



IOI GROUP

# The trail of embracing corporate responsibility



# Contents

|   |           |   |           |
|---|-----------|---|-----------|
| Message from the IOI Group Executive Director         | 01        | <b>Nurturing employee well-being</b>    | 17        |
| <b>Creating a future</b>                              | <b>02</b> | <i>Forging a land of respect</i>        |           |
| <i>The IOI Group – enriching lives over the years</i> |           | Unfolding the Talent of IOI             | 18        |
|   |           | Caring for the Family                   | 19        |
|   |           | Advocating Health and Safety            | 20        |
| <b>Setting the foundation</b>                         | <b>04</b> | <b>Harvesting community growth</b>      | <b>21</b> |
| <i>Committing to corporate responsibility</i>         |           | <i>Touching lives in communities</i>    |           |
| Corporate Responsibility Policy Statement             | 06        | Broadening the Horizons of Education    | 22        |
| Standard of Conduct and Ethics                        |           | Young Achievers' Awards                 |           |
| The Environment                                       |           | Scholarship Awards                      |           |
| Customers   |           | Student Adoption Programme              | 23        |
| Employees   |           | School Adoption Programme               | 24        |
| Shareholders  |           | SJK (C) Ladang Harcroft                 |           |
| Business Partners                                     |           | Uniting the Community                   | 25        |
| Community   |           | IOI Community Run                       |           |
| <b>Planting seeds of sustainability</b>               | <b>07</b> | Rakan Cop                               |           |
| <i>Converging Mother Nature</i>                       |           | REACH OUT                               | 26        |
| Maximum Yield for Maximum Sustainability              | 09        | Uniting to Touch the Environment        |           |
| Zero Burning Policy                                   |           | Earth Hour                              |           |
| Waste Management and Resource Conservation            | 10        | Partnering to Change Lives              |           |
| Land Management                                       |           | HUMANA Learning Centres                 |           |
| Integrated Pest Management                            | 11        | Lawas Project                           | 27        |
| Roundtable on Sustainable Palm Oil (RSPO)             | 12        | Supporting Smallholders                 |           |
| <b>Cultivating environmental care</b>                 | <b>14</b> | <b>Treasuring our corporate values</b>  | <b>28</b> |
| <i>Fostering roots of environmental protection</i>    |           | <i>Dedicating to an endless journey</i> |           |
| Wildlife Conservation                                 | 15        | <b>Tracking our progress</b>            | <b>29</b> |
| Ecology and Biodiversity                              |           | <i>Share your opinion</i>               |           |
| Sustainable Living                                    | 16        |   |           |
| Environmental Care Practices                          |           |   |           |



## Message from the IOI Group Executive Director



Welcome to the IOI Corporate Responsibility report. This booklet provides an overview of our corporate responsibility initiatives from responsible business practices and workplace commitment to environmental care and community concern.

IOI strives to achieve responsible commercial success whilst balancing the interests of a diverse range of stakeholders. Armed with this thought in mind, IOI is dedicated to integrating corporate citizenship into our business operations. These include practising strong leadership through corporate governance and ethical conduct; adopting sensible and sustainable business practices for our environment; conducting health and safety operations; respecting our employees; and supporting the community. These have been our core practices of doing business and we are constantly evolving according to prevailing time and circumstances.

It is also our responsibility to create a corporate culture where teams of talented employees can fully flourish. A corporate culture where they feel inspired, energised and proud of every decision they make and

every action they take. By creating an engaged workforce, we are building a foundation of goodwill that extends to our customers, suppliers, investors and communities.

Through Yayasan Tan Sri Lee Shin Cheng, a non-profit organisation founded by the Chairman of IOI Group, we initiate various human capital development programmes, community and philanthropic efforts to enrich lives. We realise that our efforts alone are not sufficient so we are also partnering with other NGOs like HUMANA, World Vision Malaysia, RSPO and WWF to further advance the agenda of human capital development and environmental preservation.

Above all, we know that maintaining our strong corporate culture and core values will help ensure our continued commitment to the communities in which we live and work as well as to the social interests we have identified as important to our business and our stakeholders. As we progress on our trail of embracing corporate responsibility, it is our goal to continuously exert our best to advance towards the high standards and ideals that we have set for ourselves.

*Dato' Lee Yeow Chor*



# Creating a future

The IOI Group – enriching lives over the years

IOI Group is a leading global integrated palm oil producer with operations stretching the entire palm value chain from seed breeding and planting to oil extraction, refining and downstream resource-based manufacturing across major continents – serving global markets in more than 65 countries.



By having control over the global palm supply-chain, IOI is able to guarantee the quality and traceability of its immediate products, as well as optimise logistics and distribution efficiencies.

IOI's integrated palm oil businesses are best illustrated in the following palm value chain diagram:

The Group is also one of the leading property developers in Malaysia with more than 26 years of experience in property development. Our property's businesses can be categorised into real estate development and property investment holding branching out to leisure and hospitality.

IOI Group employs more than 30,000 people of more than 25 different nationalities in 15 countries.

- **Plantation lands** – over 250,000 hectares in Malaysia and Indonesia
- **Palm oil production** – 800,000 MT per year
- **Milling capacity** – 4,100,000 MT per year over 12 palm oil mills
- **Refining capacity** – 3.2 million MT per year over 4 refineries
- **Oleochemicals production** – 750,000 MT per year
- **Specialty Fats production** – 600,000 MT per year





# Setting the foundation

Committing to corporate responsibility



## OUR VISION

Our vision is to be a leading corporation in our core businesses by providing products and services of superior values and by sustaining consistent long-term growth in volume and profitability.

We shall strive to achieve responsible commercial success by satisfying our customers' needs, giving superior performance to our shareholders, providing rewarding careers to our people, cultivating mutually beneficial relationship with our business associates, caring for the society and the environment in which we operate, and contributing towards the progress of our nation.



The IOI Group's Corporate Responsibility (CR) principle is encoded in our Vision IOI whereby the emphasis is on achieving commercial success in a balanced, responsible manner by addressing the interests of all stakeholders. This simple guiding principle ensures that CR, as we see it, is part and parcel of how we do business as we continuously implement programmes and practices that benefit and meet the needs of not only our customers, employees, investors and partners but of the global community.

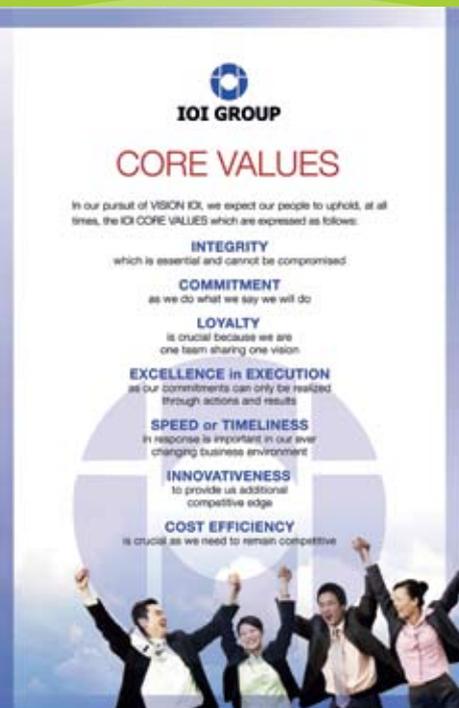
“*CSR is defined as open and transparent business practices that are based on ethical values and respect for employees, communities, and the environment. It is designed to deliver sustainable value to society at large, as well as to shareholders.*”

~ *The Prince of Wales,*  
*in Business Leaders Forum 2003*

## Corporate Responsibility Policy Statement

IOI's CR policy is built upon the crux of its **Vision Statement** which addresses the following areas:

### Standard of Conduct and Ethics



IOI is strongly committed to conducting its businesses in ways that are consistent with international standards of business conduct and ethics. Specifically, we conduct our operations with honesty, integrity, duty of care, and in compliance with laws and regulations of the countries or markets in which we operate. We do this by adopting and practising a set of **Core Values** and by continuously benchmarking our business practices against the best of global practices.

### The Environment

IOI holds firmly to operating its businesses in ways that meet

regulatory requirements on environmental impact in the countries or markets in which we operate. We strive to achieve a sustainable long-term balance between meeting our business goals and the preservation of the environment. Specifically, we adopt a group-wide policy of greening the environment. In that regard, we also insist on the same standard of environmental care from our suppliers and business partners.

### Customers

IOI is strongly committed to delivering superior value in our products and services to our customers. We achieve this through a culture of innovation, quality, consistency and matching customers' expectations in our products and services. In the process, we apply rigorous standards of control and product / process safety.

### Employees

IOI is committed to providing rewarding careers to our people on the basis of their aptitude, performance, and qualification - irrespective of race, gender, or nationality. Other key commitments to our employees include providing safe and healthy working conditions devoid of force or child labour; preservation of dignity and freedom of association; and maintaining open channels of communication.

### Shareholders

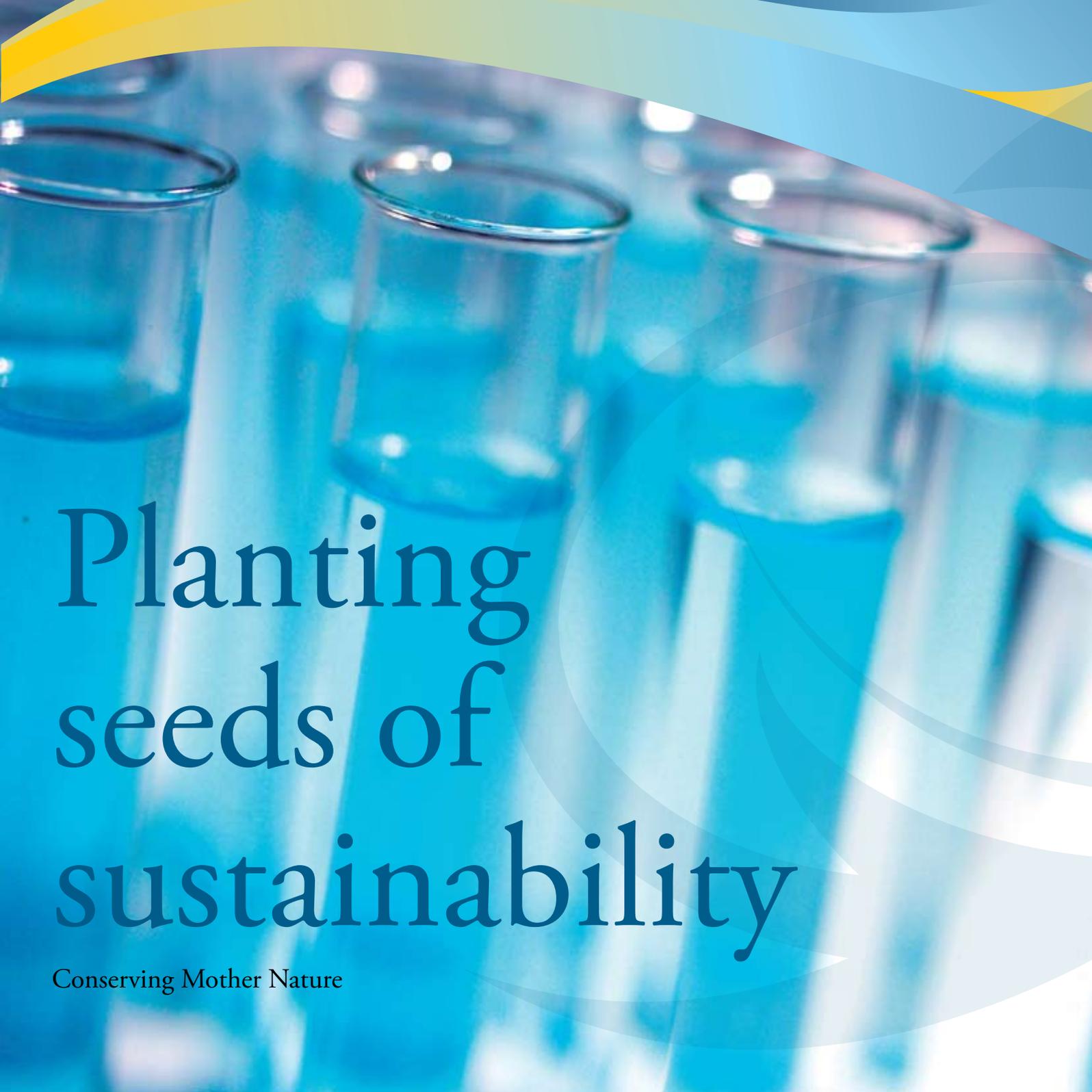
IOI is committed to delivering value to shareholders through sustained consistent growth in volume and economic profitability whilst practising internationally accepted principles of good corporate governance.

### Business Partners

IOI is committed to establishing mutually beneficial relations and growth with our suppliers, service providers, and business partners (i.e. agents, distributors, venture and alliance partners). In return, we expect our partners to adhere to business principles and conduct consistent with ours.

### Community

IOI strives to be a trusted and responsible corporate citizen through participation and contribution to the community in which we operate. Key areas of our focus include education, assistance to the deprived, racial / community integration, practical training, and other social and welfare programmes.



# Planting seeds of sustainability

Conserving Mother Nature

Malaysia currently accounts for 41% of world palm oil production and 53% of world export, and also for 11% and 27% of the world's total production and exports of oils and fats. The Malaysian palm oil now feed some 3 billion people in 150 countries. As one of the biggest producers and exporters of palm oil and palm oil products in Malaysia, IOI has an important role to play in fulfilling the growing global need for oils and fats in general.

The concern and regard for the environment is an integral part of sustainable oil palm cultivation that IOI believes in and has been practising for many years already.

We believe that an efficient and environmentally-friendly management model is also an effective business model. Maximising outputs from our plantations and factories while minimising the inputs required means that we are working with a model that is good for business and good for the environment.

*The global warming phenomenon requires immediate and substantive action from every citizen of the world. Our desire is to tackle the problem of global warming in a smart way through efficient and optimum utilization of available resources.*

*~ Dato' Lee Yeow Chor,  
Group Executive Director of  
IOI Corporation Bhd*

To sustain our growth in land productivity, our Research Centre focuses on continuously producing high yielding planting material through plant breeding, biotechnological research and tissue culture. We also ensure long-term sustainability through optimising the use of renewable resources and environmental-friendly agricultural practices. Some of the more significant areas are highlighted below.



*Only the best fresh fruit bunches (FFB) are selected.*



*Breeding the best seeds at the tissue culture laboratory.*



## IOI GROUP

### IOI CORPORATION BERHAD (ESTATE)

#### ENVIRONMENTAL POLICY

IOI Palm Oil Estates are committed to produce in an environmentally sound and sustainable manner, through continuous improvement in environmental performance in all our activities:

#### ACCORDINGLY, PALM OIL ESTATES' AIMS ARE TO

- Assess the environmental impacts of all its business activities from Product Development through production, distribution, use and disposal. In particular, we will ensure current legislation and guidelines are taken into consideration before any major change in processes or expansion of the plan.
- Ensure the safety of our products and operations for the environment, using standards of environmental impact assessment and pollution prevention systems, which are scientifically sound and generally acceptable within the present state of knowledge. At the same time we shall also attempt to improve on current practice.
- Develop innovative products and processes, which will reduce levels of environmental impact, through waste minimization and resource conservation including energy and water use, and explore opportunities for reuse and recycling.
- Develop and apply systems of environmental management, as part of day-to-day operational practice and on-going management reporting and control procedures.
- Encourage our suppliers to develop environmentally superior processes and ingredients and co-operate with other members of the supply chain to improve overall environmental performance.
- Refrain from destroying and shall undertake to preserve any primary rainforest within its control, in order not to put at risk areas of special scientific interest or habitats important for endangered plant or animal species.
- Work with industry bodies, government agencies, business partners and other concerned organizations, to promote environmental care, increase knowledge and disseminate best practice.
- Comply with all Government environmental legislation regarding permissible levels of emissions from plant and machinery.
- Remain alert and responsive to developing issues, knowledge and public concerns.
- Ensure that all employees are aware of the Company's environmental policy and motivated to apply it, are aware of their own responsibilities and are given the support and training necessary to fulfill them.

Dato' Foong Lai Choong  
Group Plantation Director

#### Maximum Yield for Maximum Sustainability

Through an efficient and effective plantation management programme, our palm oil yield per hectare which is more than 50% higher than the industry average yields has resulted in a dramatic reduction in the land required to produce the same amount of palm oil by an astonishing 70,000 hectares.

This efficient use of land translates into lower fertilizer, pesticide, energy usage and fewer CO<sub>2</sub> emissions which in turn deliver significant benefits to the environment.

#### Zero Burning Policy

IOI practises the zero burning technique in all its plantations when it comes to land clearing for new planting or replanting and waste management. This technique, which is regulated under the Environment Quality (Clean Air) Regulations 1978, is designed to totally overcome the smoke pollution commonly associated with land clearing via slash-and-burn and to return all organic matter to the soil. Although this method is deemed comparatively costly, yet IOI Group has voluntarily used it to minimise the impact of land clearing activities on the environment.



*Zero burning enhances soil organic matter and restores its fertility and richness.*



*EFB mulching in the inner circle of replants provides palms with initial nutrients.*

### **Waste Management and Resource Conservation**

Over the years, our agro-management practices have evolved to optimise the utilization, conservation and recycling of resources, in particular soil, water and biomass. By-products from palm oil mills especially Empty Fruit Bunches (EFB) and palm oil mill effluent (POME) are used where necessary as organic fertilizers to enhance yields resulting in cost-effectiveness in our fertilizer practices.

This practice provides compost that enriches the soil naturally as well as minimises the water and soil pollution. Mesocarp fibre and palm kernel shells are used as biofuel for power generation in palm oil mills while EFB fibre is used as biofuel for steam generation in our refinery. Nearly 98% of our fuel consumption for steam generation at our mills now comes from these renewable resources.

IOI is currently piloting a method for reducing greenhouse gases (GHG) released from palm oil mill effluent ponds. This method, if proven to be functionally and commercially practical, will have a substantial impact on the reduction of GHG emissions for the palm oil mills.

Buffaloes are also used wherever practical instead of fuel-powered vehicles to transport fresh fruit bunches from infields. By using as little fossil fuel as possible, we actively reduce the amount of undesirable emissions, greenhouse gases and pollution that we produce. Furthermore, this approach also causes less soil erosion than working with machines.



*The Buffalo-Assisted Harvesting (BAH) method is employed to reduce energy consumption.*

### **Land Management**

Soil is a living environment that can be depleted or damaged by cultivation. Terracing is carried out in undulating or hilly areas to conserve soil, water and nutrients effectively.



*Terracing conserves soil, water and nutrients effectively.*



*Legume cover crops provide excellent soil coverage.*

Legume cover crops (LCC) are established immediately after planting as they offer excellent soil coverage compared to natural ground covers. These plants are also useful in minimising soil erosion, conserving soil moisture and improving soil fertility.

To further enhance our soil conservation measures, we do not cultivate oil palm:

- On moderate to deep peat and riverine reserves.
- On hill slopes exceeding 30 degrees.
- In primary or designated forest reserve.

### **Integrated Pest Management**

To ensure efficient, successful and sustainable cultivation, it is absolutely necessary to control pests, rodents and plant disease. Our primary means of doing so is by following an Integrated Pest Management policy.



*These beneficial plants are a biological means to attract natural predators.*

Biological control is integrated into pest management practices to minimise usage of pesticides. Beneficial plants (e.g. *Casensia cobanensis* and *Tunera spp.*) are planted to attract natural predators for biological control of bagworms and other leaf-eating caterpillars which are major insect pests in oil palm plantations.



*Barn owls are an environmentally-friendly and cost-effective way to control rats.*

Barn owl boxes are erected in the estates to increase the owl population for biological control of rats which can cause significant yield reduction. Effective pest control measures make it possible to reduce the amount of chemicals required to control pests.

### Roundtable on Sustainable Palm Oil (RSPO)

IOI is a founding member of the RSPO and plays an active role in promoting sustainable practices. The RSPO, a global multi-stakeholder initiative on sustainable palm oil, is committed to promote growth and use of sustainable palm oil through co-operation within the supply chain and open dialogue with its stakeholders.

The preparation and training for RSPO certification program has already been carried out within most of our 80 IOI estates. The Pamol Estates grouping in Sabah has been awarded the RSPO Compliance Certification for its sustainable palm oil production in early February 2009. With the encouragement from its first RSPO certification, IOI is actively pursuing certification audits on its other estates and mills in Malaysia with a view of obtaining RSPO certification for all its local estates and mills by year 2011.





“Corporate Responsibility is considered an important part of the rich fabric of activities that constitutes the IOI Group. Perhaps the most visible example of our efforts can be exemplified through our leadership role in the Roundtable on Sustainable Palm Oil. This initiative is focused on protecting and enhancing the principles of people, planet and profit for the benefit of all. We are proud to be one of the founding companies and also one of the leaders in this initiative.”

~ Mr. Donald C. Grubba,  
Global Sustainability Director,  
IOI Corporation Bhd

# Cultivating environmental care

Fostering roots of environmental protection

## Wildlife Conservation

Care for the environment is a global concern and it is also certainly a key concern for IOI. We believe that the sustainability of our businesses is interdependent with the sustainability of the ecosystem surrounding its operations. Some of the conservation projects undertaken include:



*IOI's sanctuary for proboscis monkeys provide a home for these endangered species.*

- Deer farm at Nangoh Estate, Sabah
- Sanctuary for proboscis monkey (*Nasalis Larvatus*) in Bayok Estate, Sabah
- Buffalo farm in Tindakon Estate, Sabah
- Information Centre and Masasau Trail at Nangoh Estate, Sabah
- Agro-tourism facilities in Sagil Estate, Johor
- Sanctuaries for *orang utan* in undeveloped zones with planting of jungle trees



*The deer farm at Nangoh Estate is one of the tourists' attraction.*



*Tourists are able to gain useful information at the Information Centre at Nangoh Estate.*

## Ecology and Biodiversity

In order to maintain the biological balance within the plantations, all steep, unplanted tracts of land are purposely left in wilderness condition to allow indigenous insects, plants and wildlife to continue flourishing in and around the plantations. We also link riparian reserves and other reserve areas within estates and surrounding neighbourhoods to form corridors and refuges for wildlife.



*Riparian reserves serve as a habitat for the wildlife.*

Furthermore, biodiversity studies of flora and fauna species are also conducted in our plantations where 337 flora and 227 fauna endemic species are found.

### **Sustainable Living**

For property development, we abstain from property development that encroach forest or green-belt reserves, and those that involves hill slopes with gradient greater than 25 degrees or those that post environmental risks. We also comply strictly with the Environmental Impact Assessment requirement and regulatory guidelines on safety and environment.

IOI Properties also gives preference to vendors whose products and manufacturing processes are environmentally-friendly.

### **Environmental Care Practices**

Our commitment towards a responsible organisation extends beyond the requirements of statutory bodies. For example, IOI Oleochemical, on voluntary basis, adopted the six Codes of Practices laid down by the Chemical Industries Council of Malaysia (CICM) and received the CICM's Responsible Care award in 2006.

Besides plantations, our downstream manufacturing units also adhere strictly to various environmental management systems, for example Loders Croklaan Wormerveer and Rotterdam facilities have been both ISO 14001 certified while IOI Oleochemical Industries Berhad has been ISO 14001 and OHSAS 18001 certified.

Strict adherence to quality standards will ensure IOI operates in a sustainable manner.



*IOI's property development is geared for sustainable living.*



*Rotterdam's close location to clients means palm oil is refined only once resulting in less energy, fewer materials and less waste.*



*The state-of-the-art IOI Oleochemical plant in Penang is committed to energy and water conservation.*



# Nurturing employee well-being

Forging a land of respect

IOI is crafted to be the employer of choice due to our dedicated commitment to make our employees our top priority. We strive to make IOI a premier working place by fostering a healthy environment for all and treating our employees with dignity and respect.

At IOI, there are ample rewarding careers to empower employees to grow and advance, open channels of communications to encourage trusted relationships to be built, beneficial health and safety programs designed for the welfare of employees and corporate policies that underscore our drive for continuous improvement.

equal opportunities to tap into a broad spectrum of knowledge and expertise to improve and enhance in order to soar to greater heights. Constant trainings are held to equip employees with essential skills to excel in the company. Leadership workshops are conducted to shape employees to be leaders. Ultimately, employees are inspired to drive the company to greater success.

In addition, IOI has implemented various ongoing programmes that emphasise on the human capital development of the organisation and benefit the staff of IOI such as management trainee programmes, internships and scholarships for selected IOI staff.



*Success is a great source of motivation for further achievements.*

We value and promote diversity as we believe it sparks innovation, unique ideas and perspectives to the workplace. When employees with diverse backgrounds from different races, cultures, genders, ages, work experiences and working strengths combine their viewpoints and contributions, it offers the company solutions to the challenges that we face and encourage a healthy, learning environment for everyone.

## **Unfolding the Talent of IOI**

IOI invests in the development of our employees' potentials through collective efforts to regularly train and hone their talents and skills for productive and innovative outputs.

Although diverse in race, gender or nationality, our employees are given



*A workshop in session on strategy formulation and implementation of the best practices.*



*Loders Croklaan's staff receiving a fencing course to know people from a completely different perspective.*



“Leadership is communicating to people their worth and potential so clearly that they come to see it in themselves.”

- Stephen R. Covey



School bus to bring children of estate workers to schools.



Swimming pool in an estate clubhouse.



Clean and comfortable housing for workers.

### Caring for the Family

The well-being of IOI's employees is integral to the company and this is reflected in the integrity of IOI to embrace each employee into the family of IOI. At IOI, a sports and recreational club organises sports, social and recreational activities such as family outings, gatherings and various events for the benefit of IOI staff and their family members.

In the estates, we invest in extensive amenities such as proper housing, clinics, schools, nurseries, places of worship, community hall and sundry shops to promote the welfare of IOI's workers. Recreational facilities such as basketball courts, swimming pool and football fields are easily available for the workers during their free time.

## Advocating Health and Safety

Safe and healthy working conditions are never compromised especially in non-office-based environment such as field operation, processing and manufacturing. IOI places substantial investments in occupational safety and health management systems that meet world-class accreditation levels such as OHSAS 18001 standards.

Continuous training and awareness programmes such as fire training and hazard guidance are conducted for those dealing with potential hazards such as pesticides and machinery.

IOI also initiates free medical treatment at clinics with x-ray and ambulance facilities for IOI's estate workers and neighbouring communities.

To maintain cleanliness and hygiene, a Visiting Medical Officer (VMO) visits the labour quarters twice a month whilst frequent health programmes and campaigns on pap smear, breast cancer and other healthcare issues are organised for the workers and local communities.



*A clinic with adequate facilities.*



*Free medical treatment for the estate workers and neighbouring communities.*



*Safety is a priority at all IOI estates.*



# Harvesting community growth

Touching lives in communities

At IOI, we place a very high value on education and human capital development for the nation, especially our employees and their children. Many of these social initiatives are undertaken through Yayasan Tan Sri Lee Shin Cheng (Yayasan).

Yayasan Tan Sri Lee Shin Cheng is a charity arm of IOI Group established in 1994 by Tan Sri Lee Shin Cheng, the founder of IOI Group, with the objectives of contributing towards education, welfare and advancement of the country.

Since its formation, Yayasan has touched and impacted countless lives with its passion to extend a hand to those in need of care, concern and compassion.



## Broadening the Horizons of Education

### Young Achievers' Awards

Yayasan introduced the Young Achievers' Awards in 1999 with the aim to invigorate and motivate young students to strive for excellence in their studies. Cash awards are given out annually to reward bright students from primary to upper secondary levels who excel academically and in their extra-curriculum activities.



*A-level Gold award's recipient, Sangeetha alp Manoharan, sharing her secret of success with the audience.*



*Recipients of the Young Achievers' Awards 2009 with Dato' Lawrence Chan, Dato' Lee Yeow Chor, Dr. Chua Yee Yen and Yayasan's committee members.*

### Scholarship Awards

To motivate the pursuit of educational excellence, Yayasan continually inspires the youth to achieve their dreams. Yayasan grants scholarships and bursaries to outstanding students pursuing their degree courses in recognised local institutions of higher learning in disciplines related to our businesses which includes agriculture, food science, oleochemical, biotechnology, chemical engineering, mechanical engineering, civil engineering and accountancy.

Career opportunities within IOI Group are given to these students after they graduate from their studies.

“Our past scholars are now in important positions in different organisations and some have continued to enjoy successful careers in IOI Group itself.”

~ Mr. Lee Yeow Seng,  
Executive Director of  
IOI Corporation Bhd



The mock cheque presentation for Yayasan TSLSC School Adoption Programme at SK Pamol Sabah.

### Student Adoption Programme

Yayasan believes that the education path of underprivileged children should never be hindered. The notable Student Adoption Programme was launched in 2008 by YB Dr. Wee Ka Siong, Deputy Minister of Education to ensure their education journey is well taken care of.

For a start, 262 students from poor families and spread across 58 primary and 20 secondary schools in Peninsular Malaysia and Sabah have been selected to receive RM800 and a school bag each year until he or she completes primary or secondary education. About 2000 children from HUMANA kindergartens in IOI's oil palm estates in Sabah also benefited from this programme.



RM582,000 of scholarships were awarded to 17 students in 2007.



The official launch of the Yayasan TSLSC Student Adoption Programme by YB Dr. Wee Ka Siong.



251 adopted students also received school bags and stationery sets at Humana House 101, Ulu Estate.

### School Adoption Programme

In addition to promoting education through various programmes, Yayasan also initiated the School Adoption Programme to create a conducive learning environment for students.

6 primary and secondary schools in or near IOI's oil palm estates in Sabah have been adopted where financial support was given to improve their facilities. New classrooms were built. New halls were constructed. IT facilities were provided. Libraries were set up to instill the love of reading. Parameter fencings were erected.

### SJK (C) Ladang Harcroft

IOI Group marked a momentous milestone with the full funding and building of SJK (C) Ladang Harcroft, a new Chinese-medium primary school in Bandar Puchong Jaya at a cost of RM7 million.

On 30 November 2007, the school was officially handed over to the Minister of Education during a prestigious official opening by YAB Dato' Seri Abdullah Badawi, then Prime Minister of Malaysia.

Situated on the top of a hill over 5 acres of land with breathtaking views of the Puchong township, the school has two 4-storey blocks comprising 30 classrooms, a canteen and facilities such as basketball court, open field, assembly area and security guard house.



Tan Sri Lee Shin Cheng sharing a light moment with then Prime Minister and cabinet ministers in front of SJK (C) Ladang Harcroft's scale model.

“Through its many years, IOI has committed to the principle of “by the community, for the community” and through Yayasan Tan Sri Lee Shin Cheng, financial assistance has been allotted to foster, develop and improve education in all areas as well as charitable causes to the needy and unfortunate people such as the Orphan Houses and the Silver Citizen Houses.

*Actions do speak louder than words. With the establishment of Yayasan Tan Sri Lee Shin Cheng, IOI is operating its business in a manner that meets and exceeds the ethical, legal, commercial and public expectations that our society has of other businesses of this nature.*”

~ Dr. Chua Yee Yen,  
Executive Director,  
Yayasan Tan Sri Lee Shin Cheng

## Uniting the community

### IOI Community Run

IOI emphasises on nurturing and building the ties of the community by holding community events to draw people of all races and ages together.

The biennial IOI Community Run was launched in 2005 to promote healthy activities and cultivate the spirit of neighbourliness in the Puchong area and nearby communities. The inaugural community run attracted over 2300 participants and during the 2008 run, more than 4000 people from all walks of life participated.

*IOI Community Run has become a signature and highly anticipated event in Puchong district. The main objective of the run is to unite the community by fostering a closer relationship among the local residents.*

*- Dato' Lee Yeow Chor,  
Group Executive Director of  
IOI Corporation Bhd*



Enthusiastic runners at the flag-off of the IOI Community Run.

To make the event even more meaningful, IOI Properties took the opportunity to donate funds to various charitable organisations such as Shuang Fu Disabled Living Association, orphanage homes such as Rumah Shalom and a few schools in Puchong.

### Rakan Cop

To ensure the Puchong residents live in a safe and sound township, IOI Properties collaborated with the police to launch the Rakan Cop (Friends of the Police) programme on 10 March 2007 as a vehicle to heighten public awareness on safety and security measures.

Under this programme, safety measures were undertaken such as sponsoring Rakan Cop information boards at various strategic locations in Puchong; disseminating leaflets, posters, car stickers to the public; posting information on anti-criminal and crime prevention on IOI's community website; encouraging the public to act as police look-outs and providing information on crime to the Police Command Central Centre via its hotline, sms or mms.

In addition, IOI Properties fully funded the construction of a police station with hostels and sponsored 10 police patrol cars for its Puchong Jaya township.



Dato' David and VIPs at the launch of Rakan Cop.

## REACH OUT

Another community project initiated by IOI Properties to reach out to the Puchong community is the publication and free distribution of the quarterly REACH OUT magazine featuring news and stories to keep readers updated with what's happening in and around Puchong.

IOI's community website, [www.myioi.com](http://www.myioi.com) is an additional useful tool implemented to convey vital communication to the Puchong community.

## Uniting to Touch the Environment

### Earth Hour

IOI Group united to support Earth Hour 2009, a green mission initiated by WWF, by making it our responsibility to flick the switch for an hour from 8:30pm to 9:30pm on 28 March 2009.

The green initiative included IOI's leisure and hospitality hotels and malls – Putrajaya Marriott Hotel and Palm Garden Hotel, IOI Mall Puchong, Puteri Mart, IOI Mall Kulai, IOI Mart Kulai; IOI Properties in Puchong and Johor Bahru as well as the refineries and plants – Lodders Crokiaan (Asia, the Netherlands, North America and Canada), IOI Oleochemicals Penang, IOI Edible Oils Sabah, Pan Century (Oleochemical and Edible Oils) which all pledged to unite with the world to join the green movement and slowly learn to adopt the habits of sustainable living in our daily lives.



Presenting a souvenir for the Best Energy Saving Idea initiated during Earth Hour.

## Partnering to Change Lives

### HUMANA Learning Centres

One of IOI's goals in education is to provide a learning opportunity to everyone. Hence a partnership is formed with Borneo Child Aid Society, Sabah (HUMANA) to care for the children of foreign plantation workers who are unable to enrol into national schools in Malaysia.

IOI also sponsored computers, projectors and sound system for some selected learning centres. Today, IOI is the main contributor which sponsors over 20 of these learning centres in Sabah that benefit more than 2000 children.



Children at the IOI Pamol Humana Centre.



Ulu Estate Manager presenting school bag and stationery to one of the Humana students.

### Lawas Project

Sharing the vision to reach out to the native groups, Yayasan partnered with World Vision Malaysia in 2007 and embarked on an educational development programme in Sarawak named the Lawas Project.

Yayasan is funding the Lawas Project for the curriculum infrastructure development of the ethnic Lumbawang community in Sarawak to realise the short-term vision of raising competent native-speaking teachers and the long-term vision of building a training and research centre for ethnic pre-school training in Sarawak.



*The Learning Centre provides the native children from Sarawak with their first exposure to basic education.*

### Supporting Smallholders

IOI is partnering with J. Sainsbury, the third largest supermarket chain in United Kingdom, to conduct a 3-year smallholder support project with Dutch NGO Solidaridad to assist the Malaysian small holders in achieving RSPO certification while improving their yield performance and income level. This project is initiated by the Dutch Government and will be funded by the participating organisations.

“... IOI is presently our biggest partner in providing education to the plantation children. With the first plantation learning centre starting more than 10 years ago, IOI has gone ahead to be a good example for other companies, being one of the first companies to take up the social responsibility towards the plantation children. We highly appreciate the positive cooperation and lasting commitment from both company and local management in the IOI plantations for the benefit of the children.”

*- Mr. Torben Venning,  
Project Director of  
Borneo Child Aid Society (HUMANA)*

# Treasuring our corporate values

Dedicating to an endless journey

The issues we are addressing – from ethical business conducts and sustainable business practices to workplace policies and human capital development, from environmental care to community service – are not a choice between business strategy and citizenship strategy. They are both.

Our trail to embrace corporate responsibility is only the beginning of a journey that entails an endless route towards excelling in our business whilst protecting the environment and caring for society. It may be a challenge to balance our values but we are dedicated to our corporate responsibility.

As we stay true to our corporate values, it is also our goal to explore and practise new environmental measures that benefit the earth, deliver innovative and cost-efficient solutions that meet customers' aspirations, and contribute to the improvement of our society.

# Tracking our progress

Share your opinion

Please let us know your views on this report or any issue it raises by emailing to [feedback@ioigroup.com](mailto:feedback@ioigroup.com) and listing CR in the subject matter.



## **Our Corporate Responsibility Logo**

### *Eyeing Our CR Journey*

The swirling arrows embody our endless trail of giving back to the world what we have received - this is the window to our soul. As a catalyst for progress in an evolving world, IOI is embarking on a corporate responsibility journey with our eyes on the lives of tomorrow and the world we live in.

The background of the page is an abstract design consisting of numerous diagonal stripes in various shades of green, ranging from light lime to dark forest green. The stripes are of varying widths and lengths, creating a dynamic, layered effect that suggests movement and growth. The overall composition is clean and modern.

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