

AAL's Detailed Responses to some of the Allegations Raised by FoE and Others

We take this opportunity to outline the position as we see it on some of the issues raised in various reports. These – and all other points of contention raised at various times – will all be addressed in detail by the organisation appointed to carry out the arm's length assessment referred to in our statement of (December 7 2022).

PT MAMUANG

PT Mamuang obtained its Right to Cultivate (Hak Guna Usaha or "HGU") land title certificate in 1997 after completing all the required processes to the satisfaction of the National Land Agency (Badan Pertanahan Nasional or "BPN"). A HGU land title certificate can only be issued by the BPN if the land status has been verified by all parties involved, including community representatives.

- The land claim allegations against PT Mamuang regarding 50 ha, and then corrected by ENS verification report as 45.13 ha, are based on documents issued many years after the issuance of PT Mamuang's original HGU land title certificate. Part of that 45.13 ha (an area comprising 15.56 ha) is covered under a certificate of ownership ("SHM") land title in the name of Mr. Hemsi and his wife, which was issued on 26 August 2019, while the remaining area is still being processed.
- The SHM land title certificate in the name of Mr. Hemsi and his wife, as explained in the ENS verification report, was issued by the BPN Donggala District, Central Sulawesi Province. In contrast, the HGU land title certificate of PT Mamuang was issued by a different district, under a different Province, i.e. BPN Pasangkayu District, West Sulawesi Province.
- Prior to the publication of the ENS Report, PT Mamuang sought clarification from the BPN Donggala District to request information and data regarding the possibility of any SHM issued on top of PT Mamuang's HGU land title certificate. PT Mamuang provided the coordinates of the location for inspection for this purpose. The BPN Donggala District responded in its letter No. 144/72.03.IP.01.01/IV/2022, 22 April 2022, that there was no SHM land title certificate issued by the BPN Donggala District covering the coordinates of PT Mamuang's HGU land title certificate. AAL has provided this information to ENS, though this clarification is not found in its report.

With respect to the criminal case against Mr. Hemsi, neither PT Mamuang nor any of AAL subsidiaries have any connection. The case against Mr. Hemsi was purely a criminal case. In March 2022, the Supreme Court issued its decision rejecting the judicial review application of Mr. Hemsi.

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PT LESTARI TANI TELADAN

PT Lestari Tani Teladan (PT LTT) obtained its HGU in 1995. The land claim allegation against PT LTT regarding 100 ha in the FoE report is contradicted by the ENS report which notes that the company did not take community land. Rather, the community asked PT LTT to enclave 60 ha of its HGU because of the threat of erosion posed by the Lariang river, which was impacting the community area. We are working with the community to better understand their needs in order to develop necessary solutions.

Over the years, PT LTT has undertaken a number of initiatives in order to improve the well-being of the community, including providing clean water, fostering the existing school through incentives for teachers and scholarships for students, and health care.

PT AGRO NUSA ABADI

In the case of PT Agro Nusa Abadi (PT ANA), PT ANA is in the process of obtaining its HGU certificate. One of the activities underway is to verify the potential overlap with other land owners. There are several overlapping SKT/SKPT (*Surat Keterangan Penguasaan Tanah*) holders that need to be verified by the Government. Based on PT ANA's documentation, currently the remaining land under the compensation process is around 730 ha. PT ANA has been cooperative in working with stakeholders in the hope to get this issue resolved fairly and transparently.

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