

## INNOVATING FOR THE FUTURE

## ANNUAL REPORT 2016

Sime Darby Berhad (Company No. 752404-U)

## UNITED NATIONS GLOBAL COMPACT (UNGC) COMMUNICATION ON PROGRESS

Sime Darby Annual Report 2016 describes the Group's performance against the UNGC's Ten Principles for this financial year (1 July 2015 – 30 June 2016). The following table details the relevant report sections to support each Principle.

| Core Value          | Principle   | Relevant Sections  | Page<br>References      |
|---------------------|---|--|-------------------------|
| Human Rights        | Principle 1: Businesses should respect the<br>protection of internationally proclaimed human<br>rights; and<br>Principle 2: Make sure that they are not complicit<br>in human rights abuses.  | <ul> <li>Managing our Material Issues</li> <li>Human Rights</li> <li>Sime Darby Slavery and Human<br/>Trafficking Statement</li> </ul>   | 18<br>43<br>386         |
| Labour              | <ul> <li>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</li> <li>Principle 4: the elimination of all forms of forced and compulsory labour;</li> <li>Principle 5: the effective abolition of child labour; and</li> <li>Principle 6: the elimination of discrimination in respect of employment and occupation.</li> </ul> | <ul> <li>Managing our Material Issues</li> <li>Human Rights</li> <li>Sime Darby Slavery and Human<br/>Trafficking Statement</li> </ul>   | 18<br>43<br>386         |
| Environment         | <ul> <li>Principle 7: Businesses should support a precautionary approach to environmental challenges;</li> <li>Principle 8: undertake initiatives to promote greater environmental responsibility; and</li> <li>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</li> </ul>   | <ul> <li>Managing our Material Issues</li> <li>Minimising Environmental Harm</li> <li>Divisional Operational Review</li> </ul>   | 18<br>45<br>63          |
| Anti-<br>corruption | Principle 10: Businesses should work against<br>corruption in all its forms, including extortion<br>and bribery.  | <ul> <li>Managing our Material Issues</li> <li>Corporate Governance</li> <li>Code of Business Conduct and<br/>Compliance</li> <li>Statement on Risk Management and<br/>Internal Control</li> </ul> | 18<br>112<br>129<br>167 |