



KLKCare Pillars



At KLK Group, we believe that doing business in a sustainable manner goes in tandem with Corporate Responsibility ("CR"). We are confident that corporations with the resources and talents are strong platforms to drive positive social change in the areas they operate in.

Hence, we are committed to create sustainable stakeholder value by integrating environmental and societal concerns into our business strategies and performance. Our CR initiatives organised under KLKCare, are based on four (4) focus areas namely:

Education, Community, Environment and **Employee.**



Education

Empowerment Through Education

We believe that education is an important catalyst for positive change and transform the future of the community. As such, we seek to create appropriate education inroads and pathways in the areas where we operate for people and communities who may not be fortunate enough to have access to such opportunities.



Community

Care for People

At KLK, our values and the culture of caring continues through the generations and is embedded in our corporate DNA. In the spirit of caring and sharing, we reach out and engage the less fortunate in various communities. We will endeavor to improve the livelihoods of the communities in areas where we operate.



Environment

Harmony with Nature

We place great importance on the protection and preservation of the environment and this is reflected in our core business practices and policies. We strongly believe that our livelihoods depend on a healthier, more livable world for us and our future generations.



Employee

Health and Wellbeing

Employees are one of our greatest assets and their health and wellbeing remain our top priority. We aim to support our employees to be the best they can be by providing them an environment and opportunities that encourage and enable them to lead a healthy lifestyle.

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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 RM26.16 billion at the end of September 2017.

Started as a plantation company more than 100 years ago, plantations (oil palm and rubber) still lead as KLK's core business activity. Through various strategic acquisitions and sound management, the Group's plantation land bank now stands at approximately 270,000 hectares spread across Malaysia (Peninsular and Sabah), Indonesia (Belitung Island, Sumatra, Central and East Kalimantan) and Liberia.

Since the 1990's, the Group had diversified into resource-based manufacturing (oleochemicals, derivatives and specialty chemicals) and vertically integrated both its upstream and downstream businesses. The KLK Group expanded its manufacturing operations through organic growth, joint ventures and acquisitions in Malaysia, the Republic of China, Switzerland, Germany, The Netherlands, Belgium and Indonesia resulting in internationally-scaled oleochemicals operations.

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



PLANTATIONS



MANUFACTURING

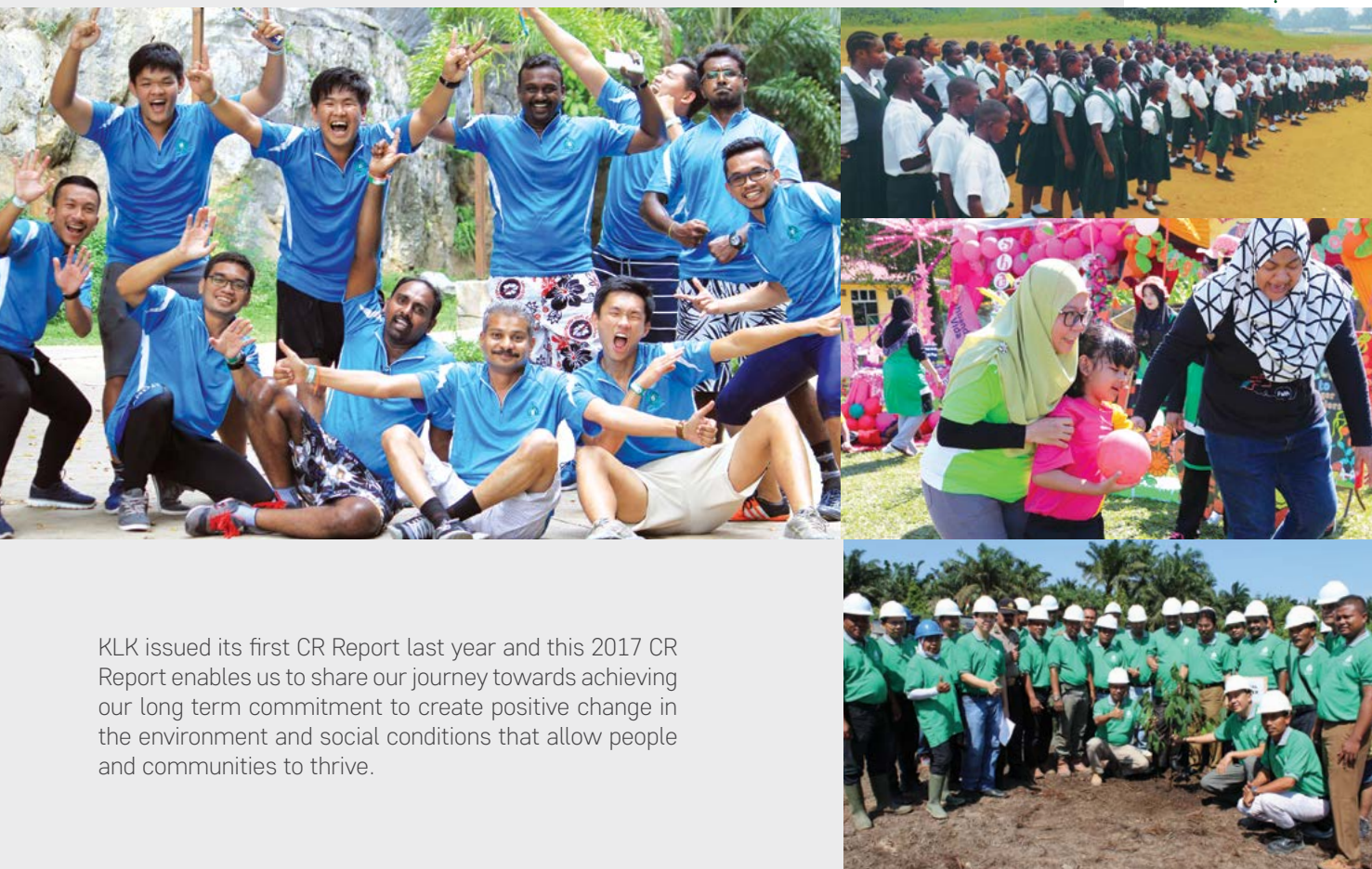


PROPERTIES



About this Report

As a company, KLK's corporate culture emphasises on giving back and caring for the environment and community. KLK strives continually to bring a lasting positive impact through its CR initiatives in the focus areas of **Education, Community, Environment and Employee.**



KLK issued its first CR Report last year and this 2017 CR Report enables us to share our journey towards achieving our long term commitment to create positive change in the environment and social conditions that allow people and communities to thrive.



We thank our partners

As we strive to make a lasting impact on the environment and communities we live in, we create partnerships with various entities such as corporations, schools, communities and government agencies so that we are able to implement initiatives that matter to our society. We strongly encourage our employees to actively participate in both our internal and external CR activities in order to make a difference in our community.

We would like to thank our key partners for the partnership and support which helped harness the momentum of our CR programmes during the last year.



Foreword by Our CEO

Tan Sri Lee Oi Hian | KLK CEO



It gives me great pleasure to share with you our 2017 KLK Group's CR Report.

This report provides highlights of our CR journey and the progress across our areas of focus, aiming specifically at bringing a positive and sustainable change to the lives of different communities as we minimise our impact on the environment and protect the wellbeing of our people.

The KLK Group believes in growing its business in a sustainable and responsible manner by empowering the communities in areas where we operate to ensure continued growth of both the present and future generations. CR has been part of the Group's DNA since its early days, and this core value has been embedded in our shared corporate culture. We believe that the Group's success and longevity are wholly connected to our role in improving environmental scenarios alongside enriching our communities.

Our community has always been, and continues to be, at the forefront of the KLK Group's plans through the years.



Through our holistic CR strategic plan, the Group strives to enrich local communities by improving their livelihoods, infrastructure, medical facilities and education opportunities to make a positive impact on the wellbeing of our people.

The Group places great importance in preserving the environment in order to create a more livable environment for our future generations.

We believe that our people are the driving force behind every accomplishment and milestone of our CR journey. I am proud that KLK employees have continued to make this journey meaningful and I would like to express my sincere gratitude to my fellow colleagues across the regions who have contributed their time and effort in making a difference in the community and creating long term value for our shareholders.

As we continue along this journey, we continuously strive to ensure that our actions and our ambitions are both holistic and in line with the core value of the Group to reflect our belief that

“
**Values Matter,
Society Matters.**
”



“
At KLK, we are passionate about our commitment to CR. **We strive to make a lasting positive impact on the environment and communities** in the areas where we operate by integrating CR into every aspect of our business.
”

Governance Structure

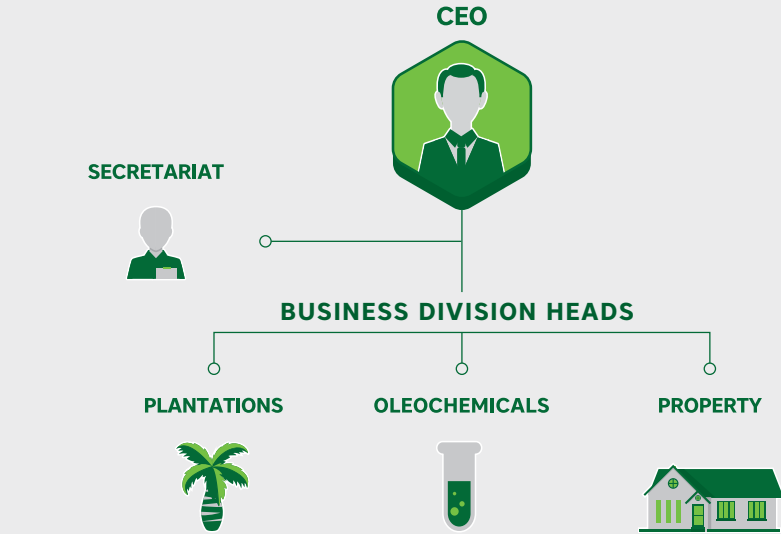
At KLK, CR remains an integral part of the Group's sustainable development strategy. Our CR initiatives are conducted under KLKCare and are managed within a governance structure.



CR STEERING COMMITTEE

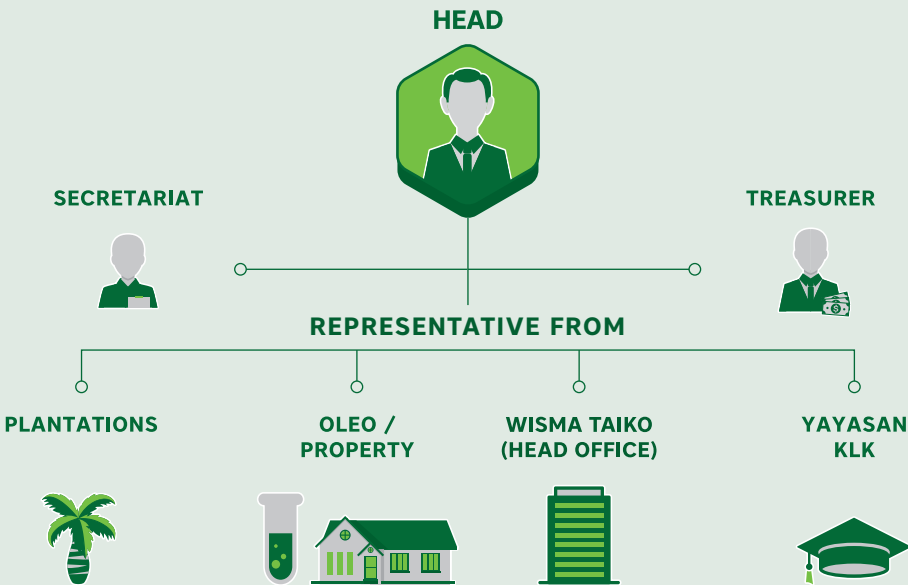
The CR Steering Committee ("SC") sets the corporate strategies in relation to KLK's CR commitments and responsibilities.

The SC is headed by the CEO and its members are the heads of KLK's three (3) business divisions. It is a platform to set strategies to ensure there is broad and balanced engagement across the Group.



CR WORKING COMMITTEE

The SC 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 they are in-line with the direction set by the SC.



Highlights of Our Key 2017 CR Initiatives




Education

Glimpse of our initiatives for Education

 Malaysia

- Built 5 learning centres, 18 kindergartens & 2 primary schools in Sabah
- Provide basic education to more than 1,500 students in collaboration with Humana Child Aid Society
- Youth Development Programmes

 Indonesia

- Built 17 learning centres, 11 kindergartens & 6 primary schools
- Provide basic education to more than 2,500 students in collaboration with Indonesia Heritage Foundation

 Liberia

- Built 2 learning centres at Butaw and Palm Bay
- Provide basic education to more than 950 students in collaboration with Ministry of Education

 Malaysia
  Indonesia

- Provision of scholarship and education aid to deserving students




Community

Glimpse of our initiatives for Community

 Liberia
  Indonesia

- Constructed and upgrade road access for the local community
- Provision of healthcare service including medical treatments and immunisation to the communities in remote locations

 Liberia

- Provide hand pumps to supply clean drinking waters to the villagers surrounding our plantations

 Malaysia
  China
  Indonesia
  Germany

- Engage underserved communities through visitations, motivational camps and sports activities




Environment

Glimpse of our initiatives for Environment

 Malaysia

- Waste Separation and Upcycling Awareness Campaign
- Community Garden

 Indonesia

- Tree Planting Project

 Malaysia
  Indonesia
  Germany

- Biodiversity Protection




Employee

Glimpse of our initiatives for Employee

 Malaysia

- Provision of housing and living amenities to our employees and their families at the plantations

 Malaysia
  Germany
  Indonesia
  Liberia
  China

- Sports and wellness activities
- Employee Volunteerism Programme where employees contribute their time and expertise in CR initiatives



Education

Empowerment Through Education

We believe that education is an important catalyst for positive change and transform the future of the community. As such, we seek to create appropriate education inroads and pathways in the areas where we operate for people and communities who may not be fortunate enough to have access to such opportunities.



Improving Access to Schooling and Learning for Children (“HUMANA”)



In Sabah, KLK partners with the Humana Child Aid Society to provide basic education for the children of our foreign workers who have no access to local mainstream education.

Currently, there are a total of five (5) learning centres, 18 kindergartens and two (2) primary schools in Sabah that benefit about 1,543 students annually. Apart from providing education, KLK also provides free school bus services and subsidised meals to the children.



Students having story time at school library



Morning exercise session for students

Co-curricular activity at one of the learning centres at KLK estate in Sabah



KLK provides basic education to children in Sabah



- 5 Learning Centres
- 18 Kindergartens
- 2 Primary Schools



1,543 Students for FY2017

Youth Development Programme

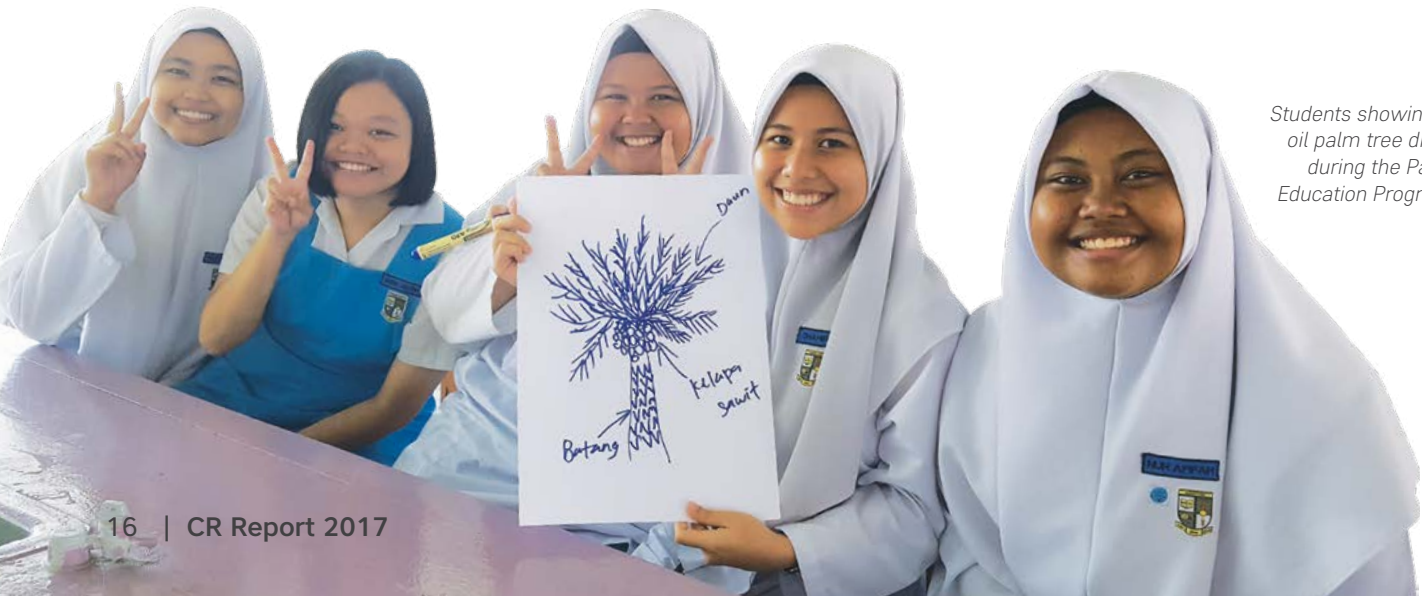
KLK Palm Oil Education Programme

1,150 Students from 5 secondary schools in Kuala Lumpur & Selangor participated in the programme



KLKCare initiated the KLK Palm Oil Education Programme with the objective of creating an awareness about palm oil's attributes and career opportunities in the palm oil industry amongst secondary school students.

The areas focused during the programme include highlighting the economic contribution of the palm oil industry to the national economy, job creation and the improvement of the livelihood of the communities in the vicinity of an oil palm estate.



Students showing their oil palm tree drawing during the Palm Oil Education Programme



KLKCare volunteer assisting students in soap making activity

A total of 1,150 students from five (5) schools, namely, Sekolah Menengah Kebangsaan ("SMK") Bandar Utama, SMK(P) Sri Aman, SMK Pulau Indah, SMK Seri Kundang in Selangor and SMK Taman Desa in Kuala Lumpur participated in the programme and the students were also given the opportunity to experience a soap making activity.



Students are happy with their hand-made soap



Hands on experience in soap making



“Money & Me”

Youth Financial Empowerment Programme



15
KLKCare
volunteers



26
Students



Students market their products at Sales Day



The programme comprising 12 sessions with an Entrepreneurship Boot Camp and a Sales Day, was conducted by 15 KLKCare volunteers clocking in 240 hours and facilitating various modules for students at SMK Bandar Utama.

Upon completion of the programme, there was a drastic increase in the financial literacy score for the 26 participants of SMK Bandar Utama. From sixth position out of eight (8) participating schools at the pre-assessment survey, SMK Bandar Utama rose to No.1 at post-assessment.



A study conducted by the Asian Institute of Finance has found that Malaysian youths are experiencing significant financial stress early in their life with many living beyond their means and trapped in emotional spending. The rise in the number of bankruptcy cases among young Malaysians is a cause for concern.

In view of this, KLK, in collaboration with The Edge Education Foundation, conducted the “Money & Me” – Youth Financial Empowerment Programme aimed at teaching upper secondary students the importance of financial management and encouraging them to adopt good spending habits. The Money & Me programme combines knowledge-based content and fun, experiential learning through activities that help equip youths from low and middle-income families with basic entrepreneurship skills to help them improve their economic prospects once out of school.

Students participated in “Money & Me” interactive activity



240
Volunteer Hours



Lessons

+



Boot Camp

+



Sales Day

Generasi Gemilang Project



Left & Right:
One to one tutoring
session for students
under CRP

Historically, many students from the Desa Temuan Orang Asli settlement do not complete secondary education. They find it difficult to adapt to a new school environment as they progress from the local primary school which is specially established for them namely Sekolah Kebangsaan ("SK") Bukti Lanjan to secondary school education at SMK Bandar Utama 4. The increase in the level of difficulty in the school syllabus is also a contributing factor for the school dropouts.

In an effort to assist these students to overcome this challenge, KLK had partnered with Generasi Gemilang Foundation to conduct a character building session to build rapport with these students and at the same time to identify their needs. We realised that many of them struggled with English and they have expressed interest to improve in the language so that they can perform better in school. The Community Reading Programme ("CRP") was organised to address this concern and to instill the joy of reading in children through a mentoring process where these students are encouraged to practice reading and speaking in English.

We believe that CRP is highly relevant for the children of the Desa Temuan community. Thus, to further encourage the children to attend the CRP, we have also provided free transportation services for them.



KLK staff and students of CRP



Students attending CRP tutorial class



As part of our continuous education initiative, we also organised a visit to our Tuan Mee Estate to share with these students our knowledge on oil palm cultivation.



Visitation to KLK's
Tuan Mee Estate
in Selangor



Group photo of
KLK staff with students
of Community Reading
Programme



Top Left:
Group posing after the team activity

Top Right & Bottom Right:
The participants working in group for team activity



Basic Plantations and Mill Training Programme

The development of oil palm is a major economic activity in Sabah (Malaysia's largest crude palm oil producer). To support and ensure the continuity of palm oil industry in the state, our plantations division in Sabah organised its inaugural Basic Oil Palm Plantations and Mill training programme as part of its CR initiative.

The training programme was offered to SPM and STPM school leavers with the objective of creating awareness and to boost interest amongst the youngsters in Sabah as to the importance and employment prospects of the oil palm plantations industry.



Participants of Basic Plantations and Mill Training Programme.



During the seven-week training programme, 28 youngsters from the regions of Tawau, Lahad Datu, Sandakan and Telupid were given the opportunity to gain the necessary soft-skills and basic technical knowledge in estate and palm oil mill management. The programme comprised hands-on and practical on-the-job training; and comprehensive lecture classes. The participants benefited in self-development and improve their marketability with possible career prospects at our plantations division in Sabah and/or the plantation industry.



Participants were taught various basic plantations knowledge

Scholarships & Education Aid

In our effort to create a positive difference to the lives of various communities, one of our key focuses is on value creation through the provision of education and career opportunities through our Scholarship Programme.

Our Yayasan KLK, a foundation incorporated since 1984, has been providing scholarships and career opportunities to deserving and outstanding Malaysians to pursue undergraduate studies related to the Group's businesses.

Additionally, our plantations business sector in Malaysia and Indonesia have also provided education aid through our Academic Excellent Awards to the children of our employees who have performed well in their studies.



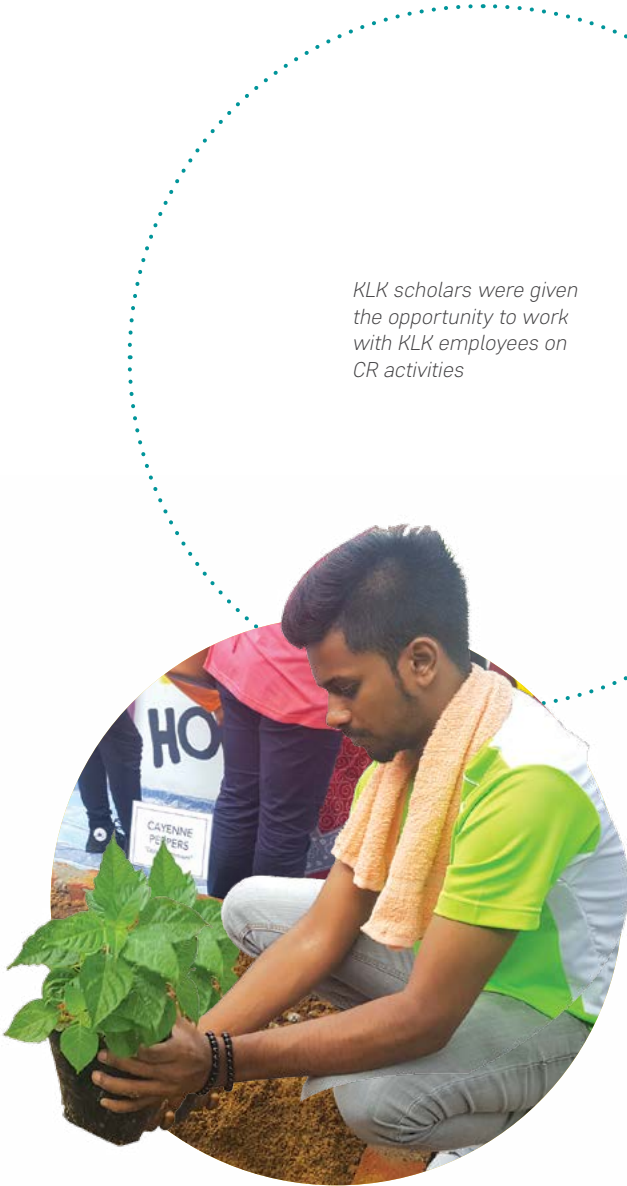
Yayasan KLK Scholarship recipients and KLK staff often the award ceremony.



Parent of KLK Scholarship recipient receiving the scholarship on his child behalf in Indonesia



Recipients of KLK Academic Excellent Awards at KLK Southern Region estates

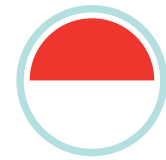


KLK scholars were given the opportunity to work with KLK employees on CR activities



As part of the scholarship programme, KLK also provides our scholars a challenging real-world learning experience through the internship programme to enhance their employability skills.

In addition, the scholars are also given the opportunity to take part in the Company's CR activities to help them inculcate the caring culture of the Company and develop awareness of their social responsibility and to impart caring values to young minds.



17 Learning Centres
11 Kindergartens
6 Primary Schools



2,512
Students
for FY2017



“
We hope to build children’s
character through a
positive and holistic
learning process.
”

Provision of free school bus services
to children in Indonesia



Students at one of KLK learning centres
in Central Kalimantan, Indonesia



Learning Centres at Ladang Melamah, East Kalimantan, Indonesia



One of KLK’s Early Childhood Education Centre
in Indonesia

In Indonesia, KLK collaborates with the Indonesia Heritage Foundation (“IHF”) to build and provide education facilities as well as tools for Early Childhood Education (Pendidikan Anak Usia Dini - “PAUD”) learning centres in Indonesia near KLK’s estates across Indonesia.

We hope to build children’s character through a positive and holistic learning process. Apart from providing free education, we also provide free school bus services to transport the children to their education centres to ease the economic burden of their parents.

Currently, KLK has built a total of 17 learning centres, 11 kindergartens and six (6) primary schools providing education to 2,512 students in FY2017 for our Indonesia operations.



In our continual effort to improve the livelihood of the people in Liberia, we are committed to provide education to children of our employees as well as children who live in the vicinity of our plantations. We have partnered with the Ministry of Education in Liberia to provide education to more than 900 children at our two (2) learning centres at the Palm Bay and Butaw estates.

In addition to that, we have further created a conducive and nurturing learning infrastructure at these learning centres, including the provision of free school bus services to the children.



Students at KKK Butaw School in Liberia



2
Learning
Centres



957
Students
for FY2017

Apart from education,
KLK also provides
free school bus services
to the children in Liberia



Youth Development Through Apprenticeship and Internship Programme

KLK Emmerich in Germany offers a three-year on-the-job apprenticeship programme to prospective employees and graduates. This programme helps employees and fresh graduates acquire the necessary skills and knowledge to succeed in the oleochemicals industry; they earn while they learn on-the-job; get access to mentors; and gain confidence as well as a career path advantage.

Targeting mechanical, electronic, chemical engineering and IT graduates, the apprenticeship is aimed at inculcating a positive training culture in developing a skilled workforce to meet the growing demands of the oleochemicals industry.

Apart from the apprenticeship programme, KLK Emmerich also offers internships to undergraduates to provide practical experience as well as to emphasise the development of a special knowledge and skill for these undergraduates. We believe we have a social responsibility to prepare them with employability skills to generate more employable graduates for the industry. In FY2017, there were a total of 28 apprentices and 22 interns attached with KLK Emmerich on this programme.



Chemical Laboratory and Industry Management assistants under KLK Emmerich Apprenticeship and Internship programmes.

Snippets of Other Education Initiatives



Top Left & Right:
Students participated in Write-It-Rite programme – a collaboration of KLK and Pintar Foundation in Malaysia



Middle:
In Liberia, KLK supports the Government of Liberia's efforts towards improving the accessibility of education for children by sponsoring school necessities, teachers and transportation services

Bottom Left & Right:
Participants of KLK-Pintar English Drama Competition, a collaboration with Pintar Foundation to promote English proficiency at SK Bandar Utama Damansara 2 in Malaysia



KLK presented reading materials to the representatives of schools surrounding KLK Sg Kawang and Pelam estate in Peninsular Malaysia for English proficiency programme.



Provision of Mini Library at Xu Dong School in Zhangjiagang, China



KLK Staff at Taiko Palm Oleo Zhangjiagang ("TPOZ") presented school supplies to students at Xu Dong School in Zhangjiagang, China



Community

Care for People

At KLK, our values and the culture of caring continues through the generations and is embedded in our corporate DNA. In the spirit of caring and sharing, we reach out and engage the less fortunate in various communities. We will endeavor to improve the livelihoods of the communities in areas where we operate.



Engaging Students with Special Needs

Children with physical and learning difficulties often face hurdles in joining sports activities. Naturally, parents and caretakers worry about their children being hurt during these sports activities.

Since 2014, KLK Group has been engaging students with special needs through motivational and sports activities.

In FY2017, KLK organised Sports Day and Motivational Camp for the special needs students of SK Telok Gadong and SK Taman Klang Jaya to enable them to learn team work and social interactions. Sports is a unique life-changing vehicle for people with learning difficulties, we hope to improve their self-confidence and instill sense of belonging through these sports and motivational activities.



KLKCare volunteers assisting student from SK Taman Klang Jaya participants in water activity



KLKCare volunteers and children having fun at the sports day



Connecting People Through Sports – KLK Muhibah Cup

All around the world, sports is one the significant driving forces for peace and development. It is also a great vehicle to ensure respect for each other regardless of ethnicity, culture or religion.

KLK organised its *Muhibah Cup* to encourage and provide a platform for our multiracial populace to come together and play a game of football, and at the same time, promote healthy lifestyles and national unity amongst the youth. The KLK *Muhibah Cup* attracted over 700 young talented football players in the Under-12 and Under-16 age categories.



The Under-16 finalist shaking hands before their match



Participant happily showing his medal



Participants of the Under-12 category



Muhibah Cup Under-12 finalists

Educational Trip to Taiping Zoo

Educational trips can make learning more effective as young children gain extensive knowledge and obtain hands-on experience whilst on such excursions. Some 50 children from Rumah Kebajikan Nurul Iman and Diamond Home in Ipoh were given the opportunity to visit the Taiping Zoo. They were excited to have the opportunity to observe the world of animals up close. Apart from involving themselves in fun activities, the children were also taught about wildlife habitats and environmental conservation.



Up close and personal
In Taiping Zoo



Group photo of children from
Diamond Home and Rumah
Kebajikan Nurul Iman during
the visit to Taiping Zoo



KLKCare volunteer posing with a child
from Rumah Kebajikan Nurul Iman



Children enjoying tram ride at Taiping Zoo



Children participating in
educational activities organised by
KLKCare and Taiping Zoo

A Little Cheer to the Elderly

KLKCare volunteers visited the Rumah Kebajikan Jelapang, Ipoh, Tawau Old Folks Home in Sabah and YiQing Yuan Nursing Home in Zhangjiagang City, China. The volunteers spent time chatting with the elderly and organised activities for them to take part in, such as singing and dumpling making.



KLKCare volunteer presented gift to an elderly during the visitation

Group photo of KLKCare volunteers and elderly at Tawau Old Folks Home, in Sabah



KLKCare volunteers spent time with the elderly at Rumah Kebajikan Jelapang, Ipoh

KLKCare volunteers at TPOZ visited elderly folks at YiQing Yuan Nursing Home in Zhangjiagang



Group photo of KLKCare volunteers during the visit to YiQing Yuan Nursing Home in Zhangjiagang



Caring For Our Community

KLK Group is committed to uplifting the wellbeing of the community within our plantations. Various initiatives were undertaken by KLK to improve the basic infrastructure including provision of clean water for drinking, upgrading of roads, places of worship and free medical facilities.



Upgrading road access for the local community near one of KLK estates in Indonesia



Donation recipients attending the event organised by KLK in Indonesia



Donation to the needy in Indonesia



Chernobyl Children's Project

On 26 April 1986, explosions at the nuclear power plant at Chernobyl in Ukraine, led to huge releases of radioactive materials into the atmosphere. Land covering approximately 20% of the territory of Belarus continues to be affected by radioactive fallout.

Each summer, the Chernobyl Children's Project brings children from the Minsk and Stolin region of Belarus for recuperative holidays in Germany. When dust causes radiation levels to rise in the summer, it is important for as many children as possible to leave their contaminated homeland for a few weeks of fresh air and clean food.

For over the past 10 years, KLK Emmerich has been actively involved in the Chernobyl Children's Project. This year, once again KLK Emmerich organised a plant tour and hosted luncheon for the children throughout their recuperative holidays at KLK Emmerich canteen.



KLK Emmerich hosted lunch for Chernobyl children



Chernobyl children visited KLK Emmerich in Germany



Liberia's history has been shaped by two devastating civil wars, both of which wiped out infrastructure which provided water and sanitation to people. The country is now on the road to recovery after the brutal civil wars. However, 13 years since the last civil war ended, only 25% of the country's 4.5 million people have access to clean drinking water.

KLK's culture of compassion once again found itself an opportunity to assist the people there. KKK provided a total of 32 hand pumps to supply clean water for 32 villages surrounding our plantations in Liberia.



Provision of hand pumps to **32** villages



Clean drinking water made available for children

We have also constructed and continue to upgrade over 500km of road access to enhance living conditions for the local communities in Liberia. Apart from providing economic benefits and employment for the communities in which we operate, KKK is committed to improving the livelihood of the people there.



Constructed and maintenance over **500km** road access



Rehabilitation of road and bridge for the community within our Liberia's estate

On the health front, KKK strives to ensure that proper healthcare is accessible to its employees at the plantations. At our clinics, we provide free medical services not only for our employees but also for the local communities with an average of 630 patients per month, of which 45% are the villagers who live near our operating centres.

In addition to the provision of free medical services, we also organised visits by qualified medical personnel and conducted disease prevention awareness campaigns for the local communities.



Provision of free medical service to employee and local community and deworming for children surrounding our estates in Liberia

Snippets of Other Community Initiatives



KLK fire fighting team assisted the villagers to put out a fire at Desa Bahorak, Indonesia

KLK volunteers presenting school uniforms and bags to children of Damo Children Home in Kluang, Johor



KLKCare volunteers engaging with children at Damo Children Home in Kluang, Johor

Top Left:
Participants of health awareness talk organised by one of KLK estates in Sabah

Top Middle & Right:
Provision of school bags to employees' children at Subur Estate, Peninsular Malaysia

Middle:
Rice donation to the surrounding communities in Liberia's estates

Middle Left:
KLKCare volunteers preparing gifts for the needy in Ipoh during Ramadhan

Bottom Right:
KLKCare volunteers beautifying the landscape at Diamond Home in Sitiawan, Perak



KLK representatives hand over staple food to a local community in Indonesia



Environment

Harmony with Nature

We place great importance on the protection and preservation of the environment and this is reflected in our core business practices and policies. We strongly believe that our livelihoods depend on a healthier, more livable world for us and our future generations.



Waste Separation and Upcycling Awareness Campaign

KLK organised waste separation and upcycling workshops at SJKC Kundang aimed at creating awareness of waste reduction and environmental protection amongst young children.

In collaboration with the Lovely Disabled Home, the waste separation workshop was attended by more than 150 students and teachers of SJKC Kundang which comprised an informative talk and interactive games related to recycling and waste separation.



115
Students



39
Teachers



37
KLKCare
volunteers

KLKCare volunteer teaches students to make handcraft from recycle materials

KLKCare volunteers evaluating answers for the waste separation quiz



This programme also provided the students with an opportunity to visit Ladang Changkat Asa in Tanjung Malim, Perak, to gain knowledge on oil palm plantations.



Fresh fruit bunches were displayed to students during the visit to KLK Changkat Asa estate in Tanjung Malim



Students from SJKC Kundang visited Ladang Changkat Asa in Tanjung Malim

Community Garden and Mural Paintings



28
Students



48
KLKCare
volunteers



19
Teachers



203
Volunteer
Hours

In an effort to create environmental awareness and to 'plant a seed' of responsibility amongst young children, KLKCare collaborated with SK Seri Kundang to transform part of the school compound to green patches of edible vegetables and herbs.



KLKCare volunteers and students planting vegetables and herbs at the community garden of SK Seri Kundang in Rawang, Selangor

Apart from the community garden, a total of 95 participants comprising students, teachers and KLKCare volunteers joined hands to beautify the school environment with painted murals. This project is aimed at providing a conducive learning environment for the students so that they can enjoy learning, gain new experiences and to strive for success.

Teachers and students of SK Seri Kundang with KLKCare volunteers after the event.



Painting of wall murals at SK Seri Kundang



Plant a Tree, Save the Earth

KLK, in collaboration with the local government of Talang Mandau Sub District and Pelalawan District in Indonesia, organised tree planting activities aimed at instilling environmental awareness and fostering environmental stewardship amongst the people in the local villages. KLK employees together with local government officials, students and villagers planted some 7,000 trees at Mandau and Nilo Complex of P.T. Adei Plantations and Industry in Indonesia over a 3-month period.



Group photo of participants of tree planting project at Sungai Batang Nilo Kecil, Indonesia

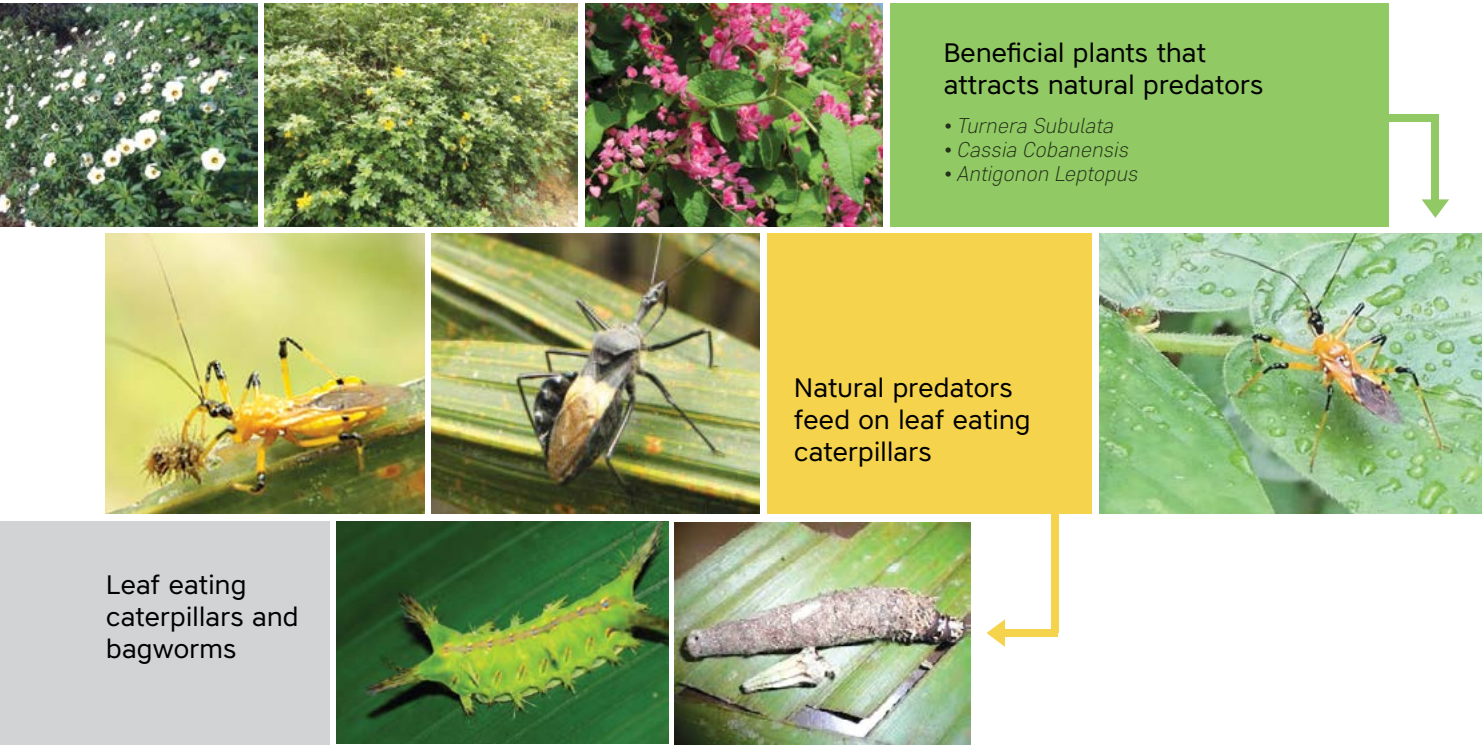


The project targeted to enrich the variety and number of flora-fauna in the conservation area, prevent from erosion and reduce carbon gas emission in surrounding areas of Mandau and Nilo Complex in Indonesia.

Tree planting activity were held at Mandau and Nilo Complex of P.T. Adei Plantations and Industry



Biodiversity Protection



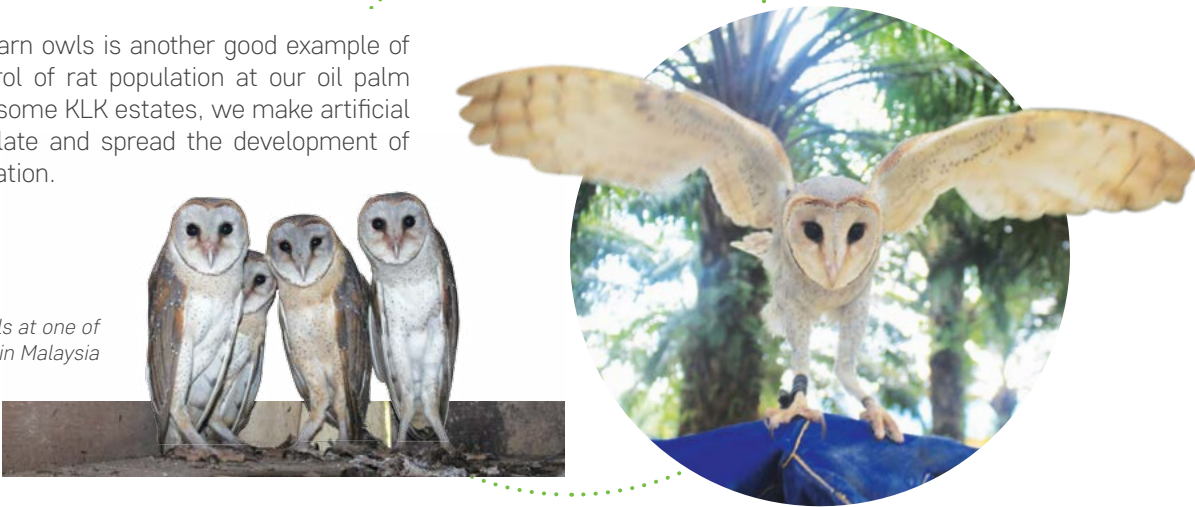
KLK recognises the importance of biodiversity conservation and we strive to conserve and rehabilitate biodiversity and ecology within and in the vicinity of our operating centres. We adopt friendly techniques and use them to innovate our Integrated Pest Management System to reduce overdependency on chemical pesticides, environmental and food chain impacts.

In agriculture, pests are organisms that damage crops by their feeding or burrowing activities and diseases involve microorganisms like fungi, bacteria and virus.

At KLK estates, we plant beneficial plants such as *Antigonon leptopus*, *Turnera subulata* and *Cassia cobanensis* to provide shelter and supplementary food such as nectar. These plants also encourage the population of predators and parasites. These micro-organisms are also to naturally control leaf eating caterpillar and bagworm infestation and we use small pulverised palms to spread widely across the whole field to destroy potential breeding sites of pests such as rhinoceros beetles and rats.

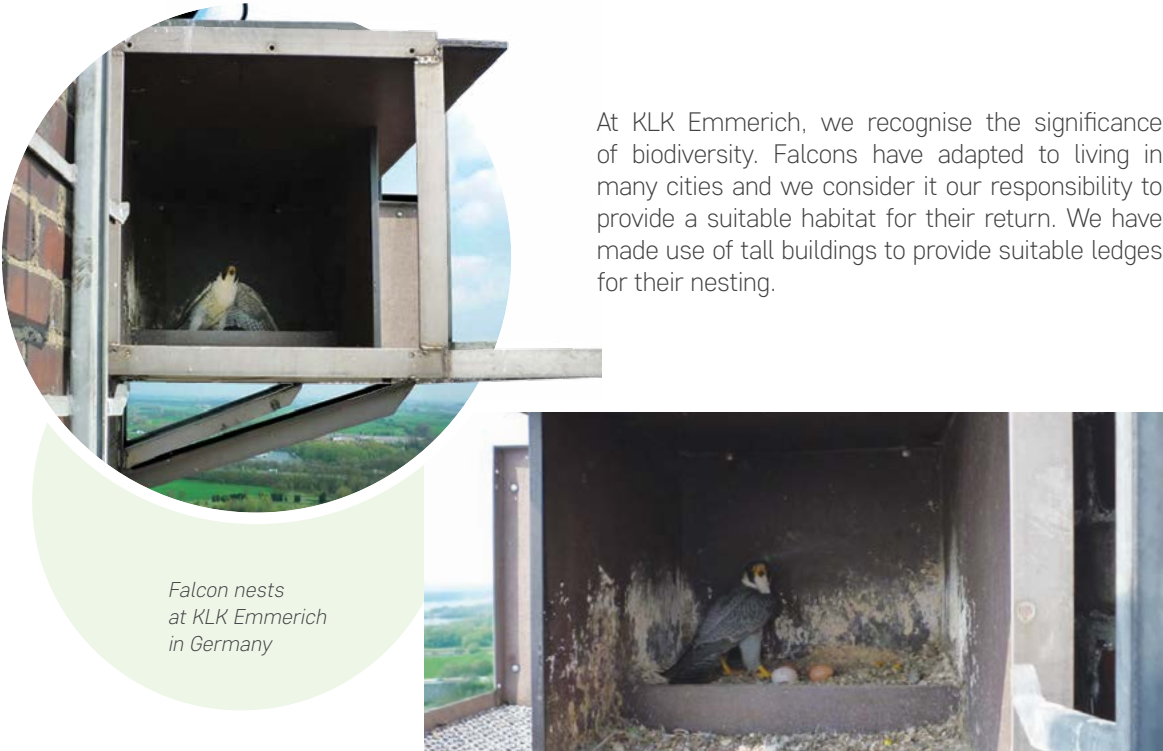
The usage of barn owls is another good example of biological control of rat population at our oil palm plantations. At some KLK estates, we make artificial nests to stimulate and spread the development of barn owl population.

Barn owls at one of KLK estates in Malaysia



At KLK Emmerich, we recognise the significance of biodiversity. Falcons have adapted to living in many cities and we consider it our responsibility to provide a suitable habitat for their return. We have made use of tall buildings to provide suitable ledges for their nesting.

Falcon nests at KLK Emmerich in Germany





Employee

Health and Wellbeing

Employees are one of our greatest assets and their health and wellbeing remain our top priority. We aim to support our employees to be the best they can be by providing them an environment and opportunities that encourage and enable them to lead a healthy lifestyle.



Transforming Mindsets,
Creating Leaders

As part of our human capital development initiatives, our Plantations division in Peninsular Malaysia held a seminar for Assistants and Managers respectively. These programmes aim to nurture "Thinking Executives" who are not mere followers but take ownership of what they do in working towards a collective vision and mission of the Company. This will ultimately benefit them in achieving their fullest potential.



Ice-breaking games
for participants



A game of
team coordination



Participants taking part
in activity to develop team work



Housing and Living Amenities

At KLK, we believe corporate responsibility starts from our workplace. Hence, we strive to provide a safe and healthy work environment to our employees. We provide housing and living amenities to our employees and their families at the plantations. Apart from the essential living amenities like electricity and water, we also provide places of worship, clinics, creches as well as recreational and sports facilities.



Free housing for the employees at KLK estates

Workers quarters at KLK estates



Places of worship for our employee at KLK Changkat Chermin Estate



Provision of sports facilities at one of KLK estates



Free medical service for KLK employees in the estates



Care for Health and Wellbeing

Maintaining health and wellbeing of employees is one of KLK's top priorities. We believe that through sports one learns the true meaning of sportsmanship which helps towards positive physical and mental growth. KLK encourages its employees to adopt an active and healthy lifestyle through sports and social activities to improved employee engagement and to foster a closer relationship amongst the employees.



Employee's Sports Day in Sabah

Football tournament organised by KLK Southern Region estates in Peninsular Malaysia



Inter-Company Badminton Tournament

Oleo Cup Football Tournament

Bowling Tournament was organised to promote staff bonding

Participants of Inter-Company Badminton Tournament

Gift of Life

Blood is the most precious gift that anyone can give to another person – the gift of life. KLK at its regional sites frequently organise blood donation drives to encourage employees to help provide a sufficient to blood supply of needful blood banks.

Blood donation drives are frequently organised at KLK



KLK employees from Malaysia, Indonesia and Germany participated in blood donation campaigns

Run for a Good Cause

KLK employees at different sites have participated in various fitness and charity runs to not just promote healthy and active habits in their own lives, but to also help raise funds for charitable organisations and the less fortunate.



KLK participants at Chemical Industries Council of Malaysia (CICM) Responsible Run



KLK employees at The Edge Rat Race 2017



KLK employees in Sabah participated in Pink Ribbon Run 2017



Employees at KLK Emmerich participated in Fitness Run



Participants of KLK Health Fun-Walk at Jiyang Lake, Zhangjiagang in China

Snippets of Other Employee Initiatives

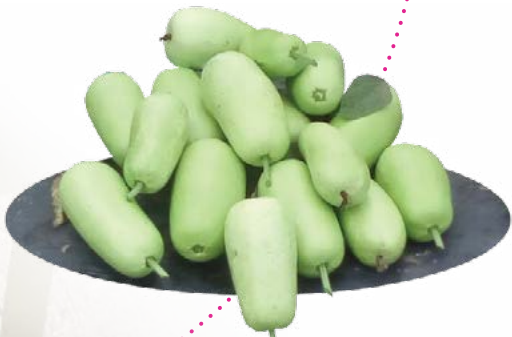


Green Book Project

Apart from promoting a healthy lifestyle amongst employees, KLK also encourages its employees to use their knowledge in agriculture cultivation to grow fruits and vegetables. KLK allocates dedicated land area for them to plant the vegetables and fruits of their choice.



Dedicated land was provided to employee in the estate to grow vegetables and fruits



Employees at KLK Emmerich in costume during the Women's Day Carnival



Employee Sports Day in Liberia



Changkat Chermin Palm Oil Mill Regional Football Tournament in Peninsular Malaysia



Employee posing at Annual Dinner event



Employees foster closer relationship at Movie Night

Corporate Responsibility has been a part of KLK's DNA since its early days, and our volunteers are the most important asset that we have. The willingness of our people to contribute their time and effort to work together for the betterment of our community is an invaluable resource. We hope to see our people continue working hand-in-hand in our journey to make a difference in our communities







Published by:

Taiko Plantations Sdn Bhd (4266-U)
Wisma Taiko, No 1, Jalan S.P. Seenivasagam
30000 Ipoh, Perak, Malaysia

Printed by:

Percetakan Pro-Spencer Sdn Bhd (049499)
No 24, Jalan Tago 5, Taman Perindustrian Tago
Sri Damansara, 52200 Kepong, W. Persekutuan

website: www.klk.com.my | email: klkcare@klk.com.my | tel: +605-240 8000

