

To:
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Subject: Exposure to conflict palm oil and deforestation in Indonesia

Dear Ben Keswick, John Witt, Jonathan Wootliff and Matt Bland,

Greetings from the Friends of the Earth network.

We are writing to you about Jardine Matheson's exposure to ongoing deforestation, land conflicts and environmental and human rights violations linked to Astra Agro Lestari (AAL). Recently, FoE US spoke with Mr. Bland and Wootliff about these concerns. Our organisations have been working with and supporting communities affected by AAL's palm oil operations:

- In March 2022, [we published extensive evidence](#) and documentation of how AAL's subsidiaries in Sulawesi (PT Agro Nusa Abadi, PT Lestari Tana Teladan, PT Mamuang) were engaged in land grabbing, including violating communities' rights to Free, Prior, Informed Consent (FPIC), lacked the proper legal permits to operate, contributing to environmental degradation and pollution, and responsible for the intimidation of communities, criminalisation of community leaders and environmental human rights defenders.
- In March 2024, [Genesis Bengkulu published](#) an overview of deforestation and illegal plantations inside the forest estate from AAL's subsidiaries. They found 19 AAL subsidiaries' concessions overlap with over 20,500 hectares of Indonesia's forest estate. 15 AAL subsidiaries are linked to 12,970 hectares of deforestation between 2015 and 2023 inside their concession and Indonesia's forest estate. By 2023 AAL subsidiaries had planted 4907 hectares in Indonesia's forest estate inside their concessions. At least 1,100 hectares of AAL's palm oil plantations in Indonesia's forest estate appear to be illegal, as these forests are ineligible to be converted into plantations.

To date, ten consumer brands, have suspended palm oil sourcing from AAL [in some capacity](#). Financiers have responded by either divesting from the company (group) or voting against company directors. [We welcomed](#) the recent decision from Norge's Bank to exclude Jardine Matheson and Astra International over environmental and biodiversity impacts. After the Norwegian Pension Fund Global had already placed Astra International [under observation](#) since 2015 because of severe environmental damage. According to the

[Financial Exclusion Tracker](#) the adverse impacts of AAL have led to various exclusions from pension funds and banks, besides the exclusions based on climate impact and fossil fuels.

In response, AAL hired a number of consultants to investigate standing allegations of environmental and human rights harms. Unfortunately, the investigation and resulting report failed to examine a number of critical allegations and produced inadequate and inaccurate findings that [did not reflect the reality](#) on the ground. This is a smokescreen tactic often used by companies that face reputational risk and are challenged by civil society on their bad practices.

At the same time, communities impacted by AAL's operations continue to face adverse impacts. Farmers remain imprisoned for accusations of 'stealing' palm fruit from their own land. Environmental degradation resulting from palm operations continues to contribute to flooding, and protracted land conflicts persist. Criminalisation of local community members is ongoing. Soon after WALHI published a video with testimonies from two community members on their demand for land, the community members received a [visit from AAL staff](#), including security staff. They felt this was intimidating and threatening.

Impacted communities have been clear in their calls for grievance redress and remedy, specifically calling on AAL to: return land back to communities that was taken without their consent; provide compensation to farmers for loss of lands and livelihoods; conduct environmental restoration to damaged and degraded rivers and waterways; work to clear the good names of community leaders and environmental and human rights defenders that have been criminalized; and issue a public apology for harm done. AAL's respect for communities' land rights would allow for significant improvement for communities' livelihoods and dignity.

As Jardine Matheson is the parent company of AAL (and Astra International), we call on your firm to ensure AAL resolve ongoing conflicts with communities, redress grievances, and remedy harm done, consistent with community demands. And in line with (upcoming) legislation in the EU/UK/US as well as OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights. Your actions and decisions on this case should be public, in order to inform affected communities and promote transparency.

In order to counter the [climate](#) and [biodiversity](#) crises it is now widely recognised that the agricultural sector must undergo a huge transition. The [Glasgow Leaders Declaration](#) on Forests and Land Use commits to halting and reversing deforestation by 2030. Indigenous Peoples and Local Communities [are recognised](#) as some of the best guardians of the natural world. Adoption of agro-ecological practices and community forest management [is essential](#) for sustained and sustainable production, climate mitigation, adaptation, and nature recovery. The transition must be a just one.

To do this, and also prevent further contribution to structural and environmental harms in the palm oil sector we call upon you to transition away from industrial palm oil plantations towards community based agro-ecology and forest management.

We look forward to your response.

Sincerely,

Danielle van Oijen, Milieudefensie
Uli Arta Siagian, WALHI
Gaurav Madan, FoE US
Nick Rau, FoE EWNI