

FIRE PREVENTION AND MANAGEMENT POLICY

(the “Policy”)

1. Our Responsibility to Prevent and Manage Fires

Asia Pulp & Paper (APP) Sinar Mas (hereinafter referred as “APP”) recognizes our responsibility to address land and forest fires in area where we operate based on global best practices for fire management. We commit to prevent and manage land and forest fires.

Our Pulpwood Suppliers

Our pulpwood suppliers are required to apply the principles of Sustainable Forest Management (SFM), including the implementation of APP’s Integrated Fire Management:

- 1.1 We comply with laws and regulations related to forest fire prevention and control.
- 1.2 We do not use fire as a method for land preparation.
- 1.3 We actively engage with local communities to prevent and/or mitigate fire risks within the concession areas.
- 1.4 We continually improve our equipment, technologies, methodologies, fire detection and the skills of the fire fighters.
- 1.5 We proactively collaborate with stakeholders e.g.; local authorities, contractors, local communities and other concessions holders to prevent fire in the concession area.
- 1.6 We integrate our fire prevention and mitigation program into operational management in accordance with the Integrated Fire Management (IFM) system.

2. Our Approach

- 2.1 Our approach in implementing land and forest fire prevention and management by placing great emphasis on working closely with our pulpwood suppliers, local communities and relevant stakeholders, based our approach on global best practices for fire management that comprises of four pillars: Prevention, Preparation, Early Detection and Rapid Response.
- 2.2 We communicate this Policy to our pulpwood suppliers, local communities and relevant external stakeholders through trainings and discussions.

3. Governance

- 3.1 This Policy applies to APP’s pulpwood suppliers in Indonesia.
- 3.2 The rules applied across our operations are derived from the provisions in this Policy.
- 3.3 This Policy will be reviewed on a regular basis for relevance and its effectiveness to achieve business objectives. To ensure the implementation of this Policy, we conduct regular monitoring and evaluation of its progress.

- 3.4 Corporate Fire Operation Management Division is appointed to coordinate the day-to-day implementation of APP's IFM system in line with this Policy. APP¹ regularly reviews the progress on the implementation of this Policy.
- 3.5 We report the progress on the implementation of this Policy to our stakeholders in a variety of ways that include publications, stakeholder forums and webinars.

This Policy is to further elaborate APP's land and forest fire prevention and mitigation commitment as stated in the APP's Sustainability Commitment and APP's Environmental Policy.

¹ As referred to APP's Governance Policy