

Corporate
Responsibility
Report 2016



Values Matter,
Society Matters.



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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



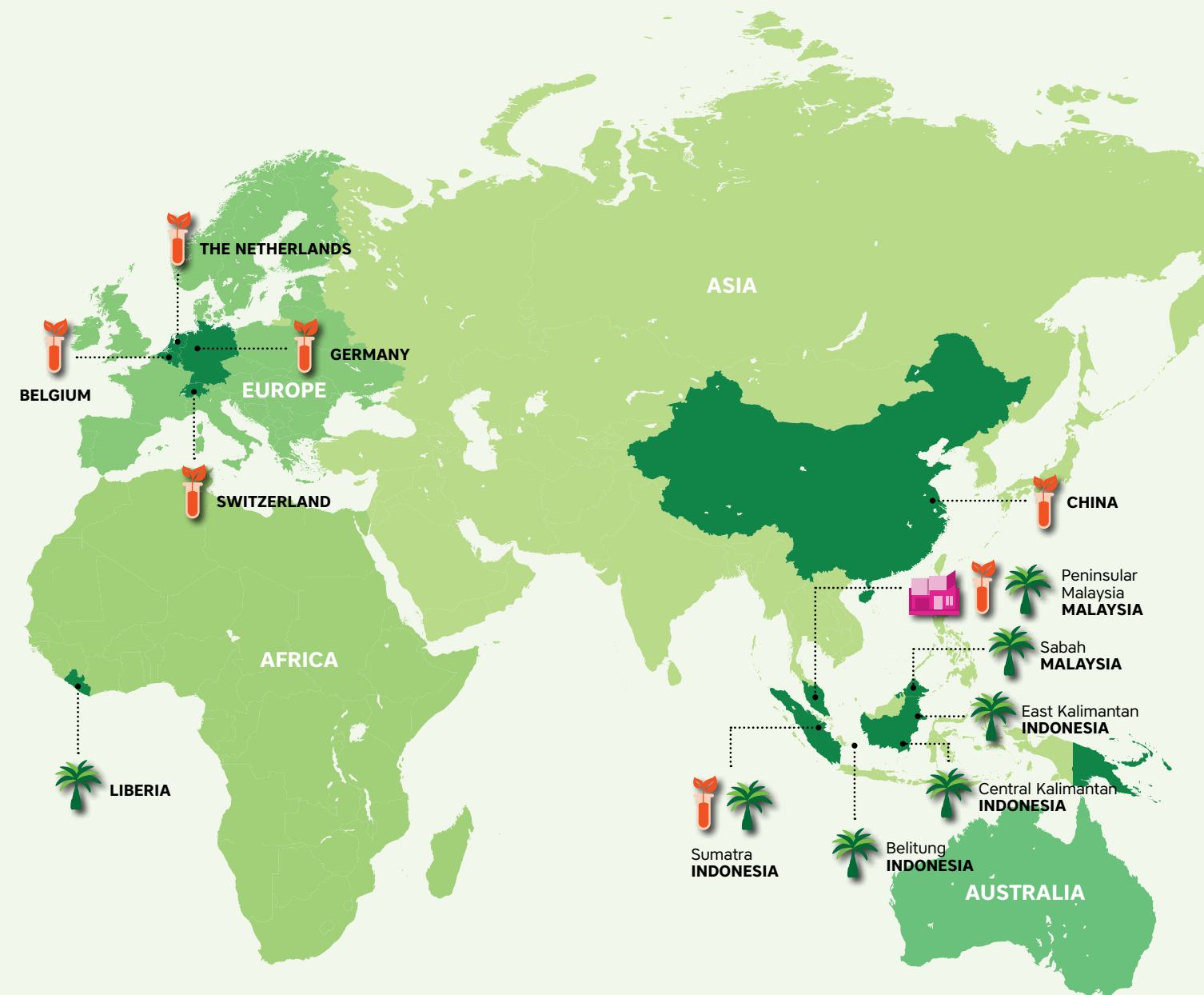
PLANTATIONS



MANUFACTURING



PROPERTIES



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").



As a key player in the plantations industry, the culture of caring remains at the forefront of everything that we do. Our efforts to care for our **Environment, People and Community** are on-going and we share a common focus for activities that reach out to our CR pillars of **Environment, Education, Employees and Community**.

As we grow bigger, we are always looking for new ways to implement both long term and short term programmes that bring further good for our people and communities.

Corporate Responsibility has been part of the Company's DNA since its early days. The culture of caring continues through the generations and is interwoven into the fabric of this organisation.

“
The culture of caring
continues through the
generations and is
interwoven into the fabric
of this organisation.

”

Foreword by the CEO



Tan Sri Lee Oi Hian
KLK CEO

“This report provides an insight on what we - as a company - are doing for our **environment**, our **people** and our **communities**.”



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.

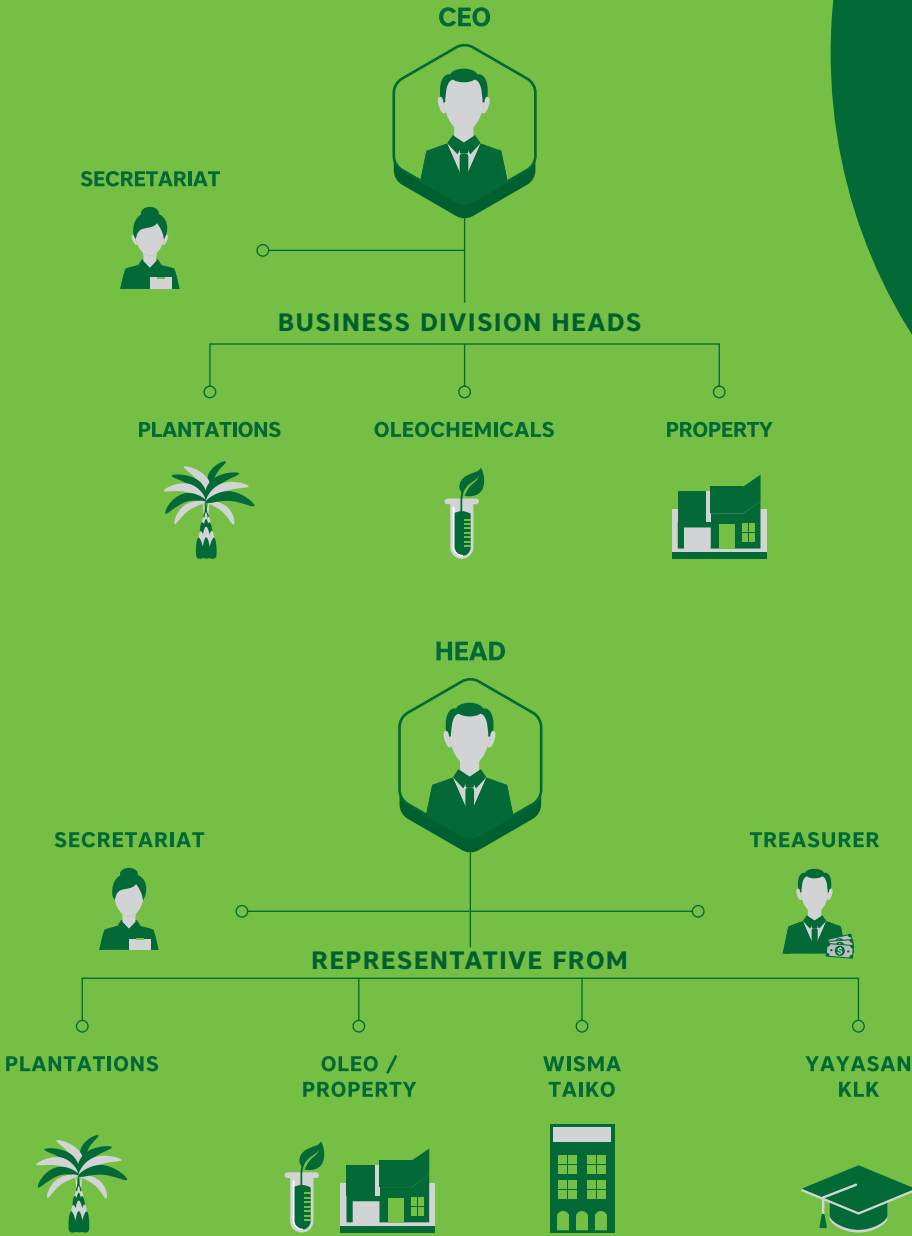
The chart shows the governance structure of the Committee.

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.

**FOCUSING WHERE
WE CAN CREATE
AN IMPACT**

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.

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.

Health & Wellbeing



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.

Caring For People



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.



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 environmental programmes and material compliance with environmental regulations.

HIGHLIGHTS: 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.



.....
In Malaysia
there are only
3 of these
Rhinos Left
.....



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



HIGHLIGHTS: Indonesia

Tackling Forest and Land Fires

Desa Pematang 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.



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 Pematang
.....



Handover of fire engines support to nearby villages in Riau, Indonesia



Reforestation and Tree Planting Drive

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 critical ecosystems. This is an on-going 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 607 hectares.



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



Recycling

Workshop to educate students on recycling process at SJKC Kundang, Selangor



Tree Planting Programme

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 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) to help meet that need; and
- c) ensure the programme is sustainable.



Children from the kindergarten in Sabah during a singing session



5 Learning Centres
with a Total Enrolment of



835 Students
for FY2016



Motivational
programme
for students
in Sabah

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



One of the kindergarten in Sabah

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



2 Schools



39 of 40 Students
remained in school



20% of the students
had moved to
a Better Class

A graduation ceremony
held in August 2016



HIGHLIGHTS: 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.



KLK is Sponsoring
36 Scholars
11 of which
Awarded in FY 2016

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.



Students at one of KLK's learning centres in Indonesia



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 Kepong



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



Top Left and Middle:
Classroom at one of the learning centres on KLK's plantation in Indonesia

Top Right:
Teachers and students of early childhood education centre- PAUD Harapan Bangsa in East Kalimantan



Bottom:
Children learning dancing and singing skills

HIGHLIGHTS: Liberia

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.

Adult literacy
programme



In the last financial year, KLK also contributed:

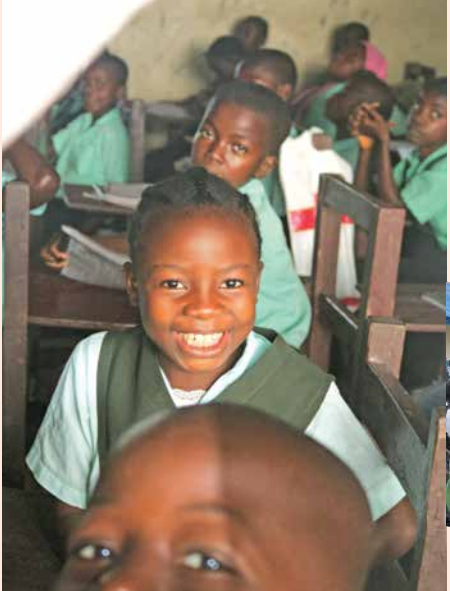
- An additional new school bus to transport the students
- 25 additional units of desk for the students
- Renovation for the school veranda and steps

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.

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

Liberia children laughing after school



An Additional
New School Bus
to Transport the Students



980 Students
485 Male & 495 Female



25 Additional Units of
Desk for the Students





HIGHLIGHTS: 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 Worker
- Industrial 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

Promoting the Use of English



Students of SJK(C) Papan participating in a story telling competition



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



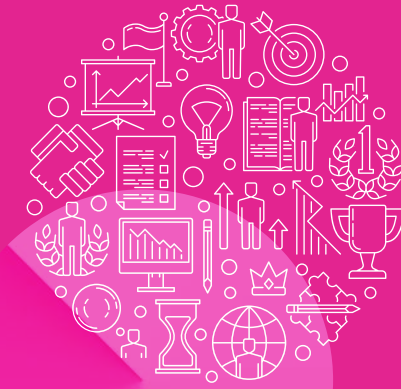
Estate Field Visits - Study Tour to Selborne Estate, Pahang was conducted for students in the nearby village



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



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.

HIGHLIGHTS: 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
vaccination in Liberia*



A total of
53 Villagers/
Communities
benefited from our
medical facilities & medications



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

*An employee filling his
container with clean water
in Indonesia*



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.

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, KKK also ensures that automated teller machine (ATM) facilities are made available in the estates, making banking services accessible to our employees.

Places of worship maintained for our employees and communities in Indonesia



ATM facility available for workers in Indonesia



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

HIGHLIGHTS: Get-together Activities

Promoting Healthy and Active Lifestyle

KKK places great emphasis on the health and well-being of its employees. As such, KKK provides sporting facilities at its operating centres. Employees at KKK 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. KKK also rents badminton courts weekly for employees to play badminton.

Winner of bowling competition receiving the token



Employees taking part in Skytrex adventure



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



Bowling competition held in KL



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



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 Peninsular Malaysia



KLK Emmerich fitness
run for employees
(6th year in the running)



HIGHLIGHTS: 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*



Top:
*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*



HIGHLIGHTS: 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



A Glimpse of Our Initiatives for Employees

Safety Training

to provide Occupational-illness Free Environment to Employees



Human Capital Development

Skill development programme - Business English for executive

Intentional mentoring course for plantations executives



Free Regular Medical and Physical Checkup



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



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



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





COMMUNITY

Caring For People

We recognise the importance of a strong and healthy community, and we endeavor 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.

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.

*Sports is a great unifier.
It brings together people
from various backgrounds*

Over
23 KLK Volunteers
Participated in
helping during the event
.....



Over
500 Players
Participated
in the Tournament
.....

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.



HIGHLIGHTS: 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



Briefing and warm up session in the morning



KLK volunteer playing with one of the students



Children and the volunteers running and playing together



A total of
32 Teachers
Participated
together with
135 & 73
Students Parents

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.



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



Group photo of the participants and KLK volunteers



HIGHLIGHTS: 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.



Generous donors from Wisma Taiko helped to grant 100 wishes of children during the holiday season



Blood donation campaigns are held on annual basis



In total, KLK donated
290 pints of Blood
possibly have helped save close to
970 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



Volunteers from Wisma Taiko visited Rumah Sejahtera Jelapang in Ipoh to mingle with the residents and gave the home a new 'look' by painting the walls and gate



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



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

HIGHLIGHTS: 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 Ipoh 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.



Children and volunteers in front of one of the seven popular street murals in Ipoh, The 'Kopi' Break

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



Close to 700 bags were submitted for the Tote Art Competition



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



HIGHLIGHTS: 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
motivational speech before
the clean-up started*





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



About
150 Participants
 came together
 to clean & spruce up the area



Before



After



Before



After



Before



After



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

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



Volunteers giving the swing at Hannah Children Home a makeover



Old Folks Home Visit

Taiko Palm-Oleo (Zhangjiagang) Company Limited's volunteers visited XiHuYuan Community in Zhangjiagang, China and interact with the residents



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



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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