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Our Sustainability Commitment

“We believe that the integration and balance of economic, environmental and social issues in the way we plan, execute and monitor our various businesses is critical to the growth and success of the Sime Darby Group.”

Tan Sri Dato’ Seri Mohd Bakke Salleh
President and Group Chief Executive
Statement of continued support for UN Global Compact
January 2012
Sustainability Principles & Values

- Generate **prosperity**
- Continuously improve operational efficiency and sustainable production

- **No** deforestation of primary and virgin forest
- **No** new development on peatland
- **Leader** in sustainable practices

- **Good** corporate governance and high ethical values
- Continuous **engagement** with all stakeholders – Government, Regulators, NGOs and Communities

- Deliver **long term benefits** to local communities
- Respect fundamental **human rights** and social values

Our Commitment to Employees & Communities
Our Commitment to Employees & Communities

We, as part of Sime Darby Group, have embedded fundamental human rights elements in our internal policies and practices:

- Our respect for fundamental human rights is enshrined in our Group Policies and Authorities which governs all of Sime Darby’s operations.
- Our Code of Business Conduct outlines the standard of behaviour expected of Sime Darby Directors, employees, counterparts and business partners.
- Our Sustainability Committee Charter upholds fundamental human rights and respects cultures, customs and values in dealing with employees and others who are affected by our activities.
- Our Corporate Child Protection Policy upholds the rights of children and promotes child protection, particularly in the areas where we operate.

As part of Sime Darby Group, we are also committed to various international sustainability and human rights initiatives:

- Signatory of the United Nations Global Compact (UNGC) since November 2010.
Caring for Our Employees

Equality & Diversity

We value the importance of equality and diversity among our employees:

- We have developed a policy on the Prevention of Sexual Harassment at the Workplace.

- A specially formed unit has been assigned to investigate and receive grievance reports from women, giving them a safe and trusted avenue to channel their concerns.

- Gender Policy which includes the creation of a Gender Committee was established specifically to address areas of concern for women.
Sime Darby’s Child Protection Policy (CPP) was established by Sime Darby Group to raise awareness on issues pertaining to the safety, well-being and protection of children in our business context.

School holiday camps (Kem Cuti Sekolah) are organised during school breaks for employee children.

Sime Darby also collaborated with Borneo Child Aid Society in Sabah to provide education to children of migrant workers residing in our estates - HUMANA

We affirm the importance of the right to collective bargaining

- our employees are represented by 48 collective bargaining agreements in 9 countries - Malaysia, Indonesia, Australia, Singapore, Liberia, Vietnam, South Africa, the Netherlands and Papua New Guinea.

Our Grievance Policy provides a framework for non-discriminatory and fair treatment of all cases involving all parties.
**Equality & Diversity**

*Workers quarters & facilities*

- We develop **Central Housing Complexes (CHC)** – high quality, centralised community living spaces comprising of residence, officers, public amenities and recreational facilities, within all our estates.

![Image of CHC in our estate in Indonesia]

**Ensuring the Safety**

*In the field*  
*At the mill*  
*At the refinery plant*  
*At the loading bay*
Developing the Potential

We believe in nurturing and developing the potential of our employees.

Sime Darby Plantation Academy

Building Estate Sustainability & Transformation (BEST) Programme

Tractor Drivers Training

Socio-Economics Contributions

• In Indonesia, we employ around 39,000 workers and our plantations across Indonesia have created jobs for communities neighbouring our operations.

• In Liberia, when fully operational, we will create about 35,000 jobs

• We subsidise main staple food such as rice and cooking oil for our plantation workers.

• For example in Liberia, two 50kg bags of rice are provided at a subsidised price to each employee every month.
Caring for Our Surrounding Communities

3,000 employees
99.4% Liberian, paid the highest rate in the local industry

Agricultural projects
17 townships engaged in development of intensive farming plots

USD 500,000
worth of scholarships to enhance educational opportunities for Liberian students

Central housing complex
to improve employees’ standard of living

ESIA & HCV Assessments
FPIC & Compensation
Land Development & Planting
Community Development

Responding to Ebola Outbreak
SDP contributed RM500,000 to the IFRC and LRC

7 Schools
providing education for 5,000 students

12-classroom
Junior high community school for 322 students
Empowering Communities

RSPO Smallholder Certification
• The entire KKPA (1-5) in Sebamban, KKPA Sg. Cengal, and Plasma Tamaco Graha Krida (TGK) in Kalimantan-Sulawesi are now RSPO certified covering a total area of 24,820 ha with a production capacity of 477,317 mt of FFB.

Fire Prevention Programme – University of Riau
• Collaboration with University of Riau (Mar15- Jan16) to increase numbers of farmers and communities in practicing an eco-friendly and sustainable farming activities by eliminating slash and burn activities

Social Assistance
• We expanded our humanitarian assistance from Malaysia to Liberia and Nepal i.e. Ebola Outbreak, Nepal Earthquake and Malaysia’s East Coast floods

- DISASTER RESPONSE AND EMERGENCY ASSISTANCE IN LIBERIA
  - 5,473 EMPLOYEES AND FAMILIES ASSISTED

- RECOVERY AND REBUILDING
  - 235 BACK-TO-SCHOOL ASSISTANCE
  - 877 STUDENTS ABLE TO ATTEND SCHOOL

- EMERGENCY RESPONSE
  - 2,500 DONATED ITEMS ANNUALLY
  - RM1.7m CLINIC OPERATING COSTS
  - 2,392 VOLUNTEER MAN-HOURS
  - 87 HOMES BUILT

- Volunteer TRAINING ON AWARENESS AND SOCIAL MOBILISATION

- RM5.3m WORTH OF CONTRIBUTION

- 50 STUDENTS ABLE TO ATTEND SCHOOL

- 5.7m WORTH OF CONTRIBUTION

- 5.3m LATEX GLOVES
A sustainable palm oil industry contributes to national and local economic development, while balancing traditional needs and environmental protection.

Thank you