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TPL Complies with the Law and Encourages Partnership Patterns

Medan, August 29, 2024 – PT Toba Pulp Lestari Tbk (TPL) reaffirms its commitment to always prioritizing peaceful resolutions in addressing any issues and challenges encountered in the field. In a press conference held today, TPL also clarified various reports circulating regarding the criminal case involving Sorbatua Siallagan.

TPL respects the legal process and the verdict handed down by the Panel of Judges of the Simalungun District Court against the defendant, Sorbatua Siallagan, and the company strongly denies allegations of criminalization in this legal case. This matter is unrelated to indigenous community issues, and the company consistently respects indigenous communities. TPL upholds human values and always prioritizes peaceful efforts in resolving any arising issues.

TPL's Director and Corporate Secretary, Anwar Lawden, SH, stated that the report filed against Sorbatua Siallagan with law enforcement was a last resort after repeated attempts at dialogue, warnings, and prevention measures were ignored. The company had made numerous efforts through dialogue, warnings, reprimands, and advice to prevent arbitrary burning and logging in forest areas, as such actions are violations of the law.

"We deeply regret this situation, but filing this report was a necessary step for the company to protect and safeguard the concession granted by the government from any form of encroachment, destruction, and forest and land fires. If the company had not reported the matter, it could have been accused of negligence or inaction, which could result in sanctions up to the revocation of its permit," explained Anwar.

In carrying out its operational activities, the company operates professionally and sustainably in accordance with applicable laws and regulations, referring to the Forest Utilization Business Licensing (PBPH) permits SK. 493/Kpts-II/1992 dated June 1, 1992, and SK. 1487/Menlhk/Setjen/HPL.0/12/2021 dated December 31, 2021.

The company respects the presence of indigenous communities across its operational areas and is committed to prioritizing open dialogue to seek peaceful solutions in addressing social issues without taking actions that could harm any party. Regarding indigenous community issues within

TPL's operational areas, the company continues to engage in dialogues with various relevant parties to find the best solutions through a partnership approach that benefits all stakeholders.

In line with these efforts, TPL has developed various forestry partnership programs aimed at resolving tenure-related issues within the company's concession areas. To date, 10 Forest Farmer Groups (KTH) have partnered with the company, successfully resolving tenure conflicts peacefully and beneficially. Ten Cooperation Agreement Documents (NKK) have been registered, three of which have received Government Recognition and Protection Decrees for Forestry Partnerships (KULIN KK). On this occasion, TPL also reaffirmed that it always operates professionally and in compliance with prevailing laws and regulations.

"We hope that the government will continue to support the sustainability of TPL's investment permits, forestry licenses, and operational activities, as well as assist in mediating conflict resolution to achieve mutually beneficial solutions," Anwar concluded.