IJM PLANTATIONS BERHAD (133399-A)



Wisma IJM Plantations, Lot1, Jalan Bandar Utama Mile 6, Jalan Utara, 90000 Sandakan, Sabah Tel: 6089-667721 Fax: 6089-667728 E-mail: ijmplt@ijm.com http://www.ijm.com

13 Feb 2018

PPB Oil Palms Berhad 8th floor, UBN Tower No 10 Jalan P. Ramlee 50250 Kuala Lumpur Malaysia

Attn: Ms. Perpetua George: General Manager-Group Sustainability

Dear Perpetua,

We thank you for the positive engagement meeting with you and your team on 7 February 2018 and the subsequent email of 12 February 2018.

IJM Plantations is committed on no deforestation, no peat planting and no open burning while adopting a dynamic approach in managing conservation sites in new plantation developments. The Group continues to explore innovative technologies on pollution controls and to reduce its greenhouse gas emission footprints. The relevant details pertaining to our practices and multitude of initiatives pertaining to conservation and land use, resource stewardship, carbon footprint and energy are well-documented and have been incorporated into our statement and report on sustainability in the Annual Reports and website. We believe that these commitments are in line with your esteemed Group's NDPE policy.

As informed in our engagement session with your team, we have obtained the *izin* on the said location in 2012 and completed a HCV study in 2014. We are receptive of your recommendation to pursue a joint review of the HCV and carry out a HCS assessment/identification for the area with an independent expert in March 2018.

In the interim, works on the location will be discontinued pending the outcome of the above joint initiative.

We shall look forward to work together on a mutually acceptable action plan for the area.

Thank you.

Yours sincerely

Joseph Tek CEO and MD