

November 5, 2019

Background

Feronia PHC operates in extremely challenging conditions but is making a huge difference to people's lives in one of the world's poorest places. We employ many thousands of people in a region where there are almost no other formal employment opportunities and we are working hard to improve the lives of our employees and the wider community; without whose ongoing support, we would not be able to function.

We take our social and environmental responsibilities incredibly seriously. That is why we have invested \$10m over the last six years on projects which benefit employees and community members alike, including access to improved healthcare facilities, subsidised healthcare and the provision of clean water.

We are proud of what we have achieved thus far, with limited resources, but considerable investment is still required to turn the business into a sustainable, self-funding enterprise and to enable us to fully deliver on our social and environmental promises and objectives. Nonetheless, we are determined and committed to achieve this and to continue having an overwhelmingly positive impact on the lives of our employees, their families, surrounding communities and the Democratic Republic of the Congo.

Feronia PHC has a policy of transparency and is pleased to engage with any party seeking to learn more about its operations, motivations and objectives.

Accusations of harassment and arbitrary arrests of land defenders in the DRC

Feronia believes that the protection of civic freedoms and respect for the rule of law are both vitally important for civil society and business to thrive.

While Feronia may not always agree with its critics, it respects their right to hold the company to account and we are committed to addressing and resolving areas where genuine grievances occur. The company has engaged external experts to look at land legacy issues and is also cooperating fully with an enquiry being undertaken by the International Complaints Mechanism of the German and Dutch development banks (two of our lenders) following complaints lodged by a small group of local people. Feronia recognises that this is a hugely complex and sensitive issue but is committed to working with all of its partners, including community leaders and NGOs, to find a satisfactory solution.

Feronia also respects the rule of law and the independence of the judiciary in the DRC and has no control or influence over its application, beyond the ability to lodge complaints with the authorities, as all organisations and individuals in the DRC can.

While the judicial process is ongoing, it would be potentially prejudicial to comment on specific arrests that have recently occurred in the areas in which Feronia operates. However, we are aware that the police have increased activities in the remote locations in which the company operates in an attempt to tackle wide-scale, systematic and organised crime including theft, threats and physical violence, including against the company's staff and assets. It is believed that a number of those that

have been arrested recently are accused of serious offences under DRC law, including the assault and battery of company employees and theft from the company , and that their arrests were in spite of, not because of, any apparent affiliations they may have with local NGOs.

Accusations that the company is responsible for, or orchestrating, the arrest and detention of people in collusion with state authorities, are untrue and misleading, as are accusations that the company is, or has been directing intimidation against community members or against a local NGO, or that the systematic harassment of local communities by its staff takes place.

It is deeply regrettable that there are those that, for whatever motives, seem determined to undermine the positive progress being achieved by the ongoing multimillion dollar investments made by the company and its partners, through the perpetuation of misleading, false and factually inaccurate information.

We therefore thank the Business & Human Rights Resources Centre for contacting Feronia and providing us with the opportunity to provide a response to these false and highly irresponsible accusations that only serve to inflame tensions within local communities without good cause.

Feronia Inc.
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