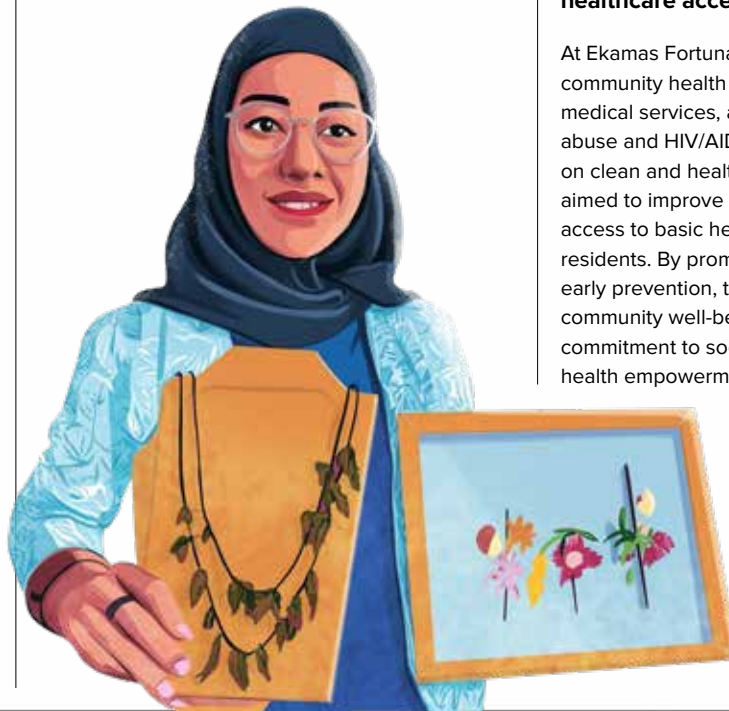
The Dua Bersaudara group, a local micro, small, and medium enterprise (MSME) in Teluk Nilau Village, Tebing Tinggi, Jambi, has experienced significant growth with the support of Lontar Papyrus. Since its founding in 2009 and subsequent expansion in 2014, the business has strengthened the local economy by employing community members and processing an average of 40 kilograms of tapioca flour and 20 kilograms of shrimp daily. Its crackers are distributed locally, regionally, and even exported to Malaysia. Lontar Papyrus has provided essential production equipment, including freezers and drying racks, alongside mentorship and marketing support. It has also facilitated connections with governmental and non-governmental organizations to anchor the group's long-term sustainability.

Sustainable peatland farming practices

In Simpang Heran Village, where farming on peatland poses ongoing challenges, PT OKI works closely with local communities to deliver tangible improvements. Guided by a Social Impact Assessment, we have developed programs that directly address local needs. To support farmers, we facilitated a study visit to Tanjung Lago in South Sumatra, where participants observed effective peatland farming practices, particularly in managing soil and water. This visit provided them with practical knowledge to improve crop yields. In addition, we supplied essential farming equipment, such as corn harvesters, to farmer groups in Simpang Heran and Bukit Batu.

BUTEKA (Bunga Tekan Karawang) promotes eco-friendly crafts through pressed flower art

In 2024, Pindo Deli supported MSME development through its Business Incubation Program, focusing on enterprises such as Banana Gold, Hutan Paper, and Forest Honey in Kuta Mekar Village. The four-month intensive training covered business planning, financial management, production, and marketing. One earlier success story is the Karawang Pressed Flower MSME (BUTEKA), which produces handcrafted items using dried flowers and resin. With support in marketing, exhibitions, and capacity building, BUTEKA grew its monthly income from IDR1 million to IDR8 million and gained recognition from district and provincial governments as a leader in handicraft training.



Promoting ecosystem preservation through tree seedling initiatives

APP Purinusa Ekapersada Demak contributed to environmental restoration efforts by donating 10,000 tree seedlings to the Demak City Environmental Agency (DLH). The seedlings were distributed for planting across various areas in Demak Regency to support reforestation and urban greening. This initiative reflects our long-term commitment to ecosystem preservation and climate resilience. By partnering with local authorities, we help foster a greener, healthier environment for future generations.

Public health education and basic healthcare access initiative

At Ekamas Fortuna, Malang, we conducted a community health program that included free medical services, awareness sessions on drug abuse and HIV/AIDS prevention, and education on clean and healthy living habits. The initiative aimed to improve public health knowledge and access to basic healthcare services for local residents. By promoting healthier lifestyles and early prevention, the program supports long-term community well-being. It's part of our ongoing commitment to social responsibility and public health empowerment.



COMMUNITY DEVELOPMENT [GRI 203-2] [OJK B.3]

Encourages long-term self-resilience by supporting local business, promoting inclusive economic opportunities, and fostering local resilience

Community waste management through Black Soldier Fly (BSF) maggot composting initiative

In Desa Babakan Penghulu, APP Purinusa Ekapersada Bandung supported a community waste management program using Black Soldier Fly (BSF) maggot composting. This method helps reduce household organic waste while producing high-protein animal feed and natural compost. The facility has a processing capacity of up to 2 tons of organic waste per day. The initiative empowers local residents with practical, sustainable waste solutions and creates measurable environmental and economic benefits.

Small-scale aquaculture strengthening for catfish farmers' income stability

APP Purinusa Ekapersada Demak supported local livelihoods by providing 500 kg of fish feed and building six new catfish ponds, each with a capacity of 10,000 fish. This initiative aims to strengthen small-scale aquaculture and improve the income stability of local catfish farmers. By supporting sustainable food production, the program contributes to economic resilience in rural communities. It's part of our broader effort to promote self-sufficiency through targeted, grassroots support.

UMKM Bina Indah Lestari urban farming and women's empowerment program

Indah Kiat Tangerang's (IKT) Urban Farming and Women's Empowerment Program equips women's groups with sustainable agriculture skills. The initiative, which provides training, resources, and marketing support through the UMKM Bina Indah Lestari cooperative, has created 17 women farmer groups. A significant milestone was achieved in 2024 with the transformation of GoodFarm into an edu-tourism destination, featuring an aviary, mushroom cultivation, and an outreach space. This site is now a hub for sustainable farming education, entrepreneurship, and environmental awareness. The program's impact is assessed through the Social Return on Investment (SROI) ratio, which reached Rp3.13 in 2024, generating Rp393.1 million in social value from an investment of Rp125.4 million.



Aulia's snack business empowerment through product diversification and financial improvement

Atik Rostika, who owns and operates Aulia Snack, is one of the champions of MSMEs fostered by IKP. Through training and support from IKP, Mrs. Atik was able to expand her small snacks business with product variety, improved production facilities, upgraded packaging, and improved financial management, leading to a significant increase in monthly revenue from Rp2-3 million to over Rp15 million. Her products are now available in more than 20 convenience stores around the Perawang-Siak area and in Pekanbaru's souvenir center.

Gerai UMKM Bina Indah Lestari: Expanding market access for women's groups and small enterprises

IKT established the Gerai UMKM Bina Indah Lestari in Serpong Utara, South Tangerang, a dedicated marketplace, developed by repurposing space near the mill, to provide a strategic location for women's groups and small businesses to expand their market reach. The cooperative, Koperasi Bina Indah Lestari, fosters collective action and economic resilience, thereby strengthening local entrepreneurship. This initiative boosts business confidence and provides a sustainable platform for long-term community-driven economic growth.

Up-cycling plastic strapping waste into community crafts led by former IKP employee

To reinforce the 3R principles of reuse, reduce, and recycle, IKP initiated a program to repurpose plastic strapping waste from its operations. This initiative, led by a former IKP employee Mohammad Nur, involves local community members, predominantly women, in crafting products such as baskets, flower pots, mats, and bags from the recycled materials. The program has grown significantly, increasing production capacity from one ton of waste per month to seven tons, and expanding the group from three to 95 members. Participants now earn an additional Rp800,000 to Rp1,500,000 per month, enhancing their livelihoods while promoting sustainable practices.



Supporting BUMDes Tegalmaja through bamboo planting for local weaving MSMEs

In Tegalmaja Village, located in Serang Province, IKS supported the planting of 1,000 bamboo seedlings through Tema Bambu Collection under BUMDes Tegalmaja, ensuring a raw material supply for local weaving MSMEs. Recycled paper twine was also provided to reinforce products, and the company facilitated participation in craft fairs to expand market access.

Barber training program supporting local youth entrepreneurship in Perawang

IKP supports local youth in Perawang by providing barber training programs to help them start their own businesses. This initiative is conducted in collaboration with a local barbershop to deliver hands-on training and practical hairstyling skills.

Horticulture farmer training support centre for education and empowerment

Lontar Papyrus maintains its Horticulture Farmer Training Support Centre to educate and empower local horticulture farmers. The program aims to enhance farming techniques, improve productivity, and promote sustainable agricultural practices.

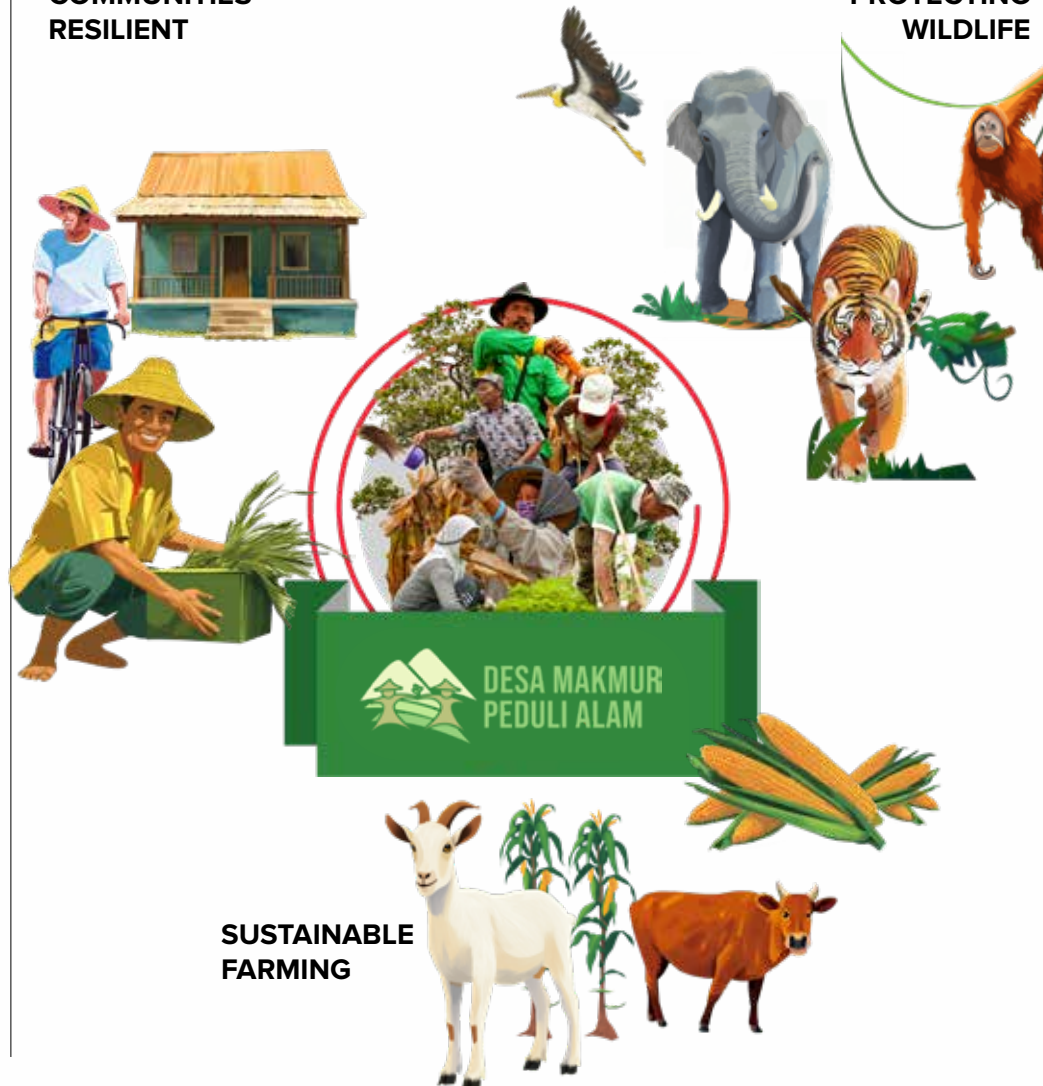
DESA MAKMUR PEDULI ALAM (DMPA) [GRI 203-2] [OJK F.25]

In 2024, APP Indonesia reintroduced its flagship community program as Desa Makmur Peduli Alam (DMPA), embracing a broader mission that goes beyond fire prevention to support both forest conservation and community well-being.

While fire prevention remains a cornerstone, DMPA now champions sustainable farming, wildlife conservation, and community resilience to climate change. Central to this is the Integrated Forestry and Farming System (IFFS), which starts by mapping villages near forest areas to understand local conditions and promote no-burn livelihood alternatives. This empowers communities to prosper without resorting to harmful land-clearing practices.

By integrating economic, environmental, and social strategies, DMPA not only protects forests but also builds local capacity through education and engagement. The program nurtures a culture of preparedness and shared responsibility—enabling communities to become environmental stewards and drivers of sustainable change.

COMMUNITIES RESILIENT



PROTECTING WILDLIFE

The DMPA program is built on **six key pillars**, each designed to support village development in a meaningful way. Rather than a one-size-fits-all approach, these pillars are introduced step by step, thoughtfully adapted to the unique needs, challenges, and potential of each community involved.



1. Participatory Resource Mapping

APP involves communities in mapping land and resources to ensure development is based on shared understanding.



2. Land Dispute Resolution

APP supports peaceful solutions to land disputes by promoting dialogue and respecting FPIC, helping build trust and long-term cooperation with communities.



3. Technology and Knowledge Transfer

APP provides training and tools to help villagers farm and sustainably manage resources.



4. PRODUCT MARKETING PARTNERSHIPS

APP helps villagers sell their products by connecting them to markets and business partners.



5. FOREST AREA PROTECTION AND SECURITY

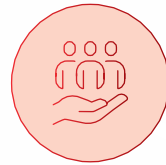
Communities work with APP to prevent forest fires and illegal activities, protecting nature together.



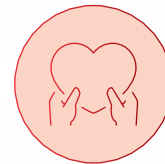
6. IMPROVING FOREST MANAGEMENT AND LIVELIHOODS

APP promotes sustainable forest use while helping communities earn better incomes.

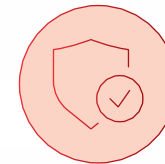
By putting its six key pillars into action, the DMPA program strives to create real, lasting change—bringing meaningful benefits to communities and helping shape a more sustainable future by:



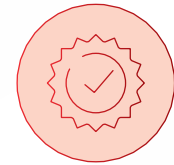
Improving household economies and food security in villages.



Strengthening harmonious relationships between the company and village communities, as well as preventing forest disturbances



Mapping village resources within forest areas and understanding land use patterns.



Enhancing support for the implementation of APP's Forest Conservation Policy

The DMPA program is implemented in villages located near forest areas, especially those with a history of land or forest fires and strong community ties to their environment. Villages are selected as priority areas based on their proximity to forests, history of fires, and strong community ties—guided by insights from a social impact assessment that helps identify where sustainable solutions are most needed. Now active in five provinces—Riau, South Sumatra, Jambi, West Kalimantan, and East Kalimantan—DMPA continues to expand its coverage, building more resilient and sustainable communities.



USD **4.0** million

Allocated fund



>88,900

People benefiting from DMPA programs



459 villages

Benefiting from DMPA programs



160 Women's groups

Benefiting from DMPA programs



	2022	2023	2024
Total villages	421	441	459
Budget	±Usd 3.7 Million	±Usd 4.0 Million	±Usd 4.0 Million
Beneficiaries	80,000 People	87,500 People	88,900 People
Partners	223 Village-Owned Enterprises	223 Village-Owned Enterprises	230 Village-Owned Enterprises
	9 Cooperatives	9 Cooperatives	9 Cooperatives
	189 Farmer Groups	209 Farmer Groups	221 Farmer Groups

SUCCESS STORY DMPA

Bank Sampah Mandiri's Circular Innovation in East Kalimantan

Bank Sampah Mandiri in Desa Suka Maju, Kutai Kartanegara, East Kalimantan, is a community-based recycling initiative that integrates economic and environmental values. It was established in 2018 under the guidance of the Desa Makmur Peduli Alam (DMPA) program. Initially funded by the profits of a fish farming project, the waste bank was created to address the growing problem of unmanaged plastic waste in the village—mostly from social gatherings like weddings and religious events.

While the group initially produced handicrafts from plastic waste, the products eventually contributed to renewed waste when discarded. Seeking a sustainable solution, the waste bank together with the company innovated by transforming all types of plastic waste into durable paving blocks. This innovation not only reduced plastic pollution but also created a valuable, marketable product.

Today, Bank Sampah Mandiri has grown significantly, with 259 local waste contributors (waste bank members) and partnerships with four nearby companies that supply plastic waste. In 2024 alone, it produced 23,750 plastic paving blocks for various government agencies and neighbouring villages across East Kalimantan. The result demonstrates how community-based recycling programs can evolve into sustainable micro enterprises that generating income, while also reducing waste and contributing to a cleaner, more circular local economy.

Weaving Culture into Opportunity and Revitalizes Women's Livelihoods in Mengkiang

APP supported group of women in Desa Mengkiang, West Kalimantan, to enhance their traditional rattan weaving skills. One notable participant, Mamy from UMKM Muncang Lestari, transformed her home-based craft into a growing business by creating the brand “Lowa Rattan,” inspired by the local red rattan variety.

With improved design and quality gained through DMPA training, Ms Mamy successfully diversified her products from simple pandan hats to a wide range of crafts such as bags, baskets, and home accessories made from rattan, bamboo, and purun leaves. This product innovation and expansion enabled her business to grow from a local village operation to reaching markets across West Kalimantan, including Pontianak.

The business now generates a monthly turnover of up to Rp 4 million, empowering not only Ms Mamy but also other women artisans in her group. Her success has earned recognition at the provincial level and positioned her as a trainer and speaker in local capacity-building programs.

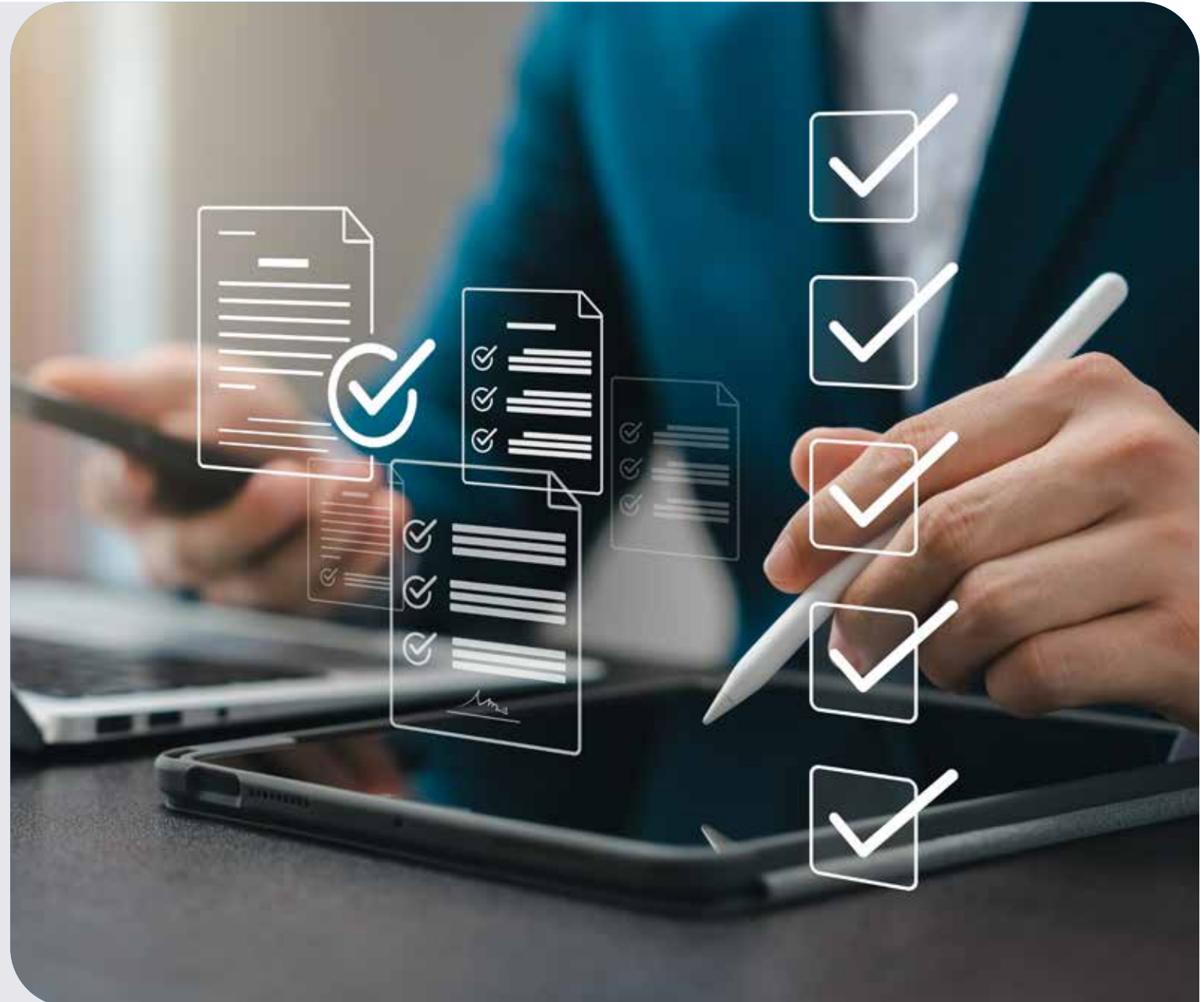
This case highlights the tangible social and economic impacts of APP's empowerment programs—preserving cultural heritage, strengthening women-led MSMEs, and expanding market access in forest-adjacent communities.

Program Evaluation

APP employs a rigorous Social Return on Investment (SROI) methodology to evaluate the effectiveness of its CE programs. This progressive approach is our commitment to ensuring that our initiatives generate meaningful social, environmental, and economic benefits for surrounding our communities.

SROI provides a comprehensive assessment of the value created by the CE programs, going beyond traditional financial metrics. By systematically measuring and quantifying social and environmental impacts, APP gains clearer insights into program effectiveness. An SROI ratio of less than one indicates that the benefits generated are lower than the resources invested, prompting reassessment and refinement to maximize impact. Conversely, an SROI ratio greater than one demonstrates that the program's benefits exceed its costs, validating its success in driving positive change.

The SROI methodology involves structured data collection, impact analysis, monetary valuation, and ratio calculation. This process enables APP to make informed, strategic decisions that enhance the sustainability and long-term effectiveness of the CE initiatives. By continuously refining the approach, APP ensures that its investments in community development create lasting value and drive meaningful progress.





ENVIRONMENTAL

APP's environmental management approach focuses on measurable impact, regulatory compliance, and continuous operational improvement. We take an integrated view across key areas including emissions reduction, water and energy efficiency, waste management, and sustainable forestry practices.

Through responsible forest management, peatland protection, and ecosystem restoration, we work to conserve biodiversity and maintain ecological balance. These efforts are embedded across our value chain, from raw material sourcing and production to landscape-level conservation and community partnerships, ensuring environmental considerations are central to both daily operations and long-term planning.



SUSTAINABLE FOREST MANAGEMENT

Upstream

APP sources raw materials responsibly through its upstream operations, which include sustainable forestry management, fiber procurement, and plantation development. These activities form the foundation of APP's supply chain, ensuring a steady and renewable source of fiber for its pulp and paper production. By implementing sustainable forest management practices, APP maintains the balance between meeting global demand for paper products and safeguarding the ecosystems that support its operations. Through rigorous monitoring, certification adherence, and responsible sourcing, APP ensures its fiber supply aligns with international sustainability standards while supporting local communities and biodiversity conservation.

Forest Management Policies and Commitments [GRI 2-23] [GRI 304]

NO DEFORESTATION

APP's commitment to sustainable forest management is upheld through various strategies and initiatives. Since 2013, we have enforced a zero-deforestation policy, ensuring that no natural forests are cleared for our operations. This pledge extends across our entire supply chain, reinforced by a robust timber tracking system that verifies all raw materials originate from sustainable sources.

SUSTAINABLE FOREST MANAGEMENT (SFM) PRACTICES

All supplier concessions adhere to SFM principles, ensuring that forests are responsibly managed to balance economic, social, and environmental priorities. By prioritizing reforestation, responsible harvesting, and conservation, APP safeguards forest ecosystems while securing a renewable fiber supply.

FOREST CONSERVATION POLICY (FCP)

Introduced in 2013, the FCP sets a high standard for responsible forestry by committing to protect natural forests, conserve biodiversity, and restore degraded areas. This policy prohibits the clearing of natural forests for pulpwood plantations and actively promotes ecosystem restoration efforts.

FIBRE PROCUREMENT AND PROCESSING POLICY (FPPP)

FPPP guarantees that all fiber raw materials come from legal and sustainable sources while prohibiting the use of raw materials from converted natural forests. The policy enforces strict compliance, requiring the termination of partnerships with non-compliant suppliers. Through FPPP, we ensure every raw material supply chain complies with local and international regulations on responsible forestry practices.

PROTECTING HIGH CONSERVATION VALUE (HCV) AND HIGH CARBON STOCK (HCS) AREAS

From 2012 to 2014, APP conducted comprehensive Environmental Impact Assessments, including High Conservation Value (HCV) and High Carbon Stock (HCS) studies, across both its own concessions and those of its long-term pulpwood suppliers. As a result, around 600,000 hectares have been designated as a protected area. The findings from these assessments were integrated into our Integrated Sustainable Forest Management Plan (ISFMP) in 2015. These assessment reports, along with ongoing monitoring and evaluation data, are publicly available on our [sustainability dashboard](#). We actively safeguard HCV and HCS areas such as tropical rainforests and critical wildlife habitats through dedicated conservation and forest restoration efforts, ensuring the long-term resilience and sustainability of these vital ecosystems.

STRENGTHENING COLLABORATIONS

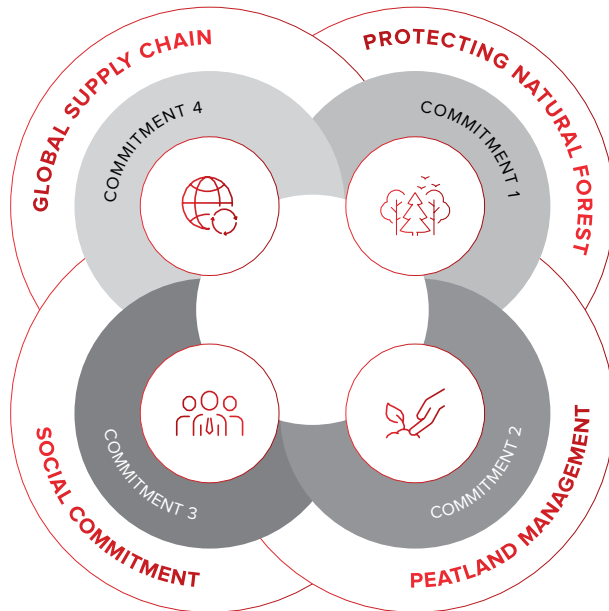
We collaborate closely with governments, indigenous communities, NGOs, industry leaders, and experts to safeguard forest sustainability. These partnerships drive initiatives in research and development, education and training, and community empowerment, fostering shared responsibility for environmental stewardship.

RESPECTING LAND RIGHTS

APP upholds the land rights of indigenous and local communities by adhering to the Free, Prior, and Informed Consent (FPIC) principle. This ensures that all forestry operations and community empowerment programs are developed transparently and with full stakeholder engagement. This approach fosters inclusive decision-making and sustainable land management.



Integrated Sustainable Forest Management Plan



APP empowers suppliers by providing the knowledge, support, and tools necessary to comply with Sustainable Forest Management (SFM) requirements and meet APP's sustainability standards. This includes training on Sustainable Governance and Ethical Business Practices, technical support for implementing traceability systems, and guidance on SFM certification standards (IFCC-PEFC and PHL). Additionally, APP offers training on our Supplier Evaluation and Risk Assessment (SERA) tools and shares best practices for sustainable plantation and harvesting through comprehensive training and technical support.

As part of our Forest Conservation Policy, we developed the Integrated Sustainable Forest Management Plan (ISFMP) with input from key stakeholders, including local communities, governments, academics, and civil society. This plan ensures we uphold responsible forestry practices while balancing the needs of the environment, social, and economy.

The ISFMP is implemented through various activities, including assessing current and potential forest plantation growth and yield, executing our forest management action plans, monitoring and evaluating High Conservation Value and High Carbon Stock areas, and implementing expert-led peatland best practices. Additionally, we integrate Free, Prior, and Informed Consent to uphold ethical and responsible social engagement with the local communities where we operate. The monitoring and evaluation report of the implementation can be found in our pulpwood suppliers' public summary report, which is available in our sustainability dashboard. The public summary report is only available in Bahasa Indonesia.

[Sustainability Dashboard](#)

1. Protecting Natural Forest

Forest Management Plan (FMP) refers to the sustainable forest management plan in APP's concession areas, including forest inventories, area utilization allocation, ecosystem protection, best practice peatland management and conservation programs.



2. Peatland Management

Measurement, Reporting, and Verification (MRV) is a system for measuring, reporting, and verifying the environmental impacts of APP's operations.



3. Social Commitment

Desa Makmur Peduli Alam (DMPA), aims to reduce deforestation, strengthen local economies, and promote environmental sustainability.

Free, Prior and Informed Consent (FPIC) is a principle and right of indigenous communities, particularly those living within or in the vicinity of the company concession areas, to give approval or refuse projects that potentially impact their lands and livelihoods.



4. Global Supply Chain

APP sources fibre from all around the world and is developing measures to ensure that this sourcing supports responsible forest management.



ISFMP (Integrated Sustainable Forest Management Plan) is applied through the following key activities:

- 1. Growth and Yield**
Evaluating the current condition and future potential of forest plantations within sustainable forest areas.
- 2. HCV Studies**
Identifying areas with significant ecological, social, or cultural value that require special management.
- 3. HCS Studies**
Mapping areas with high above-ground biomass that serve as important carbon stores.
- 4. Peatland Management**
Conducting expert assessments and applying best practices for responsible peatland use.
- 5. Social Management**
Ensuring ethical community engagement through Free, Prior, and Informed Consent (FPIC) principles.

Forest Protection and Conservation

[GRI 304] [OJK F.10] [OJK B.2.d]

We are dedicated to safeguarding our natural forests and enhancing community livelihoods through cutting-edge technology and strategic partnerships. To strengthen our conservation efforts, APP developed the Forest Alert System, a sophisticated monitoring tool that tracks changes in forest cover across its suppliers' concession areas. Leveraging RADARSAT-2 satellite technology, launched by the Canadian Space Agency in 2007, the system provides real-time forest monitoring. Equipped with Synthetic Aperture Radar (SAR) technology, RADARSAT-2 can penetrate clouds and smoke, ensuring continuous surveillance in all weather conditions. Its high-resolution capabilities even allow it to detect a single felled tree, enabling swift intervention against illegal deforestation.

The Forest Alert System has been successful in detecting change in forest cover, demonstrating that advanced technology could be a useful and powerful ally in conservation efforts. APP will continue to develop and utilize the latest technologies in our future initiatives.

APP also collaborates with authorities and local communities to combat illegal logging while fostering sustainable livelihoods. By working with organizations such as the West Kalimantan Green Trade Initiative (IDH) in the Kubu Raya region, APP actively promotes sustainable commodity trade. This partnership drives conservation area rehabilitation, dome peak restoration, land cover monitoring, fire prevention, and joint patrols with

local communities. Through these initiatives, APP not only protects forests but also creates sustainable income opportunities, reducing reliance on illegal activities and ensuring a thriving ecosystem for future generations.

In 2024



0.30%

The Forest Alert System detected a 0.30% change in forest cover, indicating a serious commitment to our conservation efforts.





Innovating Forestry Management

APP integrates cutting-edge technology, digitalization, and automation to optimize timber production while prioritizing environmental conservation and community welfare. By continuously innovating, we enhance operational efficiency, minimize our environmental impact, and ensure sustainable forestry practices for future generations.

Modern Nurseries

Our state-of-the-art nurseries are equipped with the latest technology to cultivate high-quality, pest- and disease-resistant seedlings. These nurseries use eco-friendly growing media, eliminating plastic waste and reducing environmental impact.

Mechanization, Automation, and Digitalization

We leverage modern machinery for planting, fertilizing, and harvesting to improve efficiency. Automation and digital monitoring systems collect and analyze real-time data on tree growth, forest conditions, and operational performance, optimizing resource allocation and sustainability.

Renewable Energy

To reduce reliance on fossil fuels, we have installed solar power plants (PLTS) across our concession areas. Solar panels power ranger stations and security checkpoints, replacing diesel generators. Although there are limitations in terms of battery efficiency, we remain committed to expanding our renewable energy solutions.

Seed Cloning

Through advanced seed cloning techniques, we have developed tree varieties with faster growth, superior wood quality, and increased disease resistance. These clones are nurtured in controlled greenhouse environments using the latest biotechnology, ensuring a more resilient and productive forestry sector.

Artificial Intelligence (AI) and Drone Technology

Our AI-powered analytics and drone surveillance provide real-time insights into forest conditions and enable concession area mapping. High-resolution aerial imagery enhances monitoring accuracy, while AI-driven analysis reduces human error, ensuring efficient and precise forest management.





Forest Certifications

We have consistently prioritized responsible and sustainable forestry practices across our supply chain. As of the end of 2024, all of APP and Long-term Pulpwood Suppliers (SERA compliant suppliers) have achieved 100% certification under Indonesia's mandatory Sustainable Mandatory Certification Scheme (PHPL-VLHH) standard and are fully compliant with the Programme for the Endorsement of Forest Certification (PEFC) scheme.

Beyond these certifications, APP's pulpwood suppliers adhere to international standards, including ISO 45001 for occupational health and safety, ISO 14001 for environmental management, and OHSMS certification standards.



Description	Arara Abadi	Riau Abado Lestari	Finnantara Intiga	Satria Perkasa Agung*	Wirakarya Sakti	Sumalindo Hutani Jaya I & II
Environmental Management System	ISO 14001	ISO 14001	ISO 14001	ISO 14001	ISO 14001	ISO 14001
Health & Safety	OHSMS ISO 45001	OHSMS ISO 45001	OHSMS ISO 45001	OHSMS ISO 45001	OHSMS ISO 45001	OHSMS ISO 45001
Chain of Supervision	IFCC-PEFC SFM	IFCC-PEFC SFM	IFCC-PEFC SFM	IFCC-PEFC SFM	IFCC-PEFC SFM	IFCC-PEFC SFM

*includes SPA Serapung and SPA KTH Sinar Merawang



Forest Fire Prevention

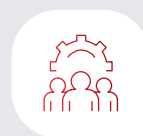
We are committed to maintaining the impact of forest fires across our concessions and areas owned by our SERA-compliant suppliers within 2%. This is because preventing and mitigating forest fires is crucial to protecting biodiversity, reducing carbon emissions, and safeguarding communities. To achieve this, we employ a robust Integrated Fire Management (IFM) system, combining cutting-edge technology, skilled personnel, and industry best practices. APP also actively engages local communities through education and training programs, raising awareness about fire risks and fostering partnerships to protect forests.



Prevention	Preparedness	Early Detection	Rapid Response
Conduct routine patrols in concession areas	Prepare trained firefighting teams equipped with adequate tools	Install early forest fire detection systems, such as CCTV cameras and heat sensors	Follow up promptly on any signs of forest fires
Build and maintain forest fire prevention infrastructure, such as firebreaks and fire towers	Develop a comprehensive forest fire management plan	Monitor forest conditions regularly via satellite and drone, using a blanket monitoring system to detect fires, hotspots, and measure affected areas	Adjust firefighting strategies based on conditions and fire type
Raise public awareness on forest fire risks and prevention through Fire Aware Community groups	Conduct regular simulations and forest fire response exercises		Use helicopters for aerial monitoring and water bombing
Encourage communities to avoid using fire for land clearing or income-generating activities			Collaborate with government agencies, firefighting units, and local communities

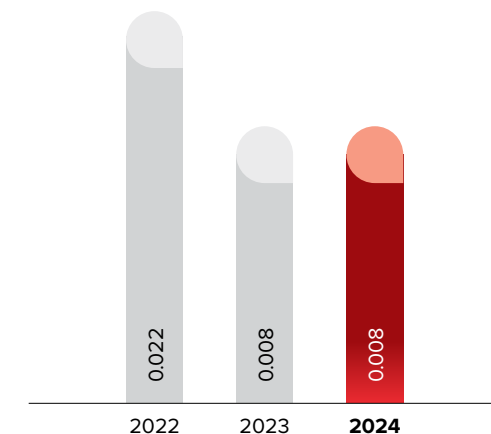
To strengthen fire prevention and disaster response, APP continuously enhances its personnel's capabilities. Since 2023 a Rapid Response Team (RRT) in West Kalimantan has been specially trained to handle emergencies such as fires, floods, landslides, and earthquakes. Equipped with advanced tools and resources, the RRT is prepared to conduct evacuations, rescue operations, and humanitarian assistance. These proactive measures, alongside the IFM system and community outreach, have greatly helped to reduce the land area affected by the fire.

In 2024



APP conducted education and training programs within local communities to raise awareness about fire risks and to foster partnerships in forest protection. These classes include fire crews' basic training, prevention plan, crew leader training and Helitack/ Rapid Response Team.

Total concession area impacted by fire (%)





Managing Land Disputes

APP acknowledges that land-related conflicts, involving issues such as land rights, community livelihoods, unauthorized land use, and illegal trade, can emerge in forestry operations. To ensure responsible and fair dispute resolution, APP has established a transparent and accountable process that allows all parties to voice their concerns and reach mutually beneficial agreements.

To address land disputes effectively, APP has implemented several initiatives, such as comprehensive land dispute mapping, followed by the development and execution of targeted action plans for each case. Resolving disputes efficiently is a key performance indicator (KPI) in APP as it ensures continuous progress.

To strengthen these efforts, we have established Social and Security Divisions at both central and district levels to oversee dispute resolution processes. We have also developed standard operating procedures (SOPs) and formed regional social working groups to facilitate structured and consistent approaches to conflict resolution.

We provide multiple public complaint channels, including telephone, email, and call centers, allowing communities to report concerns directly. Local district offices also serve as accessible points for assistance.

In 2024

68%

Identified land disputes resolved, reaching out phase 3 and 4

Stages in land dispute resolutions:

PHASE

1.

Completion of land dispute, mapping, analysis, and action plans.



2.

Engagement exploring options, negotiation process, achievement of initial agreement.



3.

MOU/agreement signed



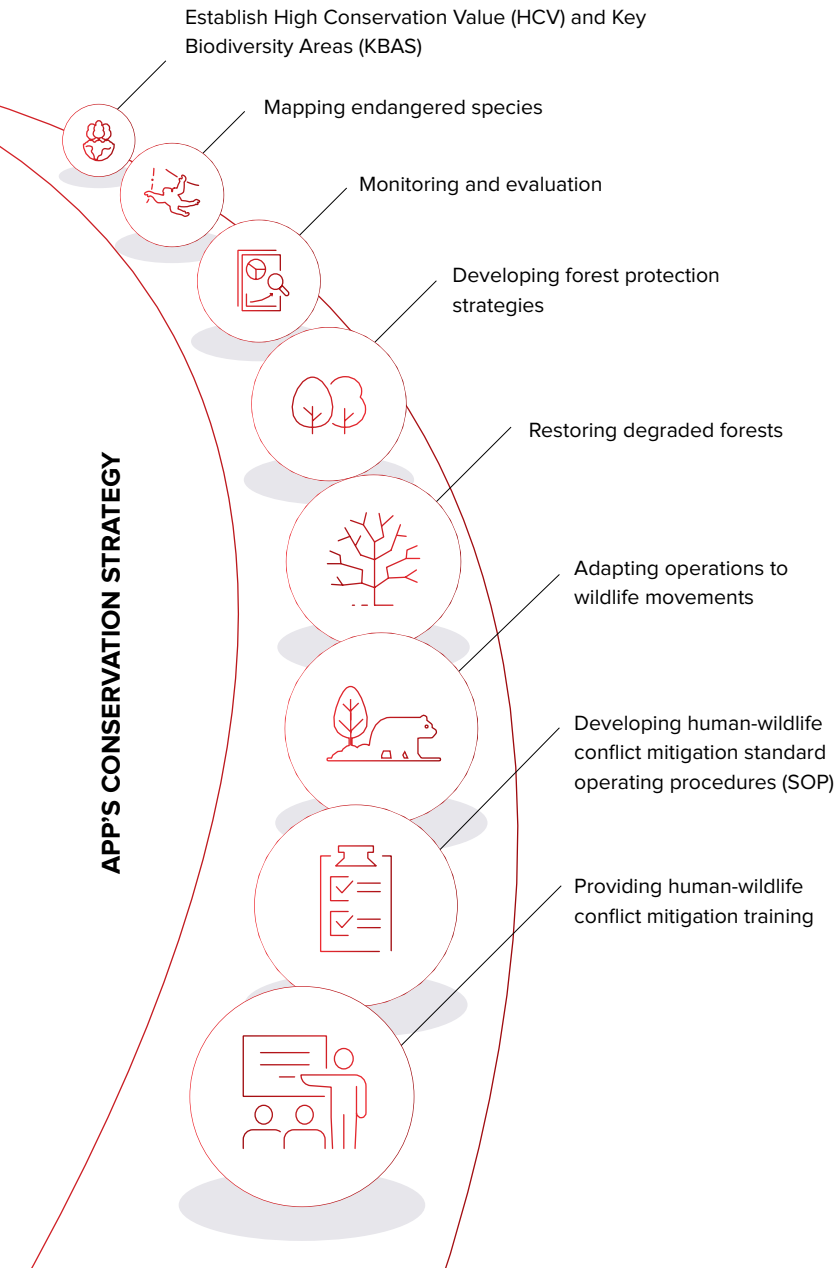
4.

MOU Implementation





SAFEGUARDING BIODIVERSITY [GRI 304] [OJK F.9]



Protecting and preserving natural resources is essential to APP's long-term business sustainability and environmental responsibility. As a company that relies on healthy forests and ecosystems, APP integrates conservation and restoration efforts into its operations, mitigating risks such as deforestation, biodiversity loss, and climate change. Initiatives such as the Forest Conservation Policy, peatland management, and reforestation projects are embedded into our Sustainability Roadmap Vision 2030 (SRV 2030). By managing our forests responsibly, we not only strengthen our natural resources supply but also contribute to broader environmental goals, ensuring that our operations remain viable for future generations.

1. Eradication

Remove dominant acacia in heavily planted areas



2. Natural Succession

Allow natural regrowth in areas with existing shrubs



3. Enrichment Planting

Reintroduce native species in open or sparsely vegetated areas



In addition to APP's operations, we actively safeguard natural forests within our suppliers' concession areas by revitalizing degraded ecosystems while preserving thriving ones. Our three-step restoration approach involves removing acacia trees that dominate designated restoration areas to facilitate ecosystem recovery; allowing natural regeneration in areas with existing vegetation, from young shrubs to mature growth; and reintroducing native plant species in open land or sparsely vegetated areas to accelerate forest recovery. [304-2]

While our operational activities inevitably impact ecosystems, particularly through habitat structure changes during logging operations, APP does not operate within **protected forest areas**, [GRI 304-1] which is part of our policy. These alterations can affect plant and animal populations within these environments. To mitigate these effects, APP implements various conservation programs, collaborating with leading experts to enhance biodiversity protection. These efforts include direct surveys, in-depth exploration, and comprehensive flora and fauna inventories across concession areas. It is essential to highlight that APP operates exclusively within designated production forest areas.



Maintained 86% of our natural forests in good condition

Despite challenges such as encroachment, illegal mining, limited access, and dispersed locations, we successfully restored approximately 9,500 hectares of degraded natural forests in our own and longterm pulpwood suppliers concessions area.

Maintained ecosystem restoration collaboration with the Center for Standardization of Disaster Resilience Instruments and Climate Change (PUSTANDPI) under the National Research and Innovation Agency

Collaboration with Yayasan Konservasi Alam Nusantara (YKAN) in implementing mangrove restoration efforts in degraded coastal areas, utilizing silvo-fishery techniques that can have a positive impact on both the ecosystem and community income

As part of our commitment to environmental stewardship and sustainable development, APP and our long-term pulpwood suppliers are actively conducting a biodiversity impact assessment to evaluate the potential effects of our operations on local ecosystems. This assessment aims to identify, measure, and mitigate any adverse impacts on flora, fauna, and natural habitats within our areas of influence. By integrating scientific data, stakeholder input, and best practices in environmental management, we strive to ensure that our activities align with biodiversity conservation goals and contribute positively to preserving ecological balance. In total, we have restored 72,000 hectares of natural forest area. This is aligned with target to maintain 95% of natural forests in good condition. As of 2024, APP and long-term pulpwood suppliers have maintained 89% of natural forests in good condition. [304-3]



Peatland Management

Peatlands are unique ecosystems formed over thousands of years through the accumulation of dead and decomposed plant material in waterlogged, oxygen-deprived conditions. These carbon-rich soils serve as one of the world's most important natural carbon sinks, storing vast amounts of greenhouse gases and playing a crucial role in regulating the global climate. However, when disturbed or drained, peatlands release significant carbon emissions, contributing to climate change.

Recognising their ecological importance, APP is committed to restoring critical peatlands to their natural state as part of our Sustainability Roadmap Vision 2030 (SRV 2030). The Peatland Ecosystem Function Recovery initiative focuses on restoring peatland properties and functions through natural succession, hydrological restoration, vegetation rehabilitation, and advanced scientific methods

To this end, APP has collaborated with the Ministry of Environment, the Ministry of Forestry, and the Center for Standardization of Disaster Resilience Instruments and Climate Change (PUSTANDPI) to develop climate-resilient ecosystem standards, which contribute to Indonesia's Forest and Other Land Use (FOLU) net sink 2030 target. The collaboration with PUSTANDPI involves conducting a study on using mycorrhizal inoculants to accelerate the growth of native plants in peatland areas. This research explores innovative restoration methods, including mycorrhizal inoculation and aero-hydroponics, to enhance plant growth in flooded areas.

In 2024, this partnership produced key findings, including ecosystem-specific monitoring standards for peatland and mineral ecosystems and a carbon counting methodology to measure carbon sequestration from restoration efforts. Field data collection has been completed, with public consultation and publication of the standard guidelines scheduled for early 2025.

SCIENTIFIC REPORT: PEATLAND

In 2024, a research study titled **"Benefits of tropical peatland rewetting for subsidence reduction and forest regrowth: results from a large-scale restoration trial"** was published in the Scientific Reports. This research highlights the outcomes of a pioneering peatland restoration initiative by APP's supplier, PT Tripupa Jaya, which in 2015 retired approximately 7,000 hectares of production land identified as critical peatland. As the first known effort of its kind in tropical peat ecosystems, the initiative had no prior benchmarks or scientific references. Initial observations conducted in 2019 by a joint team from Deltares

and peat experts from the National Research and Innovation Agency (NERI) revealed early signs of natural regeneration, including the return of native peat swamp forest species such as *Shorea uliginosa* and *Vatica teijsmanniana*. In 2020, a formal research collaboration was launched between the Ministry of Environment and Forestry (MoEF), NERI, IPB University, and APP, with two primary objectives: to assess the ecological impact of peatland retirement in productive areas and to identify effective strategies for natural restoration. The study's findings confirm that peatland rewetting significantly reduces land subsidence and promotes forest regrowth, offering valuable insights for future restoration efforts in tropical peatland landscapes.

APP's Peatland Management Process

1. Mapping and analysis of peatland
2. Improving water management
3. Peatland rehabilitation and alternative species research





Conservation of Rare Tree Species

Conserving Indonesia's rare local tree species is an area of emphasis for APP, and we have taken proactive measures to protect and restore them. These plant species are not just part of the country's rich biodiversity but also play an important role in maintaining ecological balance. We have prioritized four rare tree species, which are balangeran, ulin, trembesi, and ramin, in our conservation portfolio due to their high ecological and economic value.

Conservation efforts include habitat monitoring, ecosystem restoration, and large-scale replanting to prevent further decline. APP's collaboration with the Ministry of Environment and Forestry (MoEF) and the National Research and Innovation Agency (BRIN) strengthens these initiatives, ensuring that conservation efforts align with national policies and benefit from the latest research and technological advancements. [OJK F.10]

Mangrove Conservation

Mangroves are essential for protecting coastal ecosystems, supporting marine biodiversity, and mitigating climate change. These unique forests act as natural barriers against coastal erosion, provide breeding grounds for marine life, and serve as powerful carbon sinks. Given their vital role, APP has made mangrove conservation a key component of our sustainability strategy. We have launched multiple mangrove restoration initiatives across Indonesia, working closely with federal and regional governments and local communities within our areas of operations.

Our business unit Indah Kiat Tangerang (IKT) has been actively restoring mangrove ecosystems and empowering coastal communities through collaborative initiatives for the last six years. Partnering with the Tangerang Regency Government, local mangrove farmers, and the Buddha Tzu Chi Foundation of Indonesia, IKT has planted 175,000 mangrove seedlings across Patramanggala Village, TMC Tanjung Pasir, and Ketapang Village. These efforts align with local eco-tourism plans to support economic development while enhancing environmental sustainability. [OJK F.9]

In 2024, IKT advanced its restoration efforts by planting *Avicennia marina* mangroves in Ketapang to integrate mangrove cultivation with sustainable aquaculture, releasing Nile tilapia and mangrove crab seedlings in partnership with local residents. To underscore our mangrove conservation commitment, IKT has pledged to plant an additional 50,000 mangrove seedlings over the next five years.

APP has also collaborated with YKAN and made significant progress in restoring coastal ecosystems in OKI (Ogan Komering Ilir) in South Sumatra since 2022. Key achievements by the end of 2024 include:

1. Landscape Planning & Policy Support

- A 15,672-hectare mangrove restoration design was adopted by BPDAS (Balai Pengelolaan Daerah Aliran Sungai/Central Management of Regional River Flow).
- The South Sumatra Governor legalized the KKMD (Kawasan Konservasi Mangrove dan Desa/Mangrove and Village Conservation Area) action plan, covering 171,629 hectares.

2. On-the-Ground Restoration

- Fifty hectares of mangroves were restored with a 95% success rate.
- Social Forestry Application in progress for 1,400 hectares across two villages.

3. Innovative Restoration Techniques

- The SECURE method was piloted on 8.5 hectares of abandoned ponds, combining mangrove planting, hydrology management, and sustainable aquaculture.

4. Community Empowerment & Education

- Women's groups developed eco-products like flossed milkfish and nipah cakes.
- Mangrove education is integrated into elementary school curricula to raise awareness among children.





Wildlife Protection and Conflict Prevention

[OK F.10]

Human activities in and around forest areas continue to pose challenges to wildlife conservation. In APP's partnership areas and regions affected by land tenure conflicts, traditional agricultural practices often unintentionally threaten wildlife. Many crops cultivated in these areas attract herbivorous animals, increasing the risk of human-wildlife conflict. Additionally, the presence of livestock, such as cows and goats, in tiger corridors disrupts natural predator-prey dynamics and heightens the risk of negative interactions with large carnivores.

APP's wildlife protection measures in regions where we source our fiber focus on three key species – Sumatran tiger, Sumatran elephant, and Bornean Orangutan. These initiatives involve safeguarding their habitats and preventing, as much as possible, their interactions with humans. These measures are integrated into our operations and those of our suppliers, who are required to conduct regular monitoring of animal populations and implement sustainable forest management practices.

APP has also established standard operating procedures (SOPs) for all forest activities, such as regular patrols and employing camera traps to track wildlife movements and utilizing mitigation tools to prevent animals from approaching human



settlements. We actively conduct educational programs aimed at raising awareness about wildlife conservation, including training on the legal aspects of wildlife protection, such as investigation, prosecution, and law enforcement in cases involving illegal activities against protected species.

It is worth noting that since 2023, APP has intensified its efforts to protecting elephant habitats in the Air Sugihan area of South Sumatra, by providing GPS collars to the South Sumatra Natural Resources Conservation Agency (BKSDA), enabling real-time tracking of elephant herds. This technology allows for early warnings, guiding elephants away from human settlements and

into safer areas. We are also collaborating with BKSDA and local environmentalists in joint patrols, strengthening protection across vast landscapes. To support their well-being, APP has constructed artificial mineral sources and salt licks in key corridors, ensuring access to essential nutrients while a watchtower enhances monitoring to prevent conflicts between humans and wildlife.

[View Article](#)



Despite active monitoring and measures to reduce conflicts, addressing human-wildlife interactions remains a key challenge in conservation. APP continues to look into ways to mitigate human-wildlife conflicts, including partnering with local communities and non-governmental organisations (NGOs) to foster a more harmonious coexistence.

During the reporting year, data collected from our concession areas recorded an average of 0.039 hunting traps per kilometre, well below our target threshold of two traps per kilometre. These traps are typically used to prevent wildlife from encroaching into human-inhabited areas and to guide animals toward safer, designated pathways.

In 2024, APP mills in Indonesia participated in HCV and HCS training. This training equipped team members with advanced environmental management skills, enabling the effective implementation and monitoring of biodiversity initiatives.





Based on the fauna and flora sample survey in 2024, several IUCN-listed, CITES, P.106 species were identified in the surrounding mills area [304-4]:

Flora

Latin Name	Indonesian Name	Conservation Status			Total Monitors 2024
		IUCN	CITES	P.106	
<i>Adonidia merrilli</i>	Palem manila	VU	NA	TD	1
<i>Araucaria heterophylla</i>	Cemara norflok	VU	NA	TD	17
<i>Archidendron pauciflora</i>	Jengkol	VU	NA	TD	3
<i>Avicennia lanata</i>	Api-api	VU	NA	TD	100
<i>Dalbergia latifolia</i>	Sonokeling	VU	App.II	TD	3
<i>Dipterocarpus grandiflorus</i>	Keruing	EN	NA	TD	2
<i>Dipterocarpus hasseltii</i>	Keruing	EN	NA	TD	1
<i>Dryobalanops aromatica</i>	Kapur baru	VU	NA	TD	15
<i>Durio graveolens</i>	Durian burung	VU	NA	TD	6
<i>Hyophorbe lagenicaulis</i>	Palem botol	CR	NA	TD	9
<i>Nepenthes spp. L.</i>	Kantung semar	NE	Ap.II	D	2
<i>Pinus merkusii</i>	Pinus	VU	NA	TD	2
<i>Pterocarpus Indicus</i>	Angsana	EN	Ap. II	TD	53
<i>Shorea balangeran</i>	Meranti merah	VU	NA	TD	22
<i>Shorea javanica</i>	Damar mata-kucing	EN	NA	TD	2
<i>Shorea platycarpa</i>	Meranti merah	EN	NA	TD	2
<i>Shorea teysmanniana</i>	Meranti bunga	CR	NA	TD	2
<i>Shorea uliginosa</i>	Meranti batu	EN	NA	TD	8
<i>Swietenia macrophylla</i>	Mahoni	EN	Ap. II	TD	12
<i>Swietenia mahagoni</i>	Mahoni	NT	Ap. II	TD	15
<i>Tabebuia chrysantha</i>	Tabebuia kepyar	VU	NA	TD	1
<i>Tabebuia heterophylla</i>	Tabebuia ungu	VU	NA	TD	17
<i>Tectona grandis</i>	Jati	VU	NA	TD	3
<i>Tetramerista glabra</i>	Punak	VU	NA	TD	100





Fauna

Class	Latin Name	Indonesian Name	Conservation Status			Total Monitors 2024
			IUCN	CITES	P.106	
Aves	<i>Anthracoceros albirostris</i>	Kangakareng perut-putih	LC	Ap.II	D	1
Aves	<i>Ardea sumatrana</i>	Cangak laut	LC	NA	D	1
Aves	<i>Copsychus malabaricus</i>	Kucica hutan	LC	Ap.II	TD	1
Aves	<i>Gracula religiosa</i>	Tiong emas	LC	Ap.II	D	1
Aves	<i>Psilopogon armilaris</i>	Takur tohtor	LC	NA	D	1
Aves	<i>Spilornis cheela</i>	Elang-ular bido	LC	Ap.II	D	1
Aves	<i>Tyto alba</i>	Serak jawa	LC	Ap.II	TD	1
Aves	<i>Elanus caeruleus</i>	Elang-alap tikus	LC	Ap.II	D	2
Aves	<i>Gracupica jalla</i>	Jalak suren jalla	CR	NA	TD	2
Aves	<i>Haliaeetus leucogaster</i>	Elang-laut perut-putih	LC	Ap.II	D	2
Aves	<i>Ictinaetus malaiensis</i>	Elang hitam	LC	Ap.II	D	2
Aves	<i>Otus magicus</i>	Celepuk maluku	LC	Ap.II	TD	2
Aves	<i>Rhipidura javanica</i>	Kipasan belang	LC	NA	D	2
Aves	<i>Micropternus brachyurus</i>	Pelatuk kijang	LC	NA	D	3
Aves	<i>Nisaetus cirrhatus</i>	Elang brontok	LC	Ap.II	D	3
Aves	<i>Sterna hirundo</i>	Dara laut biasa	LC	NA	D	3
Aves	<i>Rubigula dispar</i>	Cucak kuning	VU	NA	TD	4
Aves	<i>Leptoptilos javanicus</i>	Bangau tongtong	NT	NA	D	6
Aves	<i>Amaurornis phoenicurus</i>	Kareo padi	LC	NA	TD	9
Aves	<i>Haliastur indus</i>	Elang bondol	LC	Ap.II	D	10
Aves	<i>Loriculus galgulus</i>	Serindit melayu	LC	Ap.II	D	11
Aves	<i>Psittacula longicauda</i>	Betet ekor-panjang	VU	Ap.II	D	21
Aves	<i>Acridotheres javanicus</i>	Kerak kerbau	VU	NA	TD	28





Class	Latin Name	Indonesian Name	Conservation Status			Total Monitors 2024
			IUCN	CITES	P.106	
Mamalia	<i>Neofelis diardi ssp. diardi</i>	Macan dahan	EN	Ap.I	D	1
Mamalia	<i>Prionailurus bengalensis</i>	Kucing hutan/Kucing kuwuk	LC	Ap.I	D	1
Mamalia	<i>Tupaia minor</i>	Tupai kecil	LC	Ap.II	TD	1
Mamalia	<i>Hylobates agilis</i>	Ungko	EN	Ap.I	D	2
Mamalia	<i>Tapirus indicus</i>	Tapir	EN	Ap.I	D	2
Reptile	<i>Cuora amboinensis</i>	Kura ambon	EN	Ap.II	TD	2
Reptile	<i>Naja sputatrix</i>	Kobra jawa	LC	Ap.II	TD	2
Insect	<i>Troides helena</i>	Kupu-kupu raja helena	LC	Ap.II	D	2
Merostomata	<i>Tachypleus gigas</i>	Ketam-tapal-kuda indo-pasifik	DD	NA	D	2
Merostomata	<i>Carcinoscorpius rotundicauda</i>	Ketam-tapal-kuda berekor-bundar	DD	NA	D	2
Mamalia	<i>Aonyx cinereus</i>	Berang-berang cakar kecil	VU	Ap.I	TD	3
Mamalia	<i>Rusa unicolor</i>	Rusa sambar	VU	NA	D	3
Mamalia	<i>Paradoxurus hermaphroditus</i>	Musang pandan	LC	Ap.III	TD	3
Mamalia	<i>Pteropus vampyrus</i>	Kalong	EN	Ap.II	TD	3
Mamalia	<i>Amyda cartilagenia</i>	Labi-labi	VU	Ap.II	TD	3
Mamalia	<i>Crocodylus porosus</i>	Buaya muara	LC	Ap. I	D	3
Mamalia	<i>Ophiophagus bungarus</i>	King kobra	VU	Ap.II	TD	3
Mamalia	<i>Malayophyton reticulatus</i>	Sanca kembang	LC	Ap.II	TD	4
Mamalia	<i>Elephas maximus sumatranus</i>	Gajah sumatra	CR	Ap. I	D	5
Mamalia	<i>Sus scrofa</i>	Babi hutan	LC	NA	TD	5
Mamalia	<i>Presbytis bicolor</i>	Simpai	DD	Ap.II	TD	7
Mamalia	<i>Trachypithecus cristatus</i>	Lutung kelabu	VU	Ap.II	D	19
Mamalia	<i>Macaca nemestrina</i>	Beruk	EN	Ap.II	TD	26
Mamalia	<i>Macaca fascicularis</i>	Monyet ekor-panjang	EN	Ap.II	TD	80

Notes :

IUCN

DD : Data Deficient

NE : Not Evaluated

LC : Least Concern

CD : Conservation Dependent

NT : Near Threatened

VU : Vulnerable

EN : Endangered

CR : Critically Endangered

CITES

Ap.III : Appendix III

Ap.II : Appendix II

Ap.I : Appendix I

NA: Not Available

P.106

TD : Not Protected

D : Protected

Information on the flora and fauna identified within our pulpwood suppliers' concessions can be found in their respective Public Summary Reports (available only in Bahasa Indonesia), which are available on our Sustainability Dashboard and updated annually: <https://sustainability-dashboard.com/supplier-management/pulpwood-suppliers>

Sustainability Dashboard



Environmental Initiatives and Partnerships



BELANTARA FOUNDATION

Belantara is an independent non-profit organization established with seed funding from APP. It is critical in environmental conservation, forest restoration, and sustainable community development across Indonesia, particularly in Sumatra and Kalimantan. Operating autonomously, it collaborates with governments, NGOs, and local communities to implement its impactful programs that restore degraded ecosystems, protect endangered species, and support the improvement of local livelihoods. In November 2024, Belantara Foundation became a Member of the International Union for Conservation of Nature (IUCN). This step reflects our work in preserving nature and implementing community-based conservation, which has been recognised globally. For more information about our IUCN membership, please visit: <https://iucn.org/our-union/members/iucn-members/yayasan-belantara>.



In 2024, Belantara focused on six key programs: Forest Restoration Project: “SDGs Together!”, Living in Harmony, Sumatra Peatland Restoration, Belantara Learning Series, Muda Mudi Konservasi, and Sungai Linau Landscape Conservation and Livelihoods Program. These initiatives have contributed to forest protection and restoration, wildlife conservation, capacity building and conservation awareness, and community-based economic empowerment. The Forest Restoration Project: “SDGs Together!” continued its mission to restore degraded forests by planting the seedlings of both endangered and multi-purpose tree species. Since its launch in 2020, the program has reforested 94 hectares in the Giam Siak Kecil-Bukit Batu Biosphere Reserve (GSK-BB), one of Sumatra’s largest tropical peat swamp forest landscapes. Until the end of 2024, more than 43,000 trees were planted in a landscape that was declared a UNESCO Man and Biosphere Reserve in 2009. This restoration program is implemented through a multi-stakeholder approach involving local governments, the private sector, NGOs, academics, media, and the surrounding community. In implementing

restoration activities on the ground, the Belantara Foundation collaborates with two forest farmer groups, which are involved in providing seedlings as well as planting and maintenance. Through this program, we are helping to achieve at least four of the Sustainable Development Goals: 12, 13, 15, and 17.

The “Living in Harmony” program is an initiative to support the realization of co-existence between communities and Sumatran elephants in five villages overlapped with the home range of wild elephants in the Padang Sugihan landscape, Ogan Komering Ilir (OKI) Regency, South Sumatra. Field activities focus on efforts to reduce the intensity of human-elephant conflict. In 2024, Belantara established some artificial salt licks to meet the mineral needs of wild elephants, directed elephants to use the designated ecological corridors, and prevented elephants from entering human settlements in the village.

In addition, we also set up seven camera traps to monitor the use of salt licks by wildlife, as well as constructed an 11-meter-height of monitoring tower, and donated a set of equipment that can help the community monitor the presence of wild elephants in their village, including one pair of binoculars, three Power Lite flashlights, and a set of solar panels. In addition, along with Jadi Mulya Village community members, we planted 45,000 lemongrass seedlings in a 2-hectare pilot area on the border between a village and the production forest. Lemongrass is known to the community as a plant that elephants avoid passing through, making it suitable as a buffer plant, but has great potential to be developed economically by the community. Instead of being supported by the APP Group and several forest concession companies in the landscape, funding for this program is also supported by the Keidanren Nature Conservation Fund, Japan. Meanwhile, through the Sumatra Peatland Restoration project, Belantara, in partnership with Wono Lestari Forest Farmers Group, has restored 15 hectares of degraded peatland in the Dendang District of Tanjung

Jabung Timur Regency, Jambi. In addition, we also planted 15,000 seedlings of multi-benefit trees that will provide ecological and economic benefits to the community. Our overall plan is to restore 93 hectares of this community forestry area over the next two years.

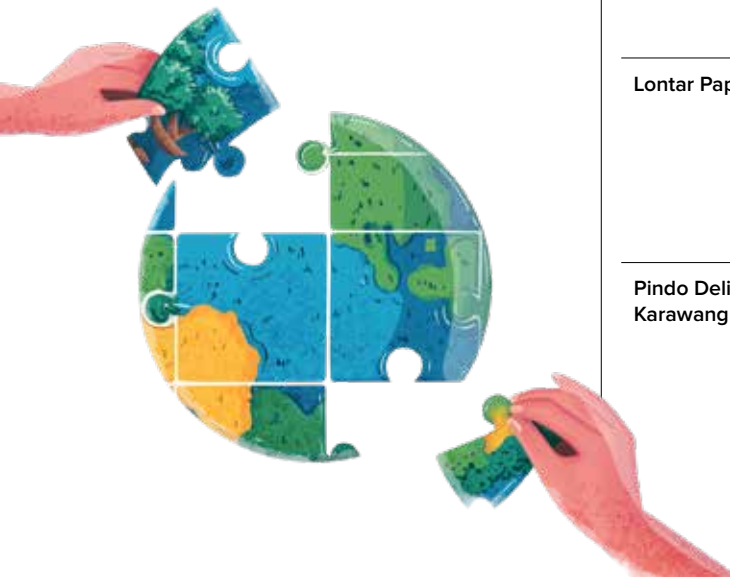
The Belantara Learning Series program is a knowledge-sharing platform that simultaneously provides capacity-building related to current environmental and conservation issues for university students, conservation practitioners, researchers, government officers, environment observers, and journalists. In 2024, three learning sessions covered social forestry, biodiversity conservation, and sustainable wildlife ecotourism, attracting over 3,173 participants from 38 provinces in Indonesia.

The Muda Mudi Konservasi initiative engaged young people in biodiversity conservation through photography competitions, quizzes, educational campaigns, and exhibitions, a talk show that involved conservation experts and public figures. Held at Sarinah Mall, Jakarta, the 2024 event has attracted 1,475 youth, including students. It was organized through partnerships with IUCN-Indonesia Species Survival Group (IdSSG), Forum Harimau Kita (FHK), Sumatran Elephant Conservation Forum (FKGI), Orangutan Forum (FORINA), as well as APP Group, The Body Shop Indonesia, and other companies. Belantara also played a key role in the Sungai Linau Landscape Conservation and Livelihoods Program, supporting APP’s conservation efforts in Riau. The foundation facilitated fire monitoring, provided equipment, and helped implement water management strategies in the villages of Sungai Linau and Bandar Jaya. Through the Sustainable Village Forest Management Program, Belantara advanced social forestry initiatives by securing village forest management licenses on behalf of six communities in Riau. This effort empowered local communities to sustainably manage forests, restore ecosystems, and establish Social Forestry Business Groups (KUPS) for economic development.



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Mills' Biodiversity and Community Empowerment Activities in 2024

Indah Kiat Tangerang

- Planting of *Avicennia marina* mangroves using the silvofishery method in the Ketapang mangrove area
- Release of Nile tilapia (*Oreochromis niloticus*) and mangrove crab (*Scylla serrata*) seedlings
- Monitoring of flora and fauna within the mill area and in the Ketapang Urban Aquaculture in Mauk

Indah Kiat Serang

- Tree planting at the Sultan Ageng Tirtayasa University in Banten in collaboration with Sultan Maulana Hasanuddin State Islamic University for the development of IKS' biodiversity park. Fourteen types of seedlings were planted, including Ketapang Kencana, Yellow Tabebuia, Pink Tabebuia and others
- Tree planting program and development of the IKS biodiversity park at Sultan Maulana Hasanuddin State Islamic University in Banten. A total of 280 seedlings were planted

Indah Kiat Perawang

- Designation of the 26-K area covering 139 hectares as a biodiversity protection area within the Perawang mill
- Development and protection activities for Sumatran Tiger, Elephant, Habitats in collaboration with Forum Harimau Kita Forum (FHK) and Foerst Wildlife Society (PJHS)
- Publication of book titled "Flora and Fauna Diversity: A Field Guide in Conservation Areas and Mills"

Tjiwi Kimia

- Planting of multi-purpose tree species in villages around the mill area in collaboration with the Buddha Tzu Chi Foundation Indonesia. Nine types of species were planted, including oranges, mangoes, and avocado
- Designation of the Kedungbocok riparian area covering 3,254 hectares as a biodiversity protection area
- Development and protection activities for Bornean Orangutan habitats in collaboration with BKSDA Kalimantan Timur and BKSDA Kalimantan Barat and orangutan experts from ECOSITROP
- Publication of book on Tjiwi Kimia's environmentally friendly technologies and biodiversity conservation efforts titled Green Technology in the Paper Industry

OKI Pulp & Paper

- Established and deployed PAGARAPAT (Pasukan Gajah Reaksi Cepat) Post within the PBPH-HTI area of PT Bumi Andalas Permai, involving trained elephants to manage and guide wild herds away from human settlements within the PBPH-HTI area of PT Bumi Andalas Permai
- Integrated management of mangrove ecosystems in collaboration with Konservasi Alam Nusantara Foundation
- Rehabilitating 50 hectares of mangrove forests in the Sungai Lumpur protected area with the planting of the *Rhizophora* and *Bruguiera* species
- Compilation work for a book on biodiversity in the mill area

Lontar Papyrus

- Monitoring of flora and fauna and installation of camera traps in the mill's conservation area
- Planting of local tree species such as lamtoro, banana, and durian in the green open space of the mill
- Maintenance and care of 49 bamboo clumps as emission-absorbing plants and wildlife habitat providers
- Monitoring of the rare and protected Malayan Tapir in the conservation area
- Planting of 298 seedlings of oranges around the mill to empower local communities
- Integrated landscape protection and management in Bukit Tigapuluh Landscape, a collaboration effort with the BKSDA Jambi and the Bukit 30 Protection Forum (PKBT).

Pindo Deli Pulp & Paper Karawang

- Technical assistance for research and development of a demonstration plot for planting and conserving the genetic resources of ramin (*Gonystylus bancanus*) in Sumatra
- Baseline biodiversity survey at PT. Pindo Deli 2 Karawang
- Compilation work for a book on biodiversity in the mill area

BAMBOO REFORESTATION & GREEN INITIATIVES

Tjiwi Kimia launched a bamboo reforestation and green initiative in March 2024, in collaboration with the Bambu Lestari Foundation. Focused on land restoration and renewable energy promotion, the program involved the planting of 1,000 bamboo seedlings in the Kedungbocok landfill area, turning degraded land into a revitalized green space. The project followed best practices for sustainable bamboo cultivation in partnership with Bambu Lestari in Pacet, Mojokerto. The selected bamboo species - Petung, Jawa, and Ori- were chosen for their strong carbon absorption, soil retention capabilities, and adaptability to local conditions. To support community livelihoods, five local farming groups were engaged in both the planting and ongoing maintenance of the bamboo, combining ecological impact with local economic empowerment.



BSI AND ITTO – GIAM SIAK KECIL BIOSPHERE RESERVE

APP is actively supporting the Ministry of Environment and Forestry through a strategic collaboration with BSI-LHK (Environmental and Forestry Instrument Standardization Agency) and the International Tropical Timber Organization (ITTO). This partnership focuses on strengthening sustainable forest management (SFM) and conservation efforts within the Giam Siak Kecil Biosphere Reserve. The program aims to enhance forest governance, improve ecosystem health, and promote sustainable resource use.

Since 2023, APP has demonstrated its strong commitment by providing in-kind support valued approximately USD 885,000, reflecting its dedication to environmental sustainability and community development. Key activities under this initiative include:

1. Biodiversity standardization and monitoring
2. Institutional revitalization
3. Area protection and security
4. Enhancing community roles and participation

APP will continue to support this initiative through 2025, in line with the agreed-upon timeline. This collaboration underscores the importance of multi-stakeholder partnerships in achieving long-term environmental goals and advancing Indonesia's contribution to global climate commitments.

PROFOREST – SUNGAI LINAU PROJECT, RIAU

Since 2021, APP has partnered with Proforest, Cargill, PepsiCo, Nestlé, IFF, Lactalis, and Musim Mas to support the Sungai Linau Landscape Project—an important initiative within the core and buffer zones of the Giam Siak Kecil–Bukit Batu (GSK BB) Biosphere Reserve. This area is ecologically significant, with its peatland ecosystem playing a vital role in biodiversity conservation, climate change mitigation, and environmental stability.

Through this collaboration, APP and its partners are making meaningful progress in conserving biodiversity, promoting sustainable land use, and supporting local communities, contributing to the long-term health of the GSK BB Biosphere Reserve and the surrounding region.

Together, the coalition has implemented sustainable land management practices to protect forested peatlands and improve community livelihoods.

Highlights of progress up to 2024 include:

- Participatory mapping and land-use planning
- Development and implementation of village-level peatland regulations
- Capacity building for local governments to obtain social forestry licenses and create forest management plans
- Community-based forest monitoring in village forests (Hutan Desa)
- Support for alternative livelihoods and village-owned enterprises, including training for minority groups and independent smallholders
- Forest protection through social forestry licensing and village patrols
- Fire prevention through training and the construction of fire towers

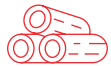
FOREST STEWARDSHIP COUNCIL (FSC) ROADMAP PROCESS

Established in 1993, the Forest Stewardship Council (FSC) is an international non-profit organization dedicated to promoting responsible and sustainable forest management.

One of FSC's key functions is establishing standards and providing certification for responsible forestry practices. In 2024, APP signed a Memorandum of Understanding with FSC to start the remedy process and continued its process for ending disassociation through the remedy framework.

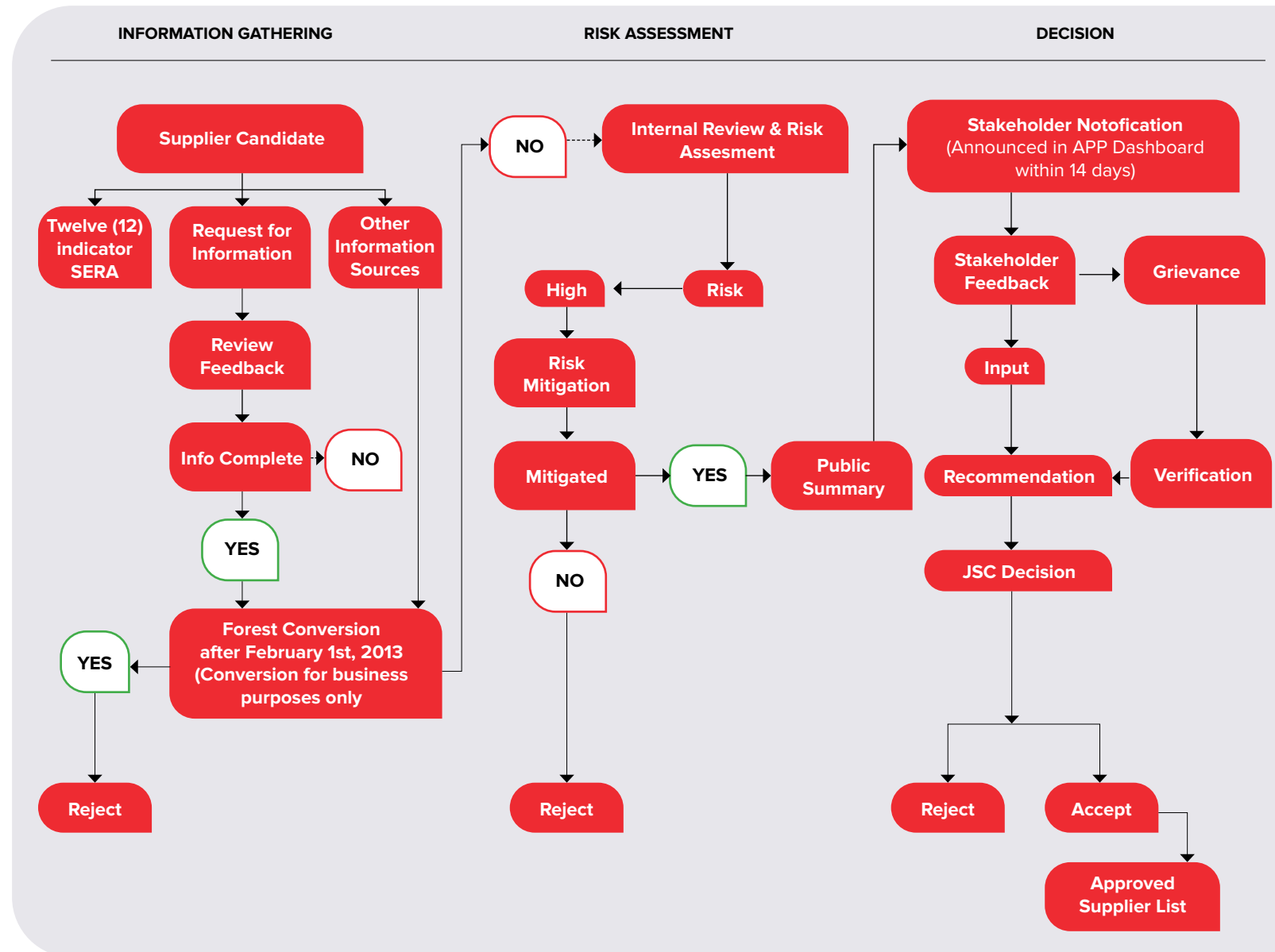
For more information and the progress in the process, please visit: <https://connect.fsc.org/current-cases/policy-association-cases/asia-pulp-and-paper-app>



**MATERIAL USE**

Fiber Supply and Procurement

To ensure our long-term business viability and the sustainable supply of fiber, APP sources raw materials from Industrial Forest Plantation (HTI) areas, incorporates recycled fibre, and enforces the Supplier Evaluation and Risk Assessment (SERA) system on all its suppliers. APP is dedicated to sourcing 100% of its pulpwood from sustainably managed forests and requires its suppliers to secure key certifications and verifications. [GRI 308-1] [GRI 308-2]





SERA is APP's internal assessment system, designed to evaluate and ensure that its suppliers comply with sustainability and legality requirements. The system is an extension of APP's Fibre Procurement and Processing Policy (FPPP) and is specifically tailored to APP's supply chain. Key functions of SERA include assessing suppliers for compliance with APP's zero-deforestation commitment, evaluating environmental, social, and governance (ESG) risks, ensuring suppliers follow legal and sustainable forest management practices, and providing guidance and capacity-building for continuous improvement. APP conducts regular audits and assessments to ensure suppliers uphold their SERA principles, where non-compliance risks termination. [GRI 414-2]



No conversion
of natural forests
after 2013



Have a
traceability
system



Respecting
indigenous
peoples and
human rights



Operating in
certain regions/
countries



Complying with
applicable regulations
on licensing, forest,
management, and
timber trade



Complying with
ILO conventions



Planting specific
tree species



Protecting High
Conservation
Value (HCV)
forests



Implementing
occupational
health and safety
principles



Obtaining Third-
party verification



Protecting IUCN
and CITES Red
List and near-
threatened
species



No introduction
of genetically
modified
organisms
(GMOs)



APP has implemented an E-Product Tracing system across its mills to enhance transparency and traceability. This system is continuously refined to meet evolving customer expectations. All of APP's pulpwood suppliers are certified under Indonesia's Sustainable Forest Management (SFM) framework, specifically through the Performance Assessment of Sustainable Production Forest Management and Timber Legality Verification (PHL). As a result, 100% of APP's timber and pulp supply can be traced back to the Forest Management Unit (FMU) level. [GRI 308-2]

APP's Fiber Procurement Process

Carry out supplier evaluation and risk assessment



Allow 14-day supplier feedback from public



Commercial contract issued upon successful evaluation



Verify pulpwood delivery and maintain detailed records of chain of custody

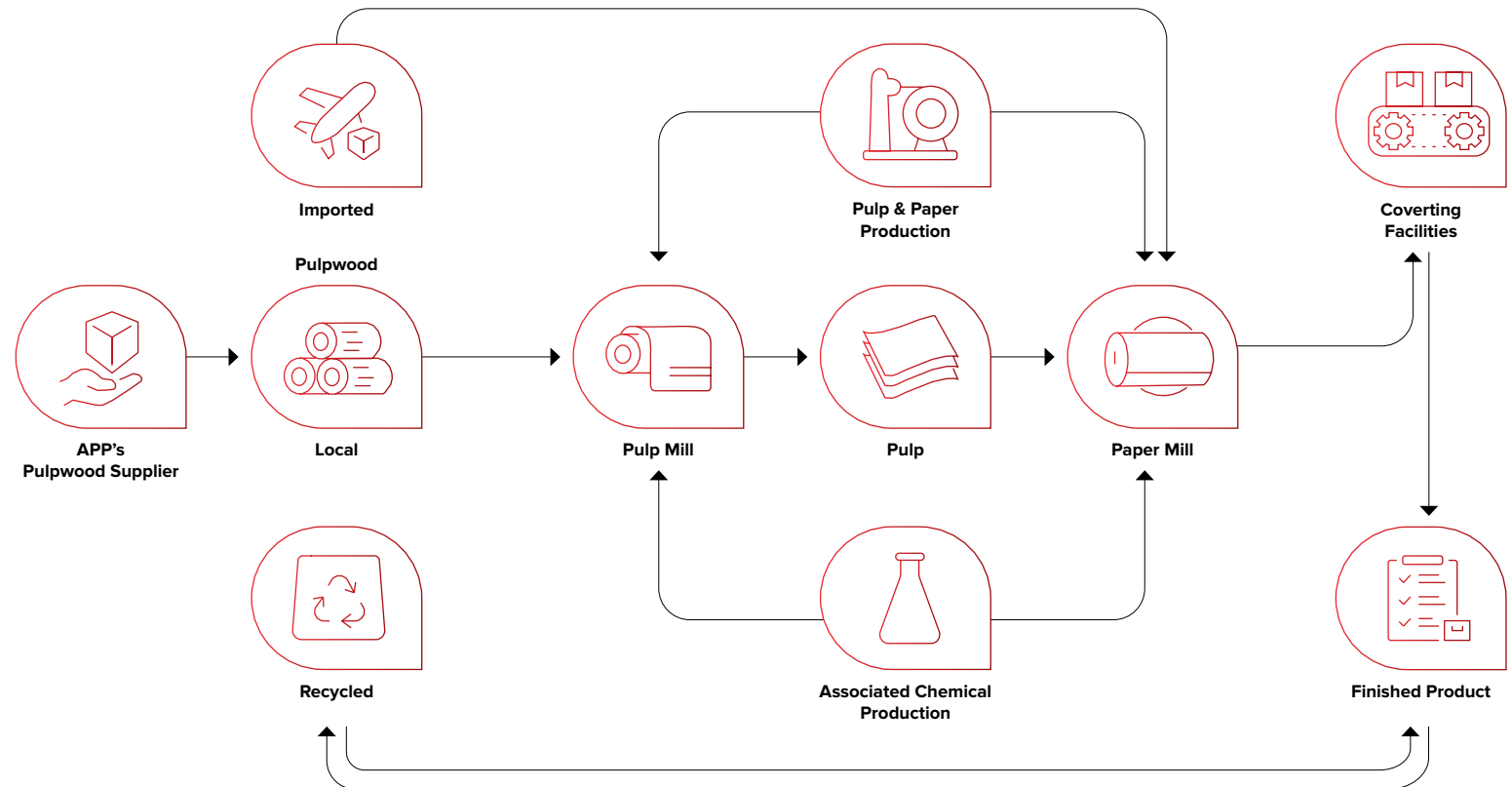


Conduct annual audit of supplier to ensure ongoing compliance

Aside from SERA, APP's products comply with other environmental certifications and standards, such as the Forest Stewardship Council. All of APP's pulpwood suppliers are certified under the Programme for the Endorsement of Forest Certification (PEFC) scheme and the PHPL-VLHH (SVLK, Timber Legality Verification System). These certifications demonstrate our commitment to sustainable practices and assure the eco-friendliness of our products.

For the list of all APP's suppliers,

[Click Here](#)





Downstream



RESPONSIBLE SUPPLY CHAIN

APP upholds integrity and business ethics as core principles in its supply chain management, ensuring responsible and sustainable sourcing practices. Committed to making a positive environmental and social impact, APP enforces stringent policies requiring all supply chain entities to comply with its Code of Conduct and integrity standards.

Our supply chain includes diverse partners, such as suppliers of raw materials, including pulpwood from Industrial Forest Plantations (HTI), recycled fibers, and long fibers, along with pulp and paper mills, local and international distributors, and customers. APP also procures various goods and services, such as chemicals, fertilizers, environmental and social consulting, and outsourced labour.

To ensure compliance, APP mandates all wood fiber suppliers to adhere to its Supplier Code of Conduct (SCoC), which establishes clear expectations on human rights, environmental protection, occupational health and safety, and ethical business practices. Regular supplier evaluations are conducted with a strong emphasis on environmental and social criteria. These assessments verify compliance with legal requirements and best practices in sustainable forest management, resource conservation, and chemical safety. The procurement of chemicals is further regulated under the Chemical Procurement Policy, which sets quality and safety benchmarks.

APP also conducts audits to ensure suppliers comply with labour laws and social responsibility standards. All new suppliers undergo social screening to prevent any negative social impact within the supply chain. [GRI 414-1]

APP prioritizes local suppliers across its supply chain, contributing to economic growth, job creation, and stronger community relations. Sourcing raw materials locally also helps reduce transportation-related carbon emissions. More than 90% of APP's pulpwood suppliers are based in Indonesia, with 97% of APP's virgin fiber sourced locally. The remaining 3% is imported from Vietnam and Australia. [GRI 204-1]

In 2024

56%

PULPWOOD FIBER

Sourced 56% of pulpwood fiber from third-party SERA-compliant sustainable forest management

2,271,074

TONNES

Recycled paper purchased

ADVANCING SUSTAINABLE PRODUCTS WITH TECHNOLOGY [OJK F.26]

APP places product safety and sustainability as a core priority. Our products meet the strictest regulatory and environmental standards while all our food storage products are certified as “food grade”, guaranteeing their safety for consumers. APP adheres to international and country-specific regulations, including restrictions on certain chemicals and initiatives to reduce plastic content in product packaging. [OJK F.17]

Paper is inherently an eco-friendly material, yet APP continues to enhance its sustainability by minimising the environmental footprint of its production processes. One of the key initiatives is the elimination of “forever chemicals”, or Per- and Poly-Fluoro Alkyl Substances (PFAS), previously used in greaseproof paper coatings.

We employ state-of-the-art technology and energy-efficient machinery to enhance precision, efficiency, and productivity. By leveraging sophisticated computerized control systems, we optimise energy and raw material consumption. Interlocking systems further safeguard machinery from potential damage while improving energy efficiency for operators. Additionally, APP invests in advanced pulp and paper machines that not only boost production efficiency but also reduce greenhouse gas emissions.



APP is also committed to increasing the production of biodegradable packaging paper, addressing the widespread issue of plastic-laminated packaging. However, the transition to biodegradable materials presents challenges, particularly higher costs compared to traditional polyethylene (PE) laminates. Another significant initiative is the reduction of plastic usage in paper roll and pallet wrapping. While paper-based alternatives are being explored, existing grades must be further developed to meet the necessary strength requirements.

To provide environmentally responsible alternatives in the food and beverage industry, APP has introduced a range of eco-friendly packaging solutions that prioritise recyclability, biodegradability, and food safety. The breakthrough technology behind FOOPAK products is the patented water-dispersion coating, which eliminates the need for plastic liners.

Description	Features
FOOPAK Bio Natura	- Optical Brightener Agent-free (OBA) for a safer and more sustainable alternative - Superior temperature resistance, capable of withstanding extreme conditions - Outstanding edge-wicking capability - Composability at home and in industrial settings - Recyclability and re-manufacturing compatibility without requiring additional treatment
FOOPAK Bio Container	- Sourced from certified pulpwood forests - Plastic-free and fully recyclable - Heat-sealable to allow compatibility with existing food packaging machinery with minimal adjustments
FOOPAK Magna Board	- Exceptional rigidity for use as serving plates, trays, and takeaway packaging - High load-bearing capacity to ensure durability for food packaging needs
FOOPAK Anchor Plus	- Specialised packaging solution for seafood - Highly absorbent to prevent leaks - Excellent printability to ensure premium branding and product presentation - Certified food-safe, meeting US Food and Drug Administration (FDA) standards



PRODUCT CERTIFICATION AND MATERIAL INFORMATION [GRI 417-1] [OJK F.17]

Transparency and trust are the foundations of APP's relationship with its customers. To uphold these principles, product certification is a critical component of APP's business operations, serving as official validation from independent bodies that our products comply with established standards. APP has obtained multiple certifications from reputable institutions, both domestically and internationally, ensuring our products meet stringent quality, safety, and environmental sustainability criteria.

Every APP product undergoes a rigorous inspection process to uphold consumer safety and maintain premium quality. All our products are designed to fulfil customer needs while prioritising a commitment to environmental responsibility. Furthermore, all product information is clear, accurate, and easily accessible. Customers receive a comprehensive breakdown of material composition, detailing the fibre types, chemicals, and additives used in manufacturing. This transparency enables them to make informed purchasing decisions. [GRI 416-1] [GRI 417-2]



Every product carries detailed characteristics, including specifications and intended applications, helping customers select the most suitable products for their needs. To reinforce our commitment to quality and environmental responsibility, APP displays certification logos such as PEFC and ISO on the products to help customers verify their sustainability credentials. In addition, we maintain open and accessible communication channels, allowing customers to seek further information or raise any concerns about the products.

We are also committed to responsible and ethical marketing practices. All advertising and promotional materials are strictly vetted for accuracy and transparency and are free from misleading claims. This dedication is critical in fostering customer trust and strengthening long-term relationships. [GRI 417-3]

To continuously enhance customer satisfaction, APP conducts annual surveys in collaboration with our quality and sales teams. Customer survey results have so far demonstrated consistently high levels of satisfaction toward our products and customer experience, with the latest score of 4 out of 5. OJK F.30

Due to our stringent control measures, there were no product recalls related to environmental concerns during the reporting year. APP also maintained full compliance with its certification standards, with no recorded violations related to product information. [OJK F.27] [OJK F.28] [OJK F.29] [GRI 416-2]



Mill Certifications

Description	Indah Kiat Perawang	Indah Kiat Serang	Indah Kiat Tangerang	Pindo Deli Karawang	Pindo Deli Perawang
Quality Management System	ISO 9001	ISO 9001	ISO 9001	ISO 9001	ISO 9001
Product	Halal	Halal	Halal	Halal	Halal
	SNI 6991:2015			Environmental Choice – New Zealand Ecolabel	Environmental Choice – New Zealand Ecolabel
	SNI 8126:2014			Ecolabel Indonesian Standard	Singapore Green Labelling Scheme
	Singapore Green Labelling Scheme			Singapore Green Labelling Scheme	
	Sirim Ecolabel 071:2018			Green Mark – Taiwan Ecolabel Standard	
	Ecolabel – Indonesian Standard			SNI 6691:2015	
				SNI 812:2014	
Environmental Management System	ISO 14001	ISO 14001	ISO 14001	ISO 14001	ISO 14001
	ISO 50001	ISO 50001	ISO 50001	ISO 50001	ISO 50001
Occupational Health & Safety	SMK3	SMK3	SMK3	SMK3	SMK3
	ISO 45001	ISO 45001	ISO 45001	ISO 45001	ISO 45001
Chain of Custody	PEFC	PEFC	PEFC	PEFC	PEFC
	SVLK	SVLK	SVLK	SVLK	SVLK
Product Specification	RoHS	RoHS	RoHS	RoHS	RoHS
	SVHC Screening	SVHC Screening	SVHC Screening	SVHC Screening	SVHC Screening
		Food Grade Paper/ Board Food Packaging Direct Contact		ISO 22000	Food Contract Safety Grade For Paper & Paperboard
		ISO 22000			Dermatological test on humans
Others				ISO 17025	



Mill Certifications

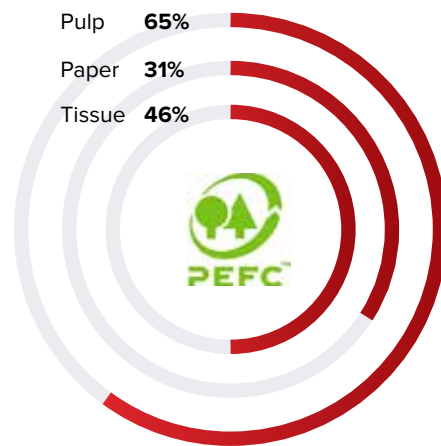
Description	Lontar Papyrus	Tjiwi Kimia	Ekamas Fortuna	OKI	Univenus Perawang
Quality Management System	ISO 9001	ISO 9001	ISO 9001	ISO 9001	ISO 9001
Product	Halal	Halal	Halal	Halal	Halal
		Ecolabel Indonesian Standard			
		Green Seal			
		Singapore Green Labelling Scheme			
Environmental Management System	ISO 14001	ISO 14001	ISO 14001	ISO 14001	ISO 14001
	ISO 50001	ISO 50001	ISO 50001	ISO 50001	
Occupational Health & Safety	SMK3	SMK3	SMK3	SMK3	-
	ISO 45001	ISO 45001	ISO 45001	ISO 45001	
Chain of Custody	PEFC	PEFC	PEFC	PEFC	PEFC
	SVLK	SVLK	SVLK	SVLK	SVLK
Product Specification	RoHS	RoHS	RoHS	RoHS	RoHS
	SVHC Screening	Food Grade Paper/ Board	SVHC Screening	SVHC Screening	SVHC Screening
GHG Accounting				ISO 14064-1	

Description	Purinusa Semarang	Purinusa Demak	Purinusa Bandung	Purinusa Subang
Quality Management System	ISO 9001	ISO 9001	ISO 9001	ISO 9001
Environmental Management System	ISO 14001	ISO 14001	ISO 14001	ISO 14001
Occupational Health & Safety	SMK3 ISO 45001	ISO 45001	SMK3 ISO 45001	SMK3 ISO 45001
Chain of Custody	PEFC	PEFC	PEFC	PEFC



At APP, product certification is a key part of our operations. It provides independent assurance that our products meet internationally recognized standards. One of the certifications we maintain is from the Programme for the Endorsement of Forest Certification (PEFC). This certification supports sustainable forest management and confirms that our paper products come from responsibly managed sources.

To support transparency and demonstrate our ongoing commitment to sustainability, we share the percentage of our paper products sold with PEFC certification for the reporting year.



GARUDA+ DIGITAL TRANSFORMATION

Garuda+ is a comprehensive digital transformation initiative designed to integrate business processes, human resources, and digital technology across APP's operations. Built on the principles of 5S, which stand for Simple, Standard, Sustainable, Seamless, and Smart. This platform enhances operational efficiency and supports long-term business sustainability.

Garuda+ is centred on three key objectives. First, it promotes vertical integration and enhanced collaboration by simplifying and harmonising business processes, ensuring seamless coordination across departments. Second, it leverages the latest technology to develop and execute APP Indonesia's digital transformation roadmap, driving innovation and efficiency. Lastly, Garuda+ facilitates the implementation of digital and business transformation across all operational activities, embedding a culture of continuous improvement and smart decision-making.

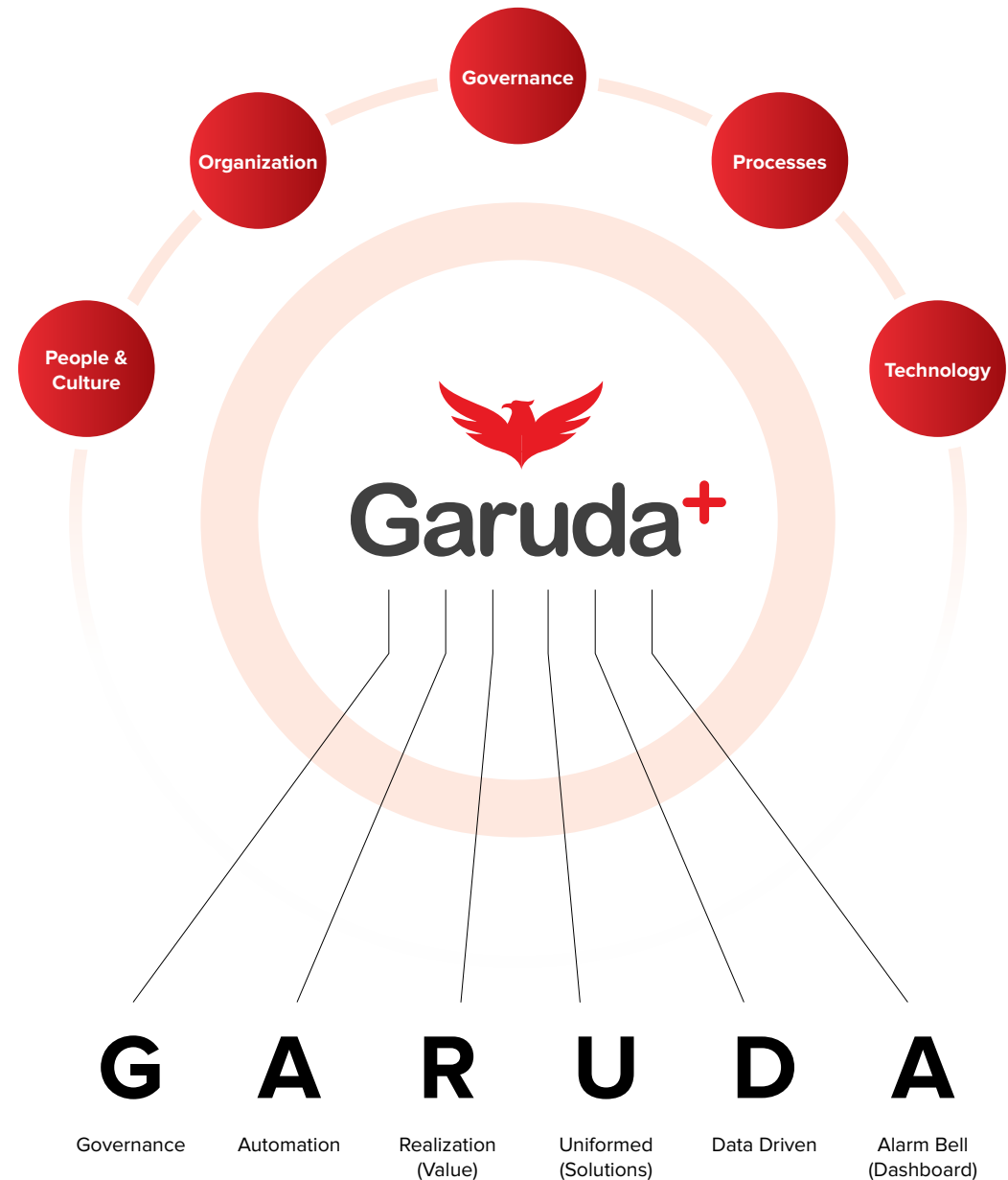
Garuda+ Snapshot

Helps streamline and automate business processes for improved efficiency and productivity

Enables better collaboration between employees and departments

Provides access to better data and analytics to help management make more informed decisions

Supports efforts to achieve sustainability by reducing energy consumption and greenhouse gas emissions



Garuda+ Key Guiding Principles

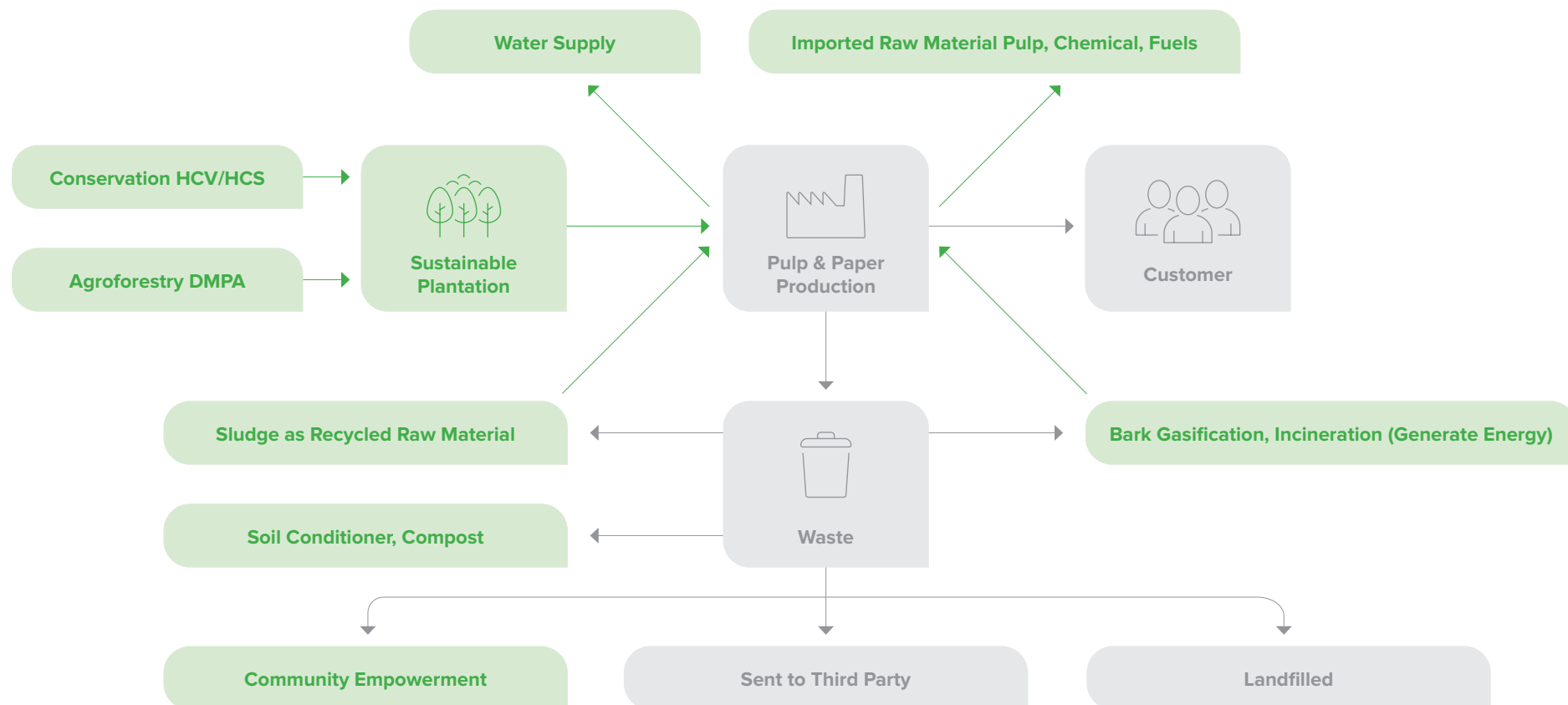


CIRCULAR BIOECONOMY

APP understands that in order to remain viable, it needs to embrace a regenerative economy approach, one that not only sustains business growth but also fosters long-term environmental and social well-being. Unlike traditional linear models that rely on a take-make-dispose approach, a circular bioeconomy business model prioritises the continuous circulation of materials within a closed-loop system, ensuring sustainable and efficient resource utilisation.

The transformative model is embedded across various operational processes within APP, including the responsible management of our plantation forests. This safeguards biodiversity and maintains the ecological balance of landscapes. Through efficient and environmentally friendly production, APP harnesses advanced technology to optimise raw material usage while reducing energy and water consumption. This enhances operational sustainability and minimises environmental impact.

Renewable energy plays a crucial role in APP's circular bioeconomy strategy. We utilise biomass and energy recovered from recycled materials, such as sludge and bark, to reduce reliance on fossil fuels. [E.2.1.7] This shift not only lowers greenhouse gas emissions but also promotes cleaner energy solutions. Furthermore, APP maximises the value of waste by repurposing materials that can benefit local communities. Initiatives such as composting and overall waste reduction contribute to a more sustainable production system.

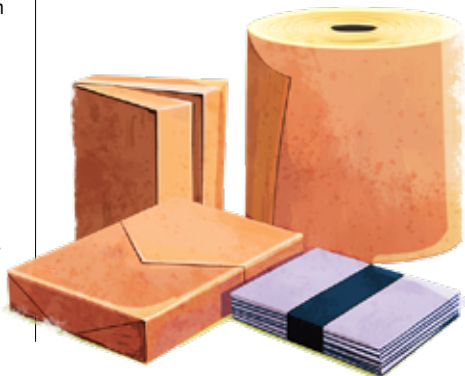


MATERIALS

Recycling plays a crucial role in reducing environmental impact and preserving natural resources. Recognising this, APP emphasizes the use of recycled materials in its production. In 2024, 47% of APP's raw materials, equivalent to 3,171,826 tonnes out of the total 6,704,711 tonnes, came from recycled fiber, surpassing our SRV 2030 target of 30% recycled raw materials. [GRI 301-2] [OJK F.5]

Beyond fiber, APP integrates reclaimed materials into its packaging, with 21% sourced from local or imported post-consumer waste. [GRI 301-3] At the same time, APP continues to enhance resource efficiency, particularly in pulpwood fiber utilisation, which remains essential in paper production.

Through advanced process innovations, we minimise fiber loss and optimise raw material use, which further reduces waste. These efforts strengthen APP's leadership in responsible manufacturing as they align with growing consumer demand for sustainable products.



Pulp and Paper Production Material [GRI 301-1]

Description	2022	2023	2024
Pulpwood (million tons)	24.3	24.3	24.5
Chemicals for pulp (million tons)	1.8	1.5	1.4
Virgin Fiber (million tons)	3.5	3.4	3.5
Recycled Fiber (million tons)	3.1	3.1	3.2
Chemicals for paper (million tons)	2.5	2.9	2.7
Packaging Materials (million tons)	0.4	1.2	1.0
Total Renewable Materials (million tons)	31.3	32.0	32.3
Total Non-Renewable Materials (million tons)	4.3	4.4	4.2
Total Amount of Recycled Materials (percentage)	47%	48%	47%





CLIMATE RESILIENCE

With the climate crisis necessitating a unified effort from businesses, governments, and individuals, APP is aware of the role it needs to play to support Indonesia's Forest and Other Land Use (FOLU) Net Sink 2030 aspirations and achieve global climate targets. To this end, APP employs a comprehensive climate strategy, integrating forest restoration, conservation, and nature-based solutions while implementing decarbonisation measures across our mill operations.

Our science-based approach to measure and monitor greenhouse gas (GHG) emissions across our operations has produced valuable insights, helping to drive APP's internal efforts to translate science into action. We apply these insights in all areas of our operations to reinforce our commitment to climate resilience and sustainability.

For a detailed description of our Sustainability Approach, including our Task Force on Climate-related Financial Disclosures and Science-based Targets Initiatives (SBTi), please turn to page 32-39.

[Go to Page 39](#)

Environmental Management

In alignment with its commitment to sustainable and responsible operations, APP has implemented an Environmental Management System (EMS) based on the ISO 14001 international standard. This system provides a structured framework for identifying, managing, monitoring, and continuously improving environmental performance across all operational activities.

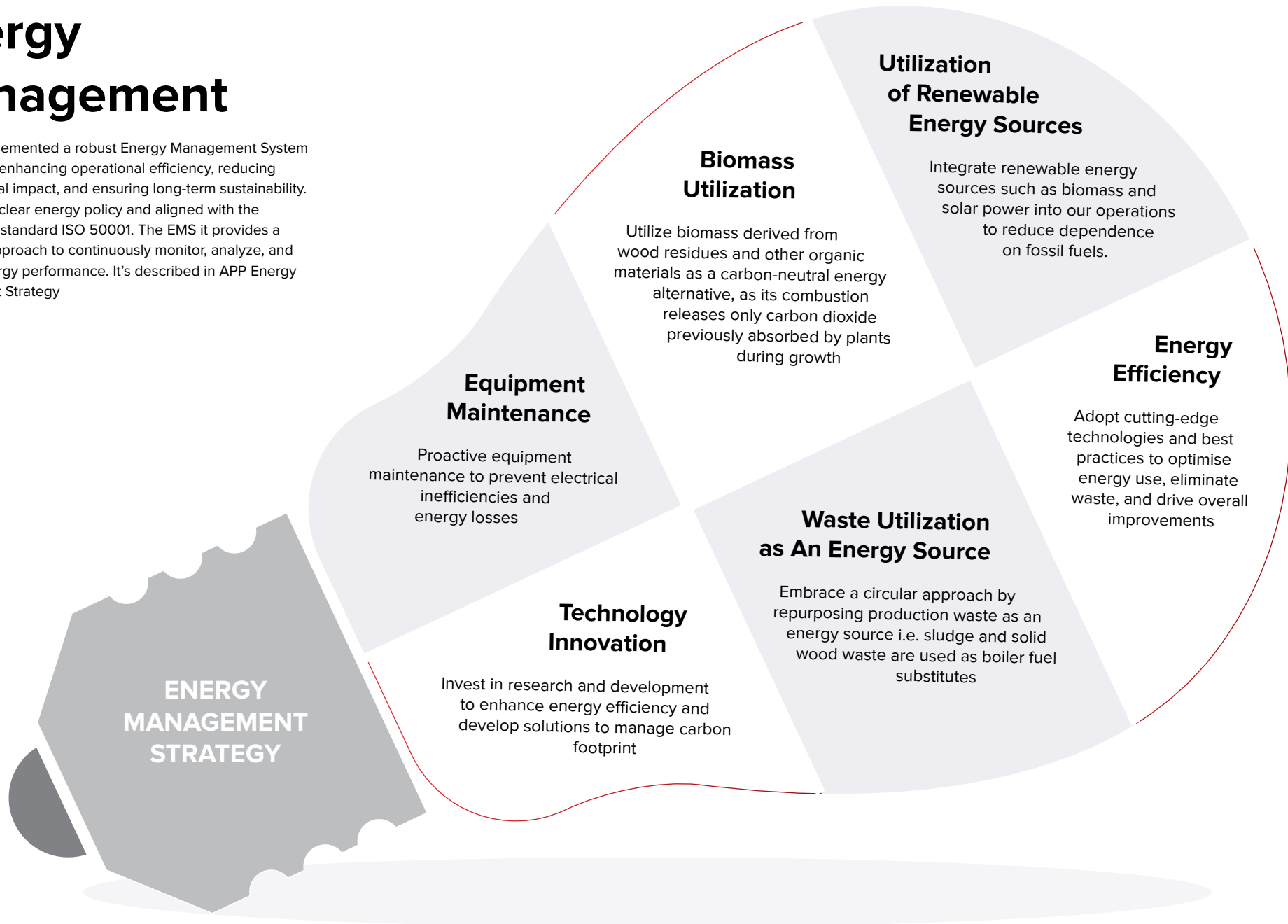
To ensure continuous compliance with environmental regulations and internal standards, APP conducts comprehensive internal environmental audits annually across all operational activities. These audits are carried out systematically and independently, covering key environmental aspects such as environment management system, emissions, waste management, water usage, energy performance, and chemical handling. By implementing this rigorous audit process, APP verifies adherence to legal and ISO 14001 requirements and identifies opportunities for improvement, strengthens environmental governance (e.g. PROPER), and reinforces a culture of accountability and sustainability throughout the organization.





Energy Management

APP has implemented a robust Energy Management System essential for enhancing operational efficiency, reducing environmental impact, and ensuring long-term sustainability. Guided by a clear energy policy and aligned with the international standard ISO 50001. The EMS it provides a structured approach to continuously monitor, analyze, and improve energy performance. It's described in APP Energy Management Strategy





ENERGY CONSUMPTION WITHIN AND OUTSIDE THE ORGANISATION

[GRI 302-1] [GRI 302-2] [OJK F.6]

APP acknowledges the importance of reducing fossil-based energy in efforts to preserve sustainability. Therefore, approximately 58% of APP's energy is sourced from renewable energy. A significant portion of this renewable energy comes from cleaner sources such as biomass, with the majority derived from bark and black liquor, by-products of the pulping process. By utilizing these internally generated bio-based fuels, APP minimizes waste and reduces greenhouse gas emissions, supporting a circular economy and reinforcing its commitment to sustainable industrial practices.

Renewable Energy Sources (GJ)	2022	2023	2024
Bark	21,713,549	23,683,898	26,766,519
Black liquor	137,256,780	140,669,805	137,584,690
Sawdust	176,000	101,655	101,673
Wet Sludge	488,740	287,414	501,707
Empty Fruit Bunches (EFB)	580,020	383,203	507,973
Palm Fiber and Rubber Compound Oil (RCO)	2,261,078	1,740,717	1,082,823
Biogas*	115,396	119,587	125,422
Biodiesel*	313,012	357,004	334,672
Methanol	430	419	588
PLTS	N/A	12,488	80,202
H2	N/A	224	266
Fiber RDF	N/A	N/A	165,254
Total Direct Renewable Energy	162,905,005	167,356,413	167,251,787
Purchased Electricity (REC)	313,852	765,921	1,163,422
Total Renewable Energy (GJ)	163,218,857	168,122,335	168,415,209
Non-Renewable Energy Sources (GJ)	2022	2023	2024
Coal	104,115,199	108,406,572	108,672,125
Diesel Oil	698,085	694,200	625,327
Gasoline Oil	23,201	22,143	2,795
Industrial Diesel Oil	123,909	67,663	22,334
Marine Fuel Oil	705,161	344,129	2,357,019
Natural Gas	14,152,175	12,400,076	9,583,460
Inorganic RDF	N/A	N/A	420,960
Total Direct Non-Renewable Energy (GJ)	119,817,730	121,934,783	121,684,050
Purchased Electricity (non REC)	3,034,885	1,668,820	2,391,544
Total Non-Renewable Energy (GJ)	122,852,614	123,603,601	124,075,594
Total energy consumption	286,071,470	291,725,936	292,490,803

*) restatement data energy



PERCENTAGE OF ENERGY GENERATED BASED ON FUEL SOURCES

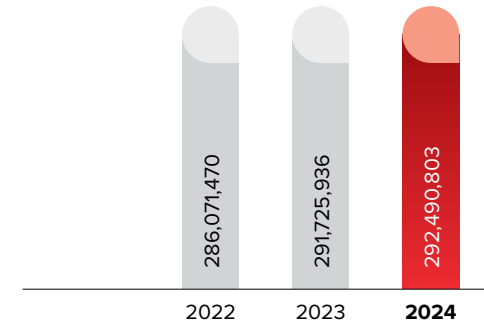
Percentage of Energy Generated Based on Fuel Sources

Concentration* (mg/Nm3)	2022	2023	2024
Bark	7.68%	7.51%	9.26%
Black liquor	48.55%	47.45%	47.62%
Sawdust	0.06%	0.06%	0.04%
WWT Sludge and Biogas	0.21%	0.21%	0.22%
Empty Fruit Bunches (EFB)	0.17%	0.20%	0.18%
Palm Fiber and Rubber Compound Oil (RCO)	0.79%	0.61%	0.89%
Biodiesel	0.15%	0.16%	0.12%
Methanol and H2	2.E-06	1.E-06	3.E-06
Fiber RDF	N/A	N/A	0.06%
PLTS	0.00%	0.00%	0.03%
Coal	36.83%	37.47%	37.61%
Fuel Oil	0.55%	0.39%	1.04%
Natural Gas	5.01%	4.35%	3.37%
Inorganic RDF	N/A	N/A	0.15%

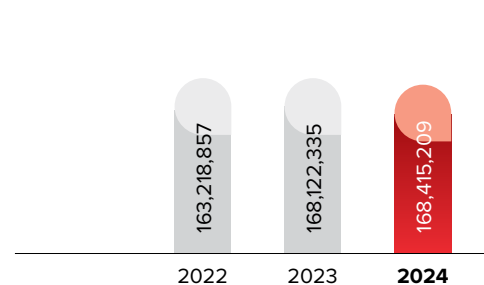
ENERGY CONSUMPTION WITHIN THE ORGANISATION

[GRI 302-1] [GRI 302-4] [OJK F.6]

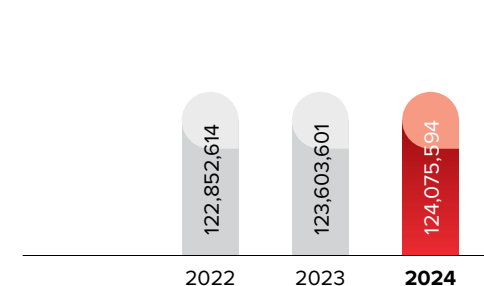
Energy Consumption Total (GJ)



Renewable Energy Sources (GJ)



Non-renewable Energy Sources (GJ)



APP has implemented targeted initiatives to reduce energy consumption, particularly in adopting advanced technologies. One key initiative is adopting Vacuum Evaporator (VE) condensate segregation system. This innovation utilize condensate as energy source, as well as reduce the load on the waste water treatment, thereby reducing the use of chemicals and energy. Besides, adopting DD washer in pulp production requires less energy, thus reducing energy use and operational costs to be cheaper. Increasing power plant performance by increasing load and shutting down unnecessary units, performing repairs on boiler and turbine systems, performing regular maintenance, and increasing process automation.

APP has integrated energy conservation into employee development through the Skill Development Activity (SDA) Program. This initiative equips employees with the knowledge and skills required to manage energy efficiently and implement best practices in resource optimisation. To ensure the effectiveness of these initiatives, the Olympic System Team (MBOS) continuously monitors energy-saving efforts, particularly those under the SDA Program. This structured evaluation process helps track improvements and drives ongoing enhancements in energy efficiency across APP's operations. [OJK F.7]

We also actively work to reduce the energy consumption associated with our products and services by improving operational efficiency, improving Overall Equipment Effectiveness (OEE), adopting advanced technologies, improving Power Plant efficiency, and implementing rigorous maintenance protocols. These measures align with APP's commitment to sustainability and energy conservation. In implementing energy conservation management, APP operates in accordance with the ISO 50001 methodology. In addition, APP carries out periodic energy audits.

Energy intensity, which measures the energy consumed during production, is a key metric in our energy reduction efforts. In line with the SRV 2030 targets, APP has set a goal to reduce energy intensity by 25% from the 2018 baseline. By 2024, APP achieved an energy intensity of 24,36 GJ per tonne, marking a 5% reduction compared to 2018. [GRI 302-3] [GRI 302-5] [OJK F.6]

Energy Source	2022	2023	2024
The energy required for production (GJ)	286,071,470	291,752,936	292,490,803
Total production (ton)	11,928,343	12,332,863	12,005,672
Energy per unit of product (GJ/ton)	23.98	24.71	24.36



Emissions Management

NON-GHG EMISSIONS MANAGEMENT

APP complies with emission threshold limits for non-GHG gases as set out in Decree No. 13 of 1995 and the Ministry of Environment and Forestry Regulation No. 15 of 2019. APP upholds strict emissions management by leveraging advanced technologies, including a Continuous Emissions Monitoring System (CEMS) to track gas emissions from its mills in real time. This system plays a critical role in identifying key emission sources and enabling timely corrective actions. We monitor Particulate Matter (PM), Sulphur Dioxide (SO₂), Nitrogen Oxide (NO₂), and Mercury (Hg) through CEMS, while Carbon Dioxide (CO₂) is tracked using a separate system. These emissions primarily result from fuel combustion, which APP actively seeks to reduce through the adoption of environmentally friendly renewable fuels across its mills.

We have set ambitious reduction targets, aiming to lower SO₂ and NO₂ emissions by at least 10% below the regulatory threshold through the Sustainability Index KPI. Compliance is ensured through external monitoring every three to six months, aligned with the Environmental Impact Assessment (AMDAL) and the Ministry of Environment and Forestry's regulations. Insights from this monitoring drive continuous operational improvements, furthering our goal of cleaner, more sustainable production

Emission Management Strategy

Real-time emissions tracking

Continuous Emissions Monitoring System (CEMS) sensors ensure compliance with regulatory limits

Electrostatic Precipitator (ESP) optimization

ESP control devices are enhanced to manage exhaust gas emissions effectively

Spent Desulfurization Tail Gas (SDT) treatment

SDT emissions are incorporated into the Recovery Boiler (RB) unit, where they are burned to reduce overall emissions while generating energy

Upgrading emissions treatment

Wet scrubbers in the RB unit are added with NaOH solution, which capture TRS gases more efficiently, resulting in significantly reduced emissions



GHG EMISSION MANAGEMENT

To strengthen our GHG accountability and data-driven, we have launched a GHG Emission Monitoring Dashboard. This dashboard serves as a centralized platform for visualizing and analysing our greenhouse gas emissions across our operational. This system enables tracking, emission classifications, trend analysis, interactive visualizations, monitoring performance, and reporting of our operational emissions across key business activities. Looking ahead, APP plans to expand the capabilities of this system by integrating advanced analytics to support comprehensive carbon footprint calculations.

APP faces several hurdles in emission reduction. Biofuels remain scarce and expensive, natural gas prices are high, making it difficult to transition from coal to gas. Additionally, shifting to low-calorific coal, which is more widely available, results in higher carbon intensity. Nevertheless, APP remains resolute in our carbon reduction efforts and will continue to explore viable solutions.

As part of our commitment and in alignment with APP carbon emission goals aligning SRV 2030 and SBTi target. APP has implemented a series of initiatives aimed at reducing carbon emissions across our operations. These efforts reflect our dedication to transitioning toward cleaner energy sources, improving energy efficiency, and embracing circular economy principles. Beside are the key highlights of our carbon emission reduction programs:

We have successfully obtained ISO 14064 certification for OKI mill, demonstrating our commitment to transparent and verifiable greenhouse gas reporting. This milestone reflects our dedication to sustainability and the accuracy of our emissions data, as we work toward achieving ISO 14064 certification across all operational mills to ensure consistent climate accountability throughout our operations

1.

Solar Panel Installation

Solar panels, or photovoltaic (PV) systems, convert sunlight into electricity, providing a clean and renewable energy source. By 2023, APP had successfully installed 10.67 MWp of solar capacity. In 2024, an additional 28.57 MWp was added. In 2025, a potential addition of 10.39 MWp will be added, bringing the total capacity to 49.63 MWp.



2.

Biogas Utilization from Wastewater Treatment for Steam Production

Biogas generated from our wastewater treatment plant is produced through anaerobic digestion. This process breaks down organic matter in the absence of oxygen, resulting in a methane-rich gas. The captured methane is then used as a fuel for steam generation, reducing reliance on fossil fuels and lowering greenhouse gas emissions.



3.

Energy Efficiency Programs

Energy efficiency involves using less energy to achieve the same output or increasing productivity with the same energy input, thereby minimizing energy waste. Several high-impact energy efficiency initiatives have been implemented, including the installation of a vacuum evaporator condensate segregation system, DD washer for pulp production, and enhancements to power plant performance, among others.

4.

Increase Biomass Sources and Waste Utilization

APP has increased the usage of biomass and alternative clean energy sources to reduce reliance on fossil fuels further. This includes increasing the utilization of sawdust from wooden pallets, fines and chips from the wood handling plant, and sludge from wastewater treatment processes. In addition, APP has also explored the use of low-carbon fuels such as methanol and hydrogen to support cleaner and more renewable energy consumption. These initiatives reflect our commitment to innovation in sustainable energy and the circular use of industrial by-products



5.

REC Purchased

APP has also invested in the purchase of Renewable Energy Certificates (RECs). These certificates represent the environmental benefits of generating electricity from renewable sources and help ensure that a portion of our energy consumption matches clean, renewable energy fed into the grid. This initiative can reduce scope 2 emission.



6.

Supplier Engagement

Recognizing that a significant portion of our carbon footprint lies within our value chain, in 2024, APP started engaging some significant chemical and logistic suppliers to reduce scope 3 emissions. Through collaboration, capacity building, and promoting sustainable practices, we encourage our suppliers to adopt energy-efficient technologies, transition to renewable energy, and improve resource efficiency.



In alignment with our long-term SRV and Indonesia National Determined Contribution (NDC) Target, APP continues to strengthen its role in supporting Indonesia's national energy transition agenda. We are actively working with government bodies and industry associations to accelerate the shift toward cleaner energy and reduce our carbon footprint. In 2024, APP began a strategic collaboration with INDODEPP (Indonesia-Denmark Energy Partnership Programme). This partnership focuses on energy audit, knowledge sharing, capacity building, and the implementation of best practices in renewable energy and energy efficiency. In addition, APP is working closely with the Sustainable Energy Transition Indonesia (SETI) and the Just Energy Transition Partnership (JETP) under the coordination of the Ministry of Energy and Mineral Resources. These collaborations aim to support an accelerated transition to low-carbon energy systems across our operations. Beyond government partnerships, APP is also actively engaged with the Indonesia Pulp and Paper Association (APKI) in developing Decarbonization Roadmap.

To support the SRV 2030 target, APP is working to reduce carbon intensity by 30% by 2030. Measures include improving operational equipment effectiveness (OEE), implementing structured maintenance programs, enhancing energy efficiency, adopting new technologies, and increasing the use of biofuel and biomass.

GHG EMISSIONS (SCOPE 1, 2, 3) [GRI 305-1] [GRI 305-2] [GRI 305-5] [GRI 305-3] [OJK F.11]

GHG Emissions	Unit	2022	2023	2024
Scope 1	tCO ₂ e	11,156,396	11,455,587	11,475,287
Scope 2 (Electricity – market based)	tCO ₂ e	705,632	503,397	588,173
Scope 2 (Electricity, location based)	tCO ₂ e	781,664	688,945	869,334
Subtotal Scope 1 & 2	tCO ₂ e	11,862,028	11,958,984	12,063,460
Biogenic Scope 1 & 2	tCO ₂ e	15,901,412	16,342,954	16,405,458
Scope 3 fossil	tCO ₂ e	9,441,080*	10,755,961	10,636,531
Biogenic Scope 3	tCO ₂ e	2,936,039	1,732,127	2,737,865

Note:

- Scope 1 includes direct emissions from stationary combustion, mobile combustion, and limestone combustion
- Scope 2 includes scope 2 market-based and location-based, calculate only the fossil imported electricity using emission factor of PLN (ESDM) and for REC the emissions factor was assumed as zero.
- Inventory Scope 3 validated by SBTi which includes purchased goods and services, capital goods, activities related to fuel and energy not covered in Scope 1 or Scope 2, upstream transportation and distribution, waste generated in operations, downstream transportation and distribution, and processing of sold products and end of life of processing product
- Inventory Scope 3 Emission is coming from Non-Flag Sector
- APP has excluded Scope 1 and Scope 2 (emission from solid waste to landfills, wastewater, and refrigerant consumption) with 1.07% coverage in the base year of 2023, which is less than 5% threshold set by SBTi and it's allowed by SBTi. And has excluded 3.10% of emissions from Scope 3 inventory in 2023, which is less than 5% threshold set by SBTi and it's allowed

- by SBTi which is consist of business travel, employee commuting,
- Restatement data emission according to SBTi, include biogenica emissions
- The assessment of greenhouse gas (GHG) emissions is based on the methodology of the Intergovernmental Panel on Climate Change (IPCC) and the Greenhouse Gas (GHG) Protocol of the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD).
- The emission factors and global warming potential (GWP) for Scope 1 are based on the IPCC Sixth Assessment Report.
- The gases included in the calculation are CO₂, CH₄, N₂O.
- Consolidation approach for emissions; operational control.
- PT. PERTAMINA specifications are used to calculate the conversion factors for fuel oil and gas.
- In 2022, Scope 3 inventory is not yet included with upstream Non-Flag Sector





Carbon Intensity [F.11], [F.12] [GRI 305-4]

Carbon Intensity	2020	2021	2022	2023	2024
tCO2e/tonne	0.99	0.99	0.99	1.01	1.00

Ozone-Depleting Substance Emissions (ODS) [GRI 305-6]

ODS Substance	UoM	2022	2023	2024
ODS emissions (Import)	tonnes	32	34	64
Refrigerant emissions	tCO2e	56,680	62,022	61,450
ODS Intensity	ton/ ton product	0.0048	0.0053	0.0051

Scope 3 Emissions Breakdown [GRI 305-3]

Category	Unit	2024
Purchased goods and services	tCO2e	2,779,398
Capital goods	tCO2e	182,203
Fuel- and energy-related activities not included in scope 1 or scope 2	tCO2e	2,895,292
Upstream transportation and distribution	tCO2e	812,198
Waste Generated in operations	tCO2e	31,624
Upstream leased assets	tCO2e	101,082
Downstream transportation and distribution	tCO2e	1,520,085
Processing of sold products	tCO2e	2,148,733
End-of-life treatment of the sold products	tCO2e	165,916
Total	tCO2e	10,636,531

Air Emissions [GRI 305-7]

Air Emissions Concentration* (mg/Nm3)	UoM	2022	2023	2024
NO2	mg/Nm ³	114.17	153.11	170.32
SO2	mg/Nm ³	121.97	132.03	265.35
ClO2	mg/Nm ³	1.10	2.39	2.14
HCl	mg/Nm ³	0.61	0.56	0.64
Cl2	mg/Nm ³	0.66	0.34	0.64
Opacity	%	11.78	10.28	9.00
TRS	mg/Nm ³	1.91	1.56	2.35
Total Particulate	mg/Nm ³	40.00	63.91	63.99

*This number represents average concentration from various emission sources (i.e: power boiler, chemical plant, paper machine etc) where concentration threshold is different for each type of source. In 2024, we improved data collection to integrate NO₂ and SO₂ data with SISPEK (CEMS), except for EMF and IKT, which do not have CEMS installed



WATER AND WASTE MANAGEMENT

Water and Effluent Management

[GRI 303-1] [GRI 303-2]

Water is a critical resource for both the environment and APP's operations, primarily used for steam generation, heating, cooling, and cleaning in production processes. Committed to sustainable water management, APP aims to minimize environmental impact while ensuring efficient use across its facilities. Water management is a key ESG focus area, overseen by dedicated Department Heads. Each unit is jointly led by the Business Unit Head and Mill Head, supported by Division and Department Heads, who work together to implement and monitor strategic initiatives that balance operational efficiency with environmental responsibility.

APP is committed to not sourcing water from water-stressed areas as part of its commitment to sustainable water management. We have implemented alternative water sources through innovative solutions to reduce reliance on existing water sources. One key initiative is the use of a lagoon system designed not only for water intake management but also to capture and store rainwater. This rainwater harvesting approach helps supplement water needs, especially during dry seasons, and reduces pressure on local water resources. Besides that, APP has already had Water Treatment Facilities that capable of treating other water sources.



Precision Measurement and Calibration

Employ flow meters installed at water intake points to continuously monitor and manage water consumption. Regular calibration ensures measurement accuracy, providing reliable data for informed decision-making and efficient water use.



Effluent Treatment and Compliance

Adhere to government regulations on effluent management by employing advanced treatment technologies to ensure that discharged water meets regulatory standards. Effluent quality is continuously monitored, and compliance reports are submitted to relevant authorities.



Water Reuse and Recycling

Reduce reliance on raw water sources by integrating water recycling. Water used in heating and cooling processes is reclaimed and reused within production cycles.



Monitoring and Reporting

Maintain daily waste records for internal tracking and regulatory compliance, supported by the SPARING monitoring system and accredited laboratory testing



Sustainable Water Sourcing

Avoid sourcing water from areas experiencing water stress or shortages to prevent exacerbating regional water scarcity. APP does not appoint specific managers for water scarcity assessments or report on water shortage risks.



Flood Control Management

To effectively manage excess rainwater and reduce the risk of water runoff, APP has implemented several key strategies such as biopori holes, catchment wells, and lagoon to support sustainable water management and flood mitigation



APP has set 2030 targets to reduce water intensity by 30% and lower Chemical Oxygen Demand (COD) emissions by 30% below government standards, as part of its operational efficiency measures. All these initiatives are registered and tracked as part of the Skill Development Activity (SDA) Program, which aims to improve operational processes by reducing water consumption, and minimizing environmental impact.

1. Reduce Water Consumption

This initiative focuses on identifying and implementing measures to minimize the use of water in production & supporting processes. It includes optimizing equipment, fixing leaks, and adopting best practices in water use to ensure that only the necessary amount of water is consumed.

2. Recycle Water

Water recycling involves treating and reusing process white water and recovering treated effluent within the facility back into the production cycle. This initiative reduces the demand for water intake and supports circular water management, leading to cost savings and environmental benefits.

3. Reducing Fiber Loss

This initiative aims to enhance the efficiency of systems that recover usable materials, particularly fibers that can be reused in the production process. To support this, a fiber capture machine has been installed to allow the early separation and recovery of fiber content before the water enters the treatment process, reducing fiber loss and improving overall resource efficiency.

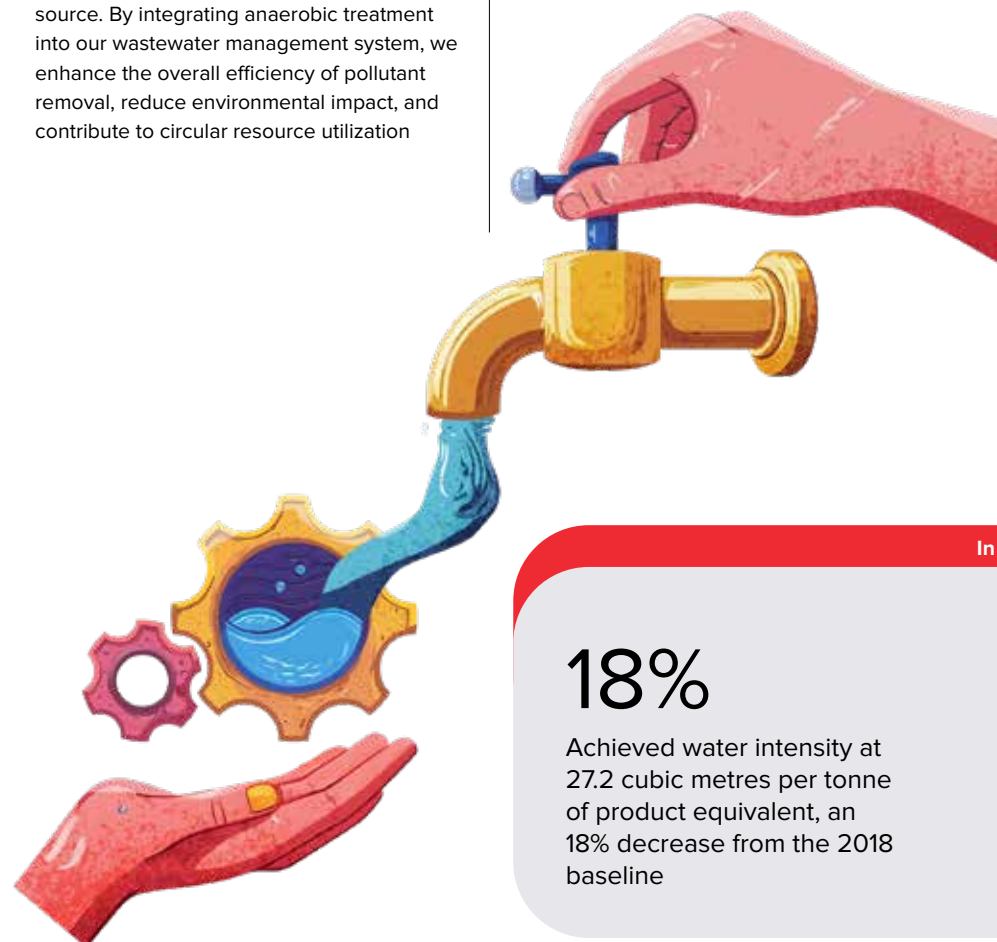
4. Improving Effluent Quality

One of the initiatives involves the use of an anaerobic treatment plant. This system is designed to treat high-strength organic wastewater by utilizing anaerobic microorganisms that break down organic matter in the absence of oxygen. The process generates biogas as a by-product, which can be captured and used as a renewable energy source. By integrating anaerobic treatment into our wastewater management system, we enhance the overall efficiency of pollutant removal, reduce environmental impact, and contribute to circular resource utilization

APP provides wastewater treatment facilities with the latest technology and resources to minimize the environmental impact of wastewater arising from the production process, and provides competent officers to monitor, analyze and ensure the effectiveness of wastewater treatment to comply with wastewater quality standards according to applicable regulations

To support these targets, wastewater is treated through a four-stage process to ensure compliance with discharge standards and minimize environmental impact:

1. **Primary Treatment** - Removal of Total Suspended Solids (TSS) using Polyaluminum Chloride (PAC) and polymer chemicals in flocculation and coagulation, followed by sedimentation in a primary clarifier.
2. **Secondary Treatment** - Biological treatment using microorganisms to reduce COD and Biological Oxygen Demand (BOD) levels, followed by clarification to separate treated water from biomass.
3. **Post-Treatment** - Ensures treated water complies with all central and local discharge standards.
4. **Sludge Treatment** - Dewatering of sludge to reduce water content before disposal.



In 2024

18%

Achieved water intensity at 27.2 cubic metres per tonne of product equivalent, an 18% decrease from the 2018 baseline

27%

Achieved the Chemical Oxygen Demand (COD) value of 256.8 mg/L, 27% below the threshold limit of 350 mg/L



Water [GRI 303-3] [GRI 303-4] [GRI 303-5] [OJK F.8]		Unit	2022	2023	2024
Water Withdrawal by Source	Surface Water	ML	325,542	321,042	326,628
	Ground Water	ML	76	77	91
	Third Party	ML	39	47	50
Water Withdrawal	Total Water withdrawn	ML	325,658	321,166	326,769
	Water intensity	m ³ /tone	27.3	26.0	27.2
Water Consumption by Source	Surface Water	ML	274,456	265,829	279,307
	Ground Water	ML	76	78	75
	Third Party	ML	39	39	33
Water Consumption	Water Consumption for Prod	ML	259,852	248,827	263,009
	Total Water Consumption	ML	274,571	265,945	279,416
Water Reused & Recycle	Water Recycle	ML	41,608	49,211	48,728
	Percentage Water Recycled	%	14%	17%	16%
Water Effluent	Water Effluent	ML	231,396	224,262	223,774
	Effluent intensity	m ³ /tone	19	18	19

The president Director oversees water-related performance, setting direction, budget, and risk parameters. The Chief Sustainability Officer (CSO) integrates water-related scenarios, policies, and targets into the business strategy and monitors progress. In 2024, no water-related incidents resulted in fines or penalties, reflecting APP's strong compliance record.

WASTE MANAGEMENT

[GRI 306-1] [GRI 306-2] [OJK F.14]

APP has established a comprehensive waste management policy to ensure responsible and sustainable operations. This policy focuses on reducing waste generation and promoting responsible waste management practices across our operations.

APP has implemented a structured and integrated waste management strategy. This strategy is designed to ensure that each type of waste—whether hazardous or non-hazardous—is handled, treated, and disposed of in a manner that prioritizes environmental protection, regulatory compliance, and resource efficiency.

For non-hazardous waste with dominant such as waste plastic, unusable pulpwood fibers, and fly ash and bottom as. For Hazardous waste with dominant such as dreg and grits and sludge, is managed through strict segregation, secure storage, and disposal via licensed third-party service providers in accordance with government regulations. Regular monitoring and documentation ensure traceability and accountability throughout the waste handling process.





Waste Management Strategy [OJK F.14]

Waste Reduction

Implement innovative production processes to minimise waste at the source and enhance efficiency through advanced technologies

3R Principles (Reduce, Reuse, Recycle)

Design processes that reduce waste, reuse materials, and prioritise recycling.

Zero Waste to Landfill by 2030

Eliminate waste sent to landfills

Waste to Energy

Implement waste-to-energy initiatives to reduce environmental impact and enhance resource efficiency such as sludge utilization as biogas, wood waste and saw dust from wood pallet as energy.

Supplier Compliance

Ensure business partners and suppliers adhere to responsible waste management practices

Environmental Innovation

Invest in research and technology to develop sustainable solutions and reduce operational waste.

Waste [GRI 306-3] [GRI 306-4] [GRI 306-5] [OJK F.13]

UoM

2022

2023

2024

Landfill

515,914

209,533

49,844

Utilised by a licensed third party

117,769

71,662

87,920

Recycled

600,104

546,885

571,757

Temporary storage (to be off-site recycle)

9,379

4,028

4,532

Total hazardous waste**1,243,166****832,108****714,053**

Landfill

-

-

-

Utilised by licensed third party

287,764

356,625

182,591

Recycled

1,816

138,367

567,348

Temporary storage

73,332

63,078

23,761

Total non-hazardous waste**362,912****558,071****773,701**

Total Landfill

515,914

209,533

49,844

Total recycled

601,920

685,252

1,139,105

Percentage recycled

37%

49%

77%

Waste landfill intensity

0.3

0.2

0.034

% Reduction

1%

60%

90%

Total Hazardous Waste/Ton-prod-equivalent**0.1****0.1****0.1**

Notes : In 2024, APP improve data collection



ENVIRONMENTAL MANAGEMENT COSTS [GRI 201-2] [OJK F.4]

Managing the environment is a costly but essential investment in the face of the climate crisis. Implementing sustainable practices, such as emissions reduction, renewable energy adoption, and waste management, requires significant financial resources for advanced technologies, infrastructure upgrades, and compliance with stringent regulations. However, the long-term consequences of inaction, rising global temperatures, extreme weather events, and resource depletion, pose far greater economic and social risks.

Businesses that prioritise environmental stewardship not only mitigate regulatory and reputational risks but also contribute to a more resilient and sustainable future. In this context, proactive environmental management is not just an obligation but a strategic necessity. During the reporting period, our costs related to environmental management totalled USD 50.9 million.

Upstream

Environmental Costs (in US\$)	2022	2023	2024
Waste Management	40,306	39,129	31,816
Fire Management – Early Detection	9,156,278	13,197,880	15,699,405
Fire Management – Equipment	378,871	563,135	383,831
Fire Management-Infrastructure	731,996	1,472,770	2,170,302
Fire Management – DMPA	79,918	36,389	5,799
Fire Management – Operational Cost	3,342,343	3,413,863	3,707,226
Total	13,729,712	18,723,166	21,998,379

Downstream

Environmental Costs (in US\$)	2022	2023	2024
Waste disposal, emissions treatment, and remediation costs	39,292,235	30,731,141	27,756,675
Water/Wastewater treatment	14,768,605	11,408,915	11,015,492
Solid waste treatment	5,289,997	4,384,922	4,045,057
Air emission treatment	4,818,218	694,182	1,014,241
Water & electricity for utility	7,880,431	7,943,070	6,602,449
Others (service fee,etc)	6,534,984	6,300,052	5,079,437
Prevention and environmental management costs	2,529,176	1,380,505	1,177,327
Environmental monitoring*	2,383,558	1,273,631	1,050,227
Environmental certification	145,617	106,874	127,100

Note: include water, waste air emission monitoring. Some mill include waste disposal

ENVIRONMENTAL COMPLAINTS [GRI -27] [OJK F.16]

APP recognises the societal impact of its operations and is committed to proactive environmental stewardship. To uphold this responsibility, we have established accessible channels for the community to provide feedback and raise concerns regarding potential environmental impacts.

Through an open and inclusive communication platform, APP empowers communities to participate in environmental monitoring, ensuring their voices contribute to continuous improvements in sustainability practices. This mechanism enables stakeholders to report concerns, offer suggestions, and address environmental issues that may affect their well-being.

In 2024, zero environmental complaints were received through the whistle-blower channel. Additionally, due to stringent environmental safeguards, no spills were reported, and no fines or legal claims related to regulatory violations were recorded. [OJK F.15]

We remain dedicated to full regulatory compliance as we pursue our mission to operate sustainably while fostering transparent and responsible engagement with communities.

COMPANY PROFILE





OUR VISION [OJK C-1]

As a global pulp and paper company, we are committed to sustainable and responsible innovation. We prioritize collaboration to ensure a better future for our customers, communities, employees, shareholders, and you.

PT APP Purinusa Ekapersada (APP) is an Indonesian pulp and paper company headquartered in Indonesia. APP and its group of companies manufacture quality paper products that reach more than 150 countries on six continents. As a responsible company, we are part of the bio-economy, accelerating the transition to a more sustainable future.



PT APP Purinusa Ekapersada [GRI 2-1]



Sinar Mas Land Plaza, Tower II
Jl. M.H. Thamrin No. 51, RT.9/RW.4, Gondangdia, Kec. Menteng,
Kota Jakarta Pusat, Daerah Khusus Ibukota Jakarta 10350, Indonesia
[GRI 2-1, OJK C.2]



sustainability@app.co.id

WHAT WE VALUE [OJK C-1]



Our employees,
who are an integral part of APP's success.



Our shareholders and the global community
to whom we are accountable.



Our customers and suppliers
who sustain our business.



The environment,
as we are a sustainable business.



The principles of good governance
as we continue to build a sustainable business.



APP





Our Subsidiaries [GRI 2-6] [OJK C.3]

Legal Entities

PT APP Purinusa Ekapersada

PT Indah Kiat Pulp & Paper Tbk

PT Pindo Deli Pulp and Paper Mills

PT Pabrik Kertas Tjiwi Kimia Tbk

PT Ekamas Fortuna

PT Lontar Papyrus Pulp and Paper Industry

PT OKI Pulp & Paper Mills

PT The Univenus

PT Arara Abadi

PT Riau Abadi Lestari

PT Satria Perkasa Agung

PT Wirakarya Sakti

PT Finnantara Intiga

PT Sumalindo Hutani Jaya I & II

PT Wahana Agro Mulia

PT Warna Agung Sejahtera

Mills and Forestry

Purinusa Ekapersada Semarang
Purinusa Ekapersada Demak
Purinusa Ekapersada Bandung
Purinusa Ekapersada Subang

Indah Kiat Perawang
Indah Kiat Tangerang
Indah Kiat Serang

Pindo Deli Karawang (mill 1, 2, 3)
Pindo Deli Perawang

Tjiwi Kimia

Ekamas Fortuna

Lontar Papyrus

OKI

Univenus Perawang

Arara Abadi/AA

Riau Abadi Lestari/RAL

Satria Perkasa Agung/SPA

Wirakarya Sakti/WKS

Finnantara/FI

SHJ 1, SHJ II

WAM

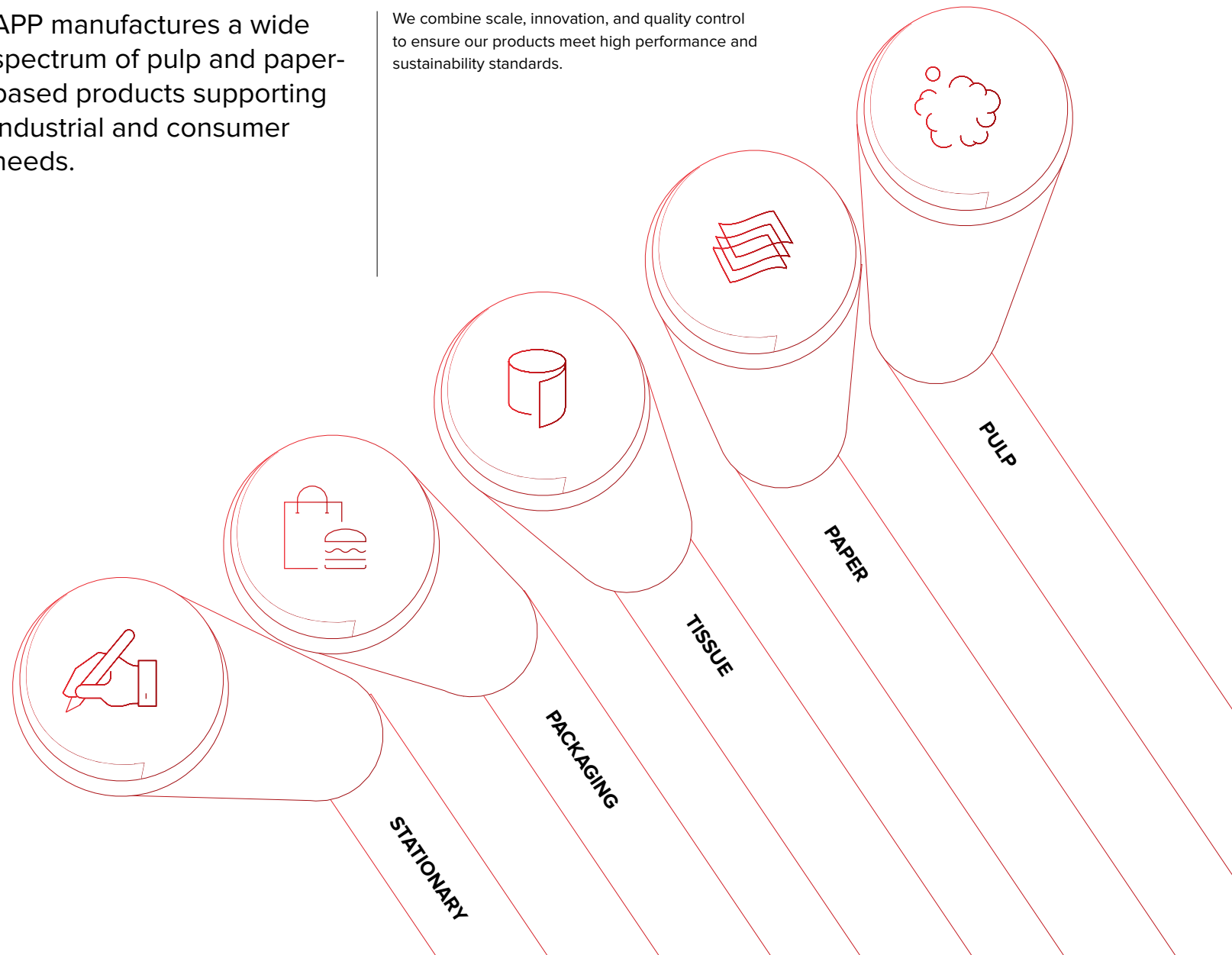
WAS



Our Products [GRI 2-6] [OJK C.4]

APP manufactures a wide spectrum of pulp and paper-based products supporting industrial and consumer needs.

We combine scale, innovation, and quality control to ensure our products meet high performance and sustainability standards.

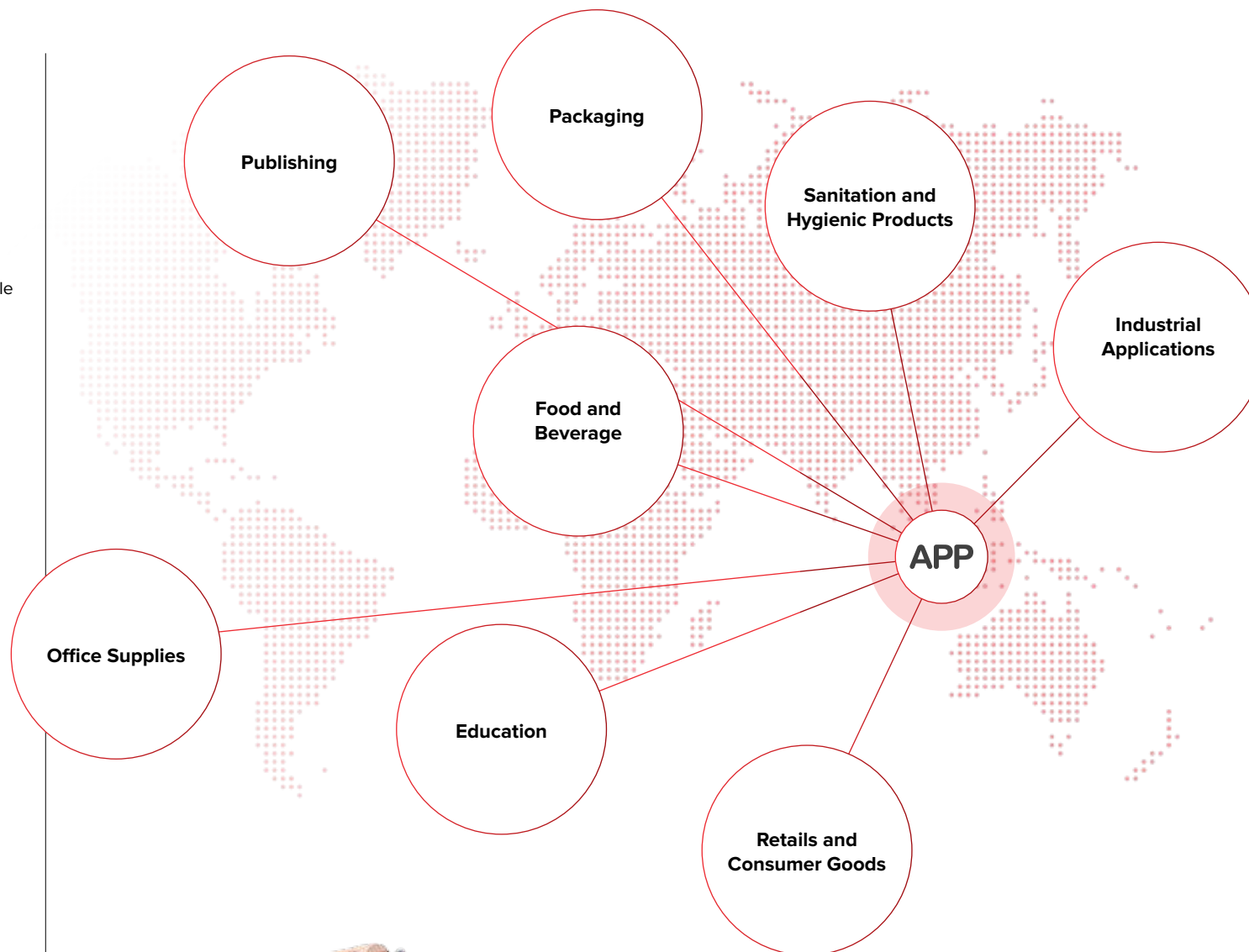




Our Markets

Our products reach diverse markets worldwide, supporting everyday essentials as well as specialised industrial applications.

With a strong market presence and adaptive approach, we continue to expand our reach while deepening our impact across the value chain.



Our Supply Chain [GRI 2-6]

APP has an extensive supply chain to support our global pulp and paper production, from raw and production material suppliers to contractors, distributors, and recyclers.





Our Business Scale

In the reporting year, there were no significant changes to the company's activities, supply chain, or corporate structure. [OJK C.6] [GRI 2-6]



MARKETING AREAS
(GRI 2-6, OJK C.3.D)

150 countries

6 continents



TOTAL EMPLOYEES
(OJK C.3.B)

33,696



LEGAL ENTITY
(OJK C.3.C) (GRI 2-1)

Limited Liability Company



OWNERSHIP
(OJK C.3.C) (GRI 2-1)

- Titan (MY) Sdn Bhd
- Sinclair Ventures Pte Ltd
- Other shareholders below



OPERATIONAL AREAS
(GRI 2-6, OJK C.3.D)



- Java,
- Sumatra
- Kalimantan



Company History

APP has grown from a regional pulp and paper company into one of the world's renowned integrated producers of pulp, paper, and packaging.

With a history rooted in Indonesia's manufacturing sector, APP has expanded its operations across Asia and beyond, serving global markets with a wide range of paper-based products. Our growth reflects decades of investment in industrial capacity, technological advancement, and a commitment to evolving in step with market demands and sustainability expectations.

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Association Membership [GRI 2-28] [OJK C.5]

APP is a member of various industry organizations. The Group aims to foster strategic collaboration through these associations to promote sustainable policies, practices, and objectives.

These memberships enable APP to stay informed on the latest developments while providing a platform to share experiences and insights with other industry players.

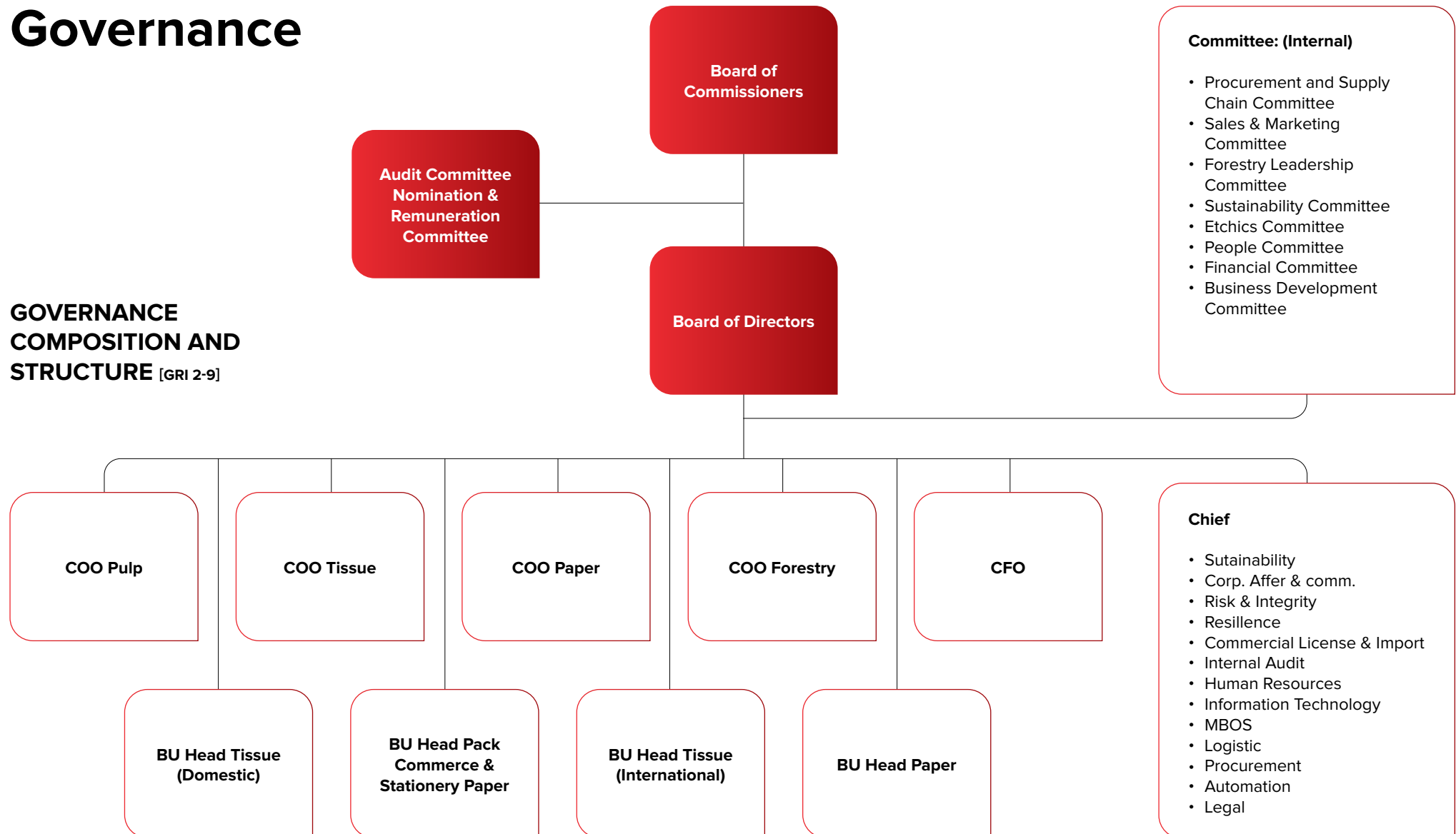
Association	Role	Level
Indonesia Pulp & Paper Association (APKI)	Deputy Chairman	National
Indonesian Forest Concessionaires (APHI)	Board Member	National
Indonesian Association for Clinical Chemistry (AKIDA)	Member	National
Indonesian Public Listed Companies Association (AEI)	Member	National
Peat Society of Indonesia (HGI)	Member	National
Indonesian Employers Association (APINDO)	Member	National
Indonesia Chamber of Commerce (KADIN Indonesia)	Committee Chairman	National

Initiatives	Role	Level
UN Global Compact Network	Signatory member	International
Indonesia Global Compact Network (IGCN)	Board of Founders	National
UNGC CEO Water Mandate Indonesia Water Mandate Working Group	Steering Board	National
Indonesia Business Council for Sustainable Development (IBCSD)	Executive Committee	National
Consumer Goods Forum (CGF) • Forest Positive Coalition • Human Rights Coalition • Sustainable Supply Chain	Member	International
World Business Council for Sustainable Development (WBCSD)	Member	International



Good Corporate Governance

GOVERNANCE COMPOSITION AND STRUCTURE [GRI 2-9]





APP upholds Good Corporate Governance (GCG) as the foundation of its business operations. Our governance framework integrates economic, environmental, and social considerations, commonly referred to as the triple bottom line, into every decision-making process.

We are committed to embedding GCG into the company's culture and to practising transparency, accountability, openness, responsibility, independence, fairness, and justice in all aspects of our operations.

To ensure consistent implementation, we have established a Governance Policy and Business Code of Conduct (BCoC), which has been approved by the Management Board and applies to all employees. We also extend awareness and education efforts to our business partners to promote shared understanding and application of these standards. This affirms our commitment to conducting business responsibly, fairly, and sustainably. [GRI 2-24]

Compliance with laws and regulations forms an essential pillar of our governance framework. We recognize that adhering to legal and regulatory requirements is not merely an obligation; it plays a crucial role in reflecting our integrity and responsibility to all stakeholders. APP has implemented structured processes to ensure our people understand relevant laws and regulations and apply them correctly in their day-to-day roles. These processes include internal training, compliance monitoring, and periodic reviews. As a result, APP has successfully maintained full compliance with all applicable laws and regulations during the reporting period. [GRI 2-27]

By embedding Good Corporate Governance across our operations, we achieve several critical outcomes. We conduct comprehensive and inclusive evaluations of each decision, considering not only immediate financial returns but also the long-term impact on the environment, society, and future business resilience. We ensure that our actions remain consistent with our corporate values and our commitment to sustainable development. Most importantly, we strengthen the trust placed in us by investors, employees, customers, communities, and other key stakeholders. This trust is fundamental to our license to operate and the long-term success of our business.

For a detailed description of our Governance commitments, please refer to the Sustainability Approach page 18.

[Go to Page 18](#)







AWARDS 2024

Month	Award	Organizer	Category	Business Unit
January	HIV/AIDS Prevention and Mitigation – East Java	East Java Provincial Government	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
February	Award for the Implementation of the Occupational Health and Safety Advisory Committee – Silver Category	Governor of Banten	Corporate	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
February	P2-HIV/AIDS Platinum Category Award	Banten Provincial Government	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
February	Award for the Implementation of the Occupational Health and Safety Advisory Committee – Platinum Category	Banten Provincial Government	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
February	Zero Accident Award	Banten Provincial Government	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
February	Tangerang Raya Award 2024	Harian Tangerang Raya	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
February	Employment Social Security Award (PARITRANA): Best Enterprise	BPJS Ketenagakerjaan	Corporate	PT Lontar Papyrus Pulp & Paper Industry
February	Firefighting PPE Installation Competition in Commemoration of National OHS Month	Governor of West Kalimantan	Corporate	PT. Finnantara Intiga
February	Conducting an OHSMS Audit with 166 Criteria	Governor of West Kalimantan	Corporate	PT. Finnantara Intiga
March	Zero Accident Company Award	Governor of Banten	Corporate	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
March	Award in the Education and Community Empowerment Category	Banten Economic and Tourism	Corporate	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
March	Waste-Conscious Company Award	Tangerang Regency Environmental Agency	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
March	Zero Accident Award Certificate – South Sumatra Provincial Department of Manpower and Transmigration	South Sumatra Provincial Department of Manpower and Transmigration	Corporate	PT OKI Pulp & Paper Mills
April	Certificate of Appreciation from the Governor of East Kalimantan	East Kalimantan Provincial Department of Community and Village Empowerment (DPMD)	Corporate	PT Sumalindo Hutani Jaya



Month	Award	Organizer	Category	Business Unit
May	TOP CSR Awards (5 Stars) - National	TOP Magazine	CSR	PT Pabrik Kertas Tjiwi Kimia Tbk
May	Top CSR Awards Golden Trophy - National	TOP Magazine	CSR	PT Pabrik Kertas Tjiwi Kimia Tbk
May	TOP CSR Awards 2024 (5 Stars)	Media Top Business	CSR	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
May	Winner of Top CSR Awards 2024: Top Leader on CSR Commitment 2024	Top Business	CSR	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
May	Top CSR Award 2024 (5 Stars)	Top CSR Magazine	CSR	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
May	Indonesia Best CSR in Pulp and Paper Sector 2024	Iconomics Media	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
May	Award Certificate: Simultaneous Family Planning Services in Commemoration of National Labor Day and National Family Planning Day	Department of Manpower and Transmigration of Jambi Province	Corporate	PT Lontar Papyrus Pulp & Paper Industry
May	Certificate of Recognition from the Regent of Tanjung Jabung Barat - Implementation of Regional Regulation No. 5 of 2018 of Tanjung Jabung Barat Regency on Empowerment and Placement of Local Workers	Government of Tanjung Jabung Barat Regency	Corporate	PT Lontar Papyrus Pulp & Paper Industry
May	Certificate of Recognition from the Regent of Tanjung Jabung Barat - Creative and Innovative Company	Government of Tanjung Jabung Barat Regency	Corporate	PT Lontar Papyrus Pulp & Paper Industry
May	Top CSR Award (4 Stars)	Top Business	CSR	PT Lontar Papyrus Pulp & Paper Industry
May	Top CSR Award, Top CSR Leader On Commitment	Top Business	CSR	PT Lontar Papyrus Pulp & Paper Industry
May	Top CSR Award, TOP Leader on CSR Commitment 2024 - May 2024 (Top Business Media)	TOP BUSINESS MEDIA	CSR	PT OKI Pulp & Paper Mills
May	TOP CSR Award 2024 (4 Stars)	PT Mandani Solusi Internasional -MSI Group (Top Business)	CSR	PT Sumalindo Hutani Jaya
May	TOP CSR Awards 2024 – PT. Arara Abadi for DMPA Program: Integrated Horticulture Cultivation	PT Madani Solusi Internasional - MSI Group	CSR	PT Arara Abadi
June	Indonesian Business Award - National	Bisnis Indonesia Magazine	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk



Month	Award	Organizer	Category	Business Unit
June	Best Companies to Work 2024 and Sustainability Workplace Awards 2024	HR Asia	Corporate	APP Group
June	Award for Companies in the Mining, Manufacturing, and Construction Sectors	Department of Manpower of Banten Province and Social Security for Employment Agency	Corporate	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
June	Indonesian Business Award Platinum Category	Bisnis Indonesia Media	Corporate	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
June	Business Indonesia Corporate Social Responsibility Award Award (BISRA) 2024 - Paving the way To Sustainable Business: Innovation in CSR -GOLD CHAMPION "Utilization of Pallet Wood Waste"	Bisnis Indonesia	CSR	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
June	First Place: Large Enterprise Category in the Mining, Manufacturing & Construction Sector	Social Security for Employment Agency	CSR	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
June	Bisnis Indonesia Corporate Sosial Responsibility Awards	Bisnis Indonesia	CSR	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
June	(BISRA 2024) - GOLD Category Certificate and Trophy: Bea Cukai Jambi Awards 2024	Customs Supervision and Service Office, Medium Customs Type B Jambi	Corporate	PT Lontar Papyrus Pulp & Paper Industry
June	Business Indonesia Corporate Social Responsibility Award (BISRA) Award 2024 – Platinum Champion	Bisnis Indonesia	CSR	PT Lontar Papyrus Pulp & Paper Industry
June	Award for the Largest Foreign Exchange Export Contributor – First Place 2023	KPPBC TMP B Palembang	Corporate	PT OKI Pulp & Paper Mills
June	Award for the Third Largest Import Duty Contributor – 2024	KPPBC TMP B Palembang	Corporate	PT OKI Pulp & Paper Mills
June	Business Indonesia Corporate Social Responsibility Award (BISRA) Award 2024 - Gold Champion - PT OKI Pulp & Paper Mills for CSR Program: Farmer Empowerment - Rice Planting Demonstration Plot and Clean Water	Bisnis Indonesia Media	CSR	PT OKI Pulp & Paper Mills
June	Bisnis Indonesia Corporate Sosial Responsibility Awards (BISRA 2024) - GOLD Category	PT Bisnis Indonesia Konsultan	CSR	PT Sumalindo Hutani Jaya
June	Business Indonesia Corporate Social Responsibility Award (BISRA) Award 2024 - DMPA Program: Integrated Horticulture Cultivation	Bisnis Indonesia Group	CSR	PT Arara Abadi
June	DMPA Program – Cattle Farming	BISRA Awards 2024	CSR	PT Satria Perkasa Agung
June	Business CSR Award	Bisnis Indonesia Magazine	Corporate	PT. Wirakarya Sakti
July	Innovative and Environmentally Friendly International Company	Radar Surabaya	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk



Month	Award	Organizer	Category	Business Unit
July	Active Role in Supporting Police Operations in the Jurisdiction of Riau Regional Police (POLDA RIAU)	Riau Regional Police (POLDA)	Corporate	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
July	PWI Riau Partnership Award	PWI Riau	Corporate	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
July	Corporate Social Responsibility (CSR) Support for Flood Victims in Kapuas Hulu, Sintang, Melawi, Sekadau, and Sanggau Regencies	Governor of West Kalimantan	CSR	PT. Finnantara Intiga
August	Paritrana Awards - National	Social Security for Employment Agency	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
August	ProKlim Utama Award	Ministry of Environment	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
August	Zero Accident Award	Ministry of Manpower of the Republic of Indonesia	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
August	P2-HIV/AIDS Award – Platinum Category	Ministry of Manpower of the Republic of Indonesia	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
August	Recognition Certificate: ProKlim Madya 2024	Ministry of Environment and Forestry	Corporate	PT Lontar Papyrus Pulp & Paper Industry
August	Zero Accident Award	Ministry of Manpower of the Republic of Indonesia	Corporate	PT Lontar Papyrus Pulp & Paper Industry
August	HIV/AIDS Prevention and Mitigation Program in the Workplace – Silver Category	Ministry of Manpower of the Republic of Indonesia	Corporate	PT Lontar Papyrus Pulp & Paper Industry
September	Green Industry Certificate	Ministry of Industry	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
September	Indonesia Green Sustainability Companies - National	SWA Magazine	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
September	Top 3 Best Customer	SUCOFINDO & Surveyor Indonesia	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
September	Award for the Blood Donor Unit (UUD) Partnership Category	PMI Kabupaten Serang	Corporate	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
September	Business Organization Committed to Fulfilling Children's Rights and Special Protection in Siak Regency	Regent of Siak	Corporate	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
September	Active Participation as an Implementer of Corporate Social and Environmental Responsibility Activities in Karawang Regency	Regent of Karawang	CSR	PT Pindo Deli Pulp and Paper Mills - Karawang



Month	Award	Organizer	Category	Business Unit
September	Highly Commended Rating in Fire Protection Equipment Facility Standards	Fire Agency of the Tanjung Jabung Barat Regency Government	Corporate	PT Lontar Papyrus Pulp & Paper Industry
September	One of the Corporate Social and Environmental ResponsibilityAdvocating Companies in Demak Regency	Demak Regency Government	CSR	APP Purinusa Ekapersada Demak
September	Children's Rights Fulfilment Award for Siak Regency in the 2024 National Children's Day Event	Siak Regency Government	Corporate	PT Arara Abadi
October	Sahabat Berlian Category Award	Indonesian Red Cross of Banten Province	Corporate	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
October	Pioneer Partnership Award Between Large Enterprises and MSMEs	Investment and One-Stop Integrated Service Agency of Banten Province	Corporate	PT Indah Kiat Pulp & Paper Tbk - Serang Mill
October	Award Recipient for Climate Village Program (PROKLIM) Guidance in Siak Regency 2024	Siak Regency Government	Corporate	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
October	Climate Village Program (PROKLIM) Advisor in Siak Regency 2024	Environmental Agency of Siak Regency	Corporate	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
October	Sustainable Exporter Category	Ministry of Trade of the Republic of Indonesia	Corporate	PT Indah Kiat Pulp & Paper
October	Award for Support and Commitment to the Government and Community of OKI in the Field of Sustainable Infrastructure Development	Regent of Ogan Komering Ilir	Corporate	PT OKI Pulp & Paper Mills
October	Certificate of Recognition for Early Payment of Land and Building Tax in 2024	Medan City Government (Mayor of Medan)	Corporate	Univenus Medan
November	Most Inspirational Winner in the Healthy Living Movement (Germas) Category	Ministry of Health of the Republic of Indonesia	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
November	Sidoarjo Partner for Health, Productivity, and Inspiration	Sidoarjo Regency Government	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
November	Women's Workers' Health Protection	Ministry of Health of the Republic of Indonesia	Corporate	PT Indah Kiat Pulp & Paper Tbk - Tangerang Mill
November	Top 5 PMDN Companies for January-September 2024 with the Highest Investment Contribution in Karawang Regency	Investment and One-Stop Integrated Service Agency of Karawang Regency	Corporate	PT Pindo Deli Pulp and Paper Mills - Karawang
November	Certificate of Recognition – Orderly Administration of Ongoing Monthly Contribution Payments and Utilization of the Jamsostek Mobile Application	Social Security for Employment Agency of Southern Regions	Corporate	PT Lontar Papyrus Pulp & Paper Industry



Month	Award	Organizer	Category	Business Unit
November	Occupational Safety and Health Advisory Committee (P2K3) Award for Companies	Banten Provincial Government Department of Manpower and Transmigration	Corporate	Univenus Serang
November	Certificate of Appreciation for Responsiveness in the Industrial Manufacturing Business Data Survey	Bureau of Statistics (BPS) of the Republic of Indonesia	Corporate	Univenus Surabaya
December	Commitment to MSME Partnership Implementation	Ministry of Investment and Downstream Industry	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
December	Sustainable Business Integrity 2024	Transparency International Indonesia	Corporate	PT Pabrik Kertas Tjiwi Kimia Tbk
December	Supporter of the Climate Village Program (PROKLIM) in Riau Province 2024	Riau Provincial Office of Environment and Forestry	Corporate	PT Indah Kiat Pulp & Paper Tbk - Perawang Mill
December	Entrepreneurs Complying with the 2024 Investment Activity Report (LKPM) Submission	DPMPTSP Prov Jabar	Corporate	PT Pindo Deli Pulp and Paper Mills - Karawang
December	Risk Index Competition 2019-2023	Recognition of the Completion and the Major Mill Winner	Corporate	PT Pindo Deli Pulp and Paper Perawang
December	Risk Index Competition 2019-2023	Recognition of the Completion and the Major Mill Best Improved	Corporate	PT Pindo Deli Pulp and Paper Perawang
December	Top 5 Companies Actively Submitting Reports to the Central Bureau of Statistics (BPS) of Semarang Regency	Bureau of Statistics (BPS) of Semarang Regency	Corporate	APP Purinusa Ekapersada Sema- rang
December	Appreciation from the Malang Regency Government for Environmental Protection and Management in Malang Regency	Malang Regency Government	Corporate	Ekamas Fortuna
December	Jambi Investment Award – Business Actors Implementing Strategic Partnership in the Vocational Education Sector in Jambi Province	Department of Investment and One-Stop Integrated Services of the Jambi Provincial Government	Corporate	PT Lontar Papyrus Pulp & Paper Industry
December	Third Largest CSR Program Implementation – Corporate Social and Environmental Responsibility Forum	Regional Development Planning Agency of the Jambi Provincial Government	CSR	PT Lontar Papyrus Pulp & Paper Industry
December	Jambi Investment Award	Jambi Provincial Government	Corporate	PT. Wirakarya Sakti
December	Regent of Tanjung Jabung Barat	TanjungJabung Barat Regency Government	Corporate	PT. Wirakarya Sakti

DISCLOSURE





REPORT TAXONOMY [GRI 2-3] [GRI 2-4] [OJK C.6]

This Sustainability Report presents PT APP Purinusa Ekapersada's ("APP Indonesia", "APP", "APP Group", "We", "Our", or "The Company") approach to monitoring, evaluating, and improving its sustainability performance.

We remain committed to strengthening transparency and accountability by aligning our disclosures with international best practices and the highest reporting standards. Our efforts are designed to contribute meaningfully to global sustainable development.

Where applicable, data from previous years is included to provide a comparative assessment of our progress in line with POJK requirements. For financial statements are available for APP's public listed subsidiaries (mills) and/or have issued conventional and sukuk bonds (Islamic) which are available at: <https://app.co.id/investors>.

These subsidiaries are as follows:

- PT Indah Kiat Pulp & Paper Tbk (Indah Kiat),
- PT Pabrik Kertas Tjiwi Kimia Tbk (Tjiwi Kimia),
- PT OKI Pulp & Paper Mills (OKI),
- PT Lontar Papyrus Pulp & Paper Industry (Lontar),
- PT Pindo Deli Pulp and Paper Mills (Pindo)

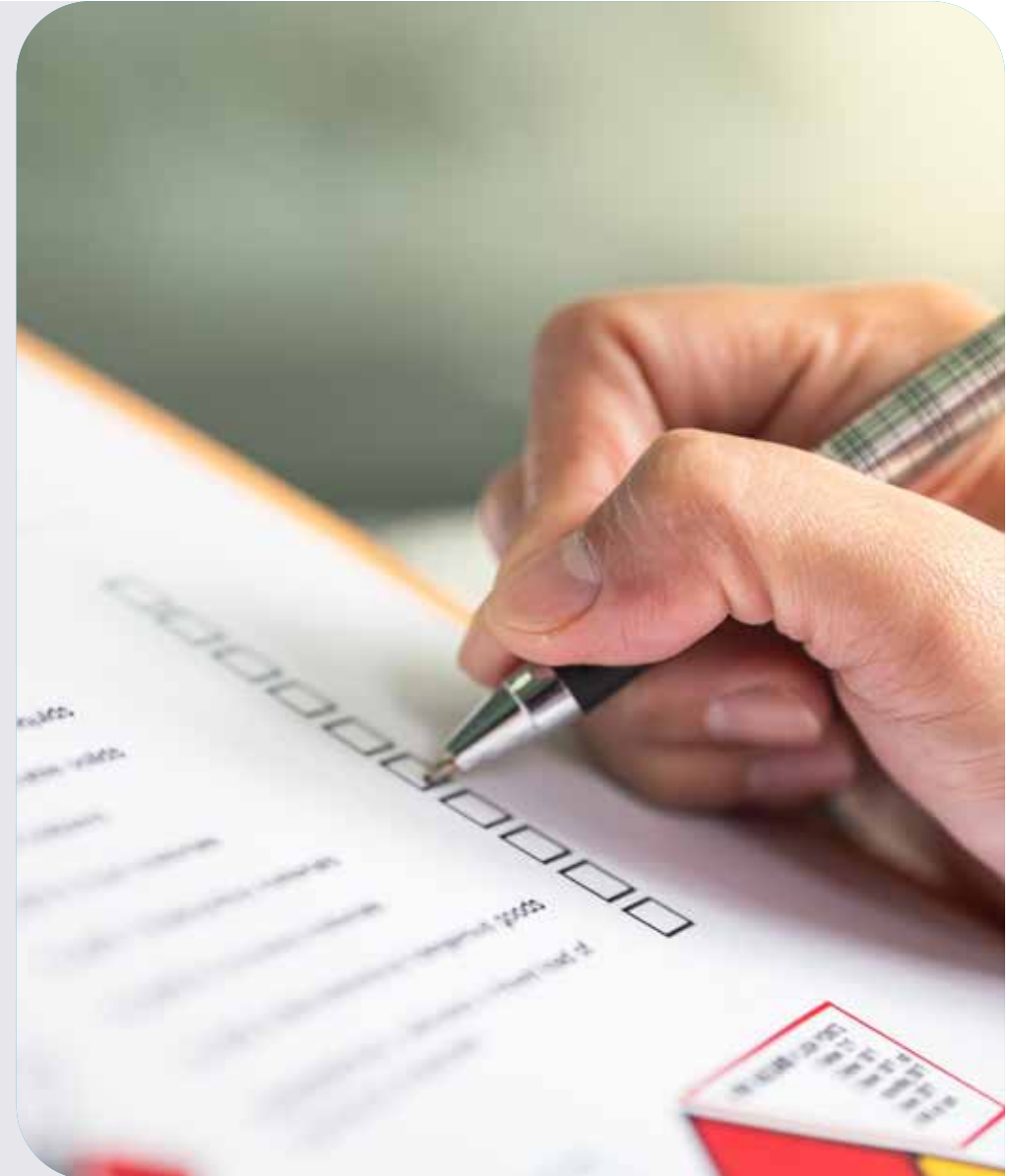
Reporting Period GRI 2-3

This Report outlines APP's sustainability performance for the period 1 January 2024 to 31 December 2024. APP publishes this Sustainability Report annually, making this our 17th year of reporting.

Scope and Boundaries

[GRI 2-2]

The report covers APP and its subsidiaries, including PT. Indah Kiat Pulp & Paper Tbk., PT. Pabrik Kertas Tjiwi Kimia Tbk., PT. Pindo Deli Pulp and Paper Mills, PT. Lontar Papyrus Pulp & Paper Industry, PT. OKI Pulp & Paper Mills, PT. Ekamas Fortuna, PT. Univenus Perawang, PT. Arara Abadi, PT. Riau Abadi Lestari, PT. Satria Perkasa Agung, PT. Wirakarya Sakti, PT. Finnantara Intiga, and Sumalindo Hutani Jaya. This report also presents information related to employee data for PT Wahana Agro Mulia and PT Warna Agung Sejahtera, as these recently acquired companies in 2024 and have not yet commenced operations.





Reporting Frameworks & Methodology

[OJK G.4]

This report aligns with the recommended guidelines of sustainability frameworks to ensure comprehensive reporting on APP's economic, social, and environmental impacts, including climate risk mitigation efforts. The frameworks include:



Global Reporting Initiative (GRI) 2021 Standards



Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017



OJK Circular Letter No. 16/2021



United Nations Global Compact (UNGC) Communication on Progress (COP)



CEO Water Mandate



Sustainable Development Goals (SDGs)



SASB Pulp and Paper, Forestry, Packaging

Report Taxonomy & Material Topics

The material topics and corresponding GRI indicators are identified based on stakeholder engagement, materiality assessment, and regulatory requirements. A detailed explanation of these topics and their relevance can be found in the Materiality Matters and GRI Index sections of this report.

Terminology: Community Empowerment (CE) vs CSR

The company uses Community Empowerment (CE) instead of Corporate Social Responsibility (CSR) to reflect its long-term approach to improving community livelihoods. However, all CE initiatives align with the Indonesian regulatory definition of CSR.

Methodology Restatement

There have been restatements for the 2022 and 2023 greenhouse gas (GHG) emissions data, aligning with the Science Based Targets initiative (SBTi). These adjustments ensured greater accuracy and compliance with international best practices.

Forward-Looking Statements

This Sustainability Report may include forward-looking statements related to APP's financial and non-financial performance, future priorities, strategies, and growth opportunities. These statements are based on reasonable assumptions and do not guarantee future outcomes. Actual results may vary significantly due to various factors, including market conditions, regulatory changes, operational risks, and other uncertainties [GRI 2-4]





Independent Assurance Statement and Stakeholder Feedback [GRI 2-3] [OJK G.2]

For the preparation of this report, APP has engaged Bureau Veritas Indonesia as an independent assurance provider, selected based on its recognized expertise and in accordance with criteria established by the Board of Directors. Bureau Veritas Indonesia has no other working relationship with APP beyond the scope of this assurance engagement. The assurance statement, which follows the international AA1000 Assurance Standard (AA1000AS), is presented on page 173. [GRI 2-5] [OJK G.1]

We welcome feedback from all readers to support the continuous improvement of our future reports. You may share your input by completing the feedback form provided at the end of this report or by contacting APP directly through below channel: [GRI 2-3] [OJK G.2]

✉ sustainability@app.co.id



Sustainability APP Group

Sinar Mas Land Plaza, Tower II
Jl. M.H. Thamrin No. 51, RT.9/RW.4, Gondangdia, Kec. Menteng,
Kota Jakarta Pusat, Daerah Khusus Ibukota Jakarta 10350, Indonesia

STAKEHOLDER ENGAGEMENT [GRI 2-29] [OJK E.4]

APP is dedicated to fostering strong and collaborative relationships with its stakeholders, recognising their valuable input in shaping strategic decisions and defining the scope of our sustainability disclosures.

To facilitate meaningful engagement, APP established the Stakeholder Advisory Forum (SAF) as a platform for open dialogue, enabling stakeholders to provide timely insights and discuss the implementation of our SRV 2030 initiatives. This proactive initiative reinforces our commitment to transparency and inclusivity in planning and executing sustainability strategies.

On July 25, 2024, APP held its 13th SAF event themed **"Moving Forward Faster."** This theme align with our commitment to support United Nations forward faster campaign to accelerate corporate action achieving SDGs by 2030. The gathering gathered 150 participants from diverse stakeholder groups, including customers, NGOs, local communities, and other key partners. The SAF provided a valuable opportunity for face-to-face interactions, promoting closer engagement and facilitating meaningful dialogue with external stakeholders.

Feedback from each SAF session is systematically documented in our Sustainability Dashboard, ensuring continuous improvement and accountability.

Sustainability Dashboard





Key Stakeholder Group	Why They are Important To Us	Engagement and Communication Channel	Key Areas of Interest	Frequency of Engagement
Government	- Advocacy - Interdependence - Responsibility - Geographical Proximity	- Stakeholder Advisory Forum - Direct Engagement with APP's Corporate Affairs and Communications Team	- Compliance - Environmental Performance - Economic Impact - Pulpwood Supplier Management	- As needed - Bilateral/ Multilateral Meetings
Shareholders and Investors	- Responsibility - Interdependence - Advocacy	- Stakeholder Advisory Forum - Direct Engagement with Finance and Tax teams - Sustainability Dashboard - Social Media	- No Deforestation, No Peat, No Exploitation, and Social Standards - Product Carbon Intensity - Product Traceability or Chain of Custody	As needed
Customers	- Interdependence - Engagement - Impact - Responsibility	- Direct Engagement with Global Sales Team and Stakeholder Engagement Team - Sustainability Dashboard - Social Media - Stakeholder Advisory Forum	- No Deforestation, No Peat, No Exploitation, and Social Standards - Product Carbon Intensity - Product Traceability or Chain of Custody	As needed
Employees	- Interdependence - Duty - Responsibility - Advocacy - Geographical Proximity	- Internal Communication Channels - Skills Training and Certification - Equal Opportunities Policies - Annual Performance Reviews	- Occupational Health and Safety - Diversity, Equity and Inclusivity - Business Ethics	As needed
Communities	- Interdependence - Advocacy - Responsibility - Geographical Proximity	- Stakeholder Advisory Forum - Bilateral/Multilateral Meetings	- Economic Impact - Environmental Impact - Compliance - Pulpwood Supplier Management	As needed
Suppliers	- Interdependence - Advocacy - Responsibility	- Direct Engagement with Forestry Division and Chain of Custody Certification Team for Forestry Products - Direct Engagement with Procurement Team for Non- forestry Products and Services	- Forestry Management Practices - Third-Party Certifications - Supplier Assessments	As needed
Contractors	- Interdependence - Advocacy - Responsibility	- Meetings with Mill Procurement Teams - Periodic Safety Meetings	- Health and Safety - Business Ethics - Code of Conduct	As needed
NGOs	- Advocacy - Responsibility	- Regional Social Working Groups - Sustainability Briefings and Events - Conflict Resolution Meetings/Discussions - Sustainability Dashboard - Stakeholder Advisory Forum	- No Deforestation, No Peat, No Exploitation Commitments - Human Rights - Land Dispute Management	As needed
Media	- Interdependence - Advocacy - Responsibility	- Direct Engagements - Media Briefings - Press Releases - Sustainability Briefings and Events - Mill Visits	- Sustainability Progress Updates - Community Empowerment Initiatives - Field Visits	As needed
Academic Institutions	Knowledge Advancement	Direct outreach from our Sustainability Division, Joint Research, and Study Team, and local Community Empowerment teams	- Joint Research and Studies - Community Empowerment Programs	As needed
Industry Associations	- Interdependence - Advocacy - Responsibility	Association Engagements via the Indonesian Pulp and Paper Association (APKI), and the Indonesian Forest Concessionaires (APHI)	- Environmental Performance - Compliance - Community Empowerment Programs	As needed

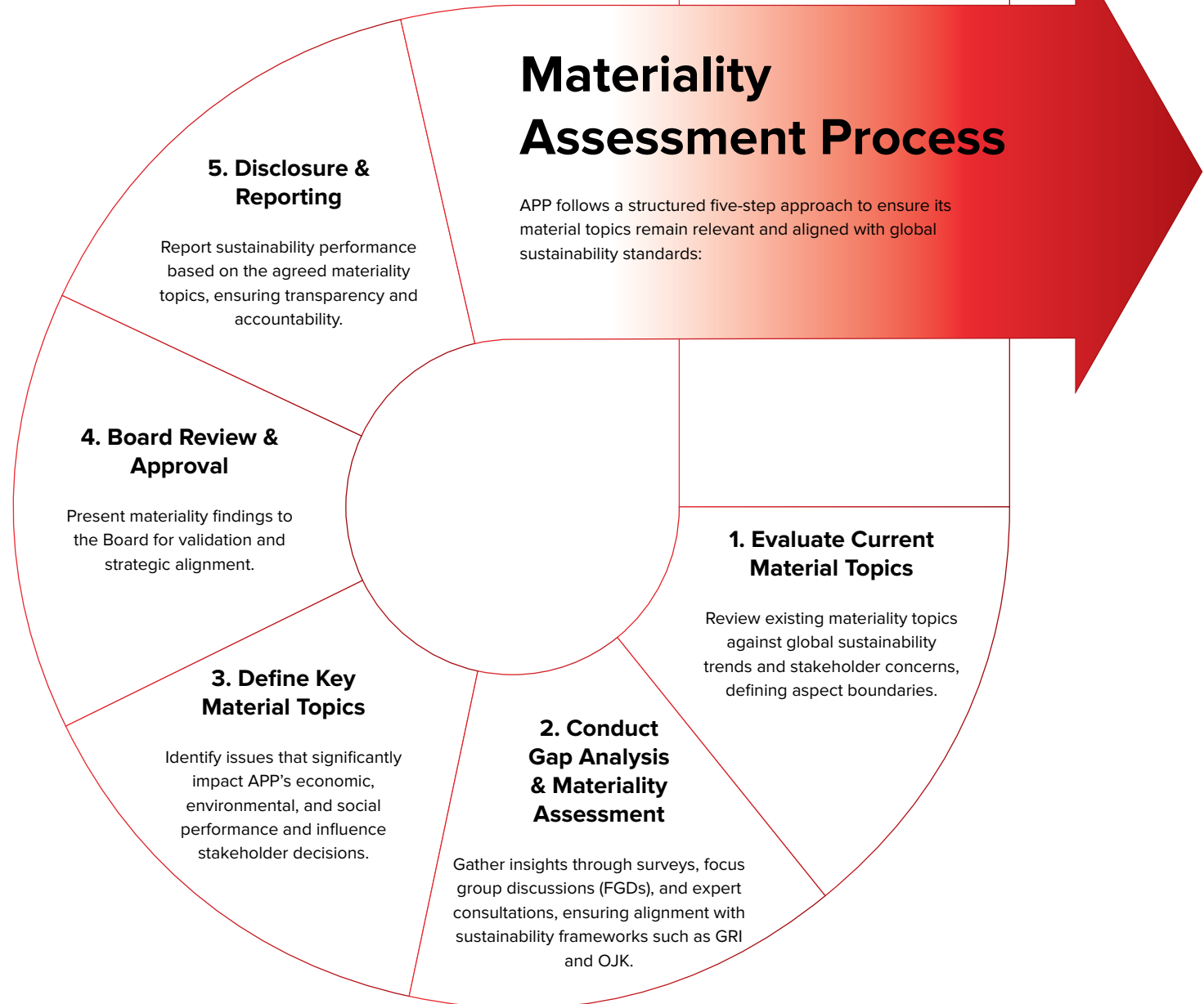


MATERIALITY [GRI 3-1] [GRI 3-2] [GRI 3-3]

APP regularly reviews its Material Topics to assess their impact on operations and performance, ensuring continued sustainable value creation for both the business and stakeholders. Through stakeholder engagement, APP identifies key concerns, aligns with market trends, and proactively manages risks.

To ensure a structured and transparent approach, APP has developed a materiality assessment system that prioritizes economic, environmental, and social issues relevant to its business strategy and subsidiaries. This system integrates material topics into annual performance tracking and sustainability reporting, supporting APP's alignment with regulatory requirements, industry best practices, and SRV 2030 commitments.

Recognizing the evolving sustainability landscape, APP systematically evaluates material topics based on their significance and impact on both the company and stakeholders. These insights shape strategic decisions, drive sustainability initiatives, and guide transparent reporting.





Key Material Topics

[GRI 2-23] [GRI 3-3]



Based on the results of the various stakeholder engagements and operational impacts significant to both the company and stakeholders, the following material topics are identified for disclosure:



Material Topic		Description	Alignment to UN SDGs
1.	Economic Impact	Our economic impact creates and maintains value-added for all stakeholders.	
2.	Material Use	Disclosing material use allows companies to track their environmental footprint and identify areas for improvement. It can also help them comply with regulations that require companies to report on their use of resources. The disclosure also builds trust with consumers who are increasingly concerned with the environmental and social impact of the products they buy.	  
3.	Safeguarding Biodiversity	Biodiversity is crucial for maintaining the health of ecosystems that support all life on earth. The loss of biodiversity can have significant impact on human health if ecosystem services are no longer adequate to meet social needs.	  
4.	Water and Waste Management	Water and waste management is crucial for protecting our environment and ensuring that we make the most efficient use of our resources.	 
5.	Climate Resilience	The detrimental impact of climate change on our economy, environment, and society has reached a critical stage and is projected to worsen in the future. By bolstering our resilience, we can mitigate the negative consequences and adapt to the shifts that have already occurred.	 
6.	Sustainable Forest Management	Sustainable Forest Management is crucial for preserving the health and resilience of forests and meeting the needs of present and future generations. It also promotes responsible forest management practices, such as conservation, regeneration, and social engagement.	  
7.	Responsible Supply Chain	Responsible supply chain management is crucial for sustainable development as it ensures that all products and services are produced and delivered ethically, with minimal negative impact on the economy, environment, and people.	
8.	Creating Social Value	Creating social value has the potential to impact the surrounding communities positively.	        
9.	Employee Welfare	Employee welfare is crucial to promote a healthy and productive work environment. Investing in our employees is not only the right thing to do but can also lead to increased productivity and profitability for APP.	  
10.	Sustainability Governance	Sustainability governance is crucial to ensure that APP's initiatives align with its overall business strategy and values. By implementing effective sustainability governance, APP can reduce its environmental and social impacts, increase transparency and accountability, and build trust with stakeholders, which can lead to enhanced reputation, resilience, and long-term success.	 



Materiality Matrix

Based on the results of our stakeholder engagements, the results were mapped onto a materiality matrix, aligning the degree of materiality with the relative significance of each Material Topic.

This approach enabled the identification and prioritization of the most critical Material Topic.



Material Topics Management

We provide a comprehensive overview of how we manage ten material topics, detailing both the positive and negative impacts on the economy, environment, community, and human rights across our business relationships.

1.

Economic Impact

Why it matters?

Sustainable economic growth drives job creation, enhances livelihoods, and strengthens local economies. By aligning with SDG 8, we promote inclusive economic participation and ensure equal employment opportunities. Our commitment to workforce development and responsible business practices ensures our long-term economic resilience.

Impacted stakeholders:

- Investors
- Government
- Suppliers
- Customers
- Local Communities
- Media

Company policies:

1. Governance Policy
2. Anti-Bribery and Anti-Corruption Policy

2.

Material Use

Why it matters?

Disclosing material use allows companies to track their environmental footprint and identify areas for improvement. It can also help them comply with regulations that are increasingly requiring companies to report on their use of resources. The disclosure also builds trust with consumers who increasingly want to know about the environmental and social impact of the products they buy.

Impacted stakeholders:

- Government
- Employees
- Suppliers
- Local Communities
- Investors

Company policies:

1. Fiber Procurement and Processing Policy
2. Environmental Policy
3. Business Code of Conduct
4. Supplier Code of Conduct



3.

Safeguarding Biodiversity

Why it matters?

Biodiversity is crucial for maintaining the health of ecosystems that support all life on earth. The loss of biodiversity can have significant impacts on human health if ecosystem services are no longer adequate to meet social needs.

Impacted stakeholders:

- Government
- Local Communities
- NGOs
- Media
- Industry Associations

Company policies:

1. Environmental Policy
2. Forest Conservation Policy
3. Corporate Social Responsibility Policy
4. Fiber Procurement and Processing Policy

4.

Water and Waste Management

Why it matters?

Water and waste management is crucial for protecting our environment and ensuring that we make the most efficient use of our resources.

Impacted stakeholders:

- Government
- Customers
- Local Communities
- Media
- Industry Associations

Company policies:

1. Environmental Policy
2. Fiber Procurement and Processing Policy

5.

Climate Resilience

Why it matters?

The detrimental impacts of climate change on our economy, environment, and society are already immense and are projected to worsen in the future. By bolstering our resilience, we can mitigate the negative consequences of climate change and adapt to the shifts that have already occurred.

Impacted stakeholders:

- Government
- Customers
- Local Communities

Company policies:

1. Environmental Policy
2. Forest Conservation Policy
3. Governance Policy

6.

Sustainable Forest Management

Why it matters?

Sustainable Forest Management is crucial for preserving the health and resilience of forests and meeting the needs of present and future generations. SFM promotes responsible forest management practices, such as conservation, regeneration, and social engagement.

Impacted stakeholders:

- Government
- Local Communities
- NGOs
- Media
- Industry Associations

Company policies:

1. Forest Conservation Policy
2. Environmental Policy
3. Fiber Procurement and Processing Policy
4. Corporate Social Responsibility Policy



7.

Responsible Supply Chain

Why it matters?

Responsible supply chain management is crucial for sustainable development as it ensures that all products and services are produced and delivered ethically, with minimal negative impact on the economy, environment, and people.

Impacted stakeholders:

- Government
- Suppliers
- Customers

Company policies:

1. Fiber Procurement and Processing Policy
2. Environmental Policy
3. Business Code of Conduct
4. Supplier Code of Conduct
5. Corporate Social Responsibility Policy
6. Human Rights Policy

8.

Creating Social Value

Why it matters?

Creating social value has the potential to impact the surrounding communities.

Impacted stakeholders:

- Local Communities
- NGOs
- Media
- Academic Institutions
- Industry Associations

Company policies:

1. Corporate Social Responsibility Policy
2. Grievance Policy
3. Human Rights Policy

9.

Employee Welfare

Why it matters?

Employee welfare is crucial to promote a healthy and productive work environment. Investing in our employees is not only the right thing to do but can also lead to increase productivity and profitability for APP.

Impacted stakeholders:

- Government
- Employees
- Contractors

Company policies:

1. Human Rights Policy
2. Health and Safety Policy
3. Supplier Code of Conduct
4. Speak Up Policy
5. Whistleblower Protection Policy

10.

Sustainability Governance

Why it matters?

Sustainability governance is crucial to ensure that APP's sustainability initiatives align with its overall business strategy and values. By implementing effective sustainability governance, APP can reduce its environmental and social impacts, increase transparency and accountability, and build trust with stakeholders, which can lead to enhanced reputation, resilience, and long-term success.

Impacted stakeholders:

- Government
- Employees
- Suppliers
- Contractors
- Industry Associations

Company policies:

1. Governance Policy
2. Anti-Bribery and Anti-Corruption Policy
3. Grievance Policy
4. Human Rights Policy



CONTENT INDEX

Whistle-blower Reports 2024

TOTAL INCOMING CONCERN REPORT 2024

Deskripsi	Purinus Ekapersada				Indah Kiat				Tjiwi Kimia	Lontar Papyrus	Pindo Deli	
	Demak	Semarang	Bandung	Subang	Perawang	Serang	Tangerang	Karawang			Perawang	Karawang
Total Reports Received in 2024 (A)	0	1	6	0	19	6	7	2	10	4	1	18
Triage Process (Initial Screening)	0	1	6	0	19	6	7	2	10	4	1	18
Reports That Have Undergone Triage (B)	0	1	6	0	19	6	7	2	10	4	1	18
Reports Still in Triage Process (A - B)	0	0	0	0	0	0	0	0	0	0	0	0
Triage Outcomes and Follow-Up Process (B)												
Closed Reports (B1)	0	0	4	0	5	0	4	1	7	0	0	2
Complaint Reports (B2)	0	0	1	0	10	5	3	1	1	4	1	12
Violation Reports (B3)	0	1	1	0	4	1	0	0	2	0	0	4
Violation Reports with Completed Investigation (B3-A)	0	0	0	0	1	1	0	0	2	0	0	2
Violation Reports Under Investigation (B3-B)	0	1	1	0	3	0	0	0	0	0	0	2
Total	0	1	6	0	19	6	7	2	10	4	1	18



Deskripsi	OKI	Ekamas Fortuna	Univenus Perawang	HQ	Satria Perkasa Agung	Wirakarya Sakti	Sumalindo Hutani Jaya	Arara Abadi	Finnantara Intiga	Riau Abadi Lestari	Warna Agung Sejahtera	Wahana Agro Mulya	Total
Total Reports Received in 2024 (A)	68	7	0	43	1	20	3	16	6	0	0	0	238
Triage Process (Initial Screening)	68	7	0	43	1	20	3	16	6	0	0	0	238
Reports That Have Undergone Triage (B)	68	7	0	43	1	20	3	16	6	0	0	0	238
Reports Still in Triage Process (A - B)	0	0	0	0	0	0	0	0	0	0	0	0	0
Triage Outcomes and Follow-Up Process (B)													
Closed Reports (B1)	21	2	0	16	1	3	2	4	2	0	0	0	74
Complaint Reports (B2)	40	1	0	21	0	16	1	9	4	0	0	0	130
Violation Reports (B3)	7	4	0	6	0	1	0	3	0	0	0	0	34
Violation Reports with Completed Investigation (B3-A)	4	1	0	0	0	1	0	0	0	0	0	0	13
Violation Reports Under Investigation (B3-B)	3	3	0	6	0	0	0	3	0	0	0	0	21
Total	68	7	0	43	1	20	3	16	6	0	0	0	238



NUMBER OF REPORTS BY ALLEGATION CATEGORY

Deskripsi	Purinusa Ekapersada				Indah Kiat				Tjiwi Kimia	Lontar Papyrus	Pindo Deli	
	Demak	Semarang	Bandung	Subang	Perawang	Serang	Tangerang	Karawang			Perawang	Karawang
Grievance	0	0	3	0	8	5	6	1	4	4	1	9
Conflict of Interest	0	0	0	0	2	0	0	0	2	0	0	2
Discrimination	0	0	0	0	2	0	0	0	0	0	0	0
Harrasment	0	0	0	0	2	1	0	0	0	0	0	4
Bribery	0	0	0	0	0	0	0	1	1	0	0	0
Extortion	0	1	2	0	3	0	0	0	0	0	0	0
Fraud	0	0	1	0	1	0	0	0	2	0	0	2
Theft	0	0	0	0	1	0	0	0	1	0	0	0
Others	0	0	0	0	0	0	1	0	0	0	0	1
Total Reports Received (A)	0	1	6	0	19	6	7	2	10	4	1	18



Deskripsi	OKI	Ekamas Fortuna	Univenus Perawang	HQ	Satria Perkasa Agung	Wirakarya Sakti	Sumalindo Hutani Jaya	Arara Abadi	Finnantara Intiga	Riau Abadi Lestari	Warna Agung Sejahtera	Wahana Agro Mulya	Total
Grievance	48	0	0	23	0	17	2	11	4	0	0	0	146
Conflict of Interest	6	1	0	0	0	0	0	1	0	0	0	0	14
Discrimination	4	0	0	0	0	0	0	0	0	0	0	0	6
Harrasment	2	0	0	1	0	0	0	0	2	0	0	0	12
Bribery	1	0	0	0	0	0	0	0	0	0	0	0	3
Extortion	3	0	0	3	1	1	0	2	0	0	0	0	16
Fraud	3	4	0	14	0	1	1	1	0	0	0	0	30
Theft	1	0	0	0	0	0	0	0	0	0	0	0	3
Others	0	2	0	2	0	1	0	1	0	0	0	0	8
Total Reports Received (A)	68	7	0	43	1	20	3	16	6	0	0	0	238



Environmental Data

Description		Unit	2022	2023	2024
Water	Total Water Withdrawn by Source (Surface Water Only)	ML	325,542	321,042	326,628
	Percentage of Water Reuse and Recycled	%	14%	17%	16%
	Water Effluent to River	ML	231,396	224,262	223,774
Waste	Landfill	Tonnes	515,914	209,533	49,844
	Utilized by Licensed Third Party		117,769	71,662	87,920
	Recycled		600,104	546,885	571,757
	Temporary Storage		9,379	4,028	4,532
	Total Hazardous Waste		1,243,166	832,108	714,053
	Landfill	Tonnes	-	-	-
	Utilized by Licensed Third Party		287,764	356,625	182,591
	Recycled		1,816	138,367	567,348
	Temporary Storage		73,332	63,078	23,761
	Total Non-Hazardous Waste		362,912	558,071	773,701
Others	ODS Emissions in CFC-11 Eq	Tonnes	32	34	64

Notes :

- In 2024, APP improve waste data collection



Mills Environmental Data

Environmental Parameters			Perawang Mill (Indah Kiat Perawang, Pindo Deli Perawang, Univenus Perawang)			Indah Kiat Serang			Indah Kiat Tangerang		
			2024	2023	2022	2024	2023	2022	2024	2023	2022
Water Emissions	pH		7.6	7.5	7.2	7.7	7.6	7.7	7.8	7.6	7.7
	TSS		46.9	64.4	65.3	36.2	26.1	26.1	5.0	5.3	6.8
	BOD	mg/l	68.1	69.1	63.1	30.4	24.4	36.8	7.2	5.6	10.9
	COD		256.8	267.7	245.5	120.6	101.8	157.9	36.1	27.6	54.0
	AOX		1.6	0.7	0.0	N/A	N/A	N/A	0.0	0.0	0.0
Air Emissions	NO ₂		152.3	150.5	152.3	277.7	297.0	162.3	295.0	264.3	51.8
	SO ₂		298.7	129.1	271.7	289.5	342.5	200.6	160.0	37.3	73.3
	ClO ₂	mg/Nm ³	4.0	1.7	1.1	N/A	N/A	N/A	10.5	N/A	0.0
	HCl		0.1	<0.1	0.6	N/A	N/A	N/A	0.1	N/A	0.0
	Cl ₂		1.2	<1	1.9	N/A	N/A	N/A	1.6	N/A	0.0
	Opacity	%	<20	<20	< 20	20.0	< 20	20.0	<20	<20	<20
	TRS		5.0	4.1	6.0	N/A	N/A	N/A	0.0	0.0	0.0
	Total Particulate	mg/Nm ³	39.8	64.0	96.6	5.8	22.1	33.3	31.1	65.6	12.1
Air Emissions Load	NO ₂		1.7	1.5	2.2	4.8	4.2	1.1	3.8	4.3	1.3
	SO ₂	kg/ton	0.4	0.2	3.9	2.1	3.6	1.0	4.0	0.3	1.5
	Total Particulate		2.5	1.8	3.0	0.1	0.3	0.2	0.5	0.9	0.5
GHG emission	GHG emissions intensity	tCO ₂ e/tonne	1.2	1.2	1.2	1.1	1.2	1.1	1.7	1.4	1.4
Others	Distance to protected Area	km	50 km to Tesso Nilo National Park			Halimun Mountain National Park			20 km to Rawa Danau Tukang Gede Conservation Area		
	Local water source & Discharge		Siak River			Ciujung River			Cisadane River		



Environmental Parameters			Lontar Papyrus			Pindo Deli Karawang			Tjiwi Kimia		
			2024	2023	2022	2024	2023	2022	2024	2023	2022
Water Emissions	pH		7.0	7.0	7.5	7.6	7.6	7.7	7.7	7.5	7.5
	TSS		23.6	31.5	53.0	25.7	25.7	27.1	19.5	19.5	24.1
	BOD	mg/l	61.2	67.9	59.5	17.9	15.3	22.1	15.4	28.9	29.8
	COD		199.4	210.5	260.9	92.3	62.3	89.8	41.9	76.4	79.2
	AOX		4.1	2.9	3.3	0.0	0.1	0.1	N/A	N/A	N/A
Air Emissions	NO ₂		142.8	309.9	209.7	212.1	195.0	164.6	164.2	128.2	200.8
	SO ₂		375.7	372.0	341.3	316.7	154.1	108.8	254.3	97.0	64.6
	ClO ₂	mg/Nm ³	6.9	17.2	7.7	N/A	N/A	N/A	N/A	N/A	N/A
	HCl		2.1	1.5	1.7	1.2	1.9	0.5	0.8	1.1	0.2
	Cl ₂		3.0	1.4	4.3	0.3	0.3	0.1	0.3	0.2	0.1
	Opacity	%	21.8	7.2	19.4	< 18	< 19	< 20	< 20	< 20	< 20
	TRS		8.2	8.5	14.3	N/A	N/A	N/A	0.0	0.0	0.0
	Total Particulate	mg/Nm ³	89.4	49.2	82.0	37.3	37.4	12.1	52.7	99.1	67.0
Air Emissions Load	NO ₂		6.3	11.1	1.9	4.0	6.4	6.1	12.2	10.7	19.0
	SO ₂	kg/ton	2.1	9.7	0.6	3.5	4.4	4.6	10.0	16.3	5.2
	Total Particulate		3.5	5.5	2.3	0.6	0.8	1.4	2.3	11.0	3.1
GHG emission	GHG emissions intensity	tCO ₂ e/tonne	1.0	1.0	0.9	PD1: 1.9 PD2: 2.0 PD3: 1.2	PD1: 1.9 PD2: 1.8 PD3: 1.2	PD1: 2.0 PD2: 1.4 PD3: 1.2	1.7	1.8	1.9
Others	Distance to protected Area	km	30 km to Bukit Tigapuluh National Park			40 km to Natural Reserve Tangkuban Perahu Mountain			80 km to Bromo Tengger Semeru National Park		
	Local water source & Discharge		Pengabuan River			Citarum River			Brantas River		



Environmental Parameters			Ekamas Fortuna			OKI			Purinusa Ekapersada - Subang		
			2024	2023	2022	2024	2023	2022	2024	2023	2022
Water Emissions	pH		7.7	7.7	7.4	7.3	7.1	7.4	6.5	7.0	7.2
	TSS		9.4	8.0	14.8	24.1	45.4	17.7	27.6	28.0	72.4
	BOD	mg/l	23.4	20.8	29.5	31.8	62.6	69.1	33.7	27.0	37.9
	COD		73.3	73.7	95.2	116.7	205.0	241.8	97.0	92.8	92.5
	AOX		0.0	0.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Air Emissions	NO ₂		119.7	143.9	155.4	187.8	73.0	73.0	51.6	23.8	18.5
	SO ₂		9.0	130.8	14.8	144.5	23.5	32.5	139.7	14.0	22.0
	ClO ₂	mg/Nm ³	N/A	N/A	N/A	12.7	4.4	4.4	N/A	N/A	N/A
	HCl		N/A	N/A	N/A	2.9	1.0	4.5	N/A	N/A	N/A
	Cl ₂		N/A	N/A	N/A	2.2	1.6	1.6	N/A	N/A	N/A
	Opacity	%	15.7	15.0	15.1	<20	20.0	< 20	6.0	6.0	4.0
	TRS		N/A	N/A	N/A	12.7	3.0	2.6	N/A	N/A	N/A
	Total Particulate	mg/Nm ³	47.5	38.1	38.2	57.0	30.6	30.0	111.7	51.2	152.5
Air Emissions Load	NO ₂		0.6	0.8	1.1	0.6	0.5	0.0	0.2	0.1	0.1
	SO ₂	kg/ton	0.7	0.9	0.1	3.E-03	3.E-03	4.E-03	0.4	4.E-02	0.1
	Total Particulate		0.3	0.2	0.3	0.7	0.3	0.1	0.3	0.2	0.0
GHG emission	GHG emissions intensity	tCO ₂ e/tonne	1.1	1.2	1.3	0.05	0.06	0.07	0.2	0.2	0.2
Others	Distance to protected Area		30 km to Pulau Sempu Nature Reserve			Berbak Sembilang National Park			0.65 km to Cilamaya River		
	Local water source & Discharge	km	Lesti River			Padang River			Ground water & Cilamaya River		



Environmental Parameters			Purinusa Ekapersada - Bandung			Purinusa Ekapersada - Demak			Purinusa Ekapersada – Bawen (Semarang)		
			2024	2023	2022	2024	2023	2022	2024	2023	2022
Water Emissions	pH		6.9	7.2	7.0	7.3	7.3	7.4	9.0	7.7	7.4
	TSS		10.7	19.7	10.9	14.9	13.5	14.9	9.0	8.6	11.1
	BOD	mg/l	10.5	28.2	20.4	16.4	15.9	9.4	16.9	7.8	5.6
	COD		55.6	113.7	89.3	39.1	37.9	20.0	40.1	18.8	13.5
	AOX		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Air Emissions	NO ₂		133.2	65.6	49.3	100.0	72.1	129.6	124.1	93.7	130.3
	SO ₂		212.0	49.1	113.0	391.0	401.5	255.1	233.9	187.7	236.3
	ClO ₂	mg/Nm ³	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	HCl		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Cl ₂		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Opacity	%	6.5	6.0	5.2	20.0	15.85	12.5	<20	8.0	13.6
	TRS		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Total Particulate	mg/Nm ³	173.5	170.4	20.9	124.0	59.9	33.5	51.6	132.3	35.4
Air Emissions Load	NO ₂		0.5	0,3	0.1	0.3	0.2	0.3	0.3	0.3	0.1
	SO ₂	kg/ton	0.7	0,6	0.2	1.1	1.0	0.6	0.5	0.5	0.1
	Total Particulate		0.5	1.9	0.0	0.3	0.2	0.2	0.1	0.1	0.1
GHG emission	GHG emissions intensity	tCO ₂ e/tonne	0.3	0.3	0.3	0.2	0.2	0.2	0.3	0.2	0.2
Others	Distance to protected Area		0.3 km to Cipanjalu River			2 km to nearest river body			0.2 km to nearest river body and 10 km to Rawa Pening Lake		
	Local water source & Discharge	km	Ground water & Cipanjalu River			Ground water & Sipon Sidogemah River			Third Party (PDAM) which intake form Rawa Pening Lake & Sigebyok River		



Mills and Forestry Social Data

Description		Unit	Indah Kiat Perawang						Indah Kiat Serang					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	34	10	33	0	0	0	238	134	57	9	3	0
	Rate of new employee	%	3.6%	0.3%	2.3%	0.0%	0.0%	0.0%	24.1%	6.5%	9.1%	23.7%	4.3%	0.0%
	Employee turnover	#	38	73	257	2	4	6	105	48	60	2	1	2
	Rate of employee turnover	%	3.9%	2.5%	15.2%	5.9%	2.3%	11.8%	9.6%	2.3%	8.8%	5.0%	1.4%	6.7%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	1.00	0.00	0.00
	Fatality rate		0.00	0.04	0.00	0.00
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.00	0.00
	Rate of recordable work-related injuries**		1.61	0.08	2.26	0.49

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Indah Kiat Tangerang						Lontar Papyrus					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	22	11	-	4	0	0	74	11	2	1	1	0
	Rate of new employee	%	27.2%	2.0%	0.0%	26.7%	0.0%	0.0%	17.1%	1.6%	0.6%	5.9%	4.3%	0.0%
	Employee turnover	#	3	13	20	2	2	3	58	40	50	1	-	1
	Rate of employee turnover	%	3.6%	2.4%	19.2%	11.8%	2.7%	30.0%	11.8%	5.5%	12.5%	5.6%	0.0%	20.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	0.00	0.00
	Fatality rate		0.00	0.00	0.00	0.00
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.00	0.00
	Rate of recordable work-related injuries**		1.85	1.18	1.35	0.00

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Pindo Deli Karawang						Pindo Deli Perawang					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	210	45	12	10	3	0	6	0	1	0	0	0
	Rate of new employee	%	26.1%	2.1%	1.1%	20.8%	2.2%	0.0%	3.9%	0.0%	3.3%	0.0%	0.0%	0.0%
	Employee turnover	#	24	16	3	5	1	-	13	23	6	-	-	-
	Rate of employee turnover	%	2.9%	0.8%	0.3%	9.4%	0.7%	0.0%	7.8%	1.7%	16.7%	0.0%	0.0%	0.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	0.00	1.00
	Fatality rate		0.00	0.00	0.00	0.68
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.00	0.00
	Rate of recordable work-related injuries**		1.68	1.04	1.77	2.05

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Univenus Perawang						Tjiwi Kimia					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	0	0	-	0	0	0	129	6	-	9	0	0
	Rate of new employee	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.9%	0.3%	0.0%	10.2%	0.0%	0.0%
	Employee turnover	#	-	1	-	-	-	-	42	54	31	4	6	6
	Rate of employee turnover	%	0.0%	3.3%	0.0%	0.0%	0.0%	0.0%	3.7%	2.3%	3.7%	4.3%	1.5%	7.1%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	0.00	1.00
	Fatality rate		0.00	0.00	0.00	0.58
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.00	0.00
	Rate of recordable work-related injuries**		9.92	0.00	2.25	8.66

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Ekamas Fortuna						OKI					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	31	4	-	0	0	0	331	108	7	15	3	0
	Rate of new employee	%	27.7%	0.8%	0.0%	0.0%	0.0%	0.0%	25.7%	7.7%	3.4%	16.9%	8.8%	0.0%
	Employee turnover	#	3	7	35	-	1	1	178	200	30	12	3	-
	Rate of employee turnover	%	2.6%	1.4%	14.8%	0.0%	2.8%	20.0%	12.1%	12.4%	12.7%	11.9%	8.1%	0.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	1.00	1.00
	Fatality rate		0.00	0.00	0.16	0.10
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.16	0.00
	Rate of recordable work-related injuries**		8.12	0.00	10.45	1.07

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Purinusa Ekapersada Semarang						Purinusa Ekapersada Demak					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	16	4	-	3	0	0	8	6	-	1	0	0
	Rate of new employee	%	66.7%	2.2%	0.0%	60.0%	0.0%	0.0%	32.0%	4.3%	0.0%	0.0%	0.0%	0.0%
	Employee turnover	#	-	10	1	-	-	1	-	10	1	-	-	-
	Rate of employee turnover	%	0.0%	5.3%	3.0%	0.0%	0.0%	11.1%	0.0%	6.8%	20.0%	0.0%	0.0%	0.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	0.00	0.00
	Fatality rate		0.00	0.00	0.00	0.00
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.00	0.00
	Rate of recordable work-related injuries**		0.00	0.00	0.00	0.00

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Purinusa Ekapersada Bandung						Purinusa Ekapersada Subang					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	6	0	-	1	0	0	3	0	-	1	0	0
	Rate of new employee	%	11.8%	0.0%	0.0%	12.5%	0.0%	0.0%	4.8%	0.0%	0.0%	11.1%	0.0%	0.0%
	Employee turnover	#	4	6	1	1	-	-	3	-	-	-	-	-
	Rate of employee turnover	%	7.3%	3.9%	2.0%	11.1%	0.0%	0.0%	4.5%	0.0%	0.0%	0.0%	0.0%	0.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	0.00	0.00
	Fatality rate		0.00	0.00	0.00	0.00
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.00	0.00
	Rate of recordable work-related injuries**		0.00	0.00	2.46	0.00

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Arara Abadi						Riau Abadi Lestari					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	107	5	-	13	6	0	0	0	-	0	0	0
	Rate of new employee	%	27.0%	0.7%	0.0%	24.5%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Employee turnover	#	28	24	56	3	5	1	-	1	-	-	-	-
	Rate of employee turnover	%	6.6%	3.4%	16.5%	5.4%	5.8%	4.5%	0.0%	3.1%	0.0%	0.0%	0.0%	0.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	1.00	1.00
	Fatality rate		0.00	0.00	9.11	2.01
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.00	0.00
	Rate of recordable work-related injuries**		0.35	0.17	9.11	2.01

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Finnantara Intiga						Satria Perkasa Agung					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	5	3	3	0	0	0	6	2	-	1	0	0
	Rate of new employee	%	9.3%	2.5%	14.3%	0.0%	0.0%	0.0%	10.3%	1.6%	0.0%	16.7%	0.0%	0.0%
	Employee turnover	#	12	6	3	-	-	-	3	12	10	-	-	1
	Rate of employee turnover	%	18.2%	4.7%	12.5%	0.0%	0.0%	0.0%	4.9%	8.8%	16.7%	0.0%	0.0%	0.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	0.00	1.00
	Fatality rate		0.00	0.00	0.00	0.53
	High consequence work related injury rate (excluding: fatality)*		0.00	0.00	0.00	0.00
	Rate of recordable work-related injuries**		0.00	0.00	0.00	1.07

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Wirakarya Sakti						Sumalindo Hutani Jaya					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	57	19	1	6	2	0	7	3	-	0	0	0
	Rate of new employee	%	21.0%	3.4%	0.6%	16.2%	4.8%	0.0%	14.9%	3.6%	0.0%	0.0%	0.0%	0.0%
	Employee turnover	#	31	23	3	2	-	-	3	1	2	-	-	-
	Rate of employee turnover	%	10.3%	3.9%	1.8%	5.1%	0.0%	0.0%	6.0%	1.2%	18.2%	0.0%	0.0%	0.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	0.00	0.00	0.00	0.00
	Fatality rate		0.00	0.00	0.00	0.00
	High consequence work related injury rate (excluding: fatality)*		0.41	0.00	0.00	3.82
	Rate of recordable work-related injuries**		3.29	0.17	0.00	3.82

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Description		Unit	Warna Agung Sejahtera						Wahana Agro Mulia					
			Male			Female			Male			Female		
			<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Employee	New employee	#	9	2	-	1	0	0	3	0	-	1	0	0
	Rate of new employee	%	56.3%	50.0%	0.0%	50.0%	0.0%	0.0%	25.0%	0.0%	0.0%	100.0%	0.0%	0.0%
	Employee turnover	#	1	-	-	-	-	-	2	2	1	-	-	-
	Rate of employee turnover	%	5.9%	0.0%	0.0%	0.0%	0.0%	0.0%	14.3%	12.5%	50.0%	0.0%	0.0%	0.0%

Description		Unit	Employee	Outsourcing	Employee	Outsourcing
Health & Safety	Fatality	#	N/A	N/A	N/A	N/A
	Fatality rate		N/A	N/A	N/A	N/A
	High consequence work related injury rate (excluding: fatality)*		N/A	N/A	N/A	N/A
	Rate of recordable work-related injuries**		N/A	N/A	N/A	N/A

* High-consequence work-related injury

** Recordable work-related injury or ill health work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Source: United States Occupational Safety and Health Administration (OSHA), General recording criteria 1904.7, https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=9638



Independent Assurance Statement

INDEPENDENT ASSURANCE OPINION STATEMENT

Sustainability Report PT APP Purinus Ekapersada

To: The Stakeholders of PT APP Purinus Ekapersada



Introduction and objectives of work

Bureau Veritas Indonesia ("Bureau Veritas") has been engaged by PT APP Purinus Ekapersada ("APP") to provide independent assurance over APP's Sustainability Report 2024 ("the Report"). The aim of this process is to provide assurance to APP's stakeholders over the accuracy, reliability and objectivity of the reported information and that it covers the issues material to the business and its stakeholders.

Scope of work

The scope of our work was limited to assurance over data and information included within the Report for the reporting period of 1st January 2024 – 31st December 2024 ("the Selected Information"). Subject to the limitations and exclusions listed in the next section, our review included:

- Statements, information and performance data for the calendar year 2024 contained within the Report;
- Adherence to the following reporting principles, standards and regulations:
 - Consolidated set of the Global Reporting Initiative (GRI) Standards 2021: In-Accordance requirements and the corresponding GRI index; and
 - Regulation of Indonesia Financial Services Authority No. 51/POJK.03/2017 on Application of Sustainable Finance for Financial Services Institutions, Listed and Public Companies (POJK 51) with reference to Financial Services Authority Circular Letter No. 16/SE/POJK.04/2021 (SE/POJK 16).
- Evaluation of publicly disclosed information, reporting systems and processes of APP to ensure adherence of the Selected Information to the reporting criteria;
- Evaluation of the Report against the principles of the AA1000 Accountability Principles (2018)¹.

Assessment Standard

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard (AA1000AS v3), Type 2 at a high level of assurance².

¹ Published by Accountability: The Institute of Social and Ethical Accountability at <http://www.accountability.org/>

Ref: BVR_ASP_34907902_20240714

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Reporting criteria

The Selected Information has been prepared in accordance with the GRI Standards 2021 and POJK 51 with reference to SE/POJK 16, as well as internal definitions set by APP against their targets in their published Sustainability Roadmap Vision 2030 (SRV 2030). The definitions for APP's Greenhouse Gas (GHG) reporting are aligned with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition).

Limitations and exclusions

Our work was limited to APP's head office, mills and forestry activities covered under the reporting boundary as defined in the Report. Excluded from the scope of our work is:

- Information related to activities outside the defined reporting period or scope;
- Company positional statements (including any expression of opinion, belief, aspiration, expectation, aim or future intent);
- Historic information which was unchanged from previous years;
- Financial data has not been checked back to the source as part of this assurance process. However, some of the APP subsidiaries publish their audited financial statements which form basis of this data for these subsidiaries' related data. Such data sets include but not limited to statements relating to tax, sales, revenue and financial investments;
- Appropriateness of commitments and targets chosen by APP;
- Appropriateness of definitions and any internal reporting criteria adopted by APP for its disclosures which includes the internal definitions set for the status of targets reporting;
- APP has updated some of the current and historical data based on the organization boundaries and the data that should have been in scope of the respective KPIs e.g. LTIFR, HR, Scope 3. This historical data or the baseline scope for SRV 2030 has not been reviewed again for such data sets;
- Selection of external stakeholders interviewed during the assurance;
- Some of the data which is considered confidential by APP and was not shared in full including Board's performance assessments;
- Any other information included in the Report other than scope defined above.

² Type 2 high level assurance: an engagement in which the assurance provider assesses and reports findings and conclusions on the principles of Inclusivity, Materiality and Responsiveness and verifies the reliability of specified sustainability performance information. (AA1000AP (2018) Standard). High level of assurance provides users with a relatively high level of confidence in an organization's disclosures on the subject matter it refers to.

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This assurance engagement relies on a risk based selected sample of the Selected Information and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities

The preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of APP.

Bureau Veritas was not involved in the drafting of the Report, our responsibilities were to:

- provide high level assurance over the accuracy, reliability and objectivity of the information contained within the Report;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our detailed conclusions and recommendations to the management of APP.

Methodology and Summary of Work

As part of its independent assurance, Bureau Veritas undertook the following activities:

- Conducted interviews with relevant APP personnel, at both Corporate and site levels;
- Performed gap analysis of the Selected Information based on Reporting Criteria;
- Carried out physical site visits at APP's head office in Jakarta, 1 forestry area (Anara Abadi) and 4 mills (Indah Kiat Perawang, Pindo Deli Karawang, Indah Kiat Tangerang and OKI Pulp & Paper);
- Carried out virtual site verifications for the rest of mills (Purinus Detrak, Purinus Bandung, Purinus Subang, Purinus Semarang, Tjati Kimia, Indah Kiat Serang, Lontar Papyrus, Ekamas Fortuna, Riau Abadi Lestari, Finnantara Intiga);
- Conducted interviews with the following external stakeholders:
 - NGOs: Belantara Foundation
 - Local Communities/Community beneficiaries:
 - MSME "Aulia" Local Snack; Integrated Farming in Perawang;
 - Health Services to Village Community; MSME "BUTEKA" handicraft in Karawang;
 - Women-Led Farming Group and Edutourism "Good Farm"; Hydroponic Honeydew Cultivation "Marga Jaya" in Tangerang.
- Reviewed the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, the data scope and reporting boundaries;
- Reviewed a sample of Selected Information to the corresponding documentary evidence provided by APP; and



- Reviewed the disclosure and presentation of Selected Information in the Report for consistency with the assured information.

Conclusion

On the basis of our methodology and the activities described above, we conclude that:

- the Selected Information is fairly stated in all material aspects, in accordance with the Reporting criteria;
- the Report provides a fair presentation of APP's activities over the period 1st January 2024 – 31st December 2024;
- the Report adheres to the principles of inclusivity, materiality, responsiveness and impact as per the AA1000 Accountability Principles (2018);
- the Report has been prepared in accordance with the 'Reporting Principles for defining report and quality', as defined within the GRI Standards 2021;
- the underlying systems and processes for the collection, aggregation and analysis of the Selected Information are appropriate;
- scope 3 emissions as reported below are assured at a moderate level of assurance, given the inherent nature of assumptions, modelling and third-party sources that are used for these calculations. Nothing has come to our attention that indicated that the below reported GHG emissions are not fairly stated in line with the GHG protocol.

Reported GHG Emissions

Scope 1: 11,475,267 tCO₂e

Scope 2: Location based - 869,334 tCO₂e; Market based - 588,173 tCO₂e

Scope 3: 10,636,531 tCO₂e

- Included scope 3 categories: 1 (non-FLAG), 2, 3, 4, 5, 8, 9, 10 and 12

Ref: BVQ_20R_2400365_2502019

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Ref: BVQ_20R_2400365_2502019

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Alignment with the AA1000 assurance principles, 2018

Inclusivity³

APP has a structured stakeholder identification, prioritization and engagement process in place as has been explained in the Report. APP conducted its annual Stakeholder Advisory Forum (SAF) in 2024 to continue their commitment in transparency and constructive dialogues with stakeholders. All the raised questions in the SAF as well as the actions taken are published on the APP website with full transparency. This demonstrates APP Indonesia has been able to continue its consistent stakeholder engagement process.

Materiality⁴

APP considers the identification and management of material topics essential to its long-term sustainability strategy. A comprehensive materiality assessment process was conducted in 2022 through a survey distributed to various stakeholders, including employees, government officials, partners, etc. APP has been building upon the identified material topics and considers any other upcoming topics to be addressed as might be desired by the stakeholders and the sustainability community at large.

Responsiveness⁵

APP has been responsive to stakeholders through various activities. APP has been acting upon stakeholders' feedback in many forms which includes consultations, engagements with communities, NGOs, grievance procedures amongst many other mechanisms. APP has been publishing their formal responses on their website to stakeholder concerns or allegations as well as feedback on the SAF raised by various external parties. APP has also been acting on any concerns or complaints raised through integrity helpline and whistle blower channels. APP remains responsive to stakeholder concerns through its annual publication of the Sustainability Report.

Impact⁶

APP measures and reports on its various impacts based on the performance against targets set as part of their SRV 2030 strategy and the Forest Conservation Policy. With regards to its climate strategy, APP's near-term decarbonization target received approval from Science-Based Target Initiative (SBTi). APP has also been measuring social impacts of some of their initiatives and projects. Some of the examples include measuring and reporting against the targets on Fibre Sourcing, Sustainable Forest management, Conservation and biodiversity, GHG emissions, water, waste, employment, community beneficiaries and other impacts.

Statement of Independence, impartiality and competence

Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety and social accountability with over 190 years history. The assurance team has extensive experience in conducting verification over environmental, social, ethical, health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015, 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.

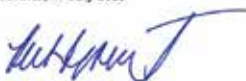
Bureau Veritas has implemented a Code of Ethics which meets the requirements of the International Federation of Inspections Agencies (IFIA) across its business which ensures that all our staff maintains integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.

Our assurance team does not have any involvement in projects with APP outside those of an independent assurance scope and we do not consider there to be a conflict between the other services provided by Bureau Veritas and that of our assurance team.



Bureau Veritas – Indonesia

Jakarta, 17 July 2025


X Didie B. Tediosumirat
Director – Indonesia



AA1000
Licensed Report
000-792/V3-Q817P

³ Inclusivity is the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

⁴ Materiality is determining the relevance and significance of an issue to an organisation and its stakeholders.

⁵ Responsiveness is the extent of an organisation's response to stakeholder issues and is realised through decisions, actions and communication with stakeholders.

⁶ Impact relates to the organisation's approach to monitor, measure and be accountable for how their actions affect their broader ecosystems.

Ref: SRV_AA1000_000-792-V3-Q817P



GRI CONTENT INDEX - IN ACCORDANCE

Statement of Use

PT APP Purinusa Ekapersada has reported in accordance with the GRI Standards for the period 01 January 2024 - 31 December 2024

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Applicable GRI Sector Standard

Not Applicable

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GRI 418: Customer Privacy			Not Applicable



OKI Independence Assurance Statement 14064-1

INDEPENDENT VERIFICATION OPINION



To: The Stakeholders of PT OKI Pulp & Paper Mill

Introduction and objectives of work

Bureau Veritas Indonesia (BVI) has been engaged by PT OKI Pulp & Paper Mill (PT OKI) to provide independent verification with reasonable level of assurance over Category 1 – Category 6 for its Greenhouse Gas (GHG) Emission, Removals and Storage data. This Verification Opinion applies to the related information included within the scope of work described below.

Scope of work

The scope of our work was limited to assurance over the following information, included within the PT OKI's GHG Report (the 'Report') for the period 1st January 2024 to 31st December 2024 (the 'Selected Information'):

- Operational Control;
- Materiality threshold: 5%;
- Standard Operating Procedures related to GHG Emissions, Removals and Storage data;
- Category 1 – Category 6 GHG emissions with total annual emission per category and total removals reported (please see details in Appendix).

Reporting criteria

The Selected Information has been prepared in accordance with the relevant Standard ISO 14064-1:2018: Greenhouse Gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

Responsibilities

The preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of PT OKI.

BVI was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria;
- form an independent opinion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the management of PT OKI.

Assessment Standard

We performed our work in accordance with ISO 14064-3:2019: Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

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Summary of work performed

As part of its independent verification, BVI undertook the following activities:

1. Assessed the appropriateness of the Reporting Criteria for the Selected Information;
2. Conducted on-site visit to PT OKI's site located in Sungai Batang, Kec. Air Sugihan, Kabupaten Ogan Komering Ilir, Sumatera Selatan, to:
 - a. Inspect the completeness of the inventory;
 - b. Interview relevant personnel to confirm operational behavior and standard operating procedures;
3. Carried out detailed off-site review of data;
4. Reviewed PT OKI data and information system and methodology for estimation, collection, aggregation, and analysis of information used to determine GHG emissions;
5. Reviewed documentary evidence produced by PT OKI;
6. Agreed a sample of the Selected Information to the corresponding source documentation; and
7. Re-performed aggregation calculations of the Selected Information.

Conclusion and Final Verification Opinion – (UNMODIFIED)

Based on the process and procedures conducted, it is concluded with reasonable assurance that the Report:

- is a fair representation of the GHG emissions data and information; and
- is prepared in accordance with the Reporting Criteria.

It is our opinion that the PT OKI has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions, removals and storage for the stated period and boundaries.

Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 185 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes. Bureau Veritas operates a certified¹ Quality Management System which complies with the requirements of ISO 9001:2015, 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.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspection Agencies (IFIA)² across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.

¹ Certificate available on request.

² International Federation of Inspection Agencies – Compliance Code – Third Edition.

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Bureau Veritas is accredited by the United Kingdom Accreditation Service (UKAS) in accordance with the recognised International Standard BS ISO 14065:2020 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition.

Bureau Veritas Indonesia is accredited by Komite Akreditasi Nasional (KAN) in accordance with the SNI ISO/IEC 17029:2019, ISO 14065:2020, ISO 14066: 2023 and SNI ISO 14064-3:2019 as Accredited Body for Validation and/or Verification for Environmental Information Sector in the Scope of Greenhouse Gases (LVV GHG).

The verification team for this work does not have any involvement in any other Bureau Veritas projects with PT QKG.

Bureau Veritas Indonesia
Jakarta, 13 June 2025



Fajar Deniwata
Certification Business Unit Manager



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Appendix

Category	Amount of GHG (ton CO ₂ e/year)	Justification Not included in the calculation
Category 1: Direct GHG Emissions and Removals		
Category 1.1 : Stationary Combustion	91,816	
Category 1.2 : Mobile combustion	8,228	
Category 1.3 : Industrial Process	35,312	
Category 1.4 : Fugitive emissions	Not Significant	Calculated value is 1,277 ton CO ₂ e/ year which is below threshold value (0.9%)
Category 1.5 : Land Use, LULUCF	Not Applicable	
Total Category 1	135,356	
Indirect GHG Emissions		
Category 2: Indirect GHG Emissions from Imported Energy		
Category 2.1 : Purchased electricity	Not Applicable	
Category 2.2 : Purchased heat and steam	Not Applicable	
Total Category 2		
Category 3: Indirect GHG Emissions from Transportation		
Category 3.1 : Upstream transport and distribution	140,080	
Category 3.2 : Downstream transport and distribution	732,154	
Category 3.3 : Employee commuting	Not Significant	Below the threshold value (0.11%)
Category 3.4 : Client and visitor transport	Not Significant	Incomplete Supporting Data
Category 3.5 : Business travel	Not Significant	Below the threshold value (0.16%)
Total Category 3	872,234	
Category 4: Indirect GHG Emissions from Products used by Organization		
Category 4.1 : Purchased goods and services	394,779	
Category 4.2 : Capital goods	94,594	
Category 4.3 : Waste generated in operations	1,338	
Category 4.4 : Upstream leased assets	Not Applicable	
Category 4.5 : Use of other services	Not Applicable	
Total Category 4	490,711	
Category 5: Indirect GHG emissions associated with the use of products from the organization		
Category 5.1 : Use of sold products	1,418,742	
Category 5.2 : Downstream leased assets	Not Applicable	

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Category	Amount of GHG (ton CO ₂ e/year)	Justification Not included in the calculation
Category 5.3 : End-of-life treatment of sold products	3,349	
Category 5.4 : Investments	Not Applicable	
Total Category 5	1,422,091	
Category 6: Indirect GHG emissions from other sources		
Other Sources	Not Applicable	
Biogenic Emission and Removal		
Direct Emission from Biomass	5,571,364	



LIST OF DISCLOSURE BASED ON POJK NO.51/ POJK.03/2017

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RR-PP-120a.1	Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO ₂ , (3) volatile organic compounds (VOCs), (4) particulate matter (PM), and (5) hazardous air pollutants (HAPs) Restatements of information	119
RR-PP-130a.1		(1) Total energy consumed, (2) percentage grid electricity (3) percentage from biomass (4) percentage from other renewable energy and (5) total self-generated energy 1	113-115
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RR-PP-140a.2		Description of water management risks and discussion of strategies and practices to mitigate those risks	
RR-PP-430a.1	Supply Chain Management	Percentage of wood fibre sources from (1) third-party certified forestlands and percentage to each standard and (2) meeting other fibre sourcing standards and percentage to each standard 2	120-121
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RT-CP-110a.1

Greenhouse Gas Emissions

Gross global Scope 1 emissions

118

RT-CP-110a.2

Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets

41, 116

RT-CP-120a.1

Air Quality

Air emissions of the following pollutants:
(1) NO_x (excluding N₂O),
(2) SO₂,
(3) volatile organic compounds (VOCs),
(4) particulate matter (PM), and
(5) hazardous air pollutants (HAPs)
Restatements of information

119

RT-CP-130a.1

Energy Management

(1) Total energy consumed,
(2) percentage grid electricity
(3) percentage from biomass
(4) percentage from other renewable energy and
(5) total self-generated energy 1

113-115

RT-CP-140a.1

Water Management

(1) Total water withdrawn,
(2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress

122

RT-CP-140a.2

Description of water management risks and discussion of strategies and practices to mitigate those risks

120-121

RT-CP-140a.3

Number of incidents of non-compliance associated with water quality permits, standards and regulations

120

RT-CP-150a.1

Product Safety

(1) Number of recalls issued,
(2) total units recalled

106

RT-CP-250a.1

Discussion of process to identify and manage emerging materials and chemical of concerns

106

**Index SASB Containers and Packaging****Page****RT-CP-410a.1**

Product Lifecycle Management

Percentage of raw materials from:
(1) recycled content,
(2) renewable resources, and
(3) renewable and recycled content

111

RT-CP-410a.2

Revenue from products that are reusable, recycleable, or compostable

6, 51

RT-CP-410a.3

Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle

102-103

RT-CP-430a.1

Supply Chain Management

Total wood fibre procured; percentage from certified sources

RT-CP-430a.2

Total aluminium purchased; percentage from certified sources

105

RT-CP-000.A

Amount of production, by substrate

RT-CP-000.BPercentage of production as:
(1) paper/wood,
(2) glass,
(3) metal, and
(4) plastic

111

RT-CP-000.C

Number of employees

55



Sustainable Development Goals (SDGs Index)

SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	1.3.1.(a)	Proportion of health insurance participants through SJSN in the Health Sector	The company provides BPJS health facility to all employees	Percentage of employees with BPJS Health	%	Annual	100%	58
	1.3.1.(b)	Proportion of participants in the Social Security Program in the Field of Employment	Implementation of the BPJS employment program for all employees Ensure that every new employee has been registered with BPJS	Percentage of employees with BPJS Employment	%	Annual	100%	58
	1.5.4*	Proportion of local governments adopting and implementing local disaster risk reduction strategies that are aligned with the national small-scale agricultural disaster risk reduction strategy by subsector	Community fire awareness program (MPA)	Reducing 75% of fire incidents in DMPA village	%	10	90%	43
	2.3.2	Average income of small-scale food producers, by sex and indigenous status	Empowering farmers, including women farmers - Training and mentoring for agriculture, animal husbandry, etc - Provision of plant seeds, livestock seedlings or fish seeds, etc. - Providing business capital through soft loans, revolving funds, etc	Number of farmers receiving support from the program	Number of average farmers	5	2.2	NA
	3.8.1	(a) Toddler Mortality Rate (AKBa); (b) Infant Mortality Rate (IMR) per 1000 live births	- Support for improving the health of infants and toddlers through posyandu (health care center) activities - Training for posyandu cadres	Number of babies and toddlers receive posyandu (health care center) service	Number of average community beneficiaries	5	2.5	NA
		Coverage of essential health services	Health campaigns and free medical services for the community	Number of communities has access to health facility		5		



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	4.1.2.(a)	Number of children not attending PAUD, SD/equivalent, SMP/equivalent, and SMA/equivalent levels	Support for early childhood education and basic education (SD, SMP, SMA) - Assistance in providing school infrastructure - School building renovation - Training for school children - Training for school teachers	Number of children receiving educational support	Number of beneficiaries	5	13,208	NA
	4.3.1	Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months, by sex	The company provides training to develop employee competencies Leadership skills, etc	Employee competency development training, leadership, technical, etc	Hours/year/employee	Annual	5	63
	4.3.1 (a)	Gross Enrollment Rate (APK) of Higher Education (PT)	College scholarships for middle to children from middle to low income family	Number of college scholarship recipients for outstanding students	Number of students receive scholarship	Annual	42	63
	4.4.1.(a)	Proportion of adolescents (aged 15-24 years) and adults (aged 15-59 years) with information and communication technology (ICT) skills	Facilitation of internships for vocational and tertiary institutions	Number of facilitated interns	Number of interns	Annual	1,200	NA
	4.a.1	Proportion of schools with access to: (a) electricity (b) internet for teaching purposes, (c) computers for education purposes, (d) safe drinking water, (e) basic sanitation facilities per gender, (f) hand washing facilities (consists of water, sanitation, and hygiene for all Water Sanitation and Hygiene (WASH))	WASH in School - Socialization - PHBS training for children and teachers - Support for hand washing facilities for schools - construction and renovation of school toilets - Construction of school wells-Clean and healthy lifestyle	Number of schools with hand washing facilities with soap	Number of schools	1	10	NA



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	5.5.2.*	Proportion of women in managerial positions	Increasing the proportion of women in senior management positions in the talent pool program • Training on the principles of women's empowerment • Promotion or recruitment based on competence (no gender bias, equal opportunity, equal ability, etc.).	30% of senior management positions in APP headquarter held by women	%	10	29.8%	43
	5.6.1	Proportion of women aged 15–49 years who make their own informed decisions regarding sexual relations, contraceptive use and reproductive health care	The company gives employees the right to parental/ maternity leave	Male and female employees get their leave entitlements	%	Annual	100%	57
	6.1.1	Percentage of households using safely managed drinking water	Support for increasing the access of clean water for community • Making wells, both dug and drilled • Plumbing assistance • Distribution of clean water • Assistance for refill drinking water business, RO, etc	Number of households who have access to clean water	Number of households	5	26,223	NA
	6.2.1	Percentage of households using safely managed sanitation services, including hand washing facilities with soap and water	Community Based Total Sanitation Program (STBM) • Community social mapping • STBM triggering training • PHBS training • Construction of family toilet-Comparative study • learning workshops • Monitoring and evaluation	Number of households accessing proper and clean sanitation	Number of households	5	160	NA
	6.3.1	Proportion of wastewater safely treated	Waste water quality improvement • Improvement of wastewater operations • Anaerobic wastewater treatment plant • Online monitoring installation for COD values	Wastewater COD reduction 30% lower than government regulation (baseline 2018)	%	10	27% lower than Government of Indonesia threshold	121



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	6.4.1	Change in water-use efficiency over time	Reducing water usage • water efficiency • improve condensate recovery	30% reduction in water intensity (baseline 2018)	%	10	18%	41
	7.2.1	Renewable energy share in the total final energy consumption Energy intensity measured in terms of primary energy	Increasing the proportion of renewable fuels-Improve Recovery Boiler (RB) efficiency* • Using sludge as fuel substitution (Waste into energy) • Looking for alternative biofuel fuels	Minimum 50% renewable fuel from the total use of all energy sources (baseline 2018)	%	10	58%	41
	7.3.1	Energy intensity measured in terms of primary energy	Reduction of energy consumption-Improve Operational Equipment Effectiveness (OEE). • Energy efficiency • maintenance program • Adapt new technology • Increases biofuel fuel consumption	25% reduction in Energy intensity (2018 baseline)	%	10	5%	41
	8.3.1	Percentage of MSMEs (Micro, Small and Medium Enterprises) access to financial services	Support for MSMEs to access capital through microfinance	Number of MSME's assisted	Number of MSME's	5	114	NA
	8.3.1 (a)	Percentage of formal employment	The company appoints new employees as permanent employees after passing the probationary period	Percentage of employees with permanent employees	%	Annual	94%	62
			Identify employee data with various criteria	Number of employees under age of 30 years old	Person	Annual	8,989	62
				Number of employees aged 30 – 50 years old	Person	Annual	18,622	62
				Number of employees aged above 50 years old	Person	Annual	6,085	62
				Percentage of permanent employees	%	Annual	94%	62



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
				Percentage of non-permanent employees	%	Annual	6%	62
				Percentage of male employees resigned to the total number of employees	%	Annual	6%	56
				Percentage of female employees resigned to the total number of employees	%	Annual	6%	56
	8.4.1	Material footprint, material footprint per capita, and material footprint per GDP	Increasing the proportion of recycled raw materials by increasing the production capacity of paper from recycled materials	Minimum 30% composition of recycled raw materials of the total raw materials	%	10	47%	111
	8.5.1	Average hourly earnings of female and male employees, by occupation, age and persons with disabilities	Application of equal pay between male and female employees for the same type of work	Salary ratio men:women = 1:1	%	Annual	100%	62
		Average wage per working hour	Application of minimum wages according to regulations on workers	Minimum wage according to regulations	%	Annual	100%	62
	8.7.1	Proportion and number of children aged 5–17 years engaged in child labor, by sex and age	Age requirements for hiring employees with a minimum age of 18 years	Number of employees under age of 18 years old	Person	Annual	0	56
	8.8.1 (a)	Number of companies that apply OHS norms	Implementation of K3 management system program - Reducing work accidents	Lost Time Injury Frequency Rate (LTIFR) less than 1	LTIFR index	Annual	Mills: 0.52 Forestry: 0.23	69
	9.4.1	Percentage of CO2 Emissions/ Greenhouse Gas Emissions	Carbon/Greenhouse Gas Emission Reduction • Improve Operational Equipment Effectiveness (OEE). • Energy efficiency • maintenance program • Adapt new technology • Increase factory biofuel consumption	Reducing 30% carbon emission intensity (scope 1 & 2) (2018 baseline)	%	Annual	12%	41



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	11.1 (a)	Percentage of households with access to adequate and affordable housing	Support for the Uninhabitable Houses (RUTILAHU) program for underprivileged residents • Renovation of house building • Material assistance for buildings such as tile, zinc, cement, etc.	Number of households whose houses were renovated/ constructed	Number of households	5	48	NA
	11.6.1 (a)	Percentage of households in urban areas with waste management facility	Community-based waste management support • Training on waste management, composting, etc • Provision of equipment and infrastructure for waste management such as trash carts • Strengthening the waste bank group • Provision of infrastructure for waste banks	Number of houses receiving community-based waste management services	Total house	5	5000	NA
	12.4.1	Number of Proper participants achieved a minimum BLUE ranking	PROPER rating of companies includes subsidiaries (mill) at least get Blue ranking	Number of companies with PROPER – Blue ranking	Total Companies	Annual	12	7
	12.4.2	Proportion of hazardous waste treated by type of handling	Reduction of solid waste to landfill • Utilization of waste (fertilizer, energy & products) • Reduce waste generation	0 Tons of solid waste to landfill (baseline 2018)	Tons	10	49,844	9
	12.5.1.(a)	Number of recycled waste	• Recycling into new materials and energy source • Reuse of waste into soil conditioner • Reuse as road base and sub-base	Number of waste recycled and re-used	Tons	Annual	1,139,105	9
		Number of recycled waste	Utilization of factory waste for community economic empowerment • Provision of used strapping straps for woven goods	Number of reuse waste	Tons	Annual	48.68	9



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	12.6.1	Number of companies publish sustainability reports	The company publishes a sustainability report every year	Publish a sustainability report every year	Reports	Annual	6	143
	12.6.1 (a)	Number of companies implementing SNI ISO 14001 certification	The company implements ISO 14001 certification	Number of companies have ISO 14001 certificate	Total Companies	Annual	21	88, 107, 108
	12.7.1	Number of registered eco-friendly products	Number of Biodegradable Products	Minimum 1 Biodegradable product	Total product	Annual	2	6
	12.b.1	Number of locations for implementing sustainable tourism development	• Program Sustainable Business Model • Support for ecotourism development • Sustainable Business Model Program	Number of ecotourism education locations	Number of ecotourism locations	Annual	5	NA
	14.2	Manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and taking restoration actions in order to achieve healthy and productive oceans	Serang and Tangerang coastal area management and conservation program • Provision of mangrove seeds • Mangrove planting • Mangrove maintenance	Number of mangroves growth well	Total mangrove trees	5	175,000	75



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	15.1.2	Proportion of important sites for terrestrial and freshwater biodiversity that are covered by protected areas, by ecosystem type	Conserving High Carbon Stock (HCS) and High Conservation Value (HCV) forests and continuing restoration effortsProgram: 1. Land cover analysis 2. Analysis of vegetation structure & composition 3. Develop restoration strategies & techniques 4. Restoration activities with the following approaches: natural succession, eradication, enrichment and combination methods Protection/ Prevention: 1. Routine monitoring using the MDA program 2. Routine patrols 3. Go on patrols with stakeholders 4. Community Patrol 5. Collaborative Conservation Management (CCM)	95% of natural forest in concession maintained in good condition by 2030	%	10	86%	42
	15.5.1	Percentage of population of 25 priority endangered species (The Red List Index)	Protect Indonesia's flora and fauna, with a focus on three priority wildlife and ten endangered tree species. Program: • Monitoring via Camera traps, Drones, line transects, GPS collars • Prevention & Protection	3 protected animal species in their habitat within APP pulpwood supplier' areas	Species	3	3	42



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	15.7.1 (b)	The number of additional species of wild animals and natural plants that are bred at conservation institutions	Protect Indonesia's flora and fauna, with a focus on three priority wildlife and ten endangered tree species. Program: • Map the distribution of 10 rare tree species throughout the concession • Registration of potential rare tree species to obtain forest plant seed source certificates. • Development of nurseries and development/propagation (seedling production) of rare trees for use in the repopulation process in protected areas/HCS within pulpwood concessions	10 Tree species that are maintained and protected	Species	10	4	42
	15.9.1	Progress in achieving the national targets set in accordance with Target 2 - Biodiversity of the Strategic Plan for Biodiversity 2011-2020	Conservation of High Carbon Stock (HCS) and High Conservation Value (HCV) forests and restoration efforts. Programs: 1. Land cover analysis 2. Analysis of vegetation structure & composition 3. Develop restoration strategies & techniques 4. Restoration activities with the following approaches: natural succession, eradication, enrichment and combined methods Protection/ Prevention: 1. Routine monitoring using the MDA program 2. Routine patrols 3. Go on patrols with stakeholders 4. Community Patrol 5. Collaborative Conservation Management (CCM)	95% of natural forest maintained in good condition by 2030	% area in good condition	10	86%	42



SDGs Indicator	SDGs Indicator Code	SDGs Indicators	Sustainable Projects/Activities/Products/Services		Unit Measurement	Program Period (in years)	Achievement in 2024	Page
			Activities/Projects/Programs	Indicators target				
	16.5.1 (a)	Anti-Corruption Behavior Index (IPAK)	Provide training on BCoC/Code of Business Ethics for employees	Percentage of graduation of training participants with a minimum score of 70%	%	Annual	100%	27
	16.6.2	Proportion of population who are satisfied with their recent experience of public service	Dissemination of the channel/ mechanism for public complaints and the follow-up process	Percentage of public complaints that are followed up from total number of complaints received	%	Annual	100%	30
	16.7.2 (b)	Civil Liberties	The company gives the employees the right to become members of trade unions or workers associations socialization about the freedom to join the labor organization	Guaranteed Freedom of association to become a member of workers' associations	%	Annual	100%	58
	17.16	Enhance the global partnership for sustainable development	Collaborative partnerships involving multiple stakeholders that harness and share knowledge, expertise, technology, and financial resources to advance the Sustainable Development Goals (SDGs), especially in developing countries.	Multistakeholder involvement	Number of multistakeholder involvement	Annual	6	132



FEEDBACK FORM

PT APP Purinusa Ekapersada (APP) has published this Sustainability Report to provide stakeholders with a comprehensive overview of our sustainability performance and initiatives. We welcome your feedback, comments, and suggestions. Please feel free to share them with us via email or by mailing the completed form.

YOUR PROFILE (Please fill in with relevant data)

Name :

Institution/company :

Email :

Phone/Mobile :

STAKEHOLDER GROUP:

Regulator/Government

☐

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☐

Employee

☐

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☐

Media

☐

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☐

Public Organization/NGO

☐

Worker's Union

☐

Business organisation

☐

Others

What is your assessment regarding this report?

**Strongly
Disagree**

Disagree

Unsure

Agree

**Strongly
Agree**

This report is easy to understand

This report has disclosed material topics relevant to the Company

This report has given a clear overview of the company's performance on sustainable development

This report is helpful for you

Please write your suggestions or comments regarding this report:

Thank You for Your Participation

Please Submit and Send This Response to The Following Address:

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Post : Sustainability APP Group

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