

## 25 Years of PaperOne<sup>™</sup>

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APRIL Group uses drones to monitor almost a million hectares of sustainably managed forests.

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APRIL has capacity to produce approximately 1.2 million tons of paper, including its flagship PaperOne™ brand at its manufacturing facility in Pangkalan Kerinci, in Riau province, in Sumatra, Indonesia.

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### Founder's Message



Tinah Bingei Tanoto, Co-founder, PaperOne™

Even before the first reams rolled out of the Kerinci mill, PaperOne<sup>™</sup> was a downstream product that the APRIL Group, and the greater RGE family, believed would represent its core values.

The brand is now 25 years old, and today delivers a full range of premium paper products that continues to support business needs in education, industrial, e-commerce and corporate sectors. It is a global market leader, with a generation of emerging talent to take it into the future.

I believe that PaperOne<sup>™</sup> will continue to lead the market because it has always held true to our 5Cs business philosophy of creating value for the community, country, climate, customer and company.

Our vision 25 years ago was to position PaperOne<sup>™</sup> as a premium brand for international markets, from Europe to the United States. This first world positioning was important, because it enabled our product to be an aspirational premium paper brand across Asian markets.

My strategy was to use the PaperOne<sup>™</sup> colours — first blue, followed by green and then red — to give each product a distinct identity and clear segmentation. Today, this strategy has stood the test of time.

Even the PaperOne<sup>™</sup> box quality worked to our brand advantage, because it could be re-used for other office purposes. So our brand has become a permanent fixture of corporate environments, something that 'lives' beyond the Paper Rim, even after the product has been used.

Today, our focus is on manufacturing cleaner and greener products that consumers around the world demand, to maintain our leading position in the pulp and paper sector.

We will continue to put the right strategies in the right country, and integrate our operations to optimise QPC (Quality, Productivity, Cost), and will strive to achieve all our ambitions outlined in our APRIL2030 commitments towards sustainability, conservation and restoration.

We will also do our part to support the United Nations Sustainable Development Goals and to continue to lead in the adoption of best practices in sustainability.

This book looks at how our brand was built from the ground up to serve the needs of consumers while championing the needs of its community, and workers who daily shape the brand.

We are a team dedicated to family, business and improving the lives of our staff, the communities near our operations, and the countries in which we operate.

To live and work in some of the world's most remote areas, we must provide world-class housing, health care, and education. Along the way, we always focused on providing equal opportunity to all, regardless of gender, race, or nationality.

We are confident that as the first generation leaders pass the mantle of guiding our staff to the next, the story of PaperOne<sup>™</sup> will continue to inspire audiences.

We are proud that we improve billions of lives through sustainable products they use every day, including the very paper that they use to transfer knowledge, information and emotion.

I hope this book will help to express our heartfelt gratitude to all the people who have stood by us through these past 25 years, to build the PaperOne<sup>™</sup> brand into the must-have product it is today.

### Tinah Bingei Tanoto

January 2024

### About PaperOne<sup>™</sup>

### A Brand for Everyone, Every Time, Everywhere

### **PaperOne**<sup>™</sup>

PaperOne<sup>™</sup> is a premium quality paper brand designed for the most demanding high-speed printing and copying tasks. It was launched on May 6, 1998 by Asia Pacific Resources International Limited (APRIL) Group, as its flagship product.

PaperOne<sup>™</sup> is made from 100% renewable fibre from plantations, and is proudly sold in more than 110 countries worldwide. As it celebrates 25 years of business, it is a clear industry leader, consistently delivering professional printing quality with minimal environmental impact.

### Vision

To be the customer's first-choice in paper industry and bring added value to people's daily lives around the world. To facilitate convenience and enrich people's lives around the world.

#### Mission

To provide top-quality paper products encompassing broad suitability.

### Personality

### **Professional**

Commit to protecting and constantly improving the quality in the pursuit of excellence.

### Modern and Effective

Optimising work efficiency by using state-of-the-art technology and equipment.

### Trustworthy

Taking responsibility in fulfilling what is expected and capable of delivering great outcomes consistently.

#### Supportive

Able to provide reliable information and support for various needs and circumstances.

### Brand Value Proposition

Together for a better tomorrow. We help eco-conscious B2B partners and B2C consumers achieve quality results while taking care of the environment by offering sustainably produced products.

The PaperOne<sup>™</sup> brand aims to drive business growth by championing sustainability issues such as carbon neutrality, circular economy, APRIL2030, and more, and to provide value through sustainable, quality products (QPC, ProDigi).

### APRIL Group

APRIL Group is one of the largest, most technologically advanced and efficient makers of pulp and paper products in the world. In recognition of its environmental stewardship, it was awarded the PEFC Sustainable Forest Management certification in June 2015 for making products from 100% renewable fibres and sustainable sources.

Its pulp is used for different applications, including the production of tissue and specialty paper, while its paper products are used for printing and writing by millions of people every day.

APRIL's energy efficient mills have an annual production capacity of 4 million tonnes for pulp and 1.2 million tonnes for paper. APRIL is certified under the Programme for the Endorsement of Forest Certification (PEFC) for sustainable management of its forests. APRIL is also one of the pioneers for sustainability reporting, High Conservation Stock (HCS) and High Conservation Value (HCV) assessments, Chain of Custody certification, and the adoption of a landscape approach to fire management.

APRIL's Sustainable Forest Management Policy (SFMP 2.0) governs its operations. The company is also committed to a 1-for-1 goal of conserving one hectare of forest for every hectare of plantation. The company conserves and restores more than 360,000 hectares of forest which includes 150,000 hectares of peatland forest as part of the Restorasi Ekosistem Riau programme.

### **Founding Vision**

APRIL is a member of RGE Group, which was founded by Sukanto Tanoto in 1973. RGE Group has grown into a global operation with a worldwide sales reach that employs more than 60,000 people. Its assets total more than US\$30 billion.

An advocate of responsible corporate citizenship, APRIL and its subsidiaries (APRIL Group) embrace Mr. Sukanto Tanoto's 5Cs: to operate in a manner that is:

Good for <u>C</u>ommunity Good for <u>C</u>ountry Good for <u>C</u>limate Good for <u>C</u>ustomer Good for <u>C</u>ompany

Social responsibility is woven into APRIL's operations and management to advance environmental and community development, and to fulfil the social responsibilities of a corporation.

# Section I: Laying Foundations

Celebrating 25 Years of Premium Paper A Heritage of Building People The Birth of a Brand

Seedlings for the forest plantations that supply the wood for manufacturing PaperOne products are nurtured at the company's nurseries.

## Celebrating 25 Years of Premium Paper

PaperOne<sup>™</sup> Celebrates Its 25 Years of Success With Pride

The flagship product of Asia Pacific Resources International Limited (APRIL) Group — one of the largest, most technologically advanced and efficient makers of pulp and paper products in the world — is used in more than 110 countries worldwide, where its premium qualities have made it a must-have office paper.

PaperOne<sup>™</sup> is the most iconic brand among APRIL's top-quality products, which include liquid packaging, printing and writing paper, tissues, shopping bags, food packaging, magazines and books, products used by millions of people every day.

Indeed, the impact of its high production values can be most clearly seen at at its birthplace, Pangkalan Kerinci in Riau Province Indonesia.

The PaperOne<sup>™</sup> brand has transformed the town from a sparse 200 households in the early 1990s, into a thriving community of more than 160,000 people many of whose livelihoods depend on its pulp and paper mill. APRIL directly employs around 12,638 people, and provides indirect employment to more than 90,000 others who are its vendors and contract workers.

The mill currently has a production capacity of 4 million tons of pulp and 1.2 million tons of paper per year, while being a model for sustainability.

Harnessing world-class engineering and technology, the production heart of PaperOne<sup>™</sup> beats around its principles of "lean manufacturing", driving efficient practices in the use of energy and water, and to minimise emissions.

The business is built on a Sustainable Forest Management Policy, extending to plantation forests in Riau Province, Sumatra, Indonesia. In May 2013, APRIL Group announced a multi-year ecosystem restoration programme known as Restorasi Ekosistem Riau (RER).

RER began with an initial 20,265 hectares on the Kampar Peninsula which has expanded to 150,693 hectares situated in Kampar Peninsula and Padang Island, comprised of five 60-year ecosystem restoration concession licences granted by the Indonesian Ministry of Environment and Forestry.

Like a rising tide that lifts all boats, PaperOne™'s success has raised Kerinci's standards of living. The

residential townsite houses its employees and their families, who enjoy international standards of education, improved health standards, as well as job opportunities for the second generation of its pioneers.

It is the hard work of this community and its shared values that continues to deliver quality far beyond its borders, to customers in Indonesia, China, Japan, Singapore, Malaysia, Taiwan, among many other economies around the world.



APRIL employees monitoring one of the company's forest plantations.

## A Heritage of Building People

A Generation of Success

At 25 years old, PaperOne<sup>™</sup> is a leading brand of premium paper in more than 110 countries.

That global success is the result of a generation's work, beginning with a bare base in Kerinci, Indonesia, which has grown it into a model town where production and people work in harmony to achieve excellence.

Its broad range of products is aligned with global trends in education, e-commerce, industrial and packaging. It is the market leader in emerging markets, having expanded from its bases in Indonesia: pulp & board (packaging) expansions, as well as China (paper, board & tissue expansions).

As the flagship downstream product of APRIL Group, PaperOne<sup>™</sup> stands for sustainable production, innovation and empowerment for its workers.

It is the story of how a brand was formed around values of excellence, and the desire to create something of value for everyone, every time, everywhere.



Innovation, an attention to detail, and a desire for the highest production values was always at the heart of PaperOne™'s development.

### Growing the PaperOne<sup>™</sup> Family

Special attention is paid to supporting the families of employees. This commitment is to ensure our employees that their children receive an international standard education, even in the most remote areas.

Nine years after a school was first opened in Kerinci by co-founder Tinah Tanoto, an international school was established in 2003 that now teaches the International Baccalaureate syllabus.

Employees' children taught in Kerinci schools have gone on to attain PhDs at internationally renowned institutions. Many have received scholarships for further studies and some even choose employment with the company.

Our belief is that everyone should have the opportunity to maximise their potential and be enabled to do their best.

In the spirit of teamwork and camaraderie, PaperOne<sup>™</sup> regularly holds company events for employees to which family members are often also invited. Through these activities, they catch a glimpse of the company's culture and ethos, and often themselves become members of the larger family at APRIL Group, and by extension, RGE.



Active learning – students participating in games organised at the Mutiara Harapan International School.



Mutiara Harapan International School in Pangkalan Kerinci adopts the International Baccalaureate Syllabus and Cambridge IGCSE curriculum, offering world-class education standards to employees' children.

In recognition of its environmental stewardship, APRIL Group was awarded the PEFC Sustainable Forest Management certification in June 2015 for making products from 100% renewable fibers and sustainable sources.



APRIL Group is committed to the education of its new generation of employees through scholarships and other ongoing programmes.

#### **Continuous Learning and Education**

Today, as the company welcomes an emerging workforce among a new generation of workers, APRIL further develops its family of employees as part of its longstanding commitment to human capability development. The sight of a father and daughter arriving at an APRIL factory together is not uncommon.

Through scholarships and ongoing programmes to build capability, APRIL identifies talent early. Those who are selected to be groomed for leadership roles are extremely proud. Meanwhile, ongoing training is provided to prepare employees and staff to keep up with technology and digitalisation.

The Group's senior managers are role models who lead by example. Through frequent engagement sessions, they mentor younger employees so that values are transposed from one generation to the next, across leaders, senior management and directors.

By extension, among an extended network of smallholders, mothers have traditionally been supported by good schools and childcare services located close to their place of work. They themselves often include their children in simple chores on plantations, introducing them to the farming culture. Older employees recall seeing co-founder Tinah Tanoto including her then-young daughters Belinda and Imelda to visit the company's operations, where they spent their school holidays. Indeed, as RGE's managing director Anderson Tanoto pointed out, the approach is simply part of the family's philosophy on giving everyone equal opportunities.



APRIL Group is committed to developing its family of employees, down to supporting the education of their children to support their early education.

#### The People Behind Our Paper

Pangkalan Kerinci, in 1993, was spartan. Bringing the mammoth pulp mill to life took up to 500 staff from APRIL, joining a total crew of 4,000 people to build its infrastructure and very first homes.

More than two decades after APRIL arrived in Pangkalan Kerinci, it is a vibrant commercial hub, and is the base of operations for APRIL.

Today, the town and its community is intertwined not only with the production of pulp and paper. Its products include viscose fibre, yarn, as well as paperboard for packaging.

As at December 2022, APRIL employs 12,638 employees and 21,915 contract personnel.

The residential townsite is home to more than 10,000 employees and their families. The host of supporting facilities and amenities that were created to support the workforce in and around the mill complex includes a hotel, schools, supermarkets, leisure facilities and places of worship. APRIL's significant investments in infrastructure such as roads, ports and an airstrip are testament to its planning foresight and contribution to development.



In 1992, the population of Pangkalan Kerinci comprised only 200 households.

### **Developing Our People**

As part of its group-wide commitment to its founding principles — APRIL continues to develop people, care for the PaperOne<sup>™</sup> family, while upholding sustainable business operations.

For its paper business, it seeks out technocommercial talents. These are people who can understand the multiple aspects of paper manufacturing, as well as align with its commercial objectives. Ideally, they can improve how PaperOne<sup>™</sup> is made and sold.

Around the group's CARE philosophy of Career Advancement, Communication, Coaching and Compensation, a strong focus is placed on developing comprehensive talent development programmes to ensure a qualified and committed workforce. This approach is critical, as production often takes place in remote areas, where rigorous education, training and continuous improvement empower employees to perform at international standards.

Sets of Russian dolls placed in major offices across the group remind staff of the importance of hiring and developing good people. By seeking a capable successor and promoting talent, a manager can move on to bigger roles in the group.

Teams share a culture of collaboration and resilience. Talent acquisition that systematically takes into account someone's mindset — not just their skill sets or competencies. The group embraces diversity, supporting equal opportunities for all races, gender, and nationalities. In addition, its talent has the potential to meet the tough challenges of its industry, demonstrating:

- High adversity quotient
- Ability to play as a team
- Willingness to continually grow and learn
- Desire to solve problems
- Optimism and an entrepreneurial spirit



Through rigorous training and education, APRIL Group empowers its employees in remote areas with the mindset and competencies to perform at international standards.

### **Raising a Community**

Over 25 years, APRIL Group has grown its business and expanded its impact based on RGE Group's 5C business philosophy: to be good for Community, Country, Climate and Customer, and only then be good for the Company.

Working with the town's entrepreneurs to develop their businesses, it provides them with training, support and access to finance. Particularly in fields that support PT. RAPP, such as contracting and transportation, it has helped more than 180 entrepreneurs, creating thousands of jobs in diverse sectors from automotive repairs to catering.

Its Integrated Farming System supports farmers too, teaching them how to grow new crops, and imparting modern horticultural techniques to improve yield. Farmers working on more than 2,400 hectares receive instruction at a dedicated training centre.

PT. RAPP is also on the frontline of efforts to develop the local community.

In activating these values across its operations, the mill has enabled the growth of the Pangkalan Kerinci into a workforce that brought to life a global paper brand.



Over 25 years, Pangkalan Kerinci has grown from strength to strength, a testament to RGE's 5C business philosophy: to be good for Community, Country, Climate and Customer, and only then be good for the Company.



Farmers working on more than 2,400 hectares receive instruction at a dedicated training centre. Through an Integrated Farming System, they learn modern horticultural techniques.



Working with the town's entrepreneurs to develop their businesses, it provides them with training, support and access to finance.

### The Birth of a Brand The Story of Paper and Pulp

As printers evolved in the 1990s, office workers in businesses and corporate organisations found themselves grappling with paper jams that took time and resources to manage. With a growing reliance on printed matter, the lack of quality options presented a clear need for a better product.

Between 1996 and 1998, development of a new paper product that would meet this need took shape at PT Riau Adalan Pulp and Paper (PT. RAPP), the operating arm of APRIL Group.

Already familiar with paper production at its Changshu mill, where production was conducted in partnership with Finnish company UPM-Kymmene, APRIL Group aimed to supply Indonesia's domestic needs from its Kerinci base, before taking on regional markets such as Malaysia and Singapore, and then Europe, Japan, and the United States.

To achieve this, the company in the mid-1990s invested in establishing a production facility with the capability to produce enough paper to meet at least



Changshu Paper Mill was divested to the Finnish joint venture partner in 2000.

40% of Asia's paper needs for up to two decades. It occupied a 1,750 hectare site near Pangkalan Kerinci in Riau Province in Central Sumatra, Indonesia, and had a design capacity of 2 million tonnes per year.

In early 1995, the mill began commercial operations — the first reams of PaperOne<sup>™</sup>.

In Kerinci, its two paper machines had a combined capacity of approximately 700,000 tonnes per annum of uncoated fine paper. Concurrently, and with an eye on the China market, APRIL constructed a new paper mill near Shanghai, with an initial capacity of approximately 350,000 tonnes per annum of uncoated fine paper.

As APRIL Group's flagship downstream product, PaperOne<sup>™</sup> embodied the group's foresight, and was marketed under APRIL Fine Paper Trading Ltd (AFPT). Its very name stated its ambition to be the first in its class, and to dominate the global market.



Aerial view of APRIL Pulp Line 1 in 1995. Mill construction adhered to the group's focus on Time, Quality and Cost (TQC), delivering projects faster, better and at more competitive costs.



A 2022 aerial view of APRIL's manufacturing complex in Pangkalan Kerinci, Riau.

### **A Natural Progression**

The move to paper production was a natural progression for the mainly upstream PT. RAPP, which was originally a pulp producer. Paper making could be easily integrated within its existing hub, and done at a competitive price, efficiently.

Furthermore, the company town site was ready to accommodate up to 7,000 employees. It included schools, sporting grounds, along with facilities for medical, leisure, religious, as well as other amenities. In and around its pulp mill and plantations, APRIL Group had invested in building an infrastructure of roads, ports and an airport, to take its products to market, while saving on transportation and processing.

Soon, APRIL Group established a strategic alliance with UPM-Kymmene, allowing PT. RAPP to raise competences in paper production, as the two companies agreed to jointly develop respective fine paper operations in Europe and Asia.

### **Fine Paper Becomes Reality**

The PaperOne<sup>™</sup> team identified its primary audiences as paper distributors, channel partners and wholesalers. It aimed to serve office users in large or small business organisations, as well as professional users such as copy shops. Home and private users would form a smaller subset of its buyers.

The PaperOne<sup>™</sup> line of products entered the market when multiple printers and better photocopiers across corporate environments were becoming commonplace, but the quality of printing paper lagged.

Cheaper options in Asia were not precision cut, or utilised inferior pulp. These products often caused printer jams, which led to lower productivity in office environments, where employees frequently had to call for machine servicing or remove papers stuck in copiers.

Professional users and procurement centres still chose their paper on price, rather than emotional attachment to a brand or appreciation of quality. To get ahead of the competition, PaperOne<sup>™</sup> would need to overtake established, well-advertised competitors. But rather than go after a mass market with a lower-grade offering, it also had the mission to show why a premium paper could lead to better business.

The team studied top brands from around the world, including Japan, United States and Europe. These renowned brands include Kimberly-Clark and UPM. As a product, PaperOne<sup>™</sup> was benchmarked against the highest international standards of brightness, thickness and precision cutting.

To convey its higher quality, PaperOne™'s packaging was also carefully designed, from pop-out handles on the side of each box, to its signature, eye-catching blue, green and red — our flagship colours — which immediately stand out.

Creating a brand experience would build loyalty and generate stickiness to its innovation-led range.



The team constantly works on monitoring and improving the quality of PaperOne's products, to ensure its quality remains world class.

Aerial view of Pangkalan Kerinci Airstrip in 2022. APRIL has operated its own airstrip since 2001, which made Kerinci easily accessible, particularly from Jakarta and Singapore.

### Shaping the PaperOne<sup>™</sup> Brand

The iconic PaperOne<sup>™</sup> brand identity and design came under the direct care of Tinah Tanoto — so did its culture.

The co-founder is synonymous with shaping the PaperOne<sup>™</sup> brand from the ground up, from its look and feel, to its HR and communications strategy, through to the strong community of employees who have shaped the product itself.

In addition to her influence on the designs for all RGE buildings, including Thamrin Plaza, Uniplaza, as well as RGE corporate offices, co-founder Tinah Tanoto was responsible for PaperOne<sup>™</sup>'s iconic brand and packaging. They are the result of her refined taste and high standards of aesthetics. Contracting Bonsey Design Partnership to bring its premium brand experience to life, PaperOne<sup>™</sup> revolutionised the way paper is presented.

She brought to its development her sharp instincts and artistic sensibilities, as well as her notable business acumen honed from the time she helmed her father's business in her youth.

With characteristic efficiency, professionalism and care for employee welfare, she lead the brand's corporate communications, particularly in corporate branding and product branding.

For her, PaperOne<sup>™</sup> was not just a look. Mrs. Tanoto was intent on making sure that the human capital supporting its production was also taken care of.

She did this by leading the development of HR policies, especially in designing systems and policies in senior executive hiring and retention. She also ensured that employees and their children would not lose opportunities simply because they were situated in a rural area.

Determined that children in Kerinci should have access to education standards comparable to those of larger cities, she organised a team to build quality schools there, hiring experts to set standards that would prepare children for their future. Her focus on education also shaped the culture upstream, extending to women. She aimed to increase their knowledge about child raising, nutrition, fitness, arts and culture, household management, and maintaining harmony within the family unit.

The IB Schools in Kerinci, Besitang's kindergarten, primary and junior high schools, as well as scholarships, are her legacy, along with PaperOne<sup>™</sup>.

#### Modernity Meets Practicality

PaperOne<sup>™</sup>'s core brand identity to a downstream audience was that it was designed specifically for the modern office environment — it would help build a better business image for its users.

The paper would not fade, would not jam equipment, and would arrive in packaging that is user-friendly and efficient. By exceeding expectations of quality and efficiency, all while delivering smooth and brilliant outcomes, PaperOne<sup>™</sup> positioned itself as the most reliable and rewarding office addition.

As it arrived at its 10th anniversary in 2008, PaperOne<sup>™</sup> reaffirmed its identity with a message of connecting people. It expressed how the brand's fine paper, created by its people, connected with the rest of the world to collectively make a difference, by harnessing the latest in technology to inspire creativity, and touch lives through sustainability.

PaperOne<sup>™</sup> celebrated being produced at the largest integrated paper mill, using state-of-the-art machinery and infrastructure, all the while committed to social responsibility and environmental management.

### Ingredient Marketing

Further downstream, ingredient marketing has allowed the brand to reach end-users by signalling the use of PaperOne<sup>™</sup> as a "made with", or a stamp in another product.

The PaperOne<sup>™</sup> Ingredient Marketing Programme is designed to create value differentiation and cost benefits to printers, publishers, raising the value of their products by associating with PaperOne<sup>™</sup>'s global reputation for superior quality and reliability.

Available in over 110 countries and with customers across the globe, PaperOne<sup>™</sup> Ingredient Marketing Programme has been featured in over 2,400 titles and publications to date.

With an emphasis on 100% renewable fibres from sustainable sources, the programme demonstrates PaperOne<sup>™</sup>'s commitment to the environment, assuring users of a product's source material and sustainable practices.

These indicators are critical to a new generation of audiences. In the education sector, students are keen to ensure their textbooks and learning materials are printed on responsibly sourced materials. Meanwhile, packaging for e-commerce, such as envelopes, also carry PaperOne<sup>™</sup> branding as an assurance of quality.



The PaperOne<sup>™</sup> Ingredient Marketing Programme creates value differentiation and cost benefits to printers, publishers, associating their products with PaperOneTM's global reputation for superior quality and reliability. It includes a diverse range of products from notebooks to graph paper, to periodicals and packaging.

### An Enduring Culture of Innovation

The culture of constant improvement at PaperOne<sup>™</sup> has persisted over 25 years.

While in 1998, PaperOne<sup>™</sup> copier paper appealed to office workers with precision cutting that would reduce jams, today, its range utilises ProDigi<sup>™</sup> HD Print Technology.

The patented innovation reduces ink-bleed by up to 23%, making images sharper and lines less ragged, with ink savings of up to 18%. It produces 17% denser blacks resulting in sharp, dark prints. ProDigi<sup>™</sup> HD Print Technology further ensures faster ink dry-time resulting in clean, sharp printouts during handling.

It is three times smoother with 33% stronger surface and is produced from 100% Elemental Chlorine Free (ECF) renewable plantation pulp.

It continues to encourage customer loyalty across four key sectors:

- Office users
- Education (textbooks, periodicals, etc)
- Industrial
- Packaging (envelopes, labelling)



ProDigi<sup>™</sup> HD Print Technology is a proprietary technology that reduces ink-bleed by up to 23%, making images sharper, with ink savings of up to 18%.

# Section II: A Story of Growth

Overcoming Adversity Making Reams Come True 百旺™ in China PaperOne™ Products The PaperOne™ Timeline

APRIL is committed to increasing the diversity of its workforce, in line with its APRIL2030 commitments.

### Overcoming Adversity Resilience Pays Off

PaperOne<sup>™</sup>, the flagship downstream product of APRIL Group, represents resilience.

Launched amid the 1998 Asian Financial Crisis, the brand had to overcome challenges at the start before it became recognised among buyers. Despite the tough goal of taking an unknown brand from its base in Indonesia to the rest of the world, its team never gave up.

### A Tough Start

The first five years after its debut, its team tried various strategies to gain a foothold in the market.

PT. Datascrip was the first professional distributor to represent PaperOne<sup>™</sup> in Jakarta and its surrounding area, and addressed four major channels: corporate, copy centre, traditional market (wholesale), and traditional market (retail).

Back then, big buyers were hesitant. PT. RAPP and APRIL were not yet associated with papermaking, so they refused to commit to purchases.



APRIL was in the midst of a major expansion in Kerinci when the Asian Financial Crisis struck in 1997.

### Adapting to Meet Buyers' Needs

Quickly adapting, the team shifted its focus to building relationships with the most immediate users of its product, and cultivated strong ties with copy centres and corporates.

It was this initial network that offered valuable insights. For instance, their concerns about the paper's moisture content was directly conveyed to PaperOne<sup>™</sup> mill operators, who could then adjust and improve its quality for more humid climates.

This responsiveness to consumers gained PaperOne<sup>™</sup> a loyal following among larger groups of buyers. As word of mouth spread, smaller companies began to switch to PaperOne<sup>™</sup>.

Appealing to larger corporations called for a different approach. To build trust among major multinationals, the team made it a point to study procurement needs in large corporations, to simplify purchasing for these departments. They eased the process of placing orders for procurement staff by enabling digital orders, helping to monitor budgets, and reducing delivery times.

In addition to delivering a quality product, the team also aimed to be the first name in service quality. During the recession years, other brands struggled to retain their staff, and without manpower, stopped listening to their customers. They even got buyers to collect their orders from their warehouses.

PaperOne<sup>™</sup>'s distributors took a different approach — and received a great response.

They raised service levels, stablised prices, and incentivised retailers and copy centres. Secretaries, who influenced corporate purchasing decisions, received treats for everyday luxuries that they had stopped because of the recession, such as vouchers for hotel dining and beauty treatments.



PaperOne<sup>™</sup> has steadily built up its network of partners over the years. In 2023, a select number of partners were honoured for working with PaperOne<sup>™</sup> for more than 10 years.

"Through the financial crises, and even COVID, which caused problems with our marketing, APRIL supported us. Thank you APRIL for your support all these years. Happy birthday!"

- Gary Chua, Toyochem Marketing Pte Ltd

### **Beyond Kerinci**

As PaperOne<sup>™</sup>'s reputation and brand values grew, so did the businesses of its growing network of partners. The PaperOne<sup>™</sup> product line has spurred growth for its many business partners far beyond its original base in Indonesia.

Since 2004, Ms Nguyen Thi Quynh Chau, director of IPM Company Ltd, has been distributing PaperOne<sup>™</sup> in the north of Vietnam. Today, she sells a full range of APRIL products, including 15,000 tons of paper annually. This success is due to the quality of PaperOne<sup>™</sup>, and its continuous product innovation, which delight customers.

Meanwhile, the search for a reliable brand of photocopier paper for Unique Paper International Co. Ltd. in 2005 led it to PaperOne<sup>™</sup>. Adam She had spotted the blue PaperOne<sup>™</sup> all-purpose paper at a Hong Kong airport, but not knowing who to directly purchase from, independently went to Singapore so he could order two container loads. He carried on doing so until the PaperOne<sup>™</sup> managing director reached out. He has not looked back since.

### **Diligence Pays Off**

In addition to creative marketing, facing those years also called for the determination not to take "No" for an answer.

PaperOne<sup>™</sup>'s first professional distributor, PT. Datascrip, Indonesia, began moving volume from the time of the brand's launch in 1998. Over the first three to five years, it had to build a network of buyers with smaller deals.

Attempting to attract new users, PaperOne<sup>™</sup> had offered consignment terms. Even so, buyers would refuse to take the product.

Then, when its sales team offered an incentive scheme for retailers to cut and return barcodes from used PaperOne<sup>™</sup> wrappers for rewards, even the ones who participated cut through their barcodes. Fierce competitors would also try to keep PaperOne<sup>™</sup> distributors out of submissions for tenders.

These obstacles took more than three years to overcome. Persisting year after year, it worked with PT. Datascrip, raising its communications budget to ensure that end-users knew about its incentives and rewards. It was only then that submissions for claims increased.

The team, which had spent a lot of time analysing customers' habits of trial and switching, paid off. It

was after PaperOne<sup>™</sup> celebrated its third anniversary that it began to see the results of its hard work. Sentiment towards the brand began to shift, and their diligence began to pay off as big corporations and companies finally started to buy.

Today, PaperOne<sup>™</sup> is the leading brand in Indonesia with a dominant market share. The product has further improved in thickness, whiteness, and performance on photocopying machines. It also leads the market with carbon-neutral digital products.



PaperOne<sup>™</sup> presenting an award to PT. Datascrip in recognition and appreciation of 25 years of strategic alliance and partnership.

"At first, we had to give consignment terms so that the stores were willing to take PaperOne<sup>™</sup>. The situation was very difficult, but APRIL gave us its full support, and we gave our commitment. We hope PaperOne<sup>™</sup> can grow even further." "At first, we were just trying it out. But after the first few tries, we saw that it was a quality product, and had a stable lead time...APRIL really supports us. We are really proud of being one of your partners."

- Shota Arai, OVOL Singapore Pte Ltd

### Leading the Market

As it celebrates its 25th anniversary, the PaperOne<sup>™</sup> team is focused on continued success, with the same grit that established its brand in the early days.

By the time it entered its 20th year, PaperOne<sup>™</sup>'s quality, consistency of delivery and reliability had put it ahead of the competition by leaps and bounds. It was a clear market leader catering to the needs of a global consumer market. It had come into its own as a market leader, known for its constant innovation and ability to adapt to changing market needs.

In Asia, its commitment to sustainability propelled it ahead of its competitors.

In October 2011, PT. RAPP was successfully certified by Bureau Veritas' standards for Origins and Legality of Timber (OLB), the first industrial plantation company in Asia to receive this certification. APRIL Group's OLB Standards for Forestry Companies certification covers its forestry operations and production facilities. PT. RAPP's supply partners also successfully passed audits under OLB 'Chain of Custody-Acceptable Wood' Standards.

Distributors in Singapore remember how PaperOne<sup>™</sup>, with their sustainable production practices, became one of the leading brands during the haze crisis in 2015. The PaperOne<sup>™</sup> team ensured that it met all government requirements and certifications, making the brand one of the leading environmentally friendly paper brands in Singapore. PaperOne<sup>™</sup> consistently leads the market with initiatives that reinforce its position as a global market leader: the ProDigi HD Printing technology, its variety of paper weights, and PaperOne<sup>™</sup> Digital 80gsm Carbon Neutral are well recognised among its users.

Focused on retaining customers' loyalty, its marketing approach and programmes are centred around delighting its partners.

Product innovation and customer care are equally important across all its markets. PaperOne™'s initiatives include, among others:

- Paper and Print Academy
- APRIL Rewards Programme
- Ingredient Marketing Programme
- APRIL Partner Summit

As it tends to its global network of distributors, it does not neglect end-users either. Instead it ensures different sets of audiences receive attention and support. It continues to satisfy distributors with a smooth delivery process, and high standards of service.

What's more, its emphasis on educating its audience has broadened. As part of its brand, it seeks to generate awareness about the environment and sustainable production practices.



### Making Reams Come True Growing from Strength to Strength

Emerging from the challenges of its early days, PaperOne<sup>™</sup> began to experience strong demand in Asia in 2004, with Asia Pacific becoming the largest market for both pulp and paper products.

### **Becoming a World Leader**

Gradual global economic recovery was spurring a bullish demand across the region.

China accounted for an increase of more than 35% in demand. APRIL had also developed its presence in China with the acquisition of a paper converting plant and setting up APRIL Fine Paper (Guangdong) Pte Ltd in Guangzhou to strengthen its sales network.

In 2003, orders from Japan for paper shot up by almost 90%. Meanwhile, APRIL also established a sales office in Australia, a growing market, and ventured into new markets within Europe, South East Asia, India and the Middle East. In anticipation of buyers seeking products that are manufactured at a sustainable source, PaperOne<sup>™</sup> provided this assurance through the implementation of its Chain-of-Custody System.

In fact, by 2009, it planned to have sufficient wood fibre from its own and its partners' plantations to produce 2 million tonnes of pulp — its mill production capacity.

### **Thriving in New Markets**

PaperOne<sup>™</sup> began to thrive in new, international emerging markets, where its quality, customer service, and consistent delivery became beloved. Among mature markets, where its commitment to sustainability was critical to buyers, it also gained a loyal following. Its customers came to rely on it. What's more, PaperOne<sup>™</sup> 's reliability and promotions also generated goodwill.



PaperOne<sup>™</sup> booth at a trade show in the early 2000s.



PaperOne™ Digital Carbon Neutral product ream.

The brand was aligned with paper-saving everyday practices that strengthened corporate citizenry, such as reducing waste from printer jams, as well as the amount of ink used because of its quality.

In short, the PaperOne<sup>™</sup> brand now stood for being more than just a stationery product.

By its 10th anniversary in 2008, PaperOne<sup>™</sup> celebrated a decade of global achievements, as a brand primed to support consumers in their environmental objectives without compromising quality. It was also known for supporting national programmes related to sustainable development.

By 2008, the completion of Pulp Line 3 had made Riau the largest integrated pulp and paper mill in the world, with a production capacity of 2.8 million tons per annum. The certified ISO 9001:8000 and ISO 14001 mills continued to invest in technology to ensure self-sufficient energy generation. That year, PaperOne<sup>™</sup> had also planned to make an appearance at key events, including the Asian Paper Show 2008.

Indeed, it had earned a degree of emotional attachment and loyalty, by establishing itself as a product that saved time, while facilitating better ways to share and transfer knowledge. Consumers recognised its achievements and certifications in sustainable production, as well as its continuous drive to innovate.

Over the years, the PaperOne<sup>™</sup> brand has become above all, synonymous with unwavering quality.

In addition, it is upheld for its responsible use of pulp, a drive to embrace new technology such as ProDigi<sup>™</sup> HD Print Technology to improve its offerings, and a constantly deepening commitment to sustainable production, with the introduction of its carbon neutral range.

"To cooperate with PaperOne in developing the products, all the way from innovation and sustainability helps us to have more confidence to grow with PaperOne in terms of developing the market."

- Nguyen Thi Quynh Chau, IPM Company Ltd

### 百旺<sup>™</sup> in China Building a paper brand in China

Known as 百旺™ in China, PaperOne™ is renowned for its commitment to excellence in production and sustainability.

### Growing in China

In 2002, RGE Group had built one cut-size converting line for the production and sales of high quality copy paper.

By 2005, Asia Symbol (Shandong) Pulp and Paper Co. Ltd was established, primed to become the leading producer of pulp, paper and paper board established in China.

When 百旺™ debuted in China, it presented buyers with a new generation of high-quality multi-functional office paper, ready to work with a variety of modern office equipment. It utilised the most advanced papermaking processes and technologies, as well



Pulp Line 12, known today as Asia Symbol (Shandong), was built in 2010.

as renewable wood pulp fibre as raw material, meeting the high standards of environmental protection practices.

Using renewable fibre, Asia Symbol has an annual production of 2.2 million tons of pulp, 1.5 million tons of fine paper, 600,000 tons of paper board and 250,000 tons of tissue paper at its plants in Shandong (Rizhao) and Guangdong (Xinhui) provinces in China. Its main products are bleached hardwood kraft pulp, ivory board, uncoated wood-free printing, office paper and tissue paper.

Today, 百旺™'s range caters to the demand for high volume printing and affordable paper in China's domestic market.

By December 2021, it had rolled out the first carbon-neutral copy paper in China's paper industry PaperOne™ Digital (红百旺) carbon-neutral copy paper, maintaining its leading position in the industry.

With a commitment to sustainable development and manufacturing practices, the company employs the latest technology to save energy and operate in harmony with the environment. Asia Symbol is also committed to the well-being of the people in the community by education, empowerment and enhancement.

Asia Symbol (Guangdong) follows rigorous environmental protection standards as part of its sustainable development efforts. The company invested RMB 400 million to introduce environment protection equipment from Europe. This resulted in the quality of treated effluent being much higher than domestic and international standards. The company has obtained ISO14001, ISO9001, OHSAS18001 and PEFC COC certifications.



A 2022 aerial photo of Asia Symbol Guangdong.

### **Taking the Lead**

Asia Symbol is the biggest wood pulp producer in China, and one of the largest foreign enterprises in the Shandong Province.

From production to distribution, everything has been meticulously thought through.

Asia Symbol Xinhui mill is situated at the Yinzhou Lake Paper Base in Xinhui, which faces the estuary that facilitates convenient land transportation with neighbouring Guangzhou, Zhuhai, Hong Kong and Macao Airports — a location which gave it easy access to a well-developed network for sea, land and air transportation.

As the largest producer of fine paper in the Pearl River Delta region, it relies on paper machine PM#11 in July 2012, and the second machine PM#12 in January 2017. With the capability to produce paper at a speed of 1800m/min using advanced equipment from Europe, the production facility is also one of the fastest in the world.

The total environmental investment in the mill is over RMB 5 billion (US\$700 million); an investment ratio that is the highest among China's pulp and paper mills. Today, it is the largest single pulp line, with leading advanced process, technology and environmental performance in the world. Its main products are bleached hardwood kraft pulp, needle bleached kraft pulp, dissolving pulp, liquid packaging board and high-grade ivory board.

Furthermore, the factory is equipped with a jetty, power plant, raw water treatment plant and effluent treatment plant, which enables efficient and stable processes. Its strong support system also includes a transportation fleet and container cranes, which ensure materials and goods are swiftly delivered.

Eventually, the Asia Symbol Xinhui mill aspires to be a paper production base with diversified products and a comprehensive supporting infrastructure. Through the provision of high quality products, it has striven to enrich lives across the world.

Indeed, it is a benchmarking enterprise in pulp and paper industrial upgrading, technological progress and green development. In 2015, Asia Symbol was entrusted as the main drafter of the national standard of bleached hardwood kraft pulp and ivory board.



In 2012, Asia Symbol (Guangdong) started Paper Machine 11 in Xinhui and in 2014, Asia Symbol (Shandong) began operations of its new Board Machine 12 in Rizhao. In 2017, Asia Symbol (Guangdong) doubled its capacity with the starting up of its new state-of-the-art Paper Machine 12 in Xinhui.



Paper Machine 13 Start-Up Ceremony in Asia Symbol (Guangdong) in 2022.

### A Long-Term View of Customer Care

Across its global operations, PaperOne<sup>™</sup> adopts a long-term view when it comes to working with its network of collaborators.

It considers which distributors to add to its fold to develop markets. Within a closely managed model, its network works closely with PaperOne<sup>™</sup>'s team to better serve the needs of different markets. Meeting at annual conventions, they devise effective marketing strategies, and work together to refine their business strategies to improve results.

Brand campaigns with tertiary institutions, as well as groups of designers, for instance, have enabled PaperOne<sup>™</sup> to strengthen its value proposition with key opinion leaders who appreciate quality, and promote its values among younger users.

Furthermore, PaperOne<sup>™</sup> showcases how it greatly enhances the quality of the products that use it.

In emerging markets, the use of responsibly produced paper in the manufacture of stationery guarantees quality, so as a form of ingredient marketing, manufacturers stamp their notebooks with "made with PaperOne<sup>TM</sup>" to denote its premium value.

By 2007, APRIL through its subsidiaries had become the first and only Indonesia company



Brand campaigns with tertiary institutions and designers, for instance, have enabled PaperOne<sup>™</sup> to strengthen its value proposition with those who appreciate quality, and promote its values among younger users.

admitted to the World Business Council for Sustainable Development (WBCSD). It also achieved ISO 14001 certification for all its fibre estates and pulp and paper mills.

Indeed, APRIL had implemented a comprehensive wood legality system to prevent illegal wood from entering the supply and production chains. The system verifies and traces wood from the company's fibre plantation through to the mill site.


## PaperOne<sup>™</sup> Products

Leading the Industry with a Sustainable Approach

PaperOne<sup>™</sup> is a flagship brand of APRIL Group, offering a range of premium quality office paper designed for the most demanding printing and copying tasks.

ProDigi™ HD Print Technology	PaperOne <sup>™</sup> , a premium quality paper brand, offers a comprehensive range of paper products enhanced with ProDigi <sup>™</sup> HD Print Technology that works with your home, office, and commercial digital printing equipment to deliver professional print quality. ProDigi <sup>™</sup> HD Print Technology saves ink while providing smudge-free printouts with vibrant colours and crisp lines.
PEFC Certified	PaperOne <sup>™</sup> is PEFC certified, made with 100% renewable fibres from sustainably managed plantations and available in more than 110 countries worldwide.
Carbon Footprint Verified and Carbon Neutral Certified	The carbon footprint of PaperOne <sup>™</sup> 's entire range of products has been assessed and verified by SCS Global Services. PaperOne <sup>™</sup> Digital 80gsm obtaining the carbon neutral certification by SCS Global Services.

### Cutsize (Home & Office)



#### PaperOne<sup>™</sup> Copier

Engineered for high-speed and high-volume printing and copying

Made for laser printers and high-volume copiers, PaperOne<sup>™</sup> Copier is sustainably produced for high-speed, high-volume printing and copying. With ProDigi<sup>™</sup> HD Print Technology, it also helps preserve printer drums with less surface abrasion than regular paper.



#### PaperOne<sup>™</sup> All Purpose

All-purpose paper for everyday printing

Designed for everyday print jobs at home and in the office, PaperOne<sup>™</sup> All Purpose is a high-quality, sustainably produced paper with super high whiteness and thickness for sharp prints and professional-looking documents.



#### PaperOne<sup>™</sup> Digital 80gsm Carbon Neutral Paper Premium carbon neutral paper for high-impact digital colour prints

Sourced and produced for sustainability, PaperOne<sup>™</sup> 80gsm Digital Carbon Neutral Paper is good for both people and the planet. Made from 100% renewable fibres from certified sustainably managed forests, PaperOne<sup>™</sup> 80gsm Digital Carbon Neutral Paper's carbon footprint is third-party verified and certified by SCS Global services and is based on cradle-to-grave LCA methodology that analyses the carbon footprint of the entire product lifecycle from raw materials extraction to final disposal.

Our premium paper further impresses with added smoothness, high whiteness, opacity, and thickness — making it ideal for double-sided printing and high-impact documents like certificates, contracts, photos, cover pages, and more. At PaperOne<sup>™</sup>, we're dedicated to a sustainable future without compromising on quality. Our flagship paper products are the perfect choice for environmentally conscious professionals, offering both superior performance and sustainable responsibility.





All PaperOne<sup>™</sup> products' carbon footprint has been verified by SCS Global Services PaperOne<sup>™</sup> Digital is certified carbon neutral by SCS Global Services

### **Offset (Commercial & Industrial)**



PaperOne<sup>™</sup> Offset Premium Quality, Exceptional Printability

PaperOne<sup>™</sup> Offset is a printer and converter-friendly, high quality, all-round offset paper, available in high-bright white shade and is produced using 100% ECF pulp from renewable plantation fibre. This paper is alkaline sized to meet ISO 9706 for archival quality.



#### Premium Print

High Quality, All-Round Offset Paper

Premium Print is a printer and converter-friendly, high quality, all-round offset paper. Premium Print is available in high-bright white shade and is produced using 100% ECF pulp from PEFCcertified renewable plantation fibre. This paper is alkaline sized to meet ISO 9706 for archival quality.



#### PrintOne<sup>™</sup> Offset

Economical offset paper

PrintOne<sup>™</sup> Offset is a printer and converter-friendly economical paper produced using 100% ECF pulp from PEFC-certified renewable plantation fibre. This paper is alkaline sized to meet ISO 9706 for archival quality.

### **Digital Paper**



#### PaperOne<sup>™</sup> Inkjet

Formulated for modern, high speed inkjet machines

PaperOne<sup>™</sup> Inkjet is engineered for modern high speed continuous feed (web) and sheet inkjet machines. Surface treated with APRIL Group's ProDigi<sup>™</sup> HD Print Technology, it propels a distinctive density, colour, and sharpness advantages.

PaperOne<sup>™</sup> Inkjet is a high-bright white shade paper and is produced using 100% ECF pulp from PEFC certified renewable plantation fibre. This paper is alkaline sized to meet ISO 9706 for archival quality.



PaperOne<sup>™</sup> Laser Engineered for converting needs

PaperOne<sup>™</sup> Laser is engineered for converting needs. PaperOne<sup>™</sup> Laser is available in high-bright white shade and is produced using 100% ECF pulp from PEFCcertified renewable plantation fibre. This paper is alkaline sized to meet ISO 9706 for archival quality.



PaperOne<sup>™</sup> Pre-Print+ Multi-technology, Hybrid printing

PaperOne<sup>™</sup> Pre-Print+ is a real multi-technology paper that is engineered to be a hybrid printing like Offset + Laser and Offset + Inkjet. Pre-print+ is a high quality and all-round multi-functional paper available in high-bright white shade and is produced using 100% ECF pulp from renewable plantation fibre. This paper is alkaline sized to meet ISO 9706 for archival quality.

# The PaperOne<sup>™</sup> Timeline

#### May 6 1998

APRIL Group launches PaperOne<sup>™</sup>, a premium quality paper brand designed for the most demanding high-speed printing and copying tasks.

Determined to make PaperOne<sup>™</sup> a clear industry leader, we benchmarked our home, office and commercial printing paper products against top international paper brands across all areas, including thickness, opacity and archival qualities. The moisture-proof wrappers of PaperOne<sup>™</sup> products were meticulously designed, from the choice of colours and logo typeface, to the strategic placement of product information. We also ensured that our PaperOne<sup>™</sup> carton boxes would be reusable, ergonomic and lightweight.

- PaperOne<sup>™</sup> debuted in the most demanding international markets in 1998, launching in the USA, Europe and Japan. Today, our global brand PaperOne<sup>™</sup> is sold in more than 110 countries, delivering consistent professional printing quality with minimal environmental impact.
- In recognition of its environmental stewardship, APRIL Group was awarded the PEFC Sustainable Forest Management certification in June 2015 for making products from 100% renewable fibers and sustainable sources.
- PaperOne<sup>™</sup> providing you with professional print quality every step of the way to achieve your dreams and aspirations.Since its launch in 1998, PaperOne<sup>™</sup> has grown to be the preferred paper sold in over 110 countries.
- Tinah Tanoto led a team of design consultants to convey the creativity and sincerity of a brand everyone remembers.



#### 2000

Became one of the first premium paper brands to enter the China market.



#### 2001

- Embarked on sustainability journey.
- Completion of Pulp Line 2, bringing capacity to 2 million tonnes per year.



#### 2002

- PaperOne<sup>™</sup> thrived in new international emerging markets.
- APRIL Group achieved ISO 14001 certification for all its fibre estates and pulp and paper mills.
- APRIL Group implemented a comprehensive wood legality system that prevents illegal wood from entering the supply and production chains. The system verifies and traces wood from the company's fibre plantation through to the mill site. APRIL Group also collaborated with World Wildlife Fund (WWF) to address illegal logging in Tesso Nilo and inked a moratorium on further road building and Acacia plantation development in the Tesso Nilo area.
- All of APRIL's fibre estates receive ISO 14001 from SGS Yarsely International Certification Services.
- Pulp and paper mills receive ISO 14001 from SGS.

#### 2003

- APRIL Group set up a Guangzhou branch to support growing operations in China.
- New market outlets established in Europe, SE Asia, India and Middle East.

#### 2004

 APRIL Group published its first Sustainability Report, focused on its community development initiatives alongside its commitment to sustainable forestry operations.



- Pilot growing using Eucalypt species begins.
- Fast growing Acacia plantations are established in lowland areas.



- When incorporated with fibre supplied by our joint ventures and community fibre farms (HTR), reforestation is expected to supply 9 million cubic meters of plantation fibre per annum on a sustainable basis by 2009.
- Strategy is to consolidate seven nurseries across fibre estates into two large production nurseries with a total capacity of 100 million seedlings per annum.

#### 2005

- PaperOne<sup>™</sup> Presentation, later renamed to PaperOne Digital was introduced to accommodate high-quality digital colour printing with laser and inkjet printers.
- APRIL Group introduced voluntary High Conservation Value assessments on its concessions for land use planning. The policy provides practical and responsible solutions to the challenges of deforestation and degradation.
- APRIL Learning Institute was established.
- APRIL Group received Green Proper Rating for environmental performance of mill as well as the Golden Flag Awards & Zero Accident Award for health and safety management at the mill from the Indonesian Government.



- APRIL Group received Green Proper Rating for environmental performance of mill as well as the Golden Flag Awards & Zero Accident Award for health and safety management at the mill from the Indonesian Government.
- Asia Symbol (Shandong) Pulp and Paper Co. Ltd was established to become leading producer of pulp, paper and paper board in China.



#### 2006

- APRIL Group became a signatory to Principles of the UN Global Compact.
- PT Riau Andalan Pulp & Paper (RAPP) certified for Sustainable Plantation Forest Management (SPFM) under the Indonesian Ecolabel Institute's (LEI) standards. It was successfully re-certified under SPFM-LEI again in 2011 for a further five years.
- APRIL through its subsidiaries became the first and only Indonesia company admitted to the World Business Council for Sustainable Development (WBCSD).



World Business Council for Sustainable Development

#### 2008

- A decade of global achievements marks the brand's 10th anniversary.
- The completion of Pulp Line 3 made Riau the largest integrated pulp and paper mill in the world, with a production capacity of 2.8 million tons per annum. The certified ISO 9001:8000 and ISO 14001 mills continued to invest in technology to ensure selfsufficient energy generation.



#### 2010

- Obtained PEFC Chain of Custody certification for the company's commitment to sustainability.
- APRIL Group's production facilities have been certified under the Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody standards, ensuring that all raw materials coming into the mill are supplied from legal and from noncontroversial sources. APRIL also received certification from Hong Kong Green Label for its PaperOneTM product in 2010.

#### Copies High Speed Premium Copy Paper A4 200 x297mm 500 shees Definition Definitation Definition Definition Definition

#### 2011

 RAPP, a subsidiary of APRIL, was successfully certified by Bureau Veritas' standards for Origins and Legality of Timber (OLB), the first industrial plantation company in Asia to receive this certification. APRIL Group's OLB Standards for Forestry Companies certification covers its forestry operations and production facilities. RAPP's supply partners also successfully passed audits under OLB 'Chain of Custody-Acceptable Wood' Standards.



#### 2012

- Started to be produced and grew into a leading brand in China.
- Machine PM#11 opens and by 2017, a second machine PM#12 is opened.
  Together, they have the capability to produce paper at a speed of 1800m/min using advanced equipment from Europe, making the operation one of the fastest in the world.



#### 2013

ProDigi™ HD Print Technology used. Embraced the evolution of technology to convey superior performance.



#### 2014

 PaperOne<sup>™</sup> solidifies itself as a global brand present in more than 70 countries worldwide.

#### 2018

 Celebrated 20 years of its business, becoming first global No.1 paper brand for e-commerce.







#### 2019

 Rebranded PaperOne<sup>™</sup> family of products: Offset, Laser, Inkjet, Script, Pre-print.



#### 2021

百旺™ launched the first carbon neutral copy paper, Hong Baiwang (红百旺), in China's paper industry.



#### 2022

- Launch of PaperOne<sup>™</sup> Digital 80gsm Carbon Neutral Paper aligns with PaperOne<sup>™</sup>'s commitment to delivering a positive impact on climate, nature, and people while growing the business sustainably.
- RGE Group builds one cut-size converting line for the production and sales of high-quality copy paper.

#### 2023

PaperOne<sup>™</sup> is the top paper brand of choice, reaching more than 110 countries worldwide. The company celebrates 25 years in business, with launch events for PaperOne<sup>™</sup> Digital Carbon Neutral in Jakarta, following other territories including Malaysia and the Middle East. The milestone is significant in the brand's journey as a sustainable and environmentally responsible business, reinforcing PaperOne's commitment to providing high-quality products while prioritising sustainability.



### For A Greener Tomorrow

Sourced and produced for sustainability, PaperOne™ Digital is good for both people and the planet. It's the eco-friendly choice for an eco-conscious generation. ProDigi™ HD Print Technology saves ink while providing smudge free printouts with vibrant colours and crisp lines.





# Section II: Creating Sustainable Reams

Restorasi Ekosistem Riau Towards APRIL2030 Where Business Meets Purpose Sustainability Impact: PaperOne™ at 25

Rangers on patrol in the Restorasi Ekosistem Riau area, one of the largest private sector-led conservation programs in the region.

## Restorasi Ekosistem Riau Thriving Landscapes

As of December 2022, APRIL is managing 361,231 hectares of natural forest and wetland areas to protect ecosystem functions and conserve biodiversity. Of this area, APRIL conserves, restores and protects 150,693 hectares managed under RER, with the remainder being the conservation forest within the operational concession areas of APRIL.

Restorasi Ekosistem Riau (RER) is a unique environmental project that brings together groups from the private and public sectors to restore and conserve ecologically important peat forest areas on Indonesia's Kampar Peninsula, on the eastern coastline of Sumatra. Spanning 150,000 hectares, the area was once deforested or degraded peatland.

Established in 2013 by APRIL, RER began with the protection and restoration of 20,000 hectares of peat forest on the Kampar Peninsula. At the COP 21 conference in Paris in December 2015, APRIL announced the program's expansion to over 150,000 hectares and committed US\$100 million to support and secure its long-term conservation and restoration.

The RER landscape comprises 150,693 hectares of forest situated in two areas. The larger area of 130,095 hectares is located on the Kampar Peninsula, while another 20,599 hectare area is located on the nearby Padang Island. The total restoration area is about twice the size of Singapore.

RER teams actively manage and protect the Kampar Peninsula and Padang Island through a range of activities, including regular surveys and assessments of biodiversity, forest and hydrology conditions, partnerships with communities, cooperation with other land managers, and restoration activity in areas where it is needed.



The production-protection model in action: APRIL's sustainably managed eucalyptus plantations (foreground) creating a buffer zone for natural forests (background) against human encroachment and illegal logging.

#### **Partnerships**

Collaboration is a key element of the approach to the successful management of the RER project. RER partners with Fauna & Flora International (FFI), BIDARA and Laskar Alam Foundation who collectively provide access to expertise in landscape management as well as knowledge of the local communities that depend on the forest. APRIL provides financial support, leadership, operational resources and technical expertise to the RER program.

FFI serves as a technical partner supporting RER's science-based restoration approach. FFI has extensive experience in integrating innovative restoration methods with social needs to deliver sustainable conservation solutions. RER has benefited greatly from FFI's work, including the completion of a baseline survey of the area's biodiversity, carbon and local community inhabitants.

BIDARA works with rural communities on the Kampar Peninsula to ensure their long-term social welfare with a focus on education, health and economic opportunity. Laskar Alam Foundation, based in Padang Island, works to empower individuals and communities to develop sustainable agriculture through community farming, agroforestry education, and school activities. As part of its commitment to support wildlife protection in Indonesia with activities, APRIL in 2022 also finalised its Illegal Wildlife Trade strategy in collaboration with Wildlife Conservation Society.

It also collaborated with World Wildlife Fund (WWF) to address illegal logging in Tesso Nilo, and inked a moratorium on further road building and Acacia plantation development in the Tesso Nilo area.



Serkap River at Riau Ecosystem Restoration area in Kampar Peninsula, Indonesia.

#### **Production-Protection Model**

Alongside the RER program, Kampar Peninsula and Padang Island are home to communities, community forests, natural reserves and plantations managed and operated by APRIL or other companies.

To manage the needs of this diverse group of stakeholders, RER employs an integrated productionprotection landscape approach.

This integrated approach is based on the productive fibre plantations located on the perimeter of RER, which work to protect the interior peat swamp forest and peat domes. These productive acacia plantations create a buffer zone that effectively mitigates human encroachment, illegal logging and fires.

The plantation ring also provides a renewable fibre resource to produce value-added products such as pulp, paper and viscose that generate economic returns and provide employment opportunities. This approach has proven to be a reliable, consistent and effective way to support forest restoration in Indonesia and accommodate significant financial and technical resources required to maintain the program over time.



RER employs an integrated production-protection landscape approach, based on the productive fibre plantations located on the perimeter of RER that work to protect the interior peat swamp forest and peat domes.

#### **Monitoring and Protecting Biodiversity**

Plant and animal monitoring is an essential part of any restoration project, as well as being essential for the protection of biodiversity, and is a key operational task that the RER team undertakes each year with the support of FFI. Intensive biodiversity surveys were first conducted in 2015 by FFI to establish a baseline on species presence on the Kampar Peninsula. Since then, RER teams have continued to build upon this data using a range of monitoring tools including camera traps and transects.

Continuous monitoring has revealed a new total of 838 species of plant and animal identified in the RER area. To date, 78 mammal species have been recorded in RER, including five of Sumatra's six cat species, among them the critically endangered Sumatran Tiger and the endangered Flat-headed Cat.

Of the 838 species of plants and animals so far recorded, many are of conservation concern with 69 listed on the IUCN Red List as being Vulnerable (39), Endangered (18) or Critically Endangered (12). Two species were raised to Critically Endangered, the East Sumatran Banded-Langur and Giant Soft-Shell Turtle.

There are also 117 species on the CITES list and 99 species noted by the Government of Indonesia as being of conservation concern.



The Great Hornbill, which is known in Indonesia as the Rangkong Papan, measures 95 to 130 cm in length and weighs two to four kilograms, making it a very large bird, and the heaviest Asian hornbill.

### Towards APRIL2030 A Story of Inclusive Progress

In the 2010s, PaperOne<sup>™</sup> expanded its capabilities and expertise downstream, opening new pulp lines, and board and paper machines in Kerinci. The state-of-theart facilities bolstered its downstream capabilities, and enhanced its brand visibility and distribution network.

#### **Our Commitment to Drive Impact**

PaperOne<sup>™</sup> acknowledges its role to contribute to society and improve the livelihoods of people as it strives to remain a market leader in paper production. The company understands that to build a responsible business, it needs to invest in our workers' wellbeing, empower communities and respect human rights. PaperOne<sup>™</sup> has analysed how it can contribute to social improvement, aligned with the APRIL2030 commitments and responsible business practices.

This delivers the impact and demonstrates the value PaperOne<sup>™</sup> creates for the Country, Community, Climate, Customer, and Company.



PaperOne<sup>™</sup> is committed to contributing to society and improving the livelihoods of people while leading the market in paper production.

#### New Standards for Sustainability

As the flagship product of APRIL, PaperOne<sup>™</sup> is aligned with the Group's bold and ambitious sustainability targets.

APRIL2030, announced in November 2020, outlines how the group will deliver a positive impact on the environment, climate and the communities where it operates, while growing the business sustainably over the next decade.

Comprising 18 ambitious targets under four commitment pillars — Climate Positive, Thriving Landscapes, Inclusive Progress and Sustainable Growth — and has 35 indicators on par with global and national ambitions. It builds on APRIL's Sustainable Forest Management Policy (SFMP) 2.0, and its progress since it was implemented in 2015.

They include eliminating poverty within a 50km radius of operations; advancing equal opportunities and participation for women; keeping global warming below 1.5 degrees C, and greater protection for nature, among many others.

Inclusive Progress covers four key topics:

- Human rights
- Workers' wellbeing, health and safety
- Equal opportunities and participation
- Community livelihoods



APRIL launched its APRIL2030 targets in November 2020.

#### **Human Rights**

PaperOne<sup>™</sup> is committed to APRIL's Human Rights Policy, safeguarding human rights across its value chain. It acts in accordance with the following internationally recognised human rights conventions and standards:

- International Bill of Human Rights
- International Labour Organisation's Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights
- UN Declaration on the Rights of Indigenous Peoples
- International treaties ratified by the Government of the Republic of Indonesia
- Local and national laws where APRIL operates
- United Nations Global Compact principles

We respect human rights as an integral part of our overall management approach and sustainability commitments. We regularly review and report on progress made in identifying, mitigating and remedying our actual and potential human rights impacts.

In 2022 we went further in empowering communities and respecting human rights. During the year, we introduced our APRIL human rights policy, completed a human rights impact assessment, and conducted social impact assessments. Ensuring respect and promotion of human rights in line with UN Guiding Principles on Business and Human Rights and other global guidance will be a continuing area of focus as we move forward.

#### **Employees and Contractor Rights**

At PaperOne<sup>™</sup>, we strive to offer equal opportunities for all, regardless of age, gender, race, religion, or nationality.

As a member company of RGE Group, PaperOne<sup>™</sup> requires our employees to adhere to the RGE Global Code of Conduct (CoC), and act responsibly as individuals and collectively in accordance with the CoC. We provide an annual refresher to all our employees in regard to the RGE CoC and core values.

We are committed to promoting equal opportunity and diversity in the workplace, including equal opportunity and participation for women, and to prohibit and eliminate all forms of discrimination and harassment. The relevant regulations apply to the working relationship between parties in the recruitment process and employees' working hours, leave, wages, benefits, and occupational health and safety.

Our sustainability progress is driven by our people – our employees, workers, our shareholders and the communities where we operate. While downstream diversification continues to be a driver of growing a successful business, sustainability will remain at the centre of our purpose, governance and strategy.



PaperOne™ supports the inclusive development of its people, empowering its women, and second generations of workers.

#### Impact on the Riau Community

Through our Community Development (CD) program, we engage with communities to empower them and assist with improving livelihoods. Based on our assessment, our operations have the opportunity to create shared value and benefit for 178 villages in Riau.

In 2022, 88 villages were impacted through our livelihood related programme, 131 in the health program, and 110 in the education program.

The Community Development team has ensured that each program has a clear action plan and milestones for the short, medium and long term, annually reviewing its performance. Since 2019, we have conducted a social impact assessment to understand the impact of our operations.

In fact, 21 community capacity building sessions took place in 2022, with 594 community representatives directly engaged. A notable achievement of our social infrastructure development project is the support provided to the collaboration between Pelalawan Regency and urban experts from Institut Teknologi Bandung (ITB) to develop the Pelalawan Smart City concept.

#### Improving Community Livelihoods

We also have new and continued partnerships with Bina Swadaya Consultant, Boemihijau Institute, Bidara and Krealogi (Du Anyam) for Livelihood Program, Yayasan Cipta Cara Padu and Tanoto Foundation for Stunting Program and Earthworm Foundation for Community Conservation Program. We also support the Social Infrastructure Development Project in Riau across 57 villages building schools, mosques, village centres, sports arenas, community halls, roads, and other related facilities.

We initiated a local economic development program in 46 villages with the objective to contribute to the improvement of community livelihoods.

We collaborated with the National Team for the Acceleration of Poverty Reduction (TNP2K) to ensure alignment of our APRIL2030 strategy with the Government's Poverty Reduction Acceleration Strategies. The four pathways are:

- Improvement of social protection programs
- Improvement of access to essential basic services by the poor
- Community empowerment
- Inclusive development

Based on TNP2K data, Meranti Islands Regency was listed as a top priority due to its high poverty rate. We have enrolled an additional 20 villages from the Meranti Islands in our CD program, joining the 46 villages.



We collaborated with the National Team for the Acceleration of Poverty Reduction (TNP2K) to reduce poverty.

#### Seizing Opportunities for Bio-Based Solutions

As a leading company in the global forest product sector, we are strongly placed to respond to the growing market demand for sustainable, bio-based products while fulfilling our APRIL2030 agenda.

To achieve this, we are improving operational efficiency by investing in digitalisation, product innovation and science-based research and development to build on our competitive advantage.

In 2022, we announced a IDR 33.4 trillion (approximately USD 2.33 billion) investment in a new

paperboard production facility capable of producing 1.2 million tons of folding box board annually that is 100% recyclable, reusable and biodegradable.

This additional product diversification is designed to meet the rising demand for sustainable packaging solutions in the domestic and international markets. Importantly, and consistent with our focus on purpose led action, the supply of fibre for our downstream growth will continue to be in full compliance with our Sustainable Forest Management Policy (SFMP 2.0).

#### **Driving Purpose-Led Transformation**

We remain committed to ensuring no deforestation in our operations and throughout our supply chain. We have in place stringent due diligence procedures across our supply chain to ensure responsible wood sourcing.

In 2022, we continued to advance towards the achievement of our APRIL2030 commitments and targets, increasingly embedding them into our operations.

The integration of these commitments and targets into PaperOne<sup>™</sup>'s day-to-day operational activity is reflected in all we do. In fact, APRIL was also one of the winners in the Sustainable Business category at the Singapore Apex Corporate Sustainability.

Aligned to our Climate Positive commitment, we continued to invest in renewable energy sources and the application of energy-efficient technologies to reduce carbon emissions in our value chain.

We have increased our ambition from our initial target of installing 20 MW of solar energy to 50 MW by 2030 and completed 11 MW of solar installation during 2022. We continue to pursue our climate mitigation efforts to support the Indonesian government's goal for the forestry sector to achieve net sink status by 2030, also known as FOLU (Forest and Other Land Uses) Net Sink.



To reduce carbon emissions, APRIL installed a 1MW solar farm in 2021, and aims to install 20MW by 2025.

#### A Nursery Template for the Nation

Following his visit to Pangkalan Kerinci, in Riau Province, President Joko Widodo – who had studied forestry at Gajah Mada University, in Yogyakarta – requested that a new nursery be developed based on the APRIL model.

At the time, the President had toured APRIL's Kerinci Central Nursery 2, which supports the production of approximately 200 million seedlings by the company every year. Soon, the Rumpin Nursery was completed through a public-private partnership scheme between APRIL Group and the Indonesian Ministry of Environment and Forestry, the Ministry of Public Works and Housing.

Just a short two years later, in 2022, the President would return, this time, to see the mission accomplished. He inaugurated the RUMPIN Nursery, the Indonesian Government's tree nursery in Rumpin, Bogor, in west Java.

The inauguration was also attended by the Minister for the Environment and Forestry, Ms Siti Nurbaya Bakar; Minister of Public Works and Housing, Mr Basuki Hadimuljono; Managing Director, RGE, Mr Anderson Tanoto; along with World Bank representatives and ambassadors based in Indonesia.

The new nursery will produce seedlings for plantation in a number of areas across the country, to support the government's environmental goals, and mitigate the impacts of climate change.



The Rumpin Nursery produces seedlings for areas across the country.



Its aim is to support the government's environmental goals, and mitigate the impacts of climate change.

In 2021, APR secured a US\$300 million Syndicated Loan Facility to continue investing in its production facilities in Pangkalan Kerinci, Riau.

APRIL further sealed its long-term commitment to help Indonesia's green economy, with an investment of US\$2.3 billion into a new Sustainable Paperboard Production Facility in Kerinci.

The new packaging facility is one of the largest manufacturing investments in Sumatra since 2012, and is expected to support Indonesia's continued economic development and post-pandemic recovery through the diversification of sustainable downstream fibre products. It was inaugurated by the Minister of Industry Agus Gumiwang Kartasasmita, and Coordinating Minister for Economic Affairs Airlangga Hartarto.



RGE Chairman Sukanto Tanoto and RGE Managing Director Anderson Tanoto hosting Indonesia President Joko Widodo at APRIL's Kerinci Central Nursery in 2020.

#### **Looking Ahead**

As PaperOne<sup>™</sup> looks ahead to 2024 and beyond, the company seeks to maintain its current momentum and deliver on its purpose through concrete, measurable actions.

With PaperOne<sup>™</sup> extraordinarily driven and committed team that shares in its purpose, 5Cs principles and core values, the company will continue to build on the successful demonstration of its production-protection approach, which ensures plantation, conservation forests and restored forests can co-exist in a thriving landscape, along with the development of the local communities. Making strides in meeting the company's 1-for-1 conservation to plantation commitment, PaperOne<sup>™</sup> will work with communities to improve livelihoods and healthcare and education outcomes, and advance global understanding of peatland science and responsible peatland management to ensure it sustainably grow its business.

Sustainability continues to increasingly permeate the company's collective mindset and daily actions. It underpins PaperOne<sup>™</sup>'s growth strategy and drives the company's transformation as it takes part in fulfilling the global 2030 development agenda.

#### **Building Partner Loyalty**

"In the Western European market, finding the right supply partner to compete against many local mills was critical to our success. PaperOne<sup>™</sup> had a long history of good service, high quality and swift delivery. And it was the right choice. Within a short time, we established PaperOne<sup>™</sup> in the market, starting in Germany. Our customers like the quality, and we like the excellent cooperation with PaperOne<sup>™</sup>, which has proven to be the key to our success." "If it's a good quality product it will surely move. So I was determined to work hard to promote it. Letting customers know that our product is made at a sustainable factory operation also adds value for our customers. I wish PaperOne<sup>™</sup> continued growth in the next 25 years, and into the next 50 years."

- Adam She, Unique Paper International Co. Ltd

"Collaboration is key. It's all about finding the right partners as a productive collaboration requires common visions, targets, and principles. That is why we really appreciate and are aligned with APRIL Group's and PaperOne<sup>™</sup>'s continuous commitment to innovation and sustainability."

- Ms Beti Barokas, Head of Purchase and Sales Operations, Korab International (headquartered in Sweden)

"Vipa Group has been marketing PaperOne™ since 2021, to happy customers. Now that PaperOne™ Digital 80gsm Carbon Neutral Paper has become Carbon Neutral, our customers welcome APRIL's proactiveness towards sustainability, and hope to see more of such environmental friendly products. Vipa Group will make its utmost effort to grow PaperOne business together with APRIL Partnership. With continuous support from APRIL, Vipa Group has managed to build more PaperOne™ volume this year and we anticipate an even better results in 2024. "

- Enzo Anastasia, Managing Director, Vipa Group

# Where Business Meets Purpose

A Values-Driven Family

A constant focus on operating principles of delivering quality, while maintaining productivity and staying cost efficient has led to increased yield across its operations, as well as cost-effective project management.

The group's founding 3C core values of business being good for community, country and, therefore, the company — guided its growth to a multi-billion dollar, diversified international company in its first 50 years.

Its second-generation leaders have added two more Cs: good for climate, and good for the customer, to broaden their mission as they grow RGE into a larger, more competitive and more sustainable global operation.

Aligned with these 5Cs, the group has experienced groundbreaking developments in recent years.

APRIL has deepened its longstanding commitment to its communities, welcoming a new generation of diverse talent, including the children of its firstgeneration smallholders and employees. It has delivered on its promises since 2017 to improve its sustainability, and is now on track towards equally ambitious goals of 2030.

In Indonesia and globally, it has become recognised for its unwavering mission to position sustainability as a fundamental part of great business.

PaperOne<sup>™</sup>'s original base of operations, Indonesia, has been on a relentless drive to meet the most current demands of its customers.

Since 2017, operations have increased in pace and intensity, as APRIL Group welcomed exciting new innovations and breakthroughs in research and sustainable practices. "Having been in partnership with APRIL Group for over 12 years, [we can say] their commitment to their promise is commendable. They have never compromised on the quality and as such, PaperOne<sup>™</sup> is the most preferred paper brand across the Emirates."

- Mr Manoj Nair, Managing Partner of Friends Stationers LLC, Sharjah, UAE

APRIL has gone beyond its focus on only pulp and paper, and today, has branched into viscose fibre, yarn, as well as paper board for packaging. RGE Indonesia, the parent company of APRIL Group and PaperOne<sup>™</sup> has further broadened its interests downstream, moving from B2B to a B2B2C. Through

its newer ventures Asia Pacific Rayon (APR) and Asia Pacific Yarn (APY), it is delivering sustainable solutions to the textile and fashion industries. These new downstream developments share many of PaperOne<sup>™</sup>'s operational values.



Newer downstream developments Asia Pacific Rayon (APR) and Asia Pacific Yarn (APY) deliver sustainable solutions to the textile and fashion industries, sharing many of PaperOne™'s operational values.

"We found that the quality and consistency of PaperOne<sup>™</sup> stood out to us. Their outstanding quality and customer service will ensure that PaperOne<sup>™</sup> remains the top choice for many customers."



A researcher in APRIL's state-of-the-art tissue culture lab in Pangkalan Kerinci, Riau.

#### When Business Meets Purpose

APRIL Group has been an industry leader for decades, known for its constant innovation and drive for excellence. In Indonesia and the region, it is one of the largest producers of pulp and paper, as well as renewable and biodegradable products.

Where once, its plantations focused only on producing pulp and paper, APRIL today produces viscose fibre, yarn, and is moving into paperboard for packaging.

APRIL's pulp is used for an increasing number of applications, including tissue and specialty paper, in addition to its flagship brand, PaperOne<sup>™</sup>. Its hygiene and paper products recorded strong demand at the height of the pandemic's worst impact over 2020 and 2021.

The group currently caters to a four-billion strong market that includes growing economies in North Asia, Southern Asia, South Asia, Indian subcontinent and Africa, and has especially excelled in emerging markets — including China, South Asia, Middle East, Africa, ASEAN countries, as well as Indonesia where it enjoys long-standing recognition.





PaperOne™, a flagship brand under APRIL, is available in over 110 countries worldwide.

#### In Step With Global Trends

APRIL's accelerated rate of growth since 2017 is the result of consistent strategic planning, and innovating to meet customers' demands.

Over the past five years, it has met an increasing consumer demand for more sustainable, biodegradable and renewable products. It also served the demand for paper, board and tissue among emerging markets across ASEAN nations, Indonesia, China, India and the Middle East. Over the COVID-19 pandemic, it also responded to a spike in demand for hygiene products without flinching.

While achieving growth in business, it has continued to do good for the community, climate, country and customers.

It has done so by prioritising intensive research and development, working with a broader community of experts to sustain innovation, decarbonise, and be climate positive.

For instance, to increase plantation yield, it partnered with leading research institutions such as South Africa's Forestry & Agriculture Biotechnology Institute, Finland's Aalto University, the National University of Singapore and Nanyang Technological University (Singapore), among others.

Already, it has achieved net zero emissions from land use, and employs solar power in its operations, with more than 88% of its mill energy coming from renewable and cleaner energy sources.

It now aims to increase plantation yield by 50%, and generate more fiber without raising its footprint. By 2030, it aims to use up to 20% of recycled textiles in its viscose fiber, which represents an achievement for the APRIL research and development team.



Sustainable Forest Plantation Management in practice - APRIL employees actively monitoring and managing its plantation areas.

#### An Integrated, Resilient and Agile Force

Since PaperOne<sup>™</sup>'s launch in 1998, it has had to tough through the Asian Financial Crisis, while holding on to the robustness of its business models, risk management strategies and corporate values.

In 2008, those principles steered the company through the turmoil of the global financial crisis. Today, that resilience and can-do spirit carries on in a second generation of leaders, who are always connected to its people and operations, and determined to excel.

This ability to meet and overcome adversity as a team, and across both generations is why PaperOne<sup>™</sup> remains best-in-class as a premium brand.

It thrived during the pandemic without disruption, and sustained its production despite geopolitical upheavals including logistics and supply chain obstacles resulting from the 2022 war between Russia and Ukraine.

Relying on its unique location in the Riau province, and its own fully integrated network of production assets and logistic infrastructure, it was able to deliver without disruption, strengthening its bonds with its network of distributors.

Its input material supply chain, chemical plants, oxygen plant and water treatment plant are seamlessly interlinked with networks of canals, plantations and mills. This internal network is directly connected to its own sea port and ships, allowing the group to ensure delivery in a sustainable and timely manner.

The brand's agility rests in the connectivity of its management team with the ground realities and pain points, enabling it to make effective decisions with speed to move forward, and move fast. Senior leaders lead by example, and encourage open communication.

As a result, their values are transmitted across teams, encouraging participation, and encouraging the development of talent. In the immediate years ahead, it is keen to strengthen its market growth in Indonesia, India, the Middle East, and across ASEAN nations.



Relying on its own fully integrated network of canals, plantations and mills in Riau, PaperOne<sup>™</sup> was able to deliver without disruption through the pandemic, strengthening its reputation for reliability.

### Sustainability A Committed Approach

RGE founder Sukanto Tanoto's philosophy was that in order for a business to thrive in the long run, its surrounding communities needed to be cared for. Otherwise, there would be lower returns or worse, no continuity.

Long before terms such as bio-economy and circularity became fashionable, the group had already strived to uphold standards of sustainability across its operations, especially in the developing economies that it operates.

Mindful of the criticisms that many companies faced in approaching the United Nations Sustainable Development Goals (SDGs) too superficially, PaperOne<sup>™</sup> took a data-based, results-oriented approach to caring for its environment, with clear strategies and implementation plans for its business activities, based on outcomes developed with PwC.

Prioritising the SDGs, our current contributions to local social and economic development, are intended to have a catalytic effect and support the achievement of the SDGs in countries where we operate.

Team leaders spoke to people on the ground to help them understand their part in the whole process and develop targets that were ambitious but achievable. Activities were then aligned with business strategies before they were rolled out.

We are committed to sustainability goals which will roll out over a realistic, 10-year period leading up to 2030, with annual reporting to ensure progress according to plan. Business growth and sustainability are on the same side of the equation, given that sustainability facilitates business growth.



In partnership with the United Nations Development Programme (UNDP) and Indonesia's Ministry of National Development Planning, Tanoto Foundation now manages an SDG Academy in Jakarta, Indonesia.

Mr Anderson Tanoto, Managing Director, RGE believes that ESG (environmental, social and governance) considerations have to be embedded in the way a business operates. On a practical level, this involves running businesses that are renewable, biodegradable and sustainable.

He said: "Sustainability means starting the business right. You can't make a brown industry green. Sustainability isn't a vertical stream of activity in our business model. It is our business model."



RGE Managing Director Anderson Tanoto announced a series of new initiatives and partnerships to kick-start APRIL2030.

"Sustainability means starting the business right. You can't make a brown industry green. Sustainability isn't a vertical stream of activity in our business model. It is our business model."

- Anderson Tanoto, Managing Director, RGE

#### A Force for Good

The manufacture and distribution of PaperOne<sup>™</sup> has, over the past two and a half decades, reached customers worldwide, while maintaining its commitment to being a force for good for the community, climate, customers, country, and company.

From its humble beginning as an unknown brand, it has spurred economic prosperity of the region of Kerinci. As it continued from strength to strength after its initial five years, PaperOne<sup>™</sup> also built the fortunes of its global network of business allies.

Across Malaysia, Singapore, Japan, Taiwan and China, PaperOne™ moved up the ranks of recognition, becoming synonymous with premium quality, swift delivery and unswerving commitment to sustainable practices.

The impact has been further validated by a series of certifications. These include:

- Green Label Singapore (Green Label for Perfect Print)
- PEFC (PEFC Certificate)
- SBR National Business Awards 2023 (Manufacturing Paper)
- APRIL International Enterprise Pte. Ltd.)

"When I saw the packaging and the good quality of the paper, I immediately ordered without a second thought. A lot of multinational companies are now growing green and are becoming more aware of their responsibilities to the environment. PaperOne<sup>™</sup> fits right in with what they need now."

- Eddie Sy, Van Hawk Paper (Phils) Inc

"We have been a partner with APRIL Group for a long time, more than 17 years. Right now we sell PaperOne<sup>™</sup> Offset and PrintOne<sup>™</sup> Offset. With its consistent and stable supply, and ability to fulfil customer demands on time, APRIL Group has proven its capability of growing in India's paper industry, especially with the high price volatility resulting in the fluctuating demands of today's market. In addition, APRIL's papers are also PEFC certified, giving us and our customers the assurance that they are more environmentally-friendly."

Mr Manoj Suneja, Mr Raj Suneja & Mr Rajiv Suneja, Suneja Sons, India



Our sustainable forest management policy, launched in 2014, has resulted in well-managed forests, which play an essential role in natural carbon and water cycles, biodiversity, and the wellbeing of local communities.

#### Land Use

PaperOne<sup>™</sup> today has a reputation as a reliable stakeholder by implementing sustainability commitment on the ground, and forging partnerships with people. We are a solid Asian organisation whose sustainability practices are world standard.

Our sustainable forest management policy, launched in 2014 and strengthened in 2015, has been well implemented. Well-managed forests play an essential role in natural carbon and water cycles, biodiversity, and the wellbeing of local communities. Therefore, as steward of the land it operates in, APRIL Group is responsible for managing and reducing the impact on the surrounding landscape for the provision of ecosystem services.

In 2015, it decided to improve our land use and

A 48-metre tall flux tower installed in APRIL's fibre plantations in Riau, Indonesia. Sensors on the tower continuously measure the net greenhouse gas exchange. Photo taken in 2022.

improve yield. Since then, yield has improved by about 15%.

We are working diligently to achieve our 1-for-1 commitment announced in 2014, to conserve natural forest areas equal in size to its plantation forest areas.

The United Nations Biodiversity Conference in December 2022 reached a landmark agreement to guide global action on nature through 2030, establishing the new Global Biodiversity Framework.

This new international agreement guides the global conservation and sustainable use of biodiversity, with targets and goals for conservation efforts. It will be used to guide policy and decision-making at the global, regional, and national levels to address the drivers of biodiversity loss, such as habitat destruction, pollution, and climate change.

The forestry sector, an integral part of the Global Biodiversity Framework, is expected to play a crucial role in achieving its targets.

Recognising the importance of conserving forests, APRIL Group adopted a production protection approach to its forest management. This approach involves balancing the need for sustainable production with protecting and conserving forest ecosystems, with a range of measures to protect and restore forests, including establishing conservation areas, implementing responsible management practices, and using innovative technologies to monitor and manage forest resources.

Since 2015, the Group has improved the yield of its land. Managing a total of 1,045,557 hectares of land concessions, the Group utilises 454,045 hectares as productive plantation forests and 42,353 hectares as livelihood plantations.

It manages 361,231 hectares as conservation or restoration areas, and allocates the remainder for community and other uses. Land allocations are for communities to cultivate timber and non-timber forest products or crops that contribute to food security and community welfare.

Land may also be designated for other purposes, such as infrastructure, agricultural land use, or land under land tenure and boundary disputes.

#### **Caring for People**

The PaperOne<sup>™</sup> brand represents a culture of collaboration and resilience.

With a hands-on management approach, PaperOne™'s production is a swift, collaborative process among several teams. Up to 90% of the mill's processes are digitalised, offering team leaders full visibility to make the right decision at the right time, and react swiftly.

Its teams are diverse. Indeed, the brand has long embraced diversity across its business groups, supporting equal opportunities for all races, gender, and nationalities. Its people share the mindset — not just their skill sets or competencies — to meet the tough challenges of its industry, demonstrating:

- High adversity quotient
- Ability to play as a team
- Willingness to continually grow and learn
- Desire to solve problems
- Optimism and an entrepreneurial spirit

Because its leaders are connected to ground operations, and work to understand and resolve their teams' pain points, the production team is cohesive. This smooth operational process served PaperOne<sup>™</sup> especially well during the COVID pandemic, when it did not have to stop production even for a day.

"We have been part of the APRIL Family since 2015, and sell all APRIL products. The Group upholds even values like professionalism and integrity across all business levels, always ensuring that we, as their dealers, constantly feel valued and heard. It's been a joy supporting them these many years; with more to come."

# Impact: PaperOne<sup>™</sup> at 25

A Generation of Excellence

Today, our mission is fuelled by a workforce that is multicultural, equitable and inclusive.



As a company with a multicultural workforce, we make meaningful contributions to advancing the inclusion of women and people with disabilities in communities where we operate.

APRIL's Commuity Development Program has given farmers in successful harvests, by providing agriculture technical assistance.

#### **Developing Our People**

Over its 25-year journey, PaperOne<sup>™</sup> has grown from its launch to realise its aspirations of international excellence. But it has never abandoned its founding principles – to develop people, care for its extended APRIL family, and uphold sustainable business operations.

It continues to build its people around the RGE CARE philosophy of Career Advancement, Communication, Coaching and Compensation. A strong focus is placed on developing comprehensive talent development programmes to ensure a qualified and committed workforce.

With PaperOne<sup>™</sup> operations located in remote areas, rigorous education, training and continuous improvement are needed so employees can perform at international standards.

Its leaders constantly engage with their employees and stay attuned to the business, so they can adapt to its ongoing needs. They provide workers the skills and platforms to achieve extraordinary results.

A strong management team who leads and inspires the workforce to greater heights is vital to the group. They pay special attention to developing the children of employees, ensuring they receive an international standard education, despite their location.

Nine years after a school was first opened in Kerinci by co-founder Tinah Tanoto, an international school was established in 2003 that now teaches the International Baccalaureate syllabus. Employees' children taught in Kerinci schools have gone on to



Workers receive ongoing skills training as part of the company's commitment to developing its people.

attain PhDs at internationally renowned institutions. Many have received scholarships for further studies and some even choose employment with the company.

#### The PaperOne<sup>™</sup> Family

In the spirit of teamwork and camaraderie, PaperOne<sup>™</sup> regularly holds company events for employees to which family members are often also invited. Through these activities, they catch a glimpse of the company's culture and ethos, and often themselves become members of the larger Group family.

Many children of employees who have gone abroad for further studies have returned to Kerinci, seeking to continue working for the Group. They see it as their abiding community and home, remaining connected to the town.

The Group believes that employees as well as their children should have the opportunity to maximise their potential and be enabled to do their best. Such is the long-term commitment to the people who have built up the PaperOne<sup>™</sup> brand, and continue to do so.

They are invested in its merit-driven culture, often summed up in an oft-repeated saying among leaders and staff: "It doesn't matter what colour the cat is, if it catches mice, it is a good cat."



The PaperOne<sup>™</sup> family doesn't just work together, but bond during events and activities.

#### Teamwork at PaperOne<sup>™</sup>

Teamwork at PaperOne<sup>™</sup> is a family affair, in line with the founders' philosophy on giving everyone equal opportunities. The sight of a father and daughter arriving at an APRIL factory together, or secondgeneration smallholders inheriting plantations from their fathers, or young children helping their parents pick up palm, is not uncommon.

Through scholarships and ongoing programmes to build capability, the Group identifies talent early. Those who are selected to be groomed for leadership roles are extremely proud. Meanwhile, ongoing training is provided to prepare employees and staff to keep up with technology and digitalisation.

Senior managers are role models who lead by example. Through frequent engagement sessions, they mentor younger employees so that values are transposed from one generation to the next, across leaders, senior management and directors.

By extension, among an extended network of smallholders, mothers have traditionally been supported by good schools and childcare services located close to their place of work. They themselves often include their children in simple chores on plantations, introducing them to the farming culture.

Today, Belinda, Imelda and Anderson are managing directors in the group, and serve the business across its fibre, agri and energy business groups.

A spectrum of viewpoints is needed to strengthen decision making, said the Group's managing director Anderson Tanoto. "Diversity makes better business. If everyone is agreeing, then no one is thinking things through, and it's very dangerous," he pointed out.

"We want diversity and inclusion, male/female representation, from different backgrounds — expats and locals, Singaporeans and non-Singaporeans, Indonesians, all working together — because we want the best decisions to be made. And best decisions can only be made when you have a diversity of perspective and experiences."

Anderson Tanoto, Managing Director, RGE



Diversity and inclusion, with equal representation from different backgrounds, lead to stronger teams.

### Looking Ahead PaperOne<sup>™</sup> for a Green Future



Anderson Tanoto, Managing Director, RGE

PaperOne<sup>™</sup> has always been driven by our people — our employees, workers, networks of distributors, and the communities in which we operate.

From the very beginning, they helped establish processes aligned with our TOPICC Core Values, priming us for global success. Over 25 years, they have solidified our global reputation, conducting business driven by purpose-led action. Our heritage speaks for itself.

Today, we continue to do what's right. The PaperOne<sup>™</sup> line of products is a template for our approach to true longevity in business. It demonstrates our core belief that it is a must for business growth and positive impact on the environment to go hand-in-hand.

The brand's production processes are a model for the bioeconomy from the beginning to end, creating value for its stakeholders, workers and end-users.

It is aligned with sustainable practices, while turning out affordable, accessible products. Across economies worldwide, those in the corporate, commerce and education sectors are demanding environmentally friendly products to deliver their best ideas. Meanwhile, communities facing hardships need our products for clean, healthy everyday living.

Now, as we look to more decades of success, PaperOne<sup>™</sup> will continue to serve modern users, whatever their position in society. In fact, it is the solution that the world needs as it grapples with the climate crisis.

The PaperOne<sup>™</sup> brand is fully aligned with APRIL's 2030 agenda. APRIL2030 comprises 18 ambitious targets under four commitment pillars: Climate Positive, Thriving Landscapes, Inclusive Progress and Sustainable Growth.

Committed to concrete, measurable actions, we've integrated these commitments and targets into our day-to-day operational activity, demonstrating how all our businesses accomplish carbon neutrality while achieving high standards of quality.

APRIL has grown to become a leading company in the global forest product sector, responding to the growing market demand for sustainable, biobased products.

I am proud of our production-protection approach, which ensures plantation, conservation forests and

restored forests can co-exist in a thriving landscape, while improving healthcare, education and livelihoods across local communities.

We've advanced global understanding of peatland science and responsible peatland management, and our results are clear, in terms of improved disclosure and rating scores achieved during the year, specifically the SPOTT and CDP ratings. Instead of letting up, we have doubled down on our efforts.

In 2022, we announced an investment of more than USD 2 billion in a new paperboard production facility capable of producing folding box board that is 100% recyclable, reusable and biodegradable. This additional product diversification aims to meet the global rising demand for sustainable packaging solutions.

Importantly, the supply of fibre for our downstream growth will continue to be in full compliance with our Sustainable Forest Management Policy (SFMP 2.0), with stringent procedures to ensure responsible wood sourcing, and no deforestation throughout our operations and across our supply chain.

To take us into the future, PaperOne<sup>™</sup> is investing in digitalisation, product innovation and sciencebased research and development to increase our competitive advantage.

These operational advancements will deliver positive impacts on climate, nature, communities and business growth, because we believe that business and sustainability objectives must go hand in hand. While downstream diversification will drive our success in business, sustainability will remain the core of our purpose, governance and strategy.

It is a privilege to be a member of the brand's second generation management. However, it is also a great responsibility. As I plan to lead the charge for decades to come, I am determined to not only profitably grow this business, but ensure that our products help shape a better future for the world through our positive contribution to climate, nature and people.

Only then will we ensure continued business success for generations to come.

#### Anderson Tanoto

Managing Director, RGE

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