



MEDIA RELEASE

TH PLANTATIONS DENIES ALLEGATIONS BY NGOs

With reference to the article published by The Malaysian Reserve today (14 Oct 2016), "IOI drops TH Plantations amid Greenpeace controversy", please find our response on the allegations towards TH Plantations Berhad, as follows:

1. We are cognisant of the intense pressure that has been exerted by NGOs, particularly Greenpeace International, on companies within the palm oil sector in this region. These pressures tantamount to threats and are based on the agenda of certain parties in the EU who continue to smear and discredit the palm oil industry in Malaysia and Indonesia as part of their "Anti-Palm Oil" campaign.
2. The allegations made by these irresponsible parties are completely baseless and misleading. We wish to reiterate that TH Plantations Berhad has developed all its plantations in strict compliance with the guidelines and approvals based on the legislation and regulations of the Malaysian and Indonesian governments.
3. For the area owned by TH Plantations Berhad in Indonesia under our subsidiary, PT Persada Kencana Prima, the Company has obtained the approvals to develop the land from the agencies of the Indonesian government in 2011 as the said area is excluded from the moratorium on peat land development. The said area has also been classified as "Areal Penggunaan Lain" (APL), i.e. non-forest area that is permitted for agricultural development.
4. On accusations of open burning, TH Plantations has in place Standard Operating Procedures on land development and plantation operations which incorporate strict guidelines on zero-burning. This policy is strictly enforced and ingrained throughout our operations in Malaysia and Indonesia. There has never been an instance where TH Plantations has been found to commit open burning, despite repeated and prejudiced claims made in the past.
5. We also deny the allegations levelled against us on deforestation for land development. The lands that we develop are secondary and logged-over area, and thus we do not play any part in destructing forests as claimed. In addition, we have incorporated ample buffer zones and riparian reserves within our estates to ensure that we preserve the harmony between our plantations and the environment that we operate in. Furthermore, Good Agricultural Practices are consistently and constantly emphasised throughout our operations to further ensure that we maintain a healthy environment at all our estates.



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6. On the accusation of TH Plantations being involved in child labour, we wish to reaffirm that we do not employ under-aged individuals throughout our operations both in Malaysia and Indonesia and have very strict policies in place that forbid the engagement of child labour. As a responsible corporate citizen, it is our strong belief that children's rights should be protected and not violated for commercial purposes.
7. We regret that responsible oil palm industry players have been put under such unnecessary scrutiny, having to endure extreme pressure from erroneous allegations made by certain NGOs. TH Plantations Berhad is ready to cooperate and will stand in solidarity with other responsible oil palm plantation players in handling pressures exerted by these NGOs.

Dato' Sri Zainal Azwar Zainal Aminuddin, Chief Executive Officer and Executive Director of TH Plantations further added, "We wish to reaffirm that as a responsible corporate citizen, having operated for more than 30 years, TH Plantations Berhad has never been involved nor taken to task by any authority, for any of the offences alleged by these NGOs."

End.

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