



Asia Pulp & Paper Follows UN Lead, Commits to First-Ever Human Rights Audit
“Protect, Respect and Remedy” Framework to be Cornerstone of APP Sustainability Program

JAKARTA, Indonesia – Asia Pulp & Paper Group (APP) is initiating its first-ever comprehensive human rights audit across the company’s Indonesian operations, heeding the United Nations call for the global protection of human rights by businesses around the world.

In June, the United Nations Human Rights Council endorsed for the first time a set of [guiding principles for business on human rights performance](#) using the “protect, respect and remedy” framework. APP has committed itself to adopting this framework in assessing and addressing human rights policies throughout its operations.

These new “Corporate Responsibility to Protect” principles provide a blueprint for companies on how to know and show they are respecting human rights. The [Guiding Principles for Business and Human Rights](#) outline how states and businesses should implement the UN “Protect, Respect and Remedy” framework in order to better manage business and human rights challenges. The principles are the result of six years of research led by Professor Ruggie of Harvard University, involving governments, companies, business associations and civil societies around the world. They are designed to ensure both human rights protections as well as providing clear course for conflict resolution.

The UN guidelines focus on due diligence as the first core principle and critical step for corporations. In line with this principle, APP has appointed Mazars Indonesia to independently assess existing stated policies, principles and performance across the company’s corporate operations, eight Indonesian pulp and paper mills and supply chain.

Mazars has developed a proprietary tool incorporating eight core principles to assess human rights policies and performance, known as the Mazars Indicators for Human Rights and Social Compliance (MIHRSC). This assessment tool is also based on and refers to the most relevant national and international standards, including prevailing Indonesian labor-related law and regulations, Universal Declaration on Human Rights (UDHR), Organization for Economic Cooperation and Development (OECD) guidelines for multinational enterprises, and around 80 Human Rights and International Labor Organization (ILO) conventions and declarations.

The Mazars audit team will be led by James Kallman, President Mazars Indonesia, and advised by Marzuki Darusman, director of the Human Rights Research Center for ASEAN and an internationally acclaimed human rights expert who has worked extensively with United Nations war crimes and human rights investigatory teams. As part of the outcome of this audit, Mazars will provide recommendations to strengthen corporate policy and performance based on these standards.

“Society is increasingly concerned about how business activities have impacts on human rights. Your stakeholders expect and demand that you establish transparent policies, practices and communications around your human rights performance just as you are expected to today around financial, corporate social responsibility and sustainability performance,” said Mr. Kallman, who helped lead the Mazars team that created the new protocol for the organization’s human rights audit.

Earlier this year APP [committed to using the Indonesian government’s two-year moratorium](#) on forest conversion in Indonesia as an opportunity to step back and assess all aspects of the sustainability performance of APP’s business. The human rights audit, one of numerous initiatives being undertaken by APP during this timeframe, is considered one of the most significant programs the company is undertaking to improve its comprehensive corporate sustainability program.

“This is the right thing to do for our people. How we act towards and work with our employees as well as the communities in which we do business reflects the moral and ethical character of our company. At the same time, it is a clear indicator of the potential longevity and sustainability of our global business. Companies that earn the respect and loyalty of employees and community partners are far more likely to succeed as global leaders over the long term,” said [Aida Greenbury](#), APP Managing Director.

Mazars, an international auditing and consulting firm headquartered in France, developed its human rights audit around eight key performance indicators. Among those indicators are policies and performance around work environment, forced labor, gender equality, community and environment impact and conflict resolution. The audit process starts with an assessment of the company’s formal policies to address these issues and then follows with implementation through every aspect of the organization, including the supply chain. Within each of the eight main indicators Kallman said there are as many as 100 different steps to assess and follow through to gauge overall performance across an organization.

“This is a very rigorous, intense and invasive audit that looks at every aspect of an organization’s performance. A company has to be fully committed to not only the audit itself, but also to the self-improvement process that follows. I have tremendous respect for any organization that opens itself up to this process,” Mr. Kallman said.

“We know that the audit is just the first step. What’s most important is what we do with the results. We expect we are going to find that there are some areas where we perform very well and others where we need stronger policies and more education throughout our company. We are starting down this path with a commitment to make sure that our entire organization understands and respects the importance we place on our people and the communities in which we work,” Ms. Greenbury said.

Embracing the UN’s leadership on human rights in business is part of an ongoing commitment by APP to follow Indonesia’s alignment with UN principles. The government of Indonesia also fully supports UN initiatives in many aspects including the UN Millennium

Development Goals. APP has followed suit and integrated its committed to the UN Millennium Development Goals across its sustainability and community development programs, with particular emphasis on poverty alleviation, improving access to healthcare and education, and promoting empowerment of women. This initiative is also a realization of APP's commitment to the UN Global Compact principles which the company pledged to comply with since 2008. Most recently APP became the first pulp and paper company in Indonesia to endorse and commit to the UN Global Compact CEO Water Mandate.

To view videos associated with this release, visit:
<http://www.youtube.com/user/asiapulpandpaper>.

About APP:

Asia Pulp & Paper Group (APP) is brand umbrella for paper products manufactured by a number of mills in Indonesia, inter alia PT. Indah Kiat Pulp & Paper Tbk, PT. Pindo Deli Pulp and Paper Mills, PT. Pabrik Kertas Tjiwi Kimia Tbk, PT. Lontar Papyrus Pulp & Paper Industries, PT. Ekamas Fortuna and PT. The Univenus. APP is headquartered in Indonesia and markets its products to over 120 countries. The majority of APP's production facilities hold Chain-of-Custody certification from LEI and PEFC.

About Mazars Indonesia:

Mazars is an international, integrated and independent organization, specializing in audit, accounting, tax, legal and advisory services with more than 13,000 professionals in 61 countries. Indonesia, Mazars has grown to be one of the top audit, outsourcing, tax, legal and advisory service providers in the country, with two offices in Jakarta and Bali and 350 highly skilled and dedicated professionals.

Through its global and integrated partnership, Mazars in Indonesia is able to serve a wide range and multi-sector clients consisting of large Indonesian companies listed in the Jakarta Stock Exchange; SMEs and subsidiaries of large international groups; as well as NGOs, government organization, bilateral and multilateral aid agencies.

Media Contacts:

APP Indonesia
Aniela Maria
Head of Stakeholder Engagement
Office: (62-21) 392 9266-69 Ext. 2303
Aniela.Maria@app.co.id

or

Cohn & Wolfe
Naomi Bata
Vice President of Public Relations
Office: 312-596-3332
Mobile: 630-788-6507
naomi.bata@cohnwolfe.com