

Dear Irene Pietropaoli & Annabel Short,

Thank you for providing us with an opportunity to respond to allegations raised in an article in the Awas Mifee website headlined "**Trial starts for two people arrested on demonstration at PT Permata Putera Mandiri's office.**"

We notice that the article was sourced from <http://pusaka.or.id/demo-menuntut-pt-ppm-dua-warga-dipidanakan/>, a site that is defunct or does not exist. The article also relies on the allegations of one Simon Soren. Other allegations were unattributed and seemed to be editorializing by the writer.

The allegations are many but like you, we are interested in the truth coming out so let us begin by addressing Soren's allegations and then the editorializing.

Soren was quoted as saying that their protest was a result of "the people demanding that PT PPM offer a solution to the problems of land grabbing, the destruction of forests and sago groves, illegal logging and an unfair level of compensation and indications of illegal exploration of oil and gas."

These allegations are factually incorrect, beginning with "the people" doing the demanding. The protestors, to our knowledge, are residents of Sorong, about 340 km from where we have our plantation and where the Iwaro tribe live. On May 18, Boas Wilemanas, the former Chief of the Iwaro Tribe in the city was quoted by a Papuan newspaper, Radar Sorong, as saying that in tribal law Soren did not have the right to make any claims on behalf of the Iwaro tribe because he has no blood ties with the tribe. (Please see a clipping of the newspaper article attached)

Soren accused PT PPM of land grabbing and an unfair level of compensation. This is unfounded as PT PPM adhered strictly to the Free Prior Informed Consent protocol as required by the RSPO to ensure that local communities are not taken advantaged of by prospective purchasers of their land.

He also alleged that we had destroyed forests. This is again incorrect as any land clearance activities had to conform to the RSPO's New Planting Procedures that includes us conducting a legally required Environmental Impact Assessment and a High Conservation Value assessment. These documents were posted for public scrutiny on the RSPO website before we are certified to proceed with land clearance.

On the allegation of illegal logging, we have logging permits from the Government. We have paid all related fees and followed all procedures required by Government. On the allegation of illegal explorations of oil and gas, we are a palm oil plantation, not an oil and gas company, and therefore harbor no intentions to drill for oil. We suggest that you ask the writer of the Awas Mifee article for substantiation to this allegation.

Among the editorialized allegations are that "the company refused to meet with the demonstrators". This is also factually incorrect.

PT PPM representatives met with the protestors before and after the demonstrations several times with goodwill and an intent to listen and to understand whatever grievances they may have. (Please find below the chronology with attached photos and related documents to help you verify that these meetings took place.)

This gesture was not reciprocated and on 15 May 2015, the protestors became destructive, pulling down the fence to the PT PPM office, scouring the walls of the

office and spraying a cement mix on the door of the office. From what we observed, that was when the Police restored order and broke up the demonstration. To help you understand the situation, please find a videoclip of the demonstration.

The article contains many other allegations that we would be happy to address specifically if you request us to, but we feel that our explanations have made the case that while it is easy to level accusations against an agribusiness, it is also important to verify and substantiate the claims of those that make allegations, rather than placing the onus to explain solely on whomever is being accused.

ANJ is extremely aware of the need for a balanced sustainability in the oil palm industry. We live in a world where competing interests can both be legitimate and essential. On the one hand, there is a national need to develop more land to feed its growing population. At the same time, there is the need to make sure that there is adequate protection accorded to the environment and the local communities in the face of this development. ANJ is committed to do its best to achieve this balance.

Kind regards,  
Istini Siddharta  
Deputy President Director  
PT Austindo Nusantara Jaya Tbk.