

## Forest Stewardship Council (FSC)

### **FAQs on Asia Pulp and Paper (APP) moving under the beneficial ownership of Jackson Wijaya, the current beneficial owner of the Domtar Group**

7 Jan 2025

#### **1. How was FSC informed that Jackson Wijaya will be the beneficial owner of both Domtar and APP?**

FSC received a letter from the Board of Domtar notifying FSC that Domtar's ultimate beneficial owner, Jackson Wijaya, had been appointed by his father to become the ultimate beneficial owner of APP, as part of his father's succession planning.

#### **2. Has there already been a change in the beneficial ownership of APP?**

There is currently no change of APP ownership, but rather a proposed change in the ultimate beneficial owner of APP as part of familial succession planning under which Jackson Wijaya has been appointed by his father to become the ultimate beneficial owner of APP.

#### **3. Does FSC need any further evidence (legal or otherwise) to help understand the implications of this change in beneficial ownership?**

FSC will need to better understand the shareholding and ownership relationships, if any, between Domtar and APP as a result of this change. To accomplish this, FSC is commissioning a third-party independent legal analysis.

#### **4. Can you explain the implications of Domtar and APP having a common beneficial owner for the FSC Policy for Association?**

In the context of the *FSC Policy for Association*, a legal analysis will enable us to understand the implications of Domtar and APP having a common ultimate beneficial owner for Domtar's certification status. This is consistent with the manner FSC has treated other instances of changes to ownership of certificate holders to date.

#### **5. If the change of beneficial ownership is duly confirmed by the new owner, APP and Domtar, what is the point of conducting a legal review of relevant company connections to evaluate the implications of this new situation?**

FSC seeks to have a clear and complete picture of the corporate and ownership links between Domtar and APP. A legal review will help us decide what actions FSC will take to address the implications of this new situation.

## **6. How long will this process take?**

This case was assigned as high priority in FSC and we will be pursuing an accelerated timeline for this analysis.

## **7. What is the status of a second review of the corporate relations between APP and Paper Excellence / Domtar as announced in June 2024, to be conducted by commissioning an independent expert?**

FSC is putting this review on hold, as the corporate group relationship between Domtar and APP has changed and these two corporate groups will share the same ultimate beneficial ownership. Rather than reviewing allegations of corporate links between these two groups, FSC will now focus on a legal review to understand the shareholder and ownership connections between Domtar and APP.

## **8. Does this decision imply any changes to the APP remedy process?**

We are also analysing what consequences this ownership change creates to the ongoing **remedy process by APP**. The proposed change in the ultimate beneficial owner will require FSC to reassess the corporate structure to ensure that the scope of the remedy process is fully aligned with the remedy framework. This reassessment is crucial for transparency and compliance, and APP has agreed to provide all necessary information to FSC to facilitate this process when it is made available. In the meantime, FSC has suspended the Memorandum of Understanding on the implementation of the FSC Remedy Framework by APP until the end of March 2025. Please refer to the case page at <https://connect.fsc.org/asia-pulp-and-paper-app>

## **9. When will the remedy process resume?**

FSC needs to be satisfied with the transparency and completeness of the information provided regarding the change in the ultimate beneficial owner, and alignment with the FSC Remedy Framework.

## **10. In previous years Domtar has donated money to FSC general assemblies: will this be the case for the 2025 general assembly in Panama?**

FSC will not be receiving a financial contribution towards its 2025 general assembly from Domtar.

## Background on the remedy process of APP

At the general assembly in 2022, the FSC membership opened the door for organizations to remedy for past conversion and *FSC Policy for Association* violations. This is because it is believed that healing is possible and encouraged, under conditions set by FSC for the benefit of sustainable forestry and thus, the FSC certification scheme with its members and supporters. The FSC Remedy Framework, which became effective in July 2023, defines a verified approach to restoration of environmental values, restitution for social harm, and an opportunity to heal.

FSC [disassociated](#) from APP in October 2007. FSC and APP have been in dialogue since 2013 on how APP can address the environmental and social impacts of its conversion to regain associate status with FSC.

In early 2024, APP took steps to embark on a process to remedy the environmental and social harms stemming from its past conversion activities. In May 2024, APP and FSC signed a remedy framework agreement that initiated the implementation of APP's remedy process. For more information, refer to the APP remedy [case page](#).

For more information about the history of this case, [visit this page](#)