



Response to Greenpeace Report: "ASEAN Haze 2019: The Battle of Liability"

Dear Colleagues,

We refer to the Greenpeace report entitled "ASEAN haze 2019: the battle of liability." <https://www.greenpeace.org/southeastasia/press/3221/asean-haze-2019-the-battle-of-liability/>

We had responded earlier that we share the concerns regarding the impact of fires, but we want to clarify the data that is cited in the report.

We are actively monitoring and controlling fires in all our concessions and associated smallholder schemes in Riau, West Kalimantan and Central Kalimantan, as well as along a 3 km perimeter. We conduct ground patrols and daily hotspot monitoring through satellite data. We have strict Standard Operating Procedures (SOPs) on reporting, monitoring and fire-fighting. Our teams are well-equipped, and we have been engaging local villages through our Masyarakat Bebas Api Program (Free Fire Village Program). Despite these precautions, hotspots do occur. Across all of our operations in 2019 (Jan-Sept 30) 92 hotspots were detected and 13 of which were actual fires, destroying a total area of 42.3 ha. Upon detection of fire cases, our fire-fighting team were instantly dispatched to put off the fires to minimize the damage. All fire incidences are promptly reported to the police, as well as to the RSPO.

Concerning the sealed concession of PT Musim Mas, we acknowledge that there was a fire in an HCV area, covering 5.3 ha. There is no incentive for Musim Mas whatsoever to destroy an HCV area that had been set aside since 2007. The burnt area is located on the edge of the concession near a river. There is evidence of potential sabotage by outsiders, evidenced by several hotspots in a 200-300m perimeter and wood stacked across the trench. We had reported the case to the police immediately and the authorities are investigating. We have committed to replant the area with native trees, and a restoration study/plan is being drawn with the assistance of respective government departments for this commitment. We are willing to share the study with Greenpeace once it has been completed.

As for the Greenpeace finding of 6,066 ha within our Group's concessions that are burnt between 2015 and 2018, we want to make it clear that this figure is inaccurate. Our records

indicate that from 2015 to 2018 there were cumulatively 1,632.7 ha of unintentionally burnt area, and we have published this figure in our Sustainability Report. Since 2015, we have undertaken tremendous efforts to manage the fire risk within our managed area and its surroundings, bringing 1,472 ha area burnt in 2015 down to 42.3 ha burnt in 2019.

We support transparency in the sector and have submitted concession maps since 2014 to the RSPO, updated annually. Our concession maps can also be found on Global Forest Watch. As a POIG member, we are committed to implementing HCSA in our entire operations. Our HCSA assessments have gone through HCSA peer review, during which concession maps shapefiles were provided as part of the review process. We are also one of the pioneer funders of a [new](#), publicly available radar-based forest monitoring system known as Radar Alerts for Detecting Deforestation (RADD).

We are agreeable to sharing the shapefile maps of all the operations under our control with Greenpeace.

Regarding our supply chain, we update the list of supplying mills quarterly (see <http://www.musimmas.com/sustainability/traceable-supply-chain/supply-chain-map>). This list reflects the exact supply base of our refineries for the period.

We want to clarify that we are not/have stopped buying from the following groups and company:

1. Salim Group (all companies) since August 2018
(see <http://www.musimmas.com/sustainability/group-supplier-engagement-grievance/grievance-list/indoagri-indofood-salim-group>)
2. Sungai Budi Group / Tunas Baru Lampung since July 2018
(see <http://www.musimmas.com/sustainability/group-supplier-engagement-grievance/grievance-list/tunas-baru-lampung-sungai-budi-group>)
3. Gama Group (all companies) since April 2017
(see <http://www.musimmas.com/sustainability/group-supplier-engagement-grievance/grievance-list/ganda-group-gama>)
4. ANJ (all companies) since August 2015
(see <http://www.musimmas.com/sustainability/group-supplier-engagement-grievance/grievance-list/austindo-nusantara-jaya-anj>)

As for the other suppliers that Greenpeace has mentioned, they are in our supply chain. We are monitoring the occurrence of hotspots in their concessions using publicly-available platforms, as well as a private platform focusing on our supply base.

In the case of detected hotspots in the concessions of our suppliers, we systematically share the information with them and request clarifications. We double-check the information, in particular, to verify reports of hotspots "outside of the concession". We ensure that we receive an answer to all hotspot reports. In many cases, the hotspots turn out to be false positives or to be outside of the actual concessions.

If an actual fire has taken place within the concession, we request investigation conclusions and an action plan if there was environmental damage. The action plan has to be compliant with Indonesian regulations in fire prevention and firefighting, and environmental conservation.

###

Musim Mas Group is one of the leading global palm oil companies with its headquarters in Singapore and global operational presence in 13 countries. The Group is involved with every part of the palm oil supply chain, from upstream oil palm plantations to midstream and downstream operations, to marketing and sale of value-added products globally.

With sustainability as a core value, we were the first company with major operations in Indonesia to join the Roundtable on Sustainable Palm Oil in 2004. We are also the first Southeast Asian company to produce palm oil according to the high standards for responsible palm oil established by the Palm Oil Innovation Group (POIG).

Best Regards,

Carolyn Lim
Head of Corporate Communications