



Corporate Responsibility Report 2016







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About Us

Kuala Lumpur Kepong Berhad ("KLK"), a company incorporated in Malaysia, is listed on the Main Market of Bursa Malaysia Securities Berhad with a market capitalisation of approximately RM 25.5 billion at the end of September 2016.

Started as a plantation company 110 years ago, plantations (oil palm and rubber) still lead as KLK's core business. The Group's plantation land bank stands close to 270,000 hectares spread across Malaysia, Indonesia and Liberia.

Since the 1990's the Group has diversified into resource based manufacturing (oleochemicals, derivatives and specialty chemicals). The KLK Group has expanded its manufacturing operations to Malaysia, People's Republic of China, Switzerland, Germany, The Netherlands, Belgium and Indonesia.

The 1990's saw the Group capitalising on the strategic location of its land bank in Peninsular Malaysia by branching into property development.



KLK'S OPERATIONS AROUND THE WORLD















CR REPORT 2016 | ABOUT US

About This Report

The involvement and scale of corporations in carrying out Corporate Responsibility (CR) initiatives has seen development over the last few years. This is in line with global trends where corporations are no longer seen as economic contributors, but are also expected to proactively carry out initiatives that meet community and global needs.

At KLK, CR activities have since the beginning, formed an important element of our business. It was central to the culture laid down by KLK's Founding Chairman, the late Tan Sri Lee Loy Seng, who was not only generous in donating his resources and time to various causes, but also started a foundation to provide scholarships for underprivileged students to pursue their tertiary education. The culture of giving continues through the generations and is interwoven into the fabric of the organisation. This report is a snapshot of the CR initiatives that the Company implemented during the financial year ended 30 September 2016 ("FY2016").



CR REPORT 2016 | ABOUT THIS REPORT

Foreword by the CEO

an insight on what we as a company - are doing for
our environment, our people
and our communities.

Tan Sri Lee Oi Hian KLK CEO

This year marks yet another significant milestone as we issue KLK Group's first Corporate Responsibility ("CR") Report to highlight the Group's corporate responsibility initiatives vis-à-vis our community, our environment and our people during the last financial year.

The Group believes that doing business in a sustainable and viable manner is a corporate responsibility, integral to generating and sustaining short and long term values for our stakeholders. The Group's CR has been part of its DNA since its early days. I dare to say that our commitment to CR is a reason for the Group's longevity and the bedrock of our success.

The Group undertakes various CR initiatives across the globe. We believe that corporations are strong platforms to drive positive social change.

As a company, we have set out to implement both long term and short term programmes that bring further good for our people and communities. These include continuous efforts to improve the quality of infrastructure, housing and medical facilities within the communities in which we operate as well as various programmes and scholarships to ensure children have access to education.



I am heartened by the active role played by our KLK employees in these CR activities. I would like to express my sincere thanks and appreciation to our employees around the world for participating and volunteering their time to these CR activities in bringing a positive change to our community, environment and people. Their commitment and the programmes that they have initiated truly reflect the core values of the Group - team work, humility, loyalty, integrity, result oriented performance and innovation.

The journey is an on-going one as we learn, adapt and change, as and when we need to. One very essential item remains, and that is corporate responsibility will continue to be an integral part of us and the KLK Group as a whole because

"Values Matter, Society Matters".



Governance Structure

At KLK, CR in the past was managed individually by relevant business units and/or sites. Over the years, as the scale of initiatives increased internally and externally, it became apparent for the need to have a governance structure to enable the Group's efforts to be focused and to create impact that is scalable.

The CR Steering Committee ("SC"), set up in September 2016, is headed by the CEO and whose members are the heads of KLK's three (3) business divisions. It is a platform to set strategy - to ensure that CR is and remains an integral part of the Group's sustainable development strategy. It also provides oversight of management and enables discussions to take place at the highest level.

The chart shows the governance structure of the Committee.

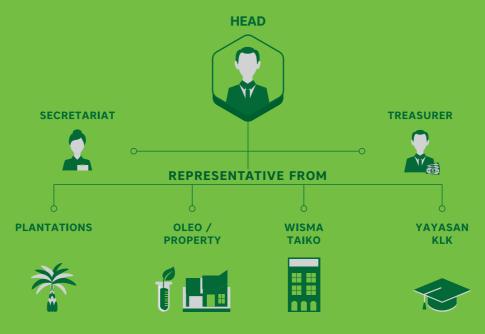
CR STEERING COMMITTEE

The CR Steering Committee sets the corporate strategies in relation to KLK's CR commitments and responsibilities.

CR WORKING COMMITTEE

The CR Steering Committee is supported by the CR Working Committee ("WC"). The WC is responsible to ensure the execution of programmes approved by the SC. The WC engages with the CR heads/representatives from the various regions to provide strategic advice and direction on the CR programmes so that are in-line with the direction set by the SC.







KLK CR LOGO

To present a unified front, a new CR logo was created. The **Green** colour represents KLK's corporate colour while the **Orange** colour symbolises warmth, enthusiasm, joy and creativity.

We believe that KLK's corporate culture is cultivated through the core values of the Group which are team work, humility, loyalty, integrity, result oriented performance and innovation. Apart from these values, we believe that it is essential for us to work together with the communities to drive positive changes. The tagline in the CR logo "Values Matter, Society Matters" represents the Group's CR aspiration towards achieving this.

CR REPORT 2016 | GOVERNANCE STRUCTURE

CRPillars

FOCUSING WHERE WE CAN CREATE AN IMPACT

ENVIRONMENT

In Harmony With Nature



KLK places high importance in the protection and preservation of the environment as reflected in our business practices and policies. We always strive for efficient environmental programmes and material compliance with environmental regulations.



EDUCATION

Empowerment Through Education

KLK believes that education is key to the empowerment of individuals and the uplifting of communities. Hence through its operations, it seeks to bring education especially to people and communities who may not have access to such facilities.

Our approach to our education pillar has always been to:

- a) identify a critical need in society;
- b) help meet that need; and
- c) ensure the programme is sustainable.



It is imperative that adequate health care is made available to employees in our estates. Clinics are provided in the estates and there are visits by medical doctors. There is also an ambulance service available for emergency cases.



We recognise the importance of a strong and healthy community, and we endeavour to do our part to maintain and protect those communities in which we operate. Through various activities, visits and donations, we have long made our commitment to make a positive difference to the well-being of the community an integral part of our corporate philosophy.

Caring For People

CR REPORT 2016 | CR PILLARS





ENVIRONMENT

In Harmony With Nature

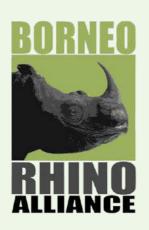
KLK places high importance in the protection and preservation of the environment as reflected in our business practices & policies. We always strive for efficient environmenta programmes and material compliance with environmental regulations.

Malaysia

Giving the Sumatran Rhino A Fighting Chance

The Borneo Rhino Alliance ("BORA") is an NGO based in Sabah whose mission is to prevent the extinction of the Sumatran rhino which is an endangered animal due to hunting for its horn and loss of their forest habitat. In Malaysia there are only three (3) of these rhinos left. KLK supports BORA by providing BORA rangers with vehicles to enable them to patrol the forest. KLK provides the operating and maintenance costs of the vehicles. Apart from the vehicles, KLK also organised a tree planting initiative to plant the particular tree species that is used as food source for the rhinos.

KLK volunteers also regularly visit the site to help with maintenance activities such as manuring, grass cutting, spraying and slashing of woodies.









Volunteers planting food supply for Rhino in Borneo Rhino Sanctuary at Tabin Wildlife Reserve, Sabah



CR REPORT 2016 | ENVIRONMENT

Indonesia

Tackling Forest and Land Fires

Desa Pemantang is a village which is located near one of KLK's operations in Indonesia. Recently, KLK donated a vehicle to the village which can be used to combat forest fires. The donation of the vehicle is part of our efforts to help in tackling haze situation which has over the last few years become more prominent.

KLK continues to render assistance to the local authorities and communities to help put out fires that have mainly occurred outside of the boundaries of its plantations in Riau and Central Kalimantan. Having good infrastructure to tackle these fires is of upmost importance.

Among these initiatives include deploying fire patrolling teams in the estate with special focus along the boundaries with smallholder plantation owners and main roads utilised by general public.

Trained emergency response teams are on standby and equipped with water pumps, high pressure hoses with nozzles, fire suits, safety boots, spraying pumps, building of monitoring towers and water tanks. During the haze crisis, KLK also extended its assistance to neighbouring villages to combat any fire that may occur. It also worked with the local police to block canals in identified areas to contain water that could be used during the

dry season to put out fire.

Bantuan Kendaraan Operasional Pencegahan Kehakaran Hutan Dan Laba

Donation of fire fighting vehicle to nearby village to help in the tackling the forest and land fires in Central Kalimantan, Indonesia



KLK Donated a Fire Fighting Vehicle

to Desa Pemantang







KLK had participated in various activities to restore and maintain the environment. Amongst these are Kebun Raya Sampit (Botanical Gardens) and Hutan Kota Sampit (Forest Reserve Programme) headed by local government of East Kotawaringin in Indonesia. Volunteers from our operating centre joined the tree-planting and reforestation initiative aimed to preserve biodiversity and effort since 2012 where Kebun Raya Sampit is expected to be the largest botanical garden in the country once completed in 2021, covering an area of

Handover of fire engines support to nearby villages critical ecosystems. This is an on-going 607 hectares.

CR REPORT 2016 | ENVIRONMENT CR REPORT 2016 | ENVIRONMENT

Fire truck of South Mandau Estate

in Riau. Indonesia

A Glimpse of Our Initiatives for the **Environment**



Recycle bins placed at each operating centre to promote environmental material reuse and recycling



Recycling box adjacent to copy machine







Taiko Palm-Oleo (Zhangjiagang) Company Limited's volunteers joined the tree-planting programme together with the Baixing Public Service group to promote environmental protection in China









EDUCATION

Empowerment Through Education

KLK believes that education is key to the empowerment of individuals and to such facilities.

- c) ensure the programme is sustainable.



Children from the kindergarten in Sabah during a singing session



Learning Centres with a Total Enrolment of

835 Students for FY2016



programme for students

HIGHLIGHTS:

Malaysia

Education For Children with No Access to Local Education

In Sabah, KLK partners with Humana Child Aid Society to provide basic primary education for children of our foreign workers who are unable to enrol in national schools. In addition, the company also provides subsidised meals to the students. Currently there are five (5) learning centres with a total enrolment of 835 students for FY2016.

In addition, there are 18 kindergartens that provide early education to children of our employees.

Apart from the above long term programmes last year, KLK sponsored a motivational programme for the students who were taking part in major examinations to encourage them to do well in their schools and contribute back to society.



Cultural dance preparation before going on stage

Children actively respond to teacher's questions in the class



Group photo with participants and volunteers of PACE



Volunteers mentoring student

Free tuition provided to economically disadvantaged and academically low-performing students

HIGHLIGHTS:

Malaysia

Free Tuition-cum-Mentoring Programme for Low-Performing Students - PACE

KLK partnered with The Edge Education Foundation to provide free tuition to students who were low academic achievers from economically disadvantaged backgrounds, with the objective to encourage them to graduate from secondary school, The Programme After Class Enrichment (PACE) hosted 40 students from SMK Convent Sentul and SMK (L) Methodist Sentul (MBS). The volunteers from KLK OLEO contributed tirelessly as mentors to improve the academic results of students and motivate them to stay in school. Over a period of 3 years, students from MBS were exposed to entrepreneurship skills, while working diligently with the mentors to implement a small business project.

Based on Feedback from



39 of 40 Students remained in school



of the students had moved to a Better Class

A graduation ceremony held in August 2016



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Malaysia Indonesia

Scholarships and Student Aid

KLK has since 1977, provided scholarships to deserving Malaysians to pursue degree courses in an institute of higher learning in Malaysia through its Foundation, Yayasan KLK. This is a reflection of the Company's commitment towards the development of the young generation in Malaysia through educational means. Currently KLK is sponsoring 36 scholars, 11 of which were awarded in FY2016.

Scholars are also given the opportunity to intern with the Company where they are given exposure to operations that are relevant to their degree programmes. Successful scholars are given the opportunity to take up employment in the Company be it at its Plantations, Oleochemicals or Property Divisions.

Similarly, in Indonesia student educational aid is provided to deserving children of our employees and those from nearby villages.



The 2016 recipients of the KLK Scholarship Award





In Indonesia. education aid is provided to children of employees and also those from nearby villages

Below is what one of our employees who was a scholar said:

My internship experience was one of the best a student can obtain. As KLK Land manages a 1000-acre township,

I was privileged to cover all aspects of my four-year **studies in one go.** During my supervisor visit from Universiti Teknologi Petronas (Petronas Technology University), he was amazed with my comprehensive exposure which covers all the different stages from planning, construction to completion.

Alex Senni Project Executive at KLK Land



Alex Senni presenting to the 2016 batch of scholars on his experience as a scholar

HIGHLIGHTS: Indonesia

Embedding Good Values through Structured Education Programme

In Indonesia, KLK partners with Indonesia Heritage Fund (IHF) to provide value-centric education for children at our kindergartens. We believe that education goes beyond learning facts, numbers and skills. Rather it is about thinking and becoming affirmative members of society and providing leadership.

There are currently 50 learning centres in Indonesia 12 of which are in collaboration with IHF. Free bus service is provided by the company to transport the children to their education centres.



Sports activity such as football game organised to instill good values at young age



50 Learning Centres with 3,627 Students



KALTENG - SD Mulia Permai Primary school at PT. Mulia Agro Permai

SUMUT - TK Handayani Kindergarten at PT. Langkat Nusantara Kep<mark>ong</mark>

RIAU - PAUD SBB Div 1 Early childhood education centre at West Nilo Estate Division 1



Bottom:

Children learning dancing and singing skills

Bangsa in East Kalimantan

CR REPORT 2016 | EDUCATION CR REPORT 2016 | EDUCATION

Liberia



Adult literacy programme

Elementary Education and Adult Literacy Programme

In Liberia, continuous assessment is being made of the needs of the communities there. One of their key needs is education and the Company is committed to ensuring that children of its employees who are living on the plantation have access to education. The infrastructure in Liberia has been found wanting following the civil war. As such, the Company has built two schools for local use. Its locations in Palm Bay and Butaw offer elementary education for children which is provided for free to the children. The school is open both to our employee's children as well as the surround villagers.

Almost 1.000 students from both of the locations attend these schools.

In the last financial year, KLK also contributed:

- An additional new school bus to transport the students
- 25 additional units of desk for the students
- Renovation for the school veranda and steps

We also partnered with World Health Organisation to provide food for the students. The United Nations Children's Fund (UNICEF) had also visited the children in the plantation and contributed stationery for the students.

The Company has also identified a "lost generation" of adults whose education was affected due to the conflict in Liberia. Together with the local communities, the Company provides an adult literacy programme that runs after hours in the schools. This programme too is open to the Company's employees as well as the local communities.

66 We also partnered with **World Health Organisation** to provide food for the students.

Liberia children laughing after school





980 Students 485 Male & 495 Female



25 Additional Units of Desk for the Students



CR REPORT 2016 | EDUCATION CR REPORT 2016 | EDUCATION



Germany

Apprenticeship and Internship Programmes

In Germany, KLK Emmerich offered apprenticeship to prospective employees and students who already know which career path they wish to follow. The apprenticeship programme in KLK Emmerich usually takes 3 years to complete, it combines work, training, and study, giving the apprentice the opportunity to gain the skills and experience needed to get into specific career. Currently, there are 24 apprentices in our Germany site, 9 of which were recruited in FY2016.



Depending on the apprentice's interest and qualifications, KLK's apprenticeship programme covers the following occupational profiles:

- Industrial Mechanic
- Electronic Technician
- Chemical Technician
- Chemical Laboratory WorkerIndustrial Management Assistant
- Qualified IT Specialist for System Integration

Similarly, KLK Emmerich offered internships at our Germany site. Most of the attendees were students in the final year of their studies. One of the internship initiatives was a programme where students could come over to not only learn about the company but also its operations as well as the different roles and responsibilities at the company.

The programme lasted 2-3 weeks. For the period of October 2015 until June 2016, we received 90 applications for internships of which 20 were accepted. One of the students enjoying an internship at KLK Emmerich is Kanchan Dulal. She is from Nepal and is studying Bio-Engineering at the Rhine-Waal University of Applied Sciences in Kleve. She learnt about our Company during a career counseling event at her university. Kanchan was immediately interested and applied for an internship to get acquainted with our production plant. Kanchan would like to improve and develop her laboratory skills and to gain valuable knowledge on working in teams inside laboratories. She is learning how to carry out routine analysis and special investigation outside the routine area to determine the quality of materials, intermediates and finished products.

A Glimpse of Our Initiatives for Education









KLK volunteers held a story telling competition and on-stage performance workshop to promote the use of English in rural school, SJK(C) Papan in Perak in 2016

Estate Field Visits - Study Tour to Selborne Estate, Pahang was conducted for students in the nearby village

Sports Day

in one of the kindergartens in Sabah to promote physical health



Help A Child to Read

KLK volunteers donated English story books, magazines and encyclopedias to help improve literacy rates amongst our employees and their children in Liberia

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EMPLOYEES

Health & Wellbeing

It is imperative that adequate health care is available to employees in our estates. Clinics are provided in the estates and there are visits by medical doctors. There is also an ambulance service available for emergency cases.



Life in an Estate

Advancing the People's Health and Wellbeing

In Liberia, the Company organised several key initiatives including HIV awareness campaigns in collaboration with the UN, polio vaccinations, measles vaccinations as well as Vitamin A administration and deworming campaigns.

There were also infrastructure upgrades including an extension of the clinic for a delivery room, an isolation room and also a laboratory.

Oil palm plantations in Liberia and the facilities that our company brings not only benefits our employees but their family members and the surrounding community. In Palm Bay, one of our operating centres in Liberia, a total of 53 villagers/communities from around our concession benefited from our medical facilities and medications.



Free medical checkup is offered for the community at our clinics in Liberia

Polio and measles



Communities in Liberia can get access to clean water through water pumps



Clean Water

In Liberia KLK has built hand pumps that provide water to the people as well as help with the maintenance of these hand pumps. Similarly, in Indonesia, KLK continues to maintain and build water supply facilities so that the people will continue to have access to clean water.



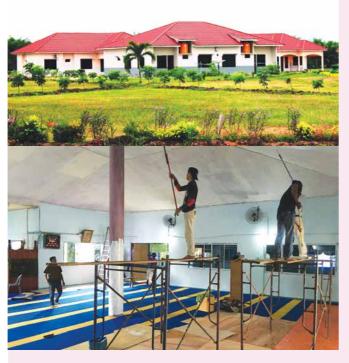
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Provision of Free Housing

New housing or line sites are built, standard of existing housing and facilities are upgraded such as electricity, sewage system and road infrastructure to provide a conducive environment for employees working in the estates.

Places of worship are also constructed and maintained for our employees. In estates that are located in rural areas, particularly in Indonesia, KLK also ensures that automated teller machine (ATM) facilities are made available in the estates, making banking services accessible to our employees.





Free housing for estate worker and manager at PT. Mulia Agro Permai, in Central Kalimantan, Indonesia

Upgrading of ceiling, windows, signboard and internal painting of Masjid Al-Nur Iman in Sabah, Malaysia

Places of worship maintained for our employees and communities in Indonesia



ATM facility available for

workers in Indonesia

HIGHLIGHTS:

Get-together Activities

Promoting Healthy and Active Lifestyle

KLK places great emphasis on the health and well-being of its employees. As such, KLK provides sporting facilities at its operating centres. Employees at KLK are encouraged to take part in the weekly activities to maintain a balanced lifestyle. There are classes such as Yoga, Zumba, body pump in accordance to employees' liking. KLK also rents badminton courts weekly for employees to play badminton.

Employees taking part in Skytrex adventure



Yoga helps our employees relax and unwind, adopt a more balanced lifestyle



Winner of bowling competition receiving the token



Futsal Tournament in Perak

In Perak, KELKO club, the sports club for employees has been part of company culture for years. Various activities such as Darts Tournament, Chess Tournament, Badminton Tournament, Captain Ball Tournament and Futsal Tournament were organised to encourage strong team work, comradeship and discipline. Apart from the sports activities, KELKO club also organised a trip to Hat Yai, Thailand for its members.



Our manufacturing division organised its annual event, OLEO Cup to promote integration and also to foster good values like unity and healthy sportsmanship. OLEO Cup gathered more than 8 teams every year from various operating centres for a Football game. During the day, family members were invited too, where children were lavished with balloons, ice-creams, cotton candy and other activities such as sand art and clown's entertainment.



Top Left:

Players posing before the Captain Ball game

Bottom Left:

Group photo of KELKO club winning teams at the annual prize giving ceremony

Right:

The KLK OLEO CUP 2016 champions

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Group photo during KLK OLEO Cup 2016



Apart from these weekly and annual activities, there are also family days, health campaign, religious festivals and annual employee dinner, which serve as catalyst to encourage employees to adopt a healthy and active work-life balanced lifestyle.

Top Left:

Sports day at one of our operating centres in Indonesia

Others:

Annual Sports and Family Day, Malam Mesra held at estates in Penisular Malaysia



Managers' Conference

Building Leadership Among its People

In September KLK organized its Managers' Conference as part of its practice to build and inspire its leaders towards greater heights. This tradition was started by KLK Founding Chairman, Tan Sri Lee Loy Seng. Over 220 people gathered in the breezy town of Kota Kinabalu, Sabah to hear directly from the leaders of the company on their vision for the future and to reconnect with the founding values that the company was built upon. It was also a time to develop friendship and camaraderie among the members of the company especially given that KLK's plantations are based in different states and continents.

> We run as a team, because we are only as fast as the slowest person

Тор

Ice breaking game: Managers needed to catch the ball in sync with one another

Bottom Left:

Participants had a breakout session to discuss and articulate their opinions to the questions provided

Bottom Right:

Our Managers getting together for a fun evening



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Human Capital Development

Continuously Develop its People and Advance Their Careers

KLK understands that mentoring is an important aspect of helping our people move forward in their career. A two-phased training structure is set-up for plantations executives and assistant managers. A wide range of topics are covered in the training module, ranging from technical and administrative knowledge to soft skills and motivational talks.

Similar programmes for employees in manufacturing were organised to continuously develop our people. In-house experts were involved in training engineers, chemists and R&D scientists on technical knowledge, technology and process.





Top Left:

Sharing session by participants

Bottom Left:

Plantation Management Training for the Assistant Managers

Top Right:

FFB Quality Training

Bottom Right:

Visit to Palm Oil Mill to learn on the downstream process of oil palm to different products





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A Glimpse of Our Initiatives for **Employees**

Safety Training

to provide Occupationalillness Free Environment to Employees

Free Regular Medical and **Physical** Checkup

Development

Skill development programme - Business English for executive

Intentional mentoring course for plantations executives

Encouraging Workplace Diversity

Team building activities during Assistant Managers' Conference



Annual Employee Dinner

Cultural performance by KLK's employees during annual dinner in Sabah

Cultural performance by KLK's employees during annual dinner in Perak



Green Book Project

Designated land for workers in estate to grow fruit and vegetables

for their own consumption and for resale to the community nearby

Festivals / Celebrations

Employees from various background celebrated Hari Raya, a religious festival celebrated by the Muslims at one of the employees' house

Christmas party for employees in Switzerland

Lion Dance performance at KLK Land Property Gallery



Human Capital





COMMUNITY

Caring For People

We recognise the importance of a strong and healthy community, and of the community an integral part of our corporate philosophy.

HIGHLIGHTS: Malaysia

Muhibah Cup

KLK believes that through sports one learns the true meaning of sportsmanship which helps toward positive physical and mental growth. It also helps to forge a harmonious and good relationship with others. KLK organised its "Muhibah Cup" Football Tournament which was participated by over 500 players in two categories (Under-12 and Under-16) and was assisted by 23 volunteers from KLK.

In the effort of promoting racial harmony to achieve national unity, the tournament requires each participating team to have players from different ethnic groups of Malaysia. The parents of the participants and the public expressed their appreciation to KLK for not only organising the football tournament but to instill the spirit of national unity especially among the youth.



CR REPORT 2016 | COMMUNITY

Over

23 KLK Volunteers Participated in

helping during the event

••••••

Malaysia

Empowering Different Needs Children

Since 2014, KLK has been supporting Telok Gadong National School in Selangor, Malaysia, a different-needs school under the Special Education Integrated Programme. The school provides education for students with conditions such as autism, down syndrome, dyslexia and physical disability.

One of the issues faced is that students with special needs are often not given a chance to participate in sporting activities due to their condition and their parents and caretakers feeling worried about them being hurt in the process. KLK, together with the school, organised a Sports Day for the students as it is vital for them not to be excluded merely due to their special needs. We also believe that playing sports at any level can be a key part of the student's school experience and have a positive

and lasting impact on the student's life. It can also instill a sense of confidence and improve relationship building.

A total of 32 teachers participated together with 135 students and 73 parents. KLK employees also volunteered to assist during that day and interact with the children.

Some of the activities involved the children dressing in various costumes





KLK volunteer playing with one of the students



Children and the volunteers running and playing together

> A total of 32 Teachers Participated together with

Students Parents

CR REPORT 2016 | COMMUNITY

Apart from Sports Day, KLK also organised a Motivation Camp for special-needs children. In 2016, KLK entered into a collaboration with a special-needs school Program Pendidikan Khas Integrasi (PPKI) of Sekolah Kebangsaan Taman Klang Jaya, Klang to organise a motivation camp. The objective was to further empower these children to have greater confidence in their ability as well as develop leadership, communication and problem solving skills. These are skills that we believe can last a life-time and serve the children well in their future endeavors. It was also a fun time and the children radiated joy and determination.

Similar to KLK's other activities, KLK employees volunteered to help out during the duration of the camp. In total, 15 teachers and 30 students took part in this motivational camp contributing 320 man hours.



30 Students

took part in the camp
Contributing
320 Man
Hours

Group photo of the participants and KLK volunteers



The motivation camp helped to build confidence in special needs children abilities

Malaysia

Volunteering to Make a Difference, No Matter How Small

At KLK, employees are encouraged to volunteer in various capacities to instill the spirit of giving back to society and caring for the community and environment. During the FY, the CR arm at KLK's headquarter, Wisma Taiko, Perak had organised various activities such as children home visit, old folks home visit, blood donation campaign and holiday giving initiative.

Apart from these, KLK also donated to support numerous charitable initiatives in the form of grants, direct cash donations and other gifts in kind for causes related to education, community welfare, sports and the performing arts.



Blood donation campaigns are held on annual basis







290 pints of Blood
possibly have helped save close to
People
in times of need for 2016





Volunteers from KL-Kepong Rubber Products visited children at The Salvation Army and enjoyed a fun filled day with them





Donation to build a canteen at SMK Canossian Convent, Kluang in Johor (Before & After)

CR REPORT 2016 | COMMUNITY



Representatives of KLK and SMK Canossian Convent inspecting the progress of the construction of the new canteen building



CR REPORT 2016 | COMMUNITY

Malaysia

Cultivate the Awareness and Appreciation of the Cultural Heritage Among Children

In the last financial year, KLK collaborated with Kakiseni (a non-profit organization dedicated to develop the Malaysian arts industry) to hold The Other Festival in Ipoh. Themed 'Mapping the City", this inaugural festival focused on a series of trails designed by popular personalities who were either lpoh natives or have a connection to the city. The idea was to encourage festival goers to explore Old Town on foot and discover the inspiring tales that await behind the crumbling façade of heritage buildings.

In conjunction with The Other Festival, KLK also hosted a fun day out with about 70 under privileged children and also organised a Tote Art Competition for primary schools across the Kinta district.

KLK also collaborated with Persatuan Daybreak (an organization based in Ipoh focused on helping the disabled find a meaningful place in society) to produce the tote bags for purpose of the festival and the tote art competition.

The children and KLK volunteers explore the old town of Ipoh through a heritage trail walk where they were able to learn and experience the wonders of what the town has to offer Children and volunteers in front of one of the seven popular street murals in Ipoh, The 'Kopi' Break

Themed "My Ipoh in the Future", children came up with creative artwork to illustrate what they envisage Ipoh to be in the future



Close to 700 bags were submitted for the Tote Art Competition



Malaysia

Building of Communities One step at a time... Bandar Baru **Kundang Park Restoration**

Bandar Baru Kundang ("Kundang") is a community located 1 km from KLK OLEO's Palm Oleo factory in Selangor. The area is also home to some of KLK's employees. As part of KLK's commitment to enhance the living standards of the communities around where it operates, the CR team of KLK OLEO organised a rehabilitation session at a playground in Kundang, an area next to the low-cost flats. The park was in a bad condition smelly with rubbish strewn all over from the nearby rubbish dump. The park's equipment was also in a bad condition and hazardous to children who wanted to play on them.



The park after rehabilitation work by KLK employees





About 150 participants came together to clean and spruce up the area. The playground equipment which was damaged was repaired and painted. The nearby community also joined and joy was evident on the faces of the children for they now had a beautiful park to play in.

The event ended with a lunch and the team presented the resident representative a brand new grass trimmer to help maintain the trimmed grass.

Mr. Khoo Ping Khean, Executive Director of KLK OLEO delivered an the clean-up started

motivational speech before

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The community came down to help even the children attempted to help







HIGHLIGHTS: Germany

Refugee Integration Programme

The last year has seen an escalation of the refugee crises in Europe with the continuation of war and conflict in the Middle East. Germany is one country that is playing an affirmative role to help with this issue. In cooperation with other companies KLK Emmerich GmbH has set up a programme for refugee integration which includes short internships, vocational training and also helping out in our child care. It is hoped that these programs give the refugees an insight into the business world in Germany as well as pick up the German language. We believe that language, education and access to the labour market are the basics for successful integration.

One of the interns is Methaq Yousif Hanna, a 30-year-old who came from Iraq to Germany four and half years ago. In Iraq, he worked as a painter. Currently, he has spent four weeks in our Logistics and Maintenance area. In Germany, he has been given a Work and Permanent Resident Permit. Our colleagues welcomed him warmly and there was good communication with

each other. After completion of this internship, Methaq will try to start with an apprenticeship programme in the field of industrial mechanics.

Child care facilities are also provided for children whose parents are attending the Refugee Integration Programme.

One of our employees helps in taking care and interacting with the children.

KLK has also supported by providing toys for the children to play with.



One of KLK Emmerich's employees helps to take care the children of the refugees while their parents attending courses that would enable them to better integrate into the country

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A Glimpse of Our Initiatives for Community

Rice Donation

Donation of 58 bags of rice to the surrounding community in Liberia's estate

Christmas Charity Event

at Perbaji Village in Indonesia

Children's Home Visit

Children turned painters together with the CR team as a part of fun learning

Rehabilitation of infrastructure

such as culvert, hand pump, village's veranda and clinic for the communities within our Liberia's estate

Festivities on Wheels

The Chinese New Year festivity with the poor and needy children of Ipoh



Old Folks Home Visit

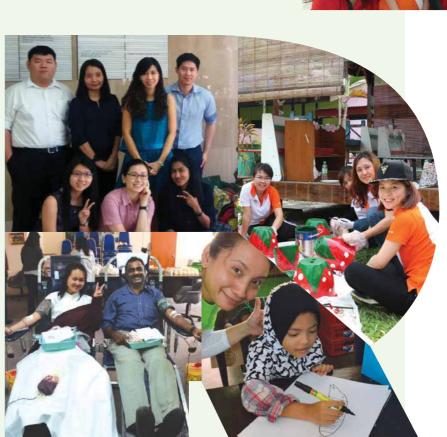
China and interact with the residents

Taiko Palm-Oleo (Zhangjiagang) Company Limited's volunteers visited XiHuYuan Community in Zhangjiagang,

Special Tribute to Our Volunteers



CR work at KLK very much relies on the help and support of our volunteers who take time off their busy schedules to give back to society. Our volunteers represent the ethos of our company, namely that giving back to society, to people in need and to the downtrodden, is the very heart of what we are as a company.









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