

Public Notification Southern Forest Importation and Exportation LTDA

Asia Pulp & Paper (APP) is planning to make opportunities for cooperation in purchasing pulpwood (chip) from:

Name of Supplier : **Southern Forest Importation and Exportation LTDA**
Business Type : Trader with Physical Possession
Business Location : Brazil
Supply Scheme : Open Purchase

Southern Forest Importation and Exportation LTDA has completed the risk assessment process under Asia Pulp & Paper (APP) Supplier Evaluation and Risk Assessment (SERA). Prior to the submission to the Joint Steering Committee (JSC) for final approval and inclusion into APP's Approved Suppliers List, APP conducts a Stakeholder Notification process to address any concerns that stakeholders might have on the inclusion of **Southern Forest Importation and Exportation LTDA** into APP's suppliers list.

The stakeholder notification will be opened on: **04 – 17 May 2023**

Stakeholders who would like to raise any concern are invited to send their concern to:

Email : sustainability@app.co.id
Subject : Stakeholder Notification – Feedback on Southern Forest LTDA

Additional Notes:

1. Suppliers certification

- a. Certificate Number : CU-COC-886140
- b. Certificate Scope : FSC CoC
- c. Expiry Date : 22 Feb 2022 – 21 Feb 2021

2. Agent/Broker

A. Agent/Broker 1:

- a. Name of Agent/Broker : Homewearth PTE.LTD
- b. Certificate Number : 1. FSC: SGSHK-COC/CW-460027
2. PEFC: SGSCH-PEFC-COC-460005
- c. Expiry Date : FSC Certificate: 07 April 2027
PEFC Certificate: 23 November 2026

B. Agent/Broker 2:

- d. Name of Agent/Broker : Homewell International Development Limited
- e. Certificate Number : 1. FSC: SAI-COC/CW-007814
2. PEFC: SGS-CFCC/PEFC-COC-001133
- f. Expiry Date : FSC Certificate: 02 March 2027
PEFC Certificate: 23 Augustus 2026

3. Summary of SERA result:

No	Indicators	Evidence
1	Company, or any of its associated company ¹ , convert natural forest to other land use (plantation forest, agriculture, etc) after February 1 st , 2013	<p>Covered in their FSC certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.</p>
2	Country/Region	<p>Information of Potential Risk of Timber from Brazil (Timber Legality Risk Dashboard: Brazil July 2021):</p> <ul style="list-style-type: none"> - Legality Risk of Brazil is high because of the corruption index is lower than 50 (Based on transparency.org, CPI Brazil in 2022 is 38 (https://www.transparency.org/en/countries/brazil)). - There is export restriction for sawnwood and log. - Illegal logging is widespread, and a high percentage of Brazil's timber has been reported to be illegal. - Illegal logging and land grabbing are highly associated with violent conflicts in rural and indigenous communities, often driven by organized criminal networks. - High-value species from natural forests are at an elevated risk for illegal harvest. - Fraud and corruption are common and there is a risk that illegal timber is laundered into supply chains for all species. - Despite several high-profile enforcement operations that revealed systemic fraud and illegal logging, enforcement is limited in capacity and has been weakened further under the current political administration. - There have been widespread reports about the weakening of laws and requirements, some retroactively, applying to timber exported to international markets from Brazil. - There is also a high-risk of tax evasion for timber products from Brazil. - Interpol and the EU Member States have issued high alert warnings for illegal timber from Brazil. - Illegalities related to ownership of land and land conversion are a risk for timber sourced from Brazil. <p>Southern Forest Importation and Exportation LTDA is FSC CoC Certificate holder: Southern Forest Importation and Exportation LTDA have FSC Certificate (CU-COC-886140) and valid (validity period 22 Feb 2022 – 21 Feb 2021).</p>
3	Tree Species	<ul style="list-style-type: none"> - Based on their FSC Certificate, species for chip material are from <i>Eucalyptus spp</i>, <i>Pinus elliottii</i>, <i>Pinus taeda</i> - That species is not CITES-listed species
4	Third party certification/verification	<p>FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.</p>

No	Indicators	Evidence
5	CoC System a. Identification of Supplier Supplier Risk Assessment	Wood suppliers of Southern Forest Importation and Exportation LTDA is forest area in Brazil. Covered in FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.
6	Legality Compliance	National Registry of Legal Entities No. Registry: 40.757.147/0001-45 active since 08 Feb 2021 Covered in FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.
7	Protection of High Conservation Value	Covered in FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.
8	Species protection as listed within the IUCN red list of Critical Endangered Species and Convention on International Trade in Endangered Species (CITES)	Covered in FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.
9	Company's respect to traditional civil or human right?	Covered in FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.
10	Compliance to ILO Core Conventions (Child Labor, Freedom of Association, Forced Labor, and Discrimination)	Covered in FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.
11	Company's respect to Safety and Health for forest worker	Covered in FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.
12	No introduction of genetically modified organism	Timber species:

No	Indicators	Evidence
		<ul style="list-style-type: none"> - For log commodities: <i>Eucalyptus dunnii</i>, <i>Eucalyptus grandis</i>, <i>Eucalyptus saligna</i>, <i>Micropholis venulosa</i>, <i>ocotea porosa</i>, <i>Pinus elliotii</i>, <i>Pinus patula</i>, <i>Pinus taeda</i> - For chips commodities: <i>Eucalyptus spp</i>, <i>Pinus elliotii</i>, <i>Pinus taeda</i> <p>Covered in FSC Certificate: No: CU-COC-886140 Issued by: CU Validity: 22 Feb 2022 – 21 Feb 2021 The validity of FSC certificate have been confirmed in FSC website.</p>