



MEDIA STATEMENT

28 June 2013

Indonesian authorities find no evidence of open burning in TH Plantations Group's estates

Following our media statement dated 24 June 2013 and in reference to further 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. We wish to provide the following updates:-

1. TH Plantations Berhad ("THP") confirms that officials from Indonesia's Kementerian Lingkungan Hidup dan Kepolisian and other local authorities have visited PTTHIP's estates, particularly the area/coordinates marked as hotspots based on satellite images provided by the National Oceanic and Atmospheric Administration ("NOAA"), and found no evidence of open burning within PTTHIP's boundaries. The hotspots indicated by the satellite images are in fact located on lands owned by the local communities (and adjacent to PTTHIP's estates), where incidences of open burning were indeed observed. These findings by the local authorities substantiate our earlier observation that the open fires may have been from bordering estates occupied by local communities cultivating their own crops.
2. The management of THP would like to reaffirm that THP and its group of companies are not involved in any open burning activities that may have contributed to the haze.
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. As an organisation that incorporates Corporate Social Responsibility into all its strategic decisions, THP and PTTHIP will continue to provide necessary assistance to the local communities and authorities in managing the fire situation.
5. The management of TH Plantations Berhad also wishes to reiterate that PTTHIP's plantations in Riau are at a mature stage and as such very minimal land development and replanting activities are being carried out at these estates.
6. 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 a similar occurrence in future.

Thank you.