



Evaluation of Asia Pulp & Paper's Progress to Meet its Forest Conservation Policy and Additional Public Statements

Performance Indicators

Version 3.0, December 2014¹

¹ This performance indicator document was updated to reflect changes in use of terminology and to align with reporting post fieldwork. The Version 2.0 of these Indicators was the version worked with in the field. The changes here reflect language changes to more accurately represent the relationship between the four FCP Commitments and additional public statements evaluated by Rainforest Alliance.

This document establishes Performance Indicators for the evaluation of APP's progress to meet its Forest Conservation Policy (FCP) Commitments (February 2013) and additional public statements made by APP related to forest conservation.

Part 1 (pages 3 to 26) addresses the specific commitments made in the Forest Conservation Policy dated February 5, 2013.

Part 2 (pages 27 to 43) identifies and addresses related additional public statements made by APP in the Sustainability Roadmap - Vision 2020 document of June 2012 and in documents or public statements between February 5, 2013 and February 24, 2014. Part 2 is broken into 3 subsections.

This document provides the full text of each **Policy Commitment or Statement** in a box titled "Policy Commitment or Statement". This text is copied verbatim from the source: the February 5 2013 FCP statement or from the Vision 2020 document or other documents or public statements. The documents containing the additional public statements are identified.

The **Key Elements** of each Commitment or Statement are listed in the left hand column of this document. Each Key Element is copied directly from the Policy Commitment or Statement. Key words are underlined.

The **Performance Indicators** establish specific indicators to support consistent and methodical evaluation of the progress to meet each element of the commitments. The Performance Indicators are identified in the middle column of the document. They address each of the key elements contained within each commitment. Each Indicator will be evaluated and scored according to the **Performance Measures** (see separate document, Performance Measures for Evaluation of APP Commitments).

Some Indicators apply corporately to APP and will be evaluated at the **APP corporate headquarters** level. Most apply to each individual concession supplying pulp wood fibre to APP mills. These will be evaluated in each individual forest concession area. Seven Indicators will be evaluated at the two APP integrated pulp and paper mills (Indah Kiat Pulp and Paper, Perawang (IKPP) and Lontar Papyrus Pulp and Paper (LPPP), as well as at other APP mills if required. The location of the evaluation for each Indicator is identified in the right hand column. Each indicator identified as "**corporate**" will be evaluated only once, at the APP corporate headquarters level. Each indicator identified as "**concession**" will be evaluated in each of the individual forest concessions visited by the Evaluation Team. Each indicator identified as "**mill**" will be evaluated at the integrated pulp mill facilities and other mills.

In addition to Performance Indicators, Rainforest Alliance will develop **Verifiers** that will be used to assist in the evaluation of some Indicators. Verifiers are for internal use by the Evaluation Team and are developed for items highlighted in *Italics*.

PART 1 Forest Conservation Policy Commitments (February 5, 2013)

Additional Public Statement APP will implement the Forest Conservation Policy of February 5, 2013.

Key Elements (underlined)	Performance Indicators	Location of evaluation
0.1 APP will <u>implement the Forest Conservation Policy</u>	0.1.1 APP has a clear corporate commitment to implement the FCP.	Corporate
	0.1.2 APP has communicated the commitment to implement the FCP to all suppliers of fibre.	Corporate
	0.1.3 APP has included requirements to implement the FCP in agreements with suppliers.	Corporate
	0.1.4 APP has developed corporate policy and procedures to implement the FCP.	Corporate
	0.1.5 APP has assigned personnel with responsibility for FCP implementation.	Concession
	0.1.6 APP has developed capacity and organizational structure to implement the FCP.	Corporate
	0.1.7 APP implements a system to monitor supplier compliance with the FCP.	Concession
	0.1.8 APP addresses any identified non-compliance with the FCP.	Concession
	0.1.9 Concession Owners and Managers are aware of the commitment to implement the FCP.	Concession
	0.1.10 Concession Owners and Managers have assigned personnel with responsibility for the FCP implementation.	Concession
	0.1.11 Concession Owners and Managers have developed policies and procedures to implement the FCP.	Concession
	0.1.12 Concession Owners and Managers demonstrate commitment to implement the FCP.	Concession

FCP Policy Commitment 1**High Conservation Value and High Carbon Stock Forests**

APP and its suppliers will only develop areas that are not forested, as identified through independent HCVF and HCS assessments:

- From 1st February 2013 all natural forest clearance has been suspended whilst HCV and HCS assessments are completed. No further clearance of areas identified as forest will take place.
- APP has conducted an initial assessment of all of its supply chain. It has prioritised HCV and HCS assessments in those concessions that up to now have been supplying the company with natural forest fibre. HCV and HCS areas will be protected.
- On HCS work has started to identify the area and quality of forest cover. Satellite analysis, backed up by field work, will identify areas that will be protected as well as low carbon areas that can be developed as plantations.
- The HCS approach distinguishes natural forest from degraded lands with only small trees, scrub, or grass remaining. It separates vegetation into 6 different classes (stratification) through the combination of analysing satellite images and field plots. These thresholds are known in Indonesia as: High Density Forest (HK3), Medium Density Forest (HK2), Low Density/older regenerating Forest (HK1), Old Scrub/regenerating forest (BT), Young Scrub (BM), and Cleared/Open Land (LT). APP's threshold for HCS will be defined, following field analysis, within the category referred to as old scrub (BT).
- Any existing natural forest logs within APP's supply chain cut before 1st February 2013, such as stocks in log yards, will be utilised by its mills. Any fibre cleared from land which is not forest, such as scrub land, will also be utilised by its pulp mills.
- APP will withdraw from all purchase and other agreements with any supplier who is found not to be in compliance with these commitments.
- These commitments are being monitored by The Forest Trust. APP will welcome independent 3rd party observers to verify the implementation.

<u>Key Elements</u> (underlined)	Performance Indicators	Location of evaluation
1.1 APP and its suppliers will <u>only</u> develop areas that are not forested, as identified through independent HCVF and HCS assessments	1.1.1 Since February 1, 2013, development has only occurred on areas identified as non-forest.	Concession
	1.1.2 Any areas developed since February 1, 2013 were identified as “non-forest” in completed independent HCVF or HCS assessments prior to any development.	Concession
1.2 From 1st February 2013, <u>all natural forest clearance has been suspended</u> whilst HCV and HCS assessments are completed.	1.2.1 APP has defined “natural forest”.	Corporate
	1.2.2 APP has defined “natural forest clearance”.	Corporate
	1.2.3 The commitment to suspend all natural forest clearance while HCV and HCS assessments are completed was communicated to the concession owner and manager before February 1, 2013.	Corporate/ Concession
	1.2.4 The commitment to suspend all natural forest clearance is agreed by the concession owner and manager.	Concession
	1.2.5 The suspension of all natural forest clearance is upheld.	Concession
1.3 No further clearance of areas identified as forest will take place. In the report findings related to this Element were combined with Element 1.2.	1.3.1 All areas meeting the definition of “natural forest” are identified and mapped.	Concession
	1.3.2 No logging or other clearance of areas identified as “natural forest” has occurred since February 1, 2013.	Concession
	1.3.3 No road construction or other infrastructure development has occurred in areas of “natural forest” since February 1, 2013.	Concession
	1.3.4 There has been no clearance caused by APP or any other human intervention within the natural forest (moratorium area) since February 1, 2013.	Concession
	1.3.5 Management measures and supervision are in place to ensure no clearance of natural forest occurs, prior to completion of HCV and HCS assessments.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	1.3.6 Only areas that are identified as “not forested”, in completed HCV and/or HCS assessments, and consistent with FCP Policy Commitment #2, are developed.	Concession
1.4 APP has conducted an initial assessment of all of its supply chain.	1.4.1 Initial assessment of APP supply chain in Indonesia is completed.	Corporate
	1.4.2 Assessment identifies all concessions in Indonesia that currently, or will in the near future, supply fibre to APP mills.	Corporate
1.5 It (APP) has prioritised HCV ... assessments in those concessions that up to now have been supplying the company with natural forest fibre.	1.5.1 All concessions supplying natural forest fibre (MTH) prior to February 1, 2013 are identified.	Corporate
	1.5.2 A list prioritising and scheduling concessions for HCV assessment is publicly available.	Corporate
	1.5.3 HCV assessment process is in progress according to prioritisation and schedule, or is completed.	Concession
	1.5.4 If HCV assessment process is completed in a concession:	Concession
	1.5.4.1 HCV assessment included entire legally defined (SK) concession area.	Concession
	1.5.4.2 HCV assessment procedures are consistent with <i>internationally and locally recognised procedures for HCV assessment</i> . ²	Concession
	1.5.4.3 HCV assessment was undertaken by independent and qualified assessors.	Concession
	1.5.4.4 HCV assessment identified interested and affected stakeholders.	Concession
	1.5.4.5 HCV assessment provided interested and affected stakeholders with opportunities for input.	Concession
	1.5.4.6 HCV assessment considered all input received from stakeholders.	Concession

² Guidance for the Evaluation Team for all items highlighted in *italics* is provided in an internal Verifiers document.

Key Elements (underlined)	Performance Indicators	Location of evaluation
	1.5.4.7 HCV assessment provided rationale when stakeholder comments or suggestions were not accepted or implemented.	Concession
	1.5.4.8 Interested stakeholders were consulted about draft HCV report.	Concession
	1.5.5 If HCV assessment report is completed in a concession:	Concession
	1.5.5.1 HCV assessment final report incorporates appropriate input received from stakeholders.	Concession
	1.5.5.2 HCV assessment final report provides rationale when stakeholder comments or suggestions were not accepted or implemented.	Concession
	1.5.5.3 HCV assessment report has been peer reviewed.	Concession
	1.5.5.4 HCV peer review process followed <i>internationally and locally recognised guidelines for peer review</i> .	Concession
	1.5.5.5 Number of peer reviewers is consistent with <i>internationally and locally recognised guidelines for peer review</i> .	Concession
	1.5.5.6 HCV assessment final report incorporates peer review comments.	Concession
	1.5.5.7 HCV assessment final report provides rationale when peer review comments or suggestions were not accepted.	Concession
	1.5.5.8 HCV assessment final report identifies high conservation values and areas supporting high conservation values.	Concession
	1.5.5.9 HCV assessment report provides management recommendations related to the specific concession and the High Conservation values present.	Concession
	1.5.5.10 High conservation value areas are mapped.	Concession
	1.5.5.11 HCV assessment final report and maps are publicly	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	available.	
	1.5.6 If HCV assessment process is not completed in a concession:	Concession
	1.5.6.1 Concession does not supply natural forest fibre after February 1, 2013.	Concession
	1.5.6.2 Concession has not cleared any new areas for plantation development or built any new roads, canals or other infrastructure within or outside the concession area after February 1, 2013.	Concession
	1.5.6.3 A timeline for completion is provided.	Concession
1.6 It (APP) has prioritised ... <u>HCS assessments</u> in those concessions that up to now have been supplying the company with natural forest fibre.	1.6.1 All concessions supplying natural forest fibre (MTH) prior to February 1, 2013 are identified.	Corporate
	1.6.2 HCS assessment process is in progress according to prioritisation and schedule, or is completed.	Corporate
	1.6.3 If HCS Assessment Process is completed in a concession:	Concession
	1.6.3.1 HCS assessment included entire legal (SK) concession area.	Concession
	1.6.3.2 HCS assessment follows <i>internationally (and locally) recognized procedures for high carbon stock assessment</i> .	Concession
	1.6.3.3 HCS assessment provided interested stakeholders with <i>appropriate opportunities to provide input</i> .	Concession
	1.6.3.4 HCS assessment considered all input received from stakeholders.	Concession
	1.6.4 If HCS Assessment Report is completed in a concession:	
	1.6.4.1 HCS assessment final report is completed following <i>internationally (and locally) recognized reporting standards for HCS assessment</i> .	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	1.6.4.2 HCS assessment final report describes methodology for assessment.	Concession
	1.6.4.3 HCS assessment final report includes appropriate input from stakeholders.	Concession
	1.6.4.4 HCS assessment final report provides rationale when stakeholder comments or suggestions were not accepted or implemented.	Concession
	1.6.4.5 HCS assessment has been peer reviewed.	Concession
	1.6.4.6 HCS peer review process followed <i>internationally and locally recognised procedures for independent review</i> .	Concession
	1.6.4.7 HCS final report incorporated peer review comments.	Concession
	1.6.4.8 HCS final report provides rationale when peer review comments or suggestions were not accepted.	Concession
	1.6.4.9 HCS assessment final report identifies and maps natural forest with high carbon stock values.	Concession
	1.6.4.10 HCS assessment final report and maps are publicly available.	Concession
	1.6.5 If HCS assessment is not completed in a concession:	
	1.6.5.1 Concession does not supply natural forest fibre after Feb 1, 2013.	Concession
	1.6.5.2 Concession does not clear any new areas for plantation development or build any new roads, canals or other infrastructure within the concession area after Feb 1, 2013.	Concession
	1.6.5.3 A timeline for completion is provided.	Concession
<u>1.7 HCV and HCS areas will be protected.</u>	1.7.1 HCV assessments identify areas of high conservation values for protection.	Concession
	1.7.2 HCS assessments identify areas of high carbon stock for protection.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	1.7.3 Management plan identifies measures to protect areas identified in HCV and HCS assessments.	Concession
	1.7.4 Measures address high conservation values and areas, and high carbon stock areas, identified for protection.	Concession
	1.7.5 Measures identified in plans are implemented.	Concession
1.8 On HCS, <u>work has started to identify the area and quality of forest cover.</u>	1.8.1 Work plan for HCS assessment exists.	Concession
	1.8.2 Work, consistent with work plan, is underway to identify area and quality of forest cover that meets HCS criteria.	Concession
1.9 <u>Satellite analysis, backed up by field work, will identify areas that will be protected...</u>	1.9.1 Satellite analysis, backed up by field work, identifies areas for protection.	Concession
1.10 <u>Satellite analysis, backed up by field work, will identify areas that can be developed as plantations.</u>	1.10.1 Satellite imagery since Feb 5, 2013, backed up by field work, is used to identify areas for future development as plantation.	Concession
	1.10.2 Satellite imagery is at a <i>resolution that is adequate to guide field activities.</i>	Concession
	1.10.3 Where satellite analysis to identify land use and land cover is not complete, a timeline for completion is provided.	Concession
	1.10.4 Plantation development only occurs in areas identified for future development.	Concession
1.11 The HCS <u>approach distinguishes natural forest from degraded lands</u> with only small trees, scrub, or grass remaining.	1.11.1 APP distinguishes natural forest from degraded land using satellite imagery, field plots, or other means.	Concession
	1.11.2 A report and maps distinguishing natural forest from degraded	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	land is publicly available.	
1.12 It (HCS approach) <u>separates vegetation into 6 different classes</u> (stratification) through the combination of analysing satellite images and field plots. These thresholds are known in Indonesia as: High Density Forest (HK3), Medium Density Forest (HK2), Low Density/older regenerating Forest (HK1), Old Scrub/regenerating forest (BT), Young Scrub (BM), and Cleared/Open Land (LT).	1.12.1 Identification of natural forest and non-forest is based on 6 class system.	Concession
	1.12.2 Any revisions to the 6 class system are fully documented with explanation for changes.	Concession
	1.12.3 Satellite imagery and field plots are used for classification.	Concession
	1.12.4 HCS assessment work to identify and classify natural forest is complete.	Concession
	1.12.5 If HCS assessment is not complete, a timeline is provided.	Concession
1.13 APP's <u>threshold for HCS is defined</u> , following field analysis, within the category referred to as old scrub (BT).	1.13.1 Threshold for HCS within the Old Scrub (BT) forest class is defined.	Concession
	1.13.2 Rationale, including scientific basis, is provided where threshold deviates from established threshold of 35 tonnes of carbon/ha.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
1.14 Any <u>existing natural forest logs within APP's supply chain</u> cut before 1st February 2013, such as stocks in log yards, will be utilised by its mills. Any fibre cleared from land which is not forest, such as scrub land, will also be utilised by its pulp mills.	Note: Commitments related to movement of forest logs after February 5 and before August 31 are addressed in "Additional Commitments".	
1.15 APP <u>withdraws from all purchase and other agreements</u> with any supplier who is found not to be in compliance with these commitments.	1.15.1 All APP suppliers are identified.	Corporate
	1.15.2 Names of all supplier concessions and maps showing all concession locations are publicly available.	Corporate
	1.15.3 APP has procedure for auditing suppliers to determine conformance with commitments.	Corporate
	1.15.4 APP has procedure for withdrawing from purchase and other agreements in situations where non-compliance is found.	Corporate
	1.15.5 Potential legal and contractual issues associated with withdrawal are identified and addressed.	Corporate
	1.15.6 APP has withdrawn from supply agreements where non-compliance has been found.	Corporate
1.16 These <u>commitments are being monitored</u> by The Forest Trust.	1.16.1 TFT has developed a system and procedures for monitoring commitments.	Corporate
	1.16.2 TFT is implementing the system and procedures to monitor.	Concession
	1.16.3 Results of monitoring are publicly reported on a regular basis.	Corporate
	1.16.4 Action plans are developed and implemented to address monitoring results.	Concession
1.17 APP will welcome independent 3rd party observers to verify the implementation.	1.17.1 Interested 3 rd party observers are provided with opportunities to participate in implementation monitoring.	Concession
	1.17.2 Interested 3 rd party observers are allowed to participate freely and to report observations, except where they have signed	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	confidentiality agreements.	

FCP Policy commitment 2: Peatland Management

APP will support the Government of Indonesia's low emission development goal and its target to reduce greenhouse gas emissions. This will be achieved by:

- Ensuring that forested peatland is protected as part of its commitment to maintain HCVF and HCS forests.
- Best practice management to reduce and avoid GHG emissions within the peatland landscape. As part of achieving this, no further canal or other infrastructure activities will take place within undeveloped suppliers' concessions on non-forested peatland until independent HCVF assessments including input from peat experts has been completed.

Key Elements (underlined)	Performance Indicators	Location of evaluation
<u>2.1 Forested peatland is protected</u> as part of its commitment to maintain HCVF and HCS forests	2.1.1 Forested peatland is defined, and accurately mapped and classified to identify the quality of the peatland environment at <i>appropriate scale</i> .	Concession
	2.1.2 Definition and maps of location of peatland are publicly available.	Corporate
	2.1.3 Management plan identifies specific management measures to protect all forested peatland.	Concession
	2.1.4 Management measures address off-site impacts on forest peatland associated with drainage of areas outside of forested peatland.	Concession
	2.1.5 Management measures to protect forested peatland are identified at concession level and landscape (peat dome) level.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	2.1.6 Management measures incorporate recommendations from peat experts.	Concession
	2.1.7 Management measures to protect forested peatland are implemented.	Concession
	2.1.8 Management measures to address protection of peatlands are publicly available.	Concession
	2.1.9 Implementation of management measures and effects on peatland are monitored.	
	2.1.10 Reports of monitoring are publicly available.	Concession
<u>2.2 APP implements best practice management</u> to reduce and avoid GHG emissions within the peatland landscape. Note: APP has advised that the term “best practice management” should be “best management practices”	2.2.1 APP has developed a benchmark level for greenhouse gas emissions (GHG) within the peatland landscape.	Corporate
	2.2.2 APP has established targets for reduction of GHG emissions from the peatland landscape <i>consistent with Government of Indonesia reduction targets</i> .	Corporate
	2.2.3 Best Management Practices for reducing and avoiding GHG emissions within the peatland landscape to meet the established target reductions are developed.	Corporate
	2.2.4 Best Management Practices incorporate recommendations from peat experts.	Corporate
	2.2.5 Best Management Practices meet <i>internationally and locally recognised standards of best management for peatlands</i> .	Corporate
	2.2.6 Best Management Practices are publicly available.	Corporate
	2.2.7 Best Management Practices are implemented.	Concession
	2.2.8 GHG emissions from peatland landscape are monitored and reported publicly consistent with <i>internationally and locally accepted standards for monitoring peatland</i> .	Concession
<u>2.3 No further canal or other</u>	2.3.1 APP has identified location of canals as of February 1, 2013.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
<u>infrastructure activities take place</u> within undeveloped suppliers' concessions on non-forested peatland until independent HCVF assessments ... has been completed.	2.3.2 No new canals or other infrastructure have been developed on undeveloped non-forest peatland since February 1, 2013, unless an HCVF assessments has been completed	Concession
2.4 ... Independent HCVF assessments <u>include input from peat experts</u>	2.4.1 HCVF assessment within the peatland landscape includes input from peat experts.	Concession
	2.4.2. Input from peat experts is included in HCVF report.	Concession
	2.4.3 Input from peat experts is publicly available after HCVF assessment has been completed.	Concession

FCP Policy Commitment #3**Social and Community Engagement**

In order to avoid and resolve social conflicts across its supply chain APP will actively seek and incorporate input and feedback from a wide range of stakeholders, including civil society, as it implements the following set of principles:

- Free, Prior and Informed Consent of indigenous people and local communities
- Responsible handling of complaints
- Responsible resolution of conflicts
- Open and constructive dialogue with local, national and international stakeholders
- Empowering community development programs
- Respecting human rights
- Recognising and respecting the rights of its workers
- Compliance with all relevant laws and internationally accepted certification principles and criteria

Where new plantations are proposed, APP will respect the rights of indigenous peoples and local communities, including recognition of customary land rights. APP has committed to independent HCVF assessments as part of this commitment and will, in consultation with stakeholders, develop further measures to implement FPIC.

Key Elements (underlined)	Performance Indicators	Location of evaluation
3.1 In order to <u>avoid and resolve social conflicts</u> across its supply chain APP will ... as it implements the following set of principles:	3.1.1 APP has developed policies, systems and/or procedures to avoid and resolve social conflicts across its supply chain.	Corporate
	3.1.2 Policies, systems and/or procedures are developed to implement:	
	3.1.2.1 Free, Prior and Informed Consent of indigenous people and local communities	Corporate
	3.1.2.2 Responsible handling of complaints	Corporate
	3.1.2.3 Responsible resolution of conflicts	Corporate
	3.1.2.4 Open and constructive dialogue with local, national and international stakeholders	Corporate
	3.1.2.5 Empowering community development programs	Corporate
	3.1.2.6 Respecting human rights	Corporate
	3.1.2.7 Recognising and respecting the rights of its workers	Corporate
	3.1.2.8 Compliance with all relevant laws and internationally accepted certification principles and criteria	Corporate
	3.1.3 Policies, systems and/or procedures to avoid and resolve conflicts are implemented.	Corporate
	3.1.4 Corporate policies, systems and/or procedures are communicated to Concession owners and managers.	Corporate
	3.1.5 APP has developed internal capacity and organizational structure to avoid and resolve social conflicts	Corporate
	3.1.6 Corporate policies, systems and/or procedures have been communicated to field staff and suppliers.	Concession
	3.1.7 Most stakeholders are satisfied with efforts to avoid and resolve social conflicts.	Concession
	3.1.8 There is no evidence of a failure to avoid and resolve social conflicts.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
3.2 APP will <u>actively seek and incorporate input and feedback</u> from a wide range of stakeholders, including civil Society.	3.2.1 Stakeholders interested in APP management at international, national, regional and local levels, have been identified.	Corporate
	3.2.2 Identified stakeholders include a wide range.	Corporate
	3.2.3 A system or process is developed to actively seek input from a wide range of interested stakeholders.	Corporate
	3.2.4 Stakeholders include individuals and organizations who have expressed interest in, or concern about, APP activities.	Corporate
	3.2.5 The system to seek input and feedback encourages participation of stakeholders.	Corporate
	3.2.6 APP has developed a system or process to actively track and incorporate input and feedback from stakeholders.	Corporate
	3.2.7 A record of stakeholder consultation is maintained.	Corporate
	3.2.8 Most interested stakeholders are satisfied with opportunities for input and feedback.	Corporate
	3.2.9 There is no evidence of a failure to seek and incorporate input and feedback.	Corporate
	3.2.10 A wide range of stakeholders interested in, or affected by, management of the concession has been identified.	Concession
	3.2.11 Input and feedback about the management or activities on the concession has been actively sought from a wide range of interested stakeholders.	Concession
	3.2.12 Input and feedback is sought in ways that encourages participation of interested stakeholders.	Concession
	3.2.13 A record of stakeholder consultation is maintained.	Concession
	3.2.14 Most interested stakeholders are satisfied with opportunities for input and feedback.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	3.2.15 There is no evidence of a failure to seek and incorporate input and feedback.	Concession
<u>3.3 Free, Prior and informed consent of indigenous people and local communities.</u>	3.3.1 APP has informed indigenous people and local communities about the commitment to principles of free, prior and informed consent.	Concession
	3.3.2 <i>Sufficient information</i> is provided to inform indigenous people and local communities of current and planned APP activities.	Concession
	3.3.3 Information is provided in ways that are understood by indigenous people and local communities.	Concession
	3.3.4 Communication and consultation occurs <i>in processes that are accessible</i> to a majority of interested indigenous people and communities.	Concession
	3.3.5 Records of communication and consultation with indigenous peoples and local communities are maintained.	Concession
	3.3.6 Efforts are made to engage with disadvantaged groups in the community, including women and minority groups.	Concession
	3.3.7 Procedures for engagement with indigenous people and local communities are <i>consistent with internationally and locally recognised procedures</i> .	Concession
	3.3.8 APP has developed and implemented a system or procedure to obtain free, prior and informed consent.	Concession
	3.3.9 There is no evidence of a failure to obtain free, prior and informed consent for activities.	Concession
<u>3.4 Responsible handling of complaints.</u>	3.4.1 A complaint response procedure exists.	Corporate
	3.4.2 The complaint response procedure is <i>consistent with internationally and locally recognised procedures</i> .	Corporate
	3.4.3 The complaint response procedure was developed with input from	Corporate

Key Elements (underlined)	Performance Indicators	Location of evaluation
	interested stakeholders, including NGOs.	
	3.4.4 The complaint response procedure records and prioritises complaints for response by APP.	Corporate
	3.4.5 Concession manager is aware of complaint response procedure.	Concession
	3.4.6 A record of complaints is maintained.	Concession
	3.4.7 Complaint response procedure is being implemented.	Concession
	3.4.8 The response to the complaint is communicated to the complainant.	Concession
	3.4.9 Most stakeholders who have made a complaint are satisfied that APP is making efforts to address complaints in a timely and responsible manner.	Concession
	3.4.10 There is no evidence of a failure to address complaints.	Concession
	3.5 Responsible resolution of conflicts.	
	3.5.1 Conflict areas are mapped.	Corporate
	3.5.2 Results of conflict mapping are shared with NGOs and other stakeholders involved in conflict resolution.	Corporate
	3.5.3 Conflicts are recognized for resolution.	Corporate
	3.5.4 A conflict resolution procedure exists.	Corporate
	3.5.5 The conflict resolution procedure is <i>consistent with internationally and locally recognised procedures</i> .	Corporate
	3.5.6 The conflict resolution procedure was developed with input from interested NGO's and other stakeholders.	Corporate
	3.5.7 Most stakeholders who have been involved in a conflict resolution process are satisfied that APP is making efforts to resolve conflicts in a timely and responsible manner.	Corporate
	3.5.8 There is no evidence of a failure to resolve conflicts.	Corporate
	3.5.9 Concession Manager is aware of commitment to resolution of	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	conflict.	
	3.5.10 Concession Manager is aware of conflict resolution procedures.	Concession
	3.5.11 Concession Manager has training in conflict resolution procedures.	Concession
	3.5.12 Concession Manager is implementing conflict resolution procedures.	Concession
	3.5.13 Concession Manager has a procedure for prioritising identified conflicts.	Concession
	3.5.14 A record of conflicts is maintained.	Concession
	3.5.15 Concession Manager is addressing high priority conflicts.	Concession
	3.5.16 Identified conflicts are resolved using the conflict resolution procedure, or an alternative procedure acceptable to the complainants.	Concession
	3.5.17 Identified conflicts are resolved in a timely and responsible manner.	Concession
	3.5.18 Most stakeholders who have been involved in a conflict are satisfied that APP is making efforts to resolve the conflict.	Concession
	3.5.19 There is no evidence of a failure to resolve conflicts.	Concession
<u>3.6 Open and constructive dialogue with local, national and international stakeholders.</u>	3.6.1 Concession Manager is aware of commitment to maintain open and constructive dialogue.	Concession
	3.6.2 Dialogue is maintained with local stakeholders interested in, or affected by, the management of the concession.	Concession
	3.6.3 Dialogue is maintained with national and international stakeholders.	Corporate
	3.6.4 Most stakeholders who have entered dialogue are satisfied that dialogue is open and constructive.	Corporate/ Concession
	3.6.5 There is no evidence of a failure to engage in open and constructive dialogue.	Corporate/ Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
<u>3.7 Empowering community development programs.</u>	3.7.1 APP has developed policy and procedures for empowering community development programs.	Corporate
	3.7.2 APP has committed staff and resources to empower community development programs.	Corporate
	3.7.3 Concession Manager is aware of commitment to empower community development programs.	Concession
	3.7.4 Support for community development programs is demonstrated, where programs do not compromise commitments in the FCP, and are requested by community.	Concession
	3.7.5 A record of community development programs is maintained.	Concession
	3.7.6 APP has a system to monitor and evaluate implementation of community development programs.	Corporate
	3.7.7 There is no evidence of failure to empower agreed and <i>appropriate community development programs.</i>	Concession
<u>3.8 Respecting human rights.</u>	3.8.1 Concession Manager is aware of commitment to respect human rights.	Concession
	3.8.2 <i>Respect for human rights is demonstrated.</i>	Corporate/ Concession
	3.8.3 Most stakeholders are satisfied that respect for human rights is demonstrated.	Corporate/ Concession
	3.8.4 There is no evidence of violation of human rights by APP or any Concession Manager providing fibre to APP mills.	Corporate/ Concession
<u>3.9 Recognising and respecting the rights of its workers.</u>	3.9.1 Concession Manager is aware of commitment to recognise and respect rights of workers.	Concession
	3.9.2 <i>Recognition and respect for the rights of workers is demonstrated.</i>	Corporate/ Concession
	3.9.3 Most workers are satisfied that respect for rights of workers is demonstrated.	Corporate/ Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	3.9.4 There is no evidence of violation of worker rights by APP or any supplier providing fibre to APP mills.	Corporate/ Concession
3.10 <u>Compliance with all relevant laws and internationally accepted certification principles and criteria.</u>	3.10.1 Concession manager is aware of <i>all relevant local, national and international laws</i> .	Concession
	3.10.2 Concession manager has copies of relevant local, national and international laws.	Concession
	3.10.3 There is no evidence of non-conformance, since February 1, 2013, with local, national or international laws.	Concession
	3.10.4 APP has identified the <i>internationally accepted certification principles and criteria</i> applicable to all supplier concessions.	Corporate
	3.10.5 There is no evidence of a failure, since February 1, 2013, to meet any of the certification principles and criteria which are applicable to the concession.	Concession
3.11 Where new plantations are proposed, APP will <u>respect the rights of indigenous peoples and local communities</u> , including recognition of customary land rights.	3.11.1 APP identifies any proposed new plantations.	Corporate
	3.11.2 APP implements engagement and consultation procedures <i>consistent with internationally and locally recognised procedures</i> to obtain free, prior and informed consent (FPIC) prior to establishment of new plantations.	Concession
	3.11.3 Indigenous peoples and local communities affected by proposed new plantations are identified.	Concession
	3.11.4 Indigenous peoples and local communities are informed about proposed new plantations.	Concession
	3.11.5 Territories claimed by Indigenous peoples or local communities	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	are jointly mapped, with clear approval of the result by the community.	
	3.11.6 A record of engagement and consultation is maintained.	Concession
	3.11.7 Indigenous peoples, local communities and local NGOs are satisfied with consultation and recognition of rights in respect to proposed new plantations.	Concession
	3.11.8 There is no evidence that plantations are established without free, prior and informed consent of local indigenous peoples and communities.	Concession
3.12 Where new plantations are proposed, APP has <u>committed to independent HCVF assessments</u> as part of this commitment.	3.12.1 An HCVF assessment, <i>consistent with internationally and locally recognised procedures</i> is completed prior to establishment of any new plantations.	Concession
3.13 Where new plantations are proposed, APP will, in consultation with stakeholders, <u>develop further measures to implement FPIC</u> .	3.13.1 APP identifies stakeholders interested in the development of new plantations.	Corporate
	3.13.2 Interested stakeholders are consulted about development of measures to implement FPIC prior to the establishment of new plantations.	Concession
	3.13.3 A record of consultations is maintained.	Concession
	3.13.4 Most interested stakeholders are satisfied with consultation about development of measures to implement FPIC.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
<p>3.14 APP will consult with <u>NGO's and other stakeholders</u> to ensure that its protocols and procedures for FPIC and conflict resolution are <u>in accordance with international best practice</u>.</p> <p>NOTE: Policy does not address acquisition of concessions that have been clearing or producing MTH since February 1, 2013. See "additional commitments #3 below"</p>	3.14.1 NGOs are consulted about protocols and procedures for FPIC and conflict resolutions.	Concession
	3.14.2 Procedures for FPIC and conflict resolution are <i>consistent with internationally and locally recognised procedures for FPIC and conflict resolution</i> .	Concession
	3.14.3 A record of consultations is maintained.	Concession
	3.14.4 Most interested stakeholders are satisfied with consultation prior to establishment of new plantations.	Concession

FCP Policy commitment 4:

Third Party Suppliers

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

Key Elements (underlined)	Performance Indicators	Location of evaluation
<p>4.1 APP ... is <u>developing measures to ensure ... sourcing supports responsible forest management</u>.</p>	4.1.1 APP's global supply of fibre for mills in Indonesia is identified.	Corporate
	4.1.2 APP has reviewed management practices in all current fibre	Corporate

Key Elements (underlined)	Performance Indicators	Location of evaluation
	supply areas.	
	4.1.3 APP has defined criteria for responsible forest management.	Corporate
	4.1.4 APP has measures to ensure that there is responsible management, meeting all the commitments of the FCP, in all current supply areas.	Corporate
	4.1.5 APP has suspended or terminated sourcing agreements with suppliers identified as not meeting requirements for responsible forest management.	Corporate
	4.1.6 APP has identified future suppliers with which it has agreements.	Corporate
	4.1.7 APP has measures to ensure responsible management, meeting the commitments of the FCP, by future suppliers with which it has agreements.	Corporate
	4.1.8 APP has measures to ensure that future agreements will not source fibre from sources that do not meet responsible management commitments of the FCP.	Corporate

PART 2 Additional Public Statements

Part 2 identifies the additional public statements made by APP and establishes Performance Indicators for the evaluation of progress to meet those additional public statements. These additional statements include

- Public statements made in the APP Sustainability Road Map – Vision 2020 document (June, 2012);
- Public statements made since the announcement of the FCP in February 2013; and
- Public statements related to the sufficiency of wood fibre to meet projected demands in the APP mills.

Part 2 A Public Statements from APP Sustainability Road Map - Vision 2020

The APP Sustainability Roadmap - Vision 2020 document (June 2012) makes ten commitments. Three of the commitments are considered to be related to the Forest Conservation Policy and are considered therefore identified as Additional Public Statements. Elements and Performance Indicators for the following three additional commitments are provided below.

- Reforestation;
- Conservation and Biodiversity; and
- Fiber sourcing.

Three of the commitments are not considered to be related to APP's Forest Conservation Policy (February 5, 2013). These are:

- Emissions - reduction of greenhouse gas emissions and impacts of water effluent from APP mills;
- Solid waste - reduction of solid waste entering landfills; and,
- Water management - improvement of water use.

Four other commitments are considered to be superseded or replaced by the commitments of the Forest Conservation Policy (2013). These commitments are:

- Employee welfare - healthy and safe work environment and maintain employee satisfaction;
- Community empowerment and welfare - procedures for community engagement and conflict resolution in APP mills and increasing the number of communities that can benefit from APP social programs and improve their effectiveness;

- Indigenous peoples – Adopting international guidelines for the protection of indigenous peoples customary rights in the forest; and
- Human rights – Ensuring APP and its suppliers are in line with national and international standards of human rights.

<p>Vision 2020 Additional Public Statement #1 Reforestation</p> <p>a) Support the national target for reforesting degraded land.</p>
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Key Elements (underlined)	Performance Indicators	Location of evaluation
5.1 Support the <u>national target</u> for <u>reforesting degraded lands</u>	5.1.1 APP has identified the national target for reforesting degraded lands.	Corporate
	5.1.2 APP has identified specific locations where programs to reforest degraded land, consistent with the national target, will be implemented.	Corporate
	5.1.3 APP is implementing specific programs to reforest degraded lands to support the national target.	Concession

Vision 2020 Additional Public Statement #2 Conservation and Biodiversity

a) Support the national target to preserve designated protected and conservation areas.

b) Support the national target to increase the endangered species population.

Key Elements (underlined)	Performance Indicators	Location of evaluation
6.1 Support the <u>national target to preserve designated protected and conservation areas.</u>	6.1.1 APP has identified the national target(s) for preserving designated protected and conservation areas.	Corporate
	6.1.2 APP has identified specific protected and conservation areas of interest.	Corporate
	6.1.3 APP has identified specific programs to support achievement of the target(s) to preserve designated protected and conservation areas.	Corporate
	6.1.4 APP is implementing specific programs that preserve designated protected and conservation area to support the national target.	Concession
6.2 Support the <u>national target to increase the endangered species population.</u>	6.2.1 APP has identified the national target(s) for increasing the endangered species population.	Corporate
	6.2.2 APP has identified endangered species that occur within APP supplier concessions.	Corporate
	6.2.3 APP has identified specific programs to increase the endangered species population.	Corporate
	6.2.4 APP is implementing specific programs to increase the endangered species population to support the national target.	Concession

<p>Vision 2020 Additional Public Statement #3 Fibre Sourcing</p> <p>a) 100% independent 3rd party verification for pulpwood legality.</p> <p>b) Zero High Conservation Value Fibre.</p> <p>c) 100% plantation wood for its pulp production.</p> <p>d) 100% Sustainable Forest Management (SFM) certified pulpwood.</p>

Key Elements (underlined)	Performance Indicators	Location of evaluation
<u>7.1 100% independent 3rd party verification for pulpwood legality.</u> – –	7.1.1 APP has an action plan and schedule for certifying all concessions to an <i>internationally accepted standard of legality</i> .	Corporate
	7.1.2 Certification verifying pulpwood legality is proceeding consistent with the plan and schedule.	Corporate
	7.1.3 Audits verifying existing certifications of pulpwood legality are up to date and follow required standards on all concessions.	Corporate
<u>7.2 Zero High conservation value fibre.</u> Note: In practice this indicator was unworkable given the lack of definition of HCV fiber, issues related to this indicator were addressed in Element 1.7, FCP Commitment 1	7.2.1 There is no evidence that any fibre from any area identified as having High Conservation Value has entered an APP integrated pulp mill since August 31, 2013.	Mill
	7.2.2 There is no evidence that any fibre from any area identified as having High Conservation Value has entered any other APP mill since August 31, 2013.	Mill

Key Elements (underlined)	Performance Indicators	Location of evaluation
7.3 <u>100% plantation wood</u> for its pulp production	7.3.1 All wood fibre entering the APP integrated pulp mills is forest plantation wood.	Mill
	7.3.2 All wood fibre entering other APP mills is forest plantation wood.	Mill
7.4 <u>100% Sustainable Forest Management (SFM) certified</u> pulpwood.	7.4.1 APP has an action plan and schedule for certifying all concessions to an <i>internationally accepted standard of sustainable forest management</i> .	Corporate
	7.4.2 Certification verifying conformity with an internationally accepted standard of sustainable management is proceeding consistent with the plan and schedule.	Corporate
	7.4.3 Audits verifying sustainable forest management are up to date and follow required standards on all concessions.	Corporate

Part 2B Additional Public Statements Made by APP since February 5, 2013

Additional Public Statement #4 Use of Mixed Tropical Hardwoods

“Following stakeholder consultation, APP brought forward its deadline for allowing natural forest pulpwood fibre through the mill gates, to August 31st 2013. Since that date, no natural forest pulpwood fibre has been allowed to enter our pulp mills.

Since we introduced the FCP, we have been looking for ways to achieve our goal of eliminating Non-HCV/HCS MTH fibre from our supply chain entirely.

EPN’s document requests that we do not take any more MTH after 1 January 2014, even though such wood would originate from Non-HCV/HCS areas. This presents us with a challenge on how we manage the logistics and the use of the logs generated after the HCV and HCS areas have been identified and protected. We are currently calculating the expected volume of this MTH fibre in our suppliers’ concessions. We want to work collaboratively with stakeholders to decide how best to use this resource if we are not going to use it for pulp. We have asked NGOs for their input and suggestions and we look forward to hearing the outcome of this at our next meeting.

Our core principle is clear: we have always supported a 100 per cent plantation policy for all pulp and paper production. Together with other stakeholders, we will strive to find environmentally responsible, commercially viable and logistically practical alternative uses for non HCS wood.”

From: APP response to EPN Milestones Report, Sept 19, 2013, page 1.

Key Elements (underlined)	Performance Indicators	Location of evaluation
<u>8.1 Since August 31, 2013, no natural forest pulpwood fibre has been allowed to enter our (APP) pulp mills.</u>	8.1.1 No mixed tropical hardwood (MTH) from any natural forest has entered APP mills since August 31, 2013.	Mill
	8.1.2 Sources of all MTH in APP log yards after August 31, 2013 are clearly identified.	Mill

<u>Key Elements</u> (underlined)	Performance Indicators	Location of evaluation
	8.1.3 No MTH of unidentified source exists in APP log yards.	Mill
	8.1.4 The locations of all MTH cut before Feb 1, 2013 but not moved to mills by Aug 31, 2103, are identified.	Corporate/Concession
<u>8.2 ... looking for ways to achieve our goal of eliminating Non-HCV/HCS MTW fibre from our supply chain entirely.</u>	8.2.1 APP has investigated ways to eliminate non-HCV/HCS MTH fibre from supply chain in Indonesia.	Corporate
	8.2.2 APP has implemented measures to eliminate non-HCV/HCS MTH fibre from supply chain in Indonesia.	Concession
	8.2.3 There is no evidence of MTH in the supply chain.	Concession
<u>8.3 ... calculating the expected volume of Non-HCV/HCS volume of MTH fibre.</u>	8.3.1 APP has determined the volume of Non-HCV/HCS MTH fibre in all concessions in the supply chain.	Corporate
<u>8.4 We want to work collaboratively with stakeholders.... We have asked NGO's for their input and suggestions</u>	8.4.1 APP is working collaboratively with stakeholders to identify uses for MTH wood cut prior to Feb 1, 2013 that did not enter the APP pulp mills prior to August 31.	Corporate
	8.4.2 APP has requested input and suggestions from NGOs.	Corporate
	8.4.3 A record of collaboration and NGO input is maintained.	Corporate
<u>8.5 ... we will strive to find environmentally responsible, commercially viable and logistically practical alternative uses for non-HCS wood.</u>	8.5.1 APP has defined "non-HCS wood".	Corporate
	8.5.2 APP has looked for alternative uses for non-HCS wood.	Corporate
	8.5.3 APP has identified environmental impacts of alternative uses.	Corporate
	8.5.4 APP has identified commercial viability of alternative uses.	Corporate

Key Elements (underlined)	Performance Indicators	Location of evaluation
	8.5.5 APP has identified logistical factors.	Corporate
	8.5.6 APP is developing plans to use non-HCS wood in environmentally responsible, commercially viable and logistically practical ways.	Corporate

Additional Public Statement #5 Transparency, Stakeholder Partnership, and Engagement

“Among our promises was a commitment to complete transparency.” (From: Page 7 of APP Forest Conservation Policy - One Year 1 Summary)

“APP remains committed to tackling these remaining challenges in partnership with multiple stakeholders. We have made truly significant progress and aim to be as transparent as possible about our successes as well as our shortcomings.”

Key Elements (underlined)	Performance Indicators	Location of evaluation
9.1 ... <u>complete transparency</u>	9.1.1 APP has a public information policy and procedures.	Corporate
	9.1.2 Information about APP supplier concessions providing fibre to APP mills is publicly available.	Corporate
	9.1.3 Policies, procedures, action plans and other documents related to implementation of the Forest Conservation Policy are publicly available.	Corporate
	9.1.4 Maps showing concession boundaries and the locations of natural forest, high conservation values and areas, peatland, canals and road infrastructure and high carbon stock areas are publicly available.	Corporate
	9.1.5 Reports evaluating compliance with commitments in the Forest Conservation Policy are publicly available.	Corporate
	9.1.6 Reports of investigations into potential breaches of the	Corporate

Key Elements (underlined)	Performance Indicators	Location of evaluation
	moratorium are publicly available.	
	9.1.7 Reports of monitoring activities are publicly available	Corporate
9.2 APP remains committed to tackling these remaining challenges <u>in partnership with multiple stakeholders</u>	9.2.1 APP has established partnership with multiple stakeholders.	Corporate
	9.2.2 Most interested stakeholders are satisfied with APP efforts to establish partnerships.	Corporate
9.3 ... aim to be <u>transparent as possible</u> about our <u>successes as well as our shortcomings</u>	9.3.1 APP makes monitoring and audit reports available to interested stakeholders.	Corporate
	9.3.2 APP progress reports identify successes and shortcomings.	Corporate

Additional Public Statement #6	A complete end to Natural Forest Clearance
<p>“On Feb 5 we announced a complete end to natural forest clearance throughout our supply chain”. (Page 7 of APP Forest Conservation Policy - One Year 1 Summary)</p> <p>Note: This Additional Public Statement has been merged with FCP Commitment 1, Element 1.7. The issues associated with natural forest clearance in APP’s supply chain in Indonesia are fully addressed in Element 1.7.</p>	

10.1 <u>a complete end to natural forest clearance</u>	10.1.1 There is no evidence of any clearance of natural forest in APP supplier concessions in Indonesia after February 5, 2013.	Concession
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Additional Public Statement #7	Future Suppliers and Acquisitions
<p>“We are developing an association procedure to assess future suppliers or acquisitions to ensure they are compliant with our Responsible Fibre Procurement and Processing Policy. We are committed to consulting with stakeholders on this procedure and will use their input to help finalise it.” (APP response to EPN Milestones Report, Sept 19, 2013, page 2)</p>	

Key Elements (underlined)	Performance Indicators	Location of evaluation
11.1 <u>Development of an Association Procedure</u> to assess future suppliers or acquisitions.	11.1.1 APP has an action plan and a schedule for development of an Association Procedure for assessment of future suppliers or acquisitions.	Corporate
	11.1.2 Development of an Association Procedure is proceeding consistent with the plan and schedule.	Corporate
11.2 <u>Compliance with APP Responsible Fibre Procurement and Processing Policy.</u>	11.2.1 Association Procedure specifies that future suppliers and acquisitions must be compliant with APP Responsible Fibre Procurement and Processing Policy since Feb 1, 2013.	Corporate
	11.2.2 Association Procedure ensures that future suppliers and acquisitions are compliant with APP Forest Conservation Policy since Feb 1, 2013.	Corporate
11.3 <u>Commitment to consult stakeholders</u> on Association Procedure.	11.3.1 Stakeholders are consulted about Association Procedure.	Corporate
11.4 <u>Commitment to use input from stakeholders</u> to help Association Procedure.	11.4.1 Input from stakeholders is being used in developing the Association Procedure.	Corporate

Additional Public Statement #8**Conservation and Restoration**

“The HCV and HCS assessment process will lead to management plans which will include conservation and restoration recommendations as part of an integrated Sustainable Forest Management Plan.... However, we will go further than just implementing those recommendations, as APP is interested in developing a new model of high impact, measurable, landscape-level conservation.” (APP response to EPN Milestones Report, Sept 19, 2013, page 2)

“Another issue raised by NGOs through FGDs was that of restoration. APP confirmed that the subject was and would remain on the table. The priority in the first instance would of course be assessments and a comprehensive conservation plan, but restoration would be addressed as part of a long-term approach to sustainable forest management.” (Page 9 of APP Forest Conservation Policy - One Year 1 Summary)

“The management planning process schedule will be published on the APP dashboard.” (APP response to Greenpeace Report, October 2013)

“APP agrees that reputable conservation experts must be involved in the design and implementation of conservation efforts.” (APP response to Greenpeace Report, October 2013)

“The data from the HCV/HCS and social assessments will be used to develop management plans. These will include conservation and restoration recommendations.” (APP response to Greenpeace Report, October 2013)

“APP agrees that stakeholder input is necessary to develop a robust Management Plan. We are currently developing a mechanism for stakeholder consultation on this.” (APP response to Greenpeace Report, October 2013)

“APP will consider a landscape level approach to conservation and restoration”. (APP response to question at First Anniversary event, February 5, 2014)

Key Elements (underlined)	Performance Indicators	Location of evaluation
<u>12.1 The data from the HCV/HCS and social assessments will be used to develop management plans.</u>	12.1.1 APP has an action plan and a schedule for development of management plans for all supplier concessions that incorporate the HCV, HCS and social assessments.	Corporate
	12.1.2 APP has published the schedule for developing management plans.	Concession
	12.1.3 A Sustainable Forest Management Plan is prepared for the concession based on HCV, HCS and social assessments.	Concession
	12.1.4 The Management Plan is shared with stakeholders for review and input.	Concession
	12.1.5 The Management Plan incorporates stakeholder input, and where input is not taken, includes a rationale for not including input.	Concession
<u>12.2 Management plans ... will include conservation ... recommendations....</u>	12.2.1 The Management Plan includes specific management actions and activities that address recommendations for conservation that are identified in HCV and HCS assessments.	Concession
	12.2.2 The Management Plan includes specific management actions and activities that address recommendations from peat experts for conservation in concessions where there are completed HCVF and HCS assessments that identify peat.	Concession
	12.2.3 The management actions and activities described in the Management Plan for conservation are implemented.	Concession
	12.2.4 The Management Plan includes provisions for monitoring implementation of the plan and effects on peatland inside and directly outside the concession consistent with <i>internationally and locally accepted standards for monitoring peatland</i> .	Concession
<u>12.3 Management plans ... will include ... restoration recommendations....</u>	12.3.1 The Management Plan includes specific management actions and activities that address recommendations for restoration that are identified in HCV and HCS assessments.	Concession

Key Elements (underlined)	Performance Indicators	Location of evaluation
	12.3.2 The Management Plan identifies specific areas for restoration consistent with HCV and HCS assessments.	Concession
	12.3.3 The Management Plan includes specific management actions and activities that address recommendations from peat experts about restoration in concessions where there are completed HCVF and HCS assessments that identify peat.	Concession
	12.3.4 APP consults with experts and interested NGOs and other stakeholders about planned restoration activities.	Corporate/ Concession
	12.3.5 The management action and activities described in the Management Plan for restoration are implemented.	Concession
12.4 APP agrees that <u>reputable conservation experts must be involved in the design and implementation of conservation efforts.</u>	12.4.1 APP engages reputable conservation experts to assist in the design of conservation efforts.	Corporate
	12.4.2 APP engages reputable conservation experts in the implementation of conservation efforts.	Corporate
12.5 Stakeholder input is necessary to develop a robust Management Plan. We are currently <u>developing a mechanism for stakeholder consultation on this.</u>	12.5.1 APP has developed a mechanism for stakeholder consultation on development of the management plan.	Corporate
12.6...Development of a new model for <u>high impact, measurable, landscape-level conservation.</u>	12.6.1 A new model for landscape level conservation is developed.	Corporate
	12.6.2 APP consults with experts and interested NGOs and other stakeholders about development of a new model for landscape-	Corporate

Key Elements (underlined)	Performance Indicators	Location of evaluation
	level conservation.	
	12.6.3 New model has a high impact conservation benefit.	Corporate
	12.6.4 New model provides measurable outcomes.	Corporate
	12.6.5 New model addresses conservation at landscape level.	Corporate
12.7 Restoration will be addressed as part of <u>a long term approach to sustainable forest management</u>	12.7.1 APP develops a policy and procedure to include restoration as part of long term sustainable forest management.	Corporate
	12.7.2 Management actions and activities are developed to address identified restoration needs.	Concession
	12.7.3 Management actions and activities incorporate social assessments and principles of free, prior and informed consent (FPIC).	Concession
	12.7.4 Management recommendations and plans are developed in consultation with experts and stakeholders.	Concession
	12.7.5 Management recommendations and plans reflect expert and stakeholder input and, where input is not taken, include rationale for excluding input.	Concession
	12.7.6 A system is in place to monitor and evaluate implementation and outcomes of restoration activities.	Corporate/ Concession
12.8 Restoration includes consideration of landscape level impacts	12.8.1 Management actions and activities are co-ordinated with other activities in the landscape to address impacts beyond the concession boundary within the landscape.	Concession

Additional Public Statement #9	FPIC
<p>“In July, we announced our decision to take over the development of a new mill in South Sumatra and we are committed to applying the principle of FPIC as part of the development process”. (APP response to EPN Milestones Report, Sept 19, 2013, page 3)</p>	

Key Elements (underlined)	Performance Indicators	Location of evaluation
13.1 ... <u>applying the principle of FPIC as part of the development process</u> (for the new OKI mill in Sumatra).	13.1.1 APP development of the new mill in South Sumatra applies principles of FPIC to indigenous peoples and local communities.	Corporate/ Concession
	13.1.2 APP’s commitment to implement principles of FPIC is known and accepted by indigenous peoples and local communities affected by the development of the mill in South Sumatra.	Corporate/ Concession
	13.1.3 A record of the activities to implement principles of FPIC is maintained.	Corporate/ Concession
	13.1.4 Affected Indigenous peoples and local communities provide free, prior and informed consent in regard to the development of the mill in South Sumatra.	Corporate/ Concession

Additional Public Statement #10	Peatland Expert Team
<p>“A peatland expert team is currently being assembled and will shortly be announced. This follows input and recommendations from a variety of stakeholders. The team will be an integral part of our Integrated Sustainable Forest Management Plan. ... the team will be tasked with helping APP to adopt best practice management to reduce and avoid GHG emissions within the peatland landscape.” (APP response to Greenpeace Report, October 29, 2013)</p> <p>Note: In the Evaluation report this Additional Public Statement has been reported immediately after FCP Commitment 2 with which it is strongly connected.</p>	

Key Elements (underlined)	Performance Indicators	Location of evaluation
14.1 <u>A peatland expert team is currently being assembled</u>	14.1.1 APP has assembled a peatland expert team.	Corporate
	14.1.2 APP has publicly announced the peatland expert team.	Corporate
14.2 <u>This follows input and recommendations from a variety of stakeholders</u>	14.2.1 APP solicited input and recommendations from a variety of stakeholders about the peatland expert team.	Corporate
	14.2.2 The peatland expert team reflects input and advice from stakeholders.	Corporate
14.3 The team will be an integral part of our Integrated Sustainable Forest Management Plan	14.3.1 The peatland expert team provides expert advice about the integrated sustainable forest management plan.	Corporate
14.4 ... the team will be tasked with <u>helping APP to adopt best practice management</u> to reduce and avoid GHG emissions within the peatland landscape	14.4.1 The terms of reference and task assigned to the peatland expert group are described.	Corporate
	14.4.2 The peatland expert team assists with the development of best practice management on peatland.	Corporate
	14.4.3 The peatland expert team assists with implementation of best practice management.	Corporate

PART 2C – Additional Public Statements made in regard to the sufficiency of existing plantations to supply long-term demands of the pulp and paper mills.

Additional Public Statements #11:

Growth and yield from existing plantations

Recent independent assessments of the growth and yields of APP suppliers' plantation areas confirm that the company has sufficient plantation resources to meet the long term forecast demand for its pulp mills.

Note: This section is included here for reference. Performance Indicators for field evaluation will be developed following review of APP documentation in regard to sufficiency of the plantation fibre resources.