STATEMENT ON WORKPLACE

People as an asset are the key success element in an organisation in achieving sustainable business goals. The Group remains focused on developing our people as depicted in our continued initiatives placed under the Group’s sustainability pillar of “Investor in People”. It is our journey which places the importance on the human-side of plantation geared towards building a high performing team that embraces the Group’s core values of I-PETRIC-Q and the principle of shared destiny. The Group is committed to providing equal opportunities for personal and career development alongside with the provision of decent working and living environment. The Group continues to improve the living environment of its people through progressive upgrading and building of new and quality houses and other ancillary amenities. The Group also placed great importance on the welfare of our people and ensures that they are also equipped with the competency skills and knowledge through continuous learning, provision of better facilities as well as promoting sport excellence and cultural heritage. We also engrained in our organisation the importance of occupational safety and health. The Group also encourages our people to adopt a healthy and holistic work-life balance. We endeavour to make our employees’ time at work as pleasant as possible by assimilating our core values and fostering team-work and 1-IJMP family spirit.
EMPLOYEE ENGAGEMENT

The Group is guided by its corporate I-PETRIC-Q core values of Integrity, Passion, Efficiency, Teamwork, Respect for Diversity, Innovation, Customer Focus and Quality. In the reporting year, an employee engagement survey, IJM “MyVoice” was conducted as a channel to collect voices from employees through a series of questionnaires. The year 2014 survey has shown a higher level of employee engagement with the positive score of 91% with 97% of our employees proud of being a part of the IJM family. The survey has also shown that our employees have a strong sense of pride and high level of support on the Group’s values and direction. Besides, there was a significantly higher favourable score on overall satisfaction level (up by 26%) while the percentage of staff with intention to stay has also increased by 34% as compared to the previous survey carried out in the year 2011. The Group will continue to actively engage with our people to work together and make our organisation a better place to work.

Townhall meetings or previously known as Roundtable meetings with the CEO-MD are held twice in a year. The meetings are important direct two-way communication channels and between the staff, executives and the top management of the company. Townhall meetings also provide the opportunity for the CEO-MD to present the Group’s overall performance, issues and sharing of strategies to drive the organisation forward. Leaders from the respective departments were also invited to present the latest initiatives to all their colleagues. At the selected meetings, group activities were organised to collect feedbacks and other improvement recommendations.

Joint Consultative Committees (JCC) have been established for years to promote open and positive communication between the employees and management. It is a fitting platform for the representatives of the workers to discuss and resolve related issues on the workplace and living environment. It is also an opportune platform for management to connect to people from all levels and to ensure issues are resolved in an open and constructive manner.

SAFE WORKPLACE

Occupational safety, health as well as cleanliness are of utmost importance at all times for our people and to protect others who may be affected by our business activities. The Group is committed to provide a safe workplace for all employees and determined to move towards a ‘Zero-Accident’ working culture. ‘Safety First’ working culture is the key driver for the implementation of the ‘Zero-Accident’ aspiration. In order to achieve this target, we have organised 281 safety and health related training sections in the reporting year. Among the job-related competency training are working at heights, working in confined spaces and first aid which were carried out by the National Institute of Occupational Safety and Health (NIOSH) and Red Crescent Society respectively. Apart from this, safety training and briefings are repeatedly performed for the workers to ensure that they carry out their tasks safely. In addition, OSHA week was organised in the operating units where safety campaigns and awareness talks are held to promote the safety awareness among the people. One of the campaigns organised in the reporting year was that on “Road Safety”, where all road users particularly the motorcyclists were briefed on the dos and don’ts of responsible road users.

The Group has a safety performance monitoring mechanism where audits and reviews are done regularly to monitor the safety and health performance on the ground. We continue to organise safety and health steering committee meetings that were spearheaded by top management and all heads of operating units. Safety audit findings and any latest issues or regulatory requirements imposed are discussed and briefed in the meetings. The safety performance of all the operating units are translated into appropriate safety and health related key performance indicators and closely monitored. In the reporting year, the Group’s safety performance has improved tremendously with a much lower reported number of accidents and first aid cases. Each operating unit has also formed its emergency response team (ERT) and were trained to attend to various types of emergencies. Trainings and re-fresher trainings on emergency response plans, emergency rescue simulations and fire fighting were organised in all the operating units.
Risk assessments have been carried out for all workplaces to identify potential hazards and preventive measures to minimise the risks. Employees who have exposure to hazards at the workplace are well equipped with appropriate personal protective equipment. One of the accident preventive measures is to ensure that relevant warning signages, safe working procedures and safety information are clearly posted at the workplace. All our workers and staff who have exposure to health risks are sent for medical surveillance and audiometry tests annually. Apart from that, our workers who are exposed to chemicals are also being monitored by clinic assistants on their primary vital signs on a monthly basis.

The Group also places importance on the hygiene conditions at the housing sites, where scheduled ‘gotong-royong’ cleaning activities are conducted on a regular basis and fogging is carried out whenever needed. The management will ensure that the cleanliness of the living environment is well maintained through periodic spot-checks and cleanliness audits at the housing sites. Apart from this, health talks that promote healthy lifestyles and awareness on contagious diseases were held regularly in the operating units. Landscaping with assorted plants at various sites is also promoted with competitions for best landscaped houses.

**RESPECT FOR HUMAN RIGHTS**

Respect for human rights, human dignity and equality is one of the core business philosophies. The Group treats everyone equally and without discrimination. We respect internationally recognised human rights policies and comply with relevant legal requirements and regulations. The Group has established and adopted a Human Rights Policy which is available in both English and Bahasa Melayu. In addition, a social manual has been established to provide guidelines and mechanism to handle social issues raised within the organisation and externally. The manual is aimed to ensure the social practices are consistent with the spirit and intent of the Human Rights Policy. The manual also stipulates the grievance procedures in handling any complaints and disputes happening internally and externally in an effective, transparent and timely manner. Apart from that, a whistle blowing channel is also available at our corporate portal.

**RESPECT FOR DIVERSITY**

The Group’s is committed to provide equal opportunities to all levels of employees and is non-discriminatory on the race, age, ethnicity, color, nation of origin and gender. These are embedded in the Human Rights Policy and Diversity & Inclusion Policy. However, there are large differences between the ratio of men and women employed in the plantation business. These differences are driven by our type of industry where it is predominantly male dominant.
The gender distribution for staff and executives in both Sabah and the Indonesian operations are very similar where about 24-26% are female employees while the other 74%-76% are male employees. We are progressively empowering women in various levels of management.

We also continue to foster mutual respect and the appreciation of cultural diversity within our organisation. The Group respects and appreciates the many ethnicities that make up the 1-IJMP family. Various cultural events and festivals are celebrated together. One of the highlights is the celebration of the Harvest Festival (Ka’amatan Festival) in Sabah.

The age groups for our staff and executives in the Malaysian and Indonesian operations are summarised in the chart below. Most of our people in Sabah are in the age group of 35-53 years, while in Indonesia it is between 21-34 years. The management levels fall under the age band of 54-65 years and they continue to lead and mentor the junior management as we manage the intergenerational shift involving the Gen-Y.

![Age Groups Chart](image)

**NURTURING AND REWARDING OUR PEOPLE**

Our people are our greatest asset in the company. Our human resource strategies are focused on three key areas, which are the identification, developing and retention of talent. We value everyone’s contribution in the organisation and strive to ensure equal opportunities for all. All employees are trained and re-trained under a structured training plan and programme based on their training needs. From technical and job based training to soft skills training, 206 employees have undergone training in the reporting year to enhance their competency levels. In 2014, the Group also initiated a partnership with the Open University of Malaysia to provide weekend Diploma courses for our staff and those from our neighbouring estates in the Sugut Region, thus providing tertiary education opportunities in the plantation.

The Group’s talent management and leadership development programme are focused on nurturing potential leaders under the supervision of their respective mentors. Existing talented people in the organisation are identified, guided by their senior mentors and empowered to lead in critical positions or responsibilities within the organisation. Regular meetings with brainstorming sessions have provided the people the platform for sharing information, harnessed their presentation skills as well as fostered their leadership skills, instilled greater team spirit while improving cross-functional cooperation. The Group rewards performance – rewarding our people based on their key performance indicators. The Group embraces the principle of “shared destiny” and has rolled out a long term incentive plan involving an employees share option scheme and a grant plan with the objective to reward performers, retain and motivate our people as well as to remain competitive in the job market.

“Safety First” at workplace
SPORTS AND CULTURAL EXCELLENCE

The Group encourages our employees to participate actively in various sports that promote sportsmanship and esprit-de-corps. Regular sports events were organised in the operating units during Labour Day and Merdeka Day celebrations. Friendly matches were also organised among and between the operating units as well as with external parties.

More than 70% of our staff and executives in Sabah are from various ethnic groups that are native to Borneo. Each of the ethnic groups are unique and are proud of their respective rich traditions and customs. The Group encourages our people to practice and promote their own culture and traditions and one of the important festivals that is widely celebrated by all ethnic groups in Sabah is the Pesta Ka’amatan (Harvest Festival) held in the month of May every year. This festival is organised by the Sugut region annually since year 2011 showcasing cultural performances, traditional sports competition, exhibitions that showcase respective ethnic group’s traditions and customs such as the costumes, food, medicinal plants and musical instruments. The annual highlight is the Unduk Ngadau (Harvest Festival Queen) pageant contest where all “Sumandak” young ladies will showcase their talent in their traditional costumes on the stage. Employees are able to appreciate and understand each other’s customs and traditions and thus enhance the esprit de corps among the people. Through this festivity, employees are able to better appreciate and understand each other’s traditions and customs and at the same time these traditions can be preserved and passed down to the younger generation.

EDUCATING CHILDREN

The Group continues its collaboration with a social NGO, Borneo Child Aid (HUMANA) to provide basic education for the guest workers’ children in the plantations. The Group refurnished these learning centres with necessary amenities and provides transportation for the children who are staying far from the learning centres. Currently, there are three purpose-built learning centres in the Group which can cater for more than 500 children and one unit, the Continuous Learning Center (CLC) caters for children above 12 years old. Our employees’ children with outstanding results were also rewarded to recognise their academic achievements.

QUALITY HOUSING AND AMENITIES

The Group continues to build and invest in quality houses and make sure that the amenities such as crèches, kindergartens, learning centres, sports facilities, community halls and clinics are in the best conditions for our employees who stay in the plantations. A polyclinic that was equipped with an X-ray machine is located at one the estates in the Sugut region namely the Excellent Challenger-2. The polyclinic is able to provide X-ray services and diagnostic facilities for the workers’ annual medical check-ups. Other basic utilities such as treated water and electricity are provided free for the employees working in the operating units.
Housing and Amenities in Operating Units