

LAND DISPUTE RESOLUTION

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1. PURPOSE

The purpose of this procedure is:

- 1.1. As a working guideline for companies within the AEP Group in following up on any land disputes arising.
- 1.2. As a tool to assess the performance of each department / section involved in the process of resolving any dispute arising.

2. SCOPE OF WORK

- This SOP applies for land dispute resolution process within AEP Group;

3. DEFINITION

- The company is PT. AEP Management Plantations Indonesia ("PT. AEPMI") and its Associated Companies in this matter including their plantations or business units.
- Land dispute is a condition where the land or part of the land controlled by the company is claimed by another party as their land.
- The Land Dispute Resolution Team is part of the company in charge of making efforts to resolve any land disputes that arise..
- The Land Dispute Resolution Team Coordination Meeting is a Land Dispute Resolution Team meeting that determines the formulation of a land dispute resolution strategy, then determines the formulation of practical steps for a land dispute resolution strategy.
- Land Dispute Resolution Team Evaluation Meeting is a Land Dispute Resolution Team meeting that evaluates every practical step of the land dispute resolution strategy that has been or is being carried out by the Land Dispute Resolution Team, including evaluating land dispute tenure efforts undertaken by CSOs.

4. GENERAL PROVISIONS

- Implementation of land dispute resolution is carried out based on applicable procedures and well documented and recorded.
- All data / documents related to the land dispute resolution process is stored neatly, orderly, also reliable and can be accounted for the truth.

5. REFERENCE IN LAND DISPUTE RESOLUTION PROCESS

- Law No. 5 of 1960, concerning the Basic Agrarian Law.
- Government Regulation No. 40 of 1996, concerning Cultivation Rights, Building Use Rights and Land Use Rights.
- Government Regulation No. 24 of 1997 concerning Land Registration.
- Regulation of the Minister of Agrarian Affairs/Head of BPN RI No. 2 of 1999 concerning Location Permits.
- And other relevant Indonesian laws and regulations.

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6. PROCEDURE FOR HANDLING LAND DISPUTES

6.1. Internal Coordination

- a. Every party in the plantation area who receives information about the emergence of a land dispute, is obliged to immediately submit the information to the Estate Manager.
- b. Estate Manager, RM, GM, forwards any information he receives regarding land disputes, to the Legal Region..
- c. After receiving information about the emergence of a land dispute, the Legal region must immediately be in coordination regarding the dispute that arises to the Land Dispute Resolution Team:

- Legal North
- CSO
- External Effair
- Estate Manager
- Regional Manager
- Public Relations Estate
- Corporate Lawyer

6.2. Coordination and Evaluation Meeting

The coordination and evaluation meeting of the Land Dispute Handling Team will be coordinated by the Legal Region. The Legal Region is responsible for:

- Schedule and carry out coordination and evaluation meetings of the Land Dispute Resolution Team
- Supervise the implementation of each program stipulated in the Land Dispute resolution meeting
- Prepare progress reports on land dispute resolution
- To conduct a well record and documented every land dispute that has been resolved..

6.3. Formulation of Land Dispute Resolution Strategy

One of the material significances of the coordination meeting of the Land Dispute Resolution Team is the formulation of a Land Dispute Resolution strategy. The results of the formulation meeting are then submitted to the GM for further submission to the company's management for approval..

6.4. Safeguarding The Disputed Land

1. The disputed land should be remained within Company's control
2. The CSO will coordinate efforts to control disputed lands..
3. Any development in the process of securing disputed land, is also a material in the Land Dispute Resolution Team meeting.

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4. Photos and videos are also included to document every incident / securing event on the disputed land.
5. The team must coordinate with the Police when implementing the company's control over disputed land.

6.5. Disputed Land Management System

Wherever possible, government agencies are involved in the process of resolving land disputes, in order to obtain the legality of each achievement of the follow-up steps taken.

6.6. Documentation Related to Land Disputes:

1. Land cultivation right (HGU) Certificate;
2. Location Permit and its official renewal/ extension;
3. Plantation Business License;
4. Deed of Establishment of the Company and its Amendments;
5. The last GMS Deed;
6. Data on land compensation (SKT of former, letter of sale and purchase / compensation of land on behalf of the previous owner, letter of compensation / sale and purchase of the company with the owner)
7. The map of disputed land.
8. Unification evidence of the disputed land (if any);
9. Land Clearing Permit;
10. Other documents relating to the disputed land;

7. REPORTING

In the process of handling land disputes, reports can be made in every case and stage by anyone involved in the land dispute resolution process. Each of these reports must be submitted to the Legal Region, to be forwarded or followed up to the Land Dispute Resolution Team..

However, regularly, land dispute resolution team must make reports, among others:

1. Report per implementation of a work section
2. Daily Report
3. Weekly Report
4. And other forms of reports that are deemed necessary

Any report made by the Land Dispute Resolution Team, addressed to the General Manager, which if necessary may be submitted to another party by the General Manager.

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8. SUCCESS INDICATORS

- Records related to land dispute resolution are available and neatly stored.
- Land disputes resolved based on the applied rule of law.