



**MEDIA STATEMENT**

**24 June 2013**

**TH Plantations Group Observes Strict Zero Burning Policy in Indonesian Estates**

In reference to recent reports naming PT TH Indo Plantations (“PTTHIP”) (a subsidiary of Lembaga Tabung Haji (“LTH”)) or formerly known as PT Multi Gambut Industri as one of the 8 Malaysian plantation companies alleged to be involved in the current haze situation, the management of TH Plantations Berhad wishes to clarify the following:-

1. TH Plantations Berhad (“THP”), a subsidiary of LTH which manages the estates, categorically denies its involvement in any open burning activities in PTTHIP’s estates in Riau or any of its estates.
2. PTTHIP’s plantations in Riau are at a mature stage and as such there has been neither new development of land nor any replanting activities being carried out at these estates.
3. THP has always adhered to a strict zero-burning policy, both in Malaysia and Indonesia, and places great emphasis on observing environmentally-friendly practices and policies throughout its operations. As such, in the event of any new land development or replanting activities, open burning is strictly not tolerated by the management.
4. The managements of THP and PTTHIP vigilantly carry out aerial surveillance on these estates and have found no instances of open burning within the perimeters of PTTHIP’s land. However, it has been observed that there are incidences of open burning on lands outside the boundaries of PTTHIP’s estates. These open fires may have been started by the local communities occupying those areas for their own crop cultivation, and these activities of these local communities are beyond our control. Nevertheless, as responsible corporate citizens, THP and PTTHIP are assisting the local communities and authorities to manage and put out those fires. THP and PTTHIP will continue to monitor the situation very closely and provide the necessary assistance to the locals.
5. THP and PTTHIP will continue to engage and support the Indonesian authorities in managing the situation and finding long term solutions to this recurrent problem. We view the situation very seriously and hope that all parties involved can work together towards resolving the root problems and avoiding similar occurrence in future.

Thank you.