

Press Release

For immediate release

LPEM UI RESEARCH RESULTS: 2016-2022, APRIL GROUP CONTRIBUTED IDR484.3 TRILLION TO INDONESIA'S GDP

- *In 2022, APRIL Group's contribution to GDP was equivalent to 0.55% of National GDP, generated by the supply chain flow of APRIL Group's core activity, namely pulp and paper production, in Pangkalan Kerinci, Pelalawan Regency, Riau.*
- *In 2022, APRIL's pulp and paper mill and plantation operations created employment opportunities for 257,436 people nationally and 146,986 people in Riau Province.*
- *APRIL's operations have also had a significant impact on Riau Province's economic recovery, particularly in Pelalawan District, as a key driver of for the Gross Regional Domestic Product (GRDP) growth to recover from the pandemic.*

JAKARTA, 13 July 2023 – A new study released by the Institute for Economic and Social Research, Faculty of Economics and Business, University of Indonesia (LPEM FEB UI), shows that APRIL Group's operations in the period 2016-2022 contributed significantly to the national economic growth and served as a catalyst for economic recovery in Riau Province in the wake of COVID-19 pandemic.

At the national level, the LPEM FEB UI research shows that APRIL Group's operations have a multiplier effect that contributed to an additional Gross Domestic Product (GDP) of IDR484.3 trillion over 2016-2022 period. The research results also show that in 2022, APRIL Group's operations and product sales created employment opportunities for 257,436 people and contributed IDR8.44 trillion to state fiscal revenues over 2016-2022 period.

"In 2022, APRIL's contribution to Indonesia's GDP was equivalent to 0.55% of national GDP. This finding shows that APRIL is not only one of the major players in the pulp and paper industry, but also a significant economic driver in Indonesia," said **Uka Wikarya, Head of the Regional and Energy Resources Policy Research Group at LPEM FEB UI.**

In Riau Province, APRIL contributed IDR245.6 trillion to GRDP over the period of 2016-2022. In terms of job creation, APRIL Group provided employment opportunities for 146,986 people in 2022.

Furthermore, Uka said, "At the regional level, APRIL stands as an important pillar of economic resilience and recovery, particularly in the aftermath of the pandemic as it plays a crucial role in fostering economic growth and fosters the creation of robust employment opportunities."

During the pandemic of 2021, the economy in Pelalawan District, where APRIL is located, grew by 1.82% to 4.07%.

This achievement can be attributed to APRIL's continued positive momentum across its operations throughout and its new investment in a sustainable paperboard mill, amounting to IDR33.4 trillion, at the end of 2021.

The research also found that APRIL Group's operations had the following major macroeconomic and fiscal impacts over 2016-2022:

- Contributed IDR484.3 trillion to the national GDP and IDR245.6 trillion to Riau Province's GRDP.
- In 2022, the company generated employment opportunities for 257,436 people nationwide, along with 146,986 people in Riau Province.
- Every one million rupiah of APRIL's pulp and paper sales will generate an economic output of IDR3.48 million at the national level and IDR2.27 million in Riau Province.
- Every 10 additional jobs at APRIL will create 57.6 workers nationally and 40.4 workers in Riau Province.

APRIL's CSR expenditure of IDR618 billion helped increase household income by IDR210 billion in the five districts where CSR initiatives were implemented: Pelalawan, Kuantan Singingi, Siak, Kampar, and Meranti Islands.

Contributed to state revenue (fiscal) through tax and non-tax obligations to the state amounting to IDR8.44 trillion at national scale. APRIL's operations also contributed IDR1.63 trillion to the revenue of all local governments in Riau Province.

Sihol Aritonang, President Director of PT Riau Andalan Pulp and Paper, an operating arm of APRIL Group, expressed appreciation for the latest LPEM UI study. "This study strongly affirms APRIL's significant impact on economic growth and further reinforcing our commitment to supporting sustainable economic growth through APRIL's entire production chain, including in providing positive benefits to the community, as in line with APRIL2030 sustainability commitments," Sihol said.

In 2020, APRIL Group launched APRIL2030, a set of transformative commitments for the next ten years. These commitments aim to contribute to climate, nature and communities while growing the business sustainably. One of the commitments, Inclusive Progress, seeks to eliminate extreme poverty within a 50-kilometer radius of APRIL's operations. APRIL Group also remains committed to innovating and strengthening investments that are in line with the government's priority agenda in advancing the green economy and sustainable development in Indonesia.

The Macroeconomic and Fiscal Impact Research conducted by LPEM UI used an economic multiplier model based on the 2016 Inter-Regional Input-Output (IRIO) Table and the 2016 Pelalawan Input-Output Table. Fiscal impacts were calculated using a fiscal allocation model developed by LPEM-FEB.

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About APRIL

APRIL Group is a leading producer of fibre, pulp and paper with plantations and manufacturing operations in Riau Province, Indonesia. We are committed to sustainability in our business and in the broader landscapes where we operate. Under our production-protection model, we adopted a unique 1-for-1 goal where we aim to conserve one hectare of forest for every hectare of plantation, and currently conserve and restore about 360,000 hectares of forests, including the largest peatland restoration project in Indonesia. For more information, visit www.aprilasia.com and follow Instagram @discoverAPRIL.

Media Contact:

Anita Bernardus
Director Corporate Communications, APRIL Group
anita_bernardus@aprilasia.com