



Press release  
For immediate release

## **ALDO Receives Green Loan Facility to Support the Growth of Circular Economy in Indonesia from HSBC**

*HSBC Indonesia distributes its first green loan portfolio of IDR 27 billion to PT Eco Paper Indonesia, a manufacturer of recycled brown paper*

**Jakarta, 18 March 2022** - PT Bank HSBC Indonesia (“HSBC Indonesia”) today announced it has provided a IDR 27 billion green loan to PT Eco Paper Indonesia (“ECO”) (a subsidiary of PT Alkindo Naratama Tbk./ALDO), a manufacturing company engaged in the processing and production of recycled waste paper into various grades of brown paper for re-use by paper converting industries. This transaction reflects the Bank’s strong commitment to support the growth of a more sustainable economy in the country.

ECO produces recycled paper using waste paper, including that collected from landfill or the streets by small size waste paper collectors. The green loan facility from HSBC will be used to increase ECO’s working capital and triple its production capacity to reach around 22,500 tonnes of recycled paper per month. This expanded productivity is expectedly will help to improve the economy of waste paper collectors, as one of the sourcing vendor of the waste paper.

The recycled paper manufactured by ECO has an important role in supporting the growth of circular economies in Indonesia. Consequently, the company successfully obtained Forest Stewardship Council (FSC)<sup>1</sup> and Timber Legality Verification (SVLK) certificates<sup>2</sup> from PT SGS Indonesia (“SGS”), and the financing facility from HSBC is categorized as a green loan.

As a result ALDO carried out a business development strategy to enter the paper bag market and paper boxes to the FMCG, food and beverages (F&B) and micro, small and medium enterprises (MSME) sectors, with a constant commitment to a green concept utilizing green raw materials, processing and energy.

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<sup>1</sup> Forest Stewardship Council (FSC) is an independent, non-governmental, not for profit organization established to promote the responsible management of the world’s forests.

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**Francois de Maricourt, President Director of PT Bank HSBC Indonesia**, said, "Supporting the growth of Indonesia's circular economy will have a significant impact in helping the country to meet its Sustainable Development Goals and mitigate the impact of climate change. Green and sustainable bonds, loans and sukuk in Indonesia have primarily been driven by sovereign and government-backed entities to date so we expect to see more corporates participate as Indonesia continues to advance its climate ambitions and companies like ECO lead the way."

HSBC is committed to a sustainable future. Alongside green loan facilities, HSBC also provides expert guidance and support to help businesses with strategic development plans that support the goal of transitioning to net-zero emissions.

**Herwanto Sutanto, President Director PT Alkindo Naratama Tbk. (ALDO) and President Commissioner of PT Eco Paper Indonesia (ECO)**, said, "We are very proud and honored to be the first company in Indonesia to receive a green loan facility from HSBC. This facility is in line with our business model that prioritizes environmental, social and governance (ESG) which is currently being carried out by ALDO and its subsidiary PT Eco Paper Indonesia. We hope that HSBC's support to ECO can strengthen the fundamentals and development of the Company going forward."

**Eri Budiono, Commercial Banking Director of HSBC Indonesia**, said that HSBC aspires to create a carbon-free economy through sustainable financial practices. HSBC continues to put forth substantial efforts in educating and encouraging debtors to pay attention to the ESG approach in doing business. EPI is the right inspiration for the community and other companies to integrate ESG aspects and support business goals.

For further information on HSBC Indonesia's retail and commercial banking services, please visit [www.hsbc.co.id](http://www.hsbc.co.id).

For further information on PT Alkindo Naratama Tbk ("ALDO") please visit [www.alkindo.co.id](http://www.alkindo.co.id)

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### **The Hongkong and Shanghai Banking Corporation Limited**

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of \$3.0tn at 31 December 2021, HSBC is one of the largest banking and financial services organisations in the world.

### **About PT Bank HSBC Indonesia**

HSBC has been operating in Indonesia since 1884 and currently serves customers throughout Indonesia. PT Bank HSBC Indonesia is a member of the HSBC Group which offers Commercial Banking and Global Banking services for Corporate and Institutional customers, Global Markets for Treasury and Capital Market management as well as Wealth and Personal Banking.

### **About PT Alkindo Naratama Tbk**

PT Alkindo Naratama Tbk ("ALDO") a listed company engaged in the integration of paper and chemicals through synergies with three of its subsidiaries, namely PT Swisstex Naratama Indonesia ("Swisstex") as a distributor of Dyes and Textile Chemicals (since 2011), PT Alfa Polimer Indonesia ("ALFA") as a producer of Water-based Polymer (since 2013), and PT Eco Paper Indonesia ("ECO") as a producer of Recycled Brown Paper (since 2019). Starting as a brown paper conversion company in 1989 by producing Paper tube as the main production line, ALDO has innovated various products derived from brown paper such as Paper core. In addition, after identifying the increasing trend of online shopping and food delivery which encourages the use of more sustainable packaging. The Company carried out a business development strategy to enter the paper bag market and paper boxes to the FMCG, food and beverages (F&B) and micro, small and medium enterprises (MSME) sectors.