

Advisory note concerning the review of member company APRIL Group against the membership principles of the WBCSD Forest Solutions Group

April 12th, 2013

Dear Forest Solutions Group Member:

This advisory note is to inform you of the process and progress made to date on a WBCSD review of member company <u>APRIL Group</u> against the <u>membership principles</u> of the WBCSD Forest Solutions Group (FSG).

Requests from a significant number of peer companies of the FSG – and some NGO groups – have prompted this review. Primary concerns, raised on a consistent basis since 2010, are the scale and duration of forest conversion by APRIL under legal concession agreements with the Government of Indonesia and the ongoing level of use of mixed hard wood (MHW) fiber from its own conversion operations or those of 3rd party suppliers as a key feedstock.

After extensive discussions between APRIL and WBCSD, a phased review process was agreed in October 2012. The first two phases of this review have now been completed – a comprehensive self assessment against the principles completed by APRIL in January, followed by a 2nd party review by WBCSD including a site visit in February.

Based on the completion of phases 1 and 2, WBCSD has request APRIL consider adjusting its forest management and fiber procurement practices to align with the spirit and intent of the FSG principles, as well as the FSG's leadership mission and objectives.

APRIL has been requested to provide WBCSD with sufficient evidence and a defined timetable to accommodate these recommended adjustments before the end of this calendar year.

Please contact me if you have any specific questions on griffiths@wbcsd.org (M: +41 22 79 291 6240; DL: +41 22 839 3114).

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WBCSD