

**NATUMINGKA CHRONOLOGY
PT TOBA PULP LESTARI TBK**

IUPHHK-HTI : SK Menhut No. 493 year of 1992 jo SK 307 year of 2020
Area : 167,912 Acres
Habinsaran Estate : 26,765 Acres (Toba District: 11.559 Acres, North of Tapanuli District: 15.206 Acres)
Area : Estate C
History of HTI : 5 Rotations (1 Rotation = 5 to 7 years) successfully completed (Entering 6th Rotation)

PT Toba Pulp Lestari Tbk (the “Company”) is an industry that produces pulp with the raw material of wood from the Company's Business Permit for Forest Timber Product Utilization – Industrial Plantation Forest (IUPHHK-HTI). The operation of IUPHHK-HTI is in accordance with the Minister of Forestry Decree (SK) No. 493 year 1992 jo SK No. 307 year 2020 in an area of 167,912 Acres located in 12 districts/city, one of them is Toba District which includes Habinsaran Estate. In Habinsaran Estate, there is a village adjacent to the Company's operational area namely Natumingka Village. Generally, the activities at Habinsaran Estate since the Company's operations have been running normally and when a problem arises it will be resolved with peaceful deliberation. Thus, Natumingka Village originally has no conflict with the Company, but recently there have been a suspected group of people provoking the Natumingka Village’s Community to cause a conflict, where the location of the conflict in the Company's work area is approximately 5 km from the community village, which can be explained based on the chronology as follows:

1. August 2019:

A group of people who claimed to be Pomparan Op.Punduraham Simanjuntak placed a lot of placards in the Company's operational area. Noticing the placards, the Company approached to meet the community groups facilitated by the Village Head to discuss the claims of these community groups because the claims had never existed before since the first Annual Performance Plan (RKT) in 1990/1991 when harvesting pine plants and planting eucalyptus plants at the 1st rotation. During this meeting, the Company socialized again to the community that the Company's operational area must be safeguarded and preserved from the interference of other parties, therefore since the start of the operation, the Company has always carried out the socialization to the surrounding community every time entering a new annual RKT.

2. October 2020:

The Company carried out harvesting and followed with planting, but a group of people blocked by tweeking the eucalyptus plants that just been planted by the Company, and started planting corn, bananas, cassava and other palawija plants in that area. To avoid conflict, the Company stopped the planting and then made a Police Report No. STPL/245/X/2020/SU/TBS on the suspects that destroyed the eucalyptus plants. After that incident, the Company conducted socialization again to the community through Community Leaders and Village Head so that the group of people that claim the area do not block and/or destroy the Company's eucalyptus plants. However, the socialization was ignored by the group of people who claimed the area.

3. January - February 2021:

After socializing with the Natumingka Community, the Company carried out harvesting in 100.9 Acres in its concession area without any disturbance. But when the Company wanted to replant, a

group of people came back to block the Company's workers and planted that area with corn and cassava. To avoid conflict, the Company stopped the planting again and engaged in a discussion with that group of people mediated by the Natumingka Village Head, but the discussion did not end with any conclusion.

4. March 2021:

The community group wrote to the Company with letter No. **100/006/MAN/III/2021** to invite KPH IV Balige to clarify the status of the area being claimed. The company followed up the letter to KPH IV Balige with letter No. 109/TPL-P/III/21. KPH IV Balige responded to the letter by holding a meeting attended by the Head of the Habinsaran Police, Head of Borbor Sub-District, Head of Natumingka Village, USPIKA, and the Company. Despite the community group not attending even though they were invited, the results of the meeting were conveyed by KPH IV Balige to the Head of Natumingka Village that the area was located in a state forest area which is part of the Company's concession area and, it is hoped that the community will not obstruct the Company's HTI operations. If the community wants to demand recognition of customary forests, then KPH IV Balige is ready to facilitate community requests accompanied by supporting documents following applicable laws and regulations.

5. April 2021:

On April 01, 2021, KPH IV Balige invited the Company with letter No. 005/822/KPHWil-IV/2021 to attend the KPH IV Balige field visit with USPIKA to clarify claims from the Natumingka community group according to community requests on April 06, 2021. The field visit was attended by KPH IV Balige, the Company, Head of Borbor Sub-District, Polsek, Danramil, Head of Natumingka Village and community group who claimed to be Pomparan Op Punduraham Simanjuntak. The field visit resulted in KPH IV Balige issuing a letter No. 522/936/KPHWil-IV/2021 to the Natumingka community group that the status of the area is in a state forest area with the function of Production Forest and it is part of the Company's concession. However, if the community needs the land to cultivate crops, the Company is willing to enter into a forestry partnership with an intercropping agricultural model of corn and crops among eucalyptus plants, which has been done in other villages. At the time of the field visit, KPH IV Balige told the community that after this visit there shouldn't be any more interference by the community regarding eucalyptus planting activities in the area.

6. May 2021:

After the field visit on April 06, 2021, the Company again socialized the planting activity plan through the Head of the Natumingka Village. The Head of Natumingka Village asked for time to socialize again with the community so that planting could be carried out after May 16, 2021. Based on this information, the Company again postponed the time and rearranged the planting plan to be carried out on May 18, 2021. However, on May 06, 2021, a group of people claimed that the Natumingka community was suspected of destroying eucalyptus plants by cutting down a 2-year-old Eucalyptus tree. The suspects fled by leaving their motorbike behind after destroying the eucalyptus plant when they knew that the Company security got alerted. The Company lodged a Police Report on the aforementioned incident No. STPL/118/V/2021/SU/TBS dated 06 May 2021 and the motorbike was confiscated to be used as evidence by the Police. Due to the confiscation of the motorbike by the Police, the suspected group of people initiated the blocking of the Company's access road to its plantation area.

7. 18 May 2021:

Following the results from the previous dialogue and communication, the Company continued planting in the concerned area to avoid environmental damage. As a way to avoid prolonged questions and arbitrary actions, the Company invited KPH IV Balige and law enforcers on join on that day. Further details elaborated as follows:

- a. 06:15 WIB:
Morning ceremony as usual.
- b. 06:30 WIB:
Around 500 workers from local partners went to the field.

- c. 07:00 WIB:
Workers arrived at the plantable area. However, at the entrance to the area, a group of people who claimed to be Natumingka Village Community blocked the road avoiding workers to pass through to carry out planting activities.
- d. 07:30 WIB:
The Toba Police Team and Habinsaran Police arrived at the location to keep the situation calm and explained that the Company is working following the permit and asked the community not to block the planting activities. However, the community still insisted that the Company not continue planting.
- e. 10:30 WIB:
The KPH IV Balige Team arrived at the location to explain to the group regarding the planting location that it is a State Forest Area with Production Forest function and has been granted with an IUPHHK-HTI permit to the Company. However, the group still insisted that the Company not continue planting.
- f. 11:55 WIB:
In the middle of the negotiation process, a group of unknown suspects started throwing stones and wood at the Company's workers and security, resulting in 3 security personnel, 2 Company employees, and 1 Toba Police personnel being injured.
- g. 12:00 WIB:
The company withdrew all planting and security workers from the blocked location which was carried out by the community as advised by the Toba Police personnel. However, a group of people continued throwing stones and wood at the Company's workers.
- h. 15:00 WIB:
The around of 500 workers from the Company left the field to avoid bigger conflict as well as to attend to the injured victims who were taken to Porsea Regional General Hospital.

May 27, 2021
PT TOBA PULP LESTARI TBK
Board of Director