



Procter & Gamble  
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27<sup>th</sup> February 2023

**Re: RAN Grievance Against Harita Group for Violation of Indigenous Rights (Long Isun)**

Dear Mr. Daniel Carrillo, Ms. Ginger Cassidy

Thank you for bringing to our attention your concerns linked to potential violations of the indigenous land rights of the Long Isun. Specifically, by companies within the Harita Group - PT. Rodamas Tbr Kalimantan (RTK) and PT. Kemakmuran Berkah Timber (KBT).

On receipt of your email and [Keep Borneo's Forest Standing](#) (23<sup>rd</sup> January 2023) we conducted and shared with you the outcome of our initial investigation. On receipt of your further email and [Keep Forests Standing: How community resistance is saving the last rainforests of Borneo](#) (14<sup>th</sup> February 2023) we have reviewed these and carried out additional engagement with our suppliers.

I can confirm the following regarding PT. Rodamas Tbr Kalimantan (PT RTK) and PT. Kemakmuran Berkah Timber (PT KBT)

- P&G **does not** source or use any materials, products or services from either PT RTK or PT KBT.
- Both companies operate in the timber sector. I would like to take this opportunity once again to clarify that we do not source or use wood pulp from tropical rainforests, including Indonesia. Our wood pulp sourcing geographies are shared transparently at [P&G ESG Investor Portal: Wood Pulp Data & Metrics](#)
- When investigating human rights grievances our approach is informed by the internationally accepted norms laid out in the United Nations Guiding Principles on Business and Human Rights (UNGPs). The first step in our analysis of any grievance is to understand whether there is a connection between an impact and our operations, products or services. This allows us to determine whether we have responsibility under the UNGPs to take action and address the impact. In this case, we **have not** been able to identify a connection between P&G products and PT. Rodamas Tbr Kalimantan (PT RTK) and PT. Kemakmuran Berkah Timber (PT KBT).

You also asked us to investigate Bumitama Agri Ltd, an independently operated Harita Group operation. I can confirm:

- P&G does indirectly source palm oils from Bumitama Agri Ltd (BAL).
- Bumitama Agri are part of the Harita group but are managed as a wholly independent company with a separate management structure. Unlike PT. Rodamas Tbr Kalimantan or PT. Kemakmuran Berkah Timber they operate in the palm commodity sector.
- We have been **unable** to identify any specific concerns linked to this grievance and Bumitama Agri's operations or the products, materials or services they provide indirectly to P&G. We have not identified any direct links between their operations and the Long Isun case. Should you have any additional information we would welcome receiving it for further review.

As previously shared with RAN, we do not condone the action of any company that violates human rights. We encourage all companies, and expect our suppliers, to respect human rights. Where concerns arise, we expect our suppliers to seek resolution, including where applicable, taking remediating action. Although the impacts raised in RAN's reports fall outside the scope of the UNGPs, we have chosen to engage with our supplier Bumitama Agri, in response to your report and:

- Clarify our expectations that land rights and right to Free Prior and Informed Consent (FPIC) should be respected
- Reaffirm our requirement that all materials, products and services provided to P&G our suppliers comply with our [P&G Responsible Sourcing Palm Policy](#). Our policy directly addresses our expectation of respect for human rights, land and resource rights, FPIC and to respect and support human rights, land rights and environmental defenders.
- We also asked Bumitama to express our concerns related to this case to the Harita Group and share our encouragement to seek resolution. Following these conversations, we understand that PT RTK and PT KBT ceased logging operations in the disputed lands in 2015-2016. We were also informed that Harita state they have implemented actions to remove the contested Long Isun community lands from long-term work programs, discontinued existing activities and have the intention to support Long Isun community in their on-going efforts to achieve recognitions of their lands as customary forests. We would encourage them to ensure that progress is made.

*In conclusion*, despite the impression provided by your report we have been unable to identify a link between this grievance and any products, materials and services used by P&G. However, we would encourage you to share with us any new or relevant information for our review and investigation.

Sincerely

**Dr Siân Morris, Responsible Sourcing Senior Director Communications**