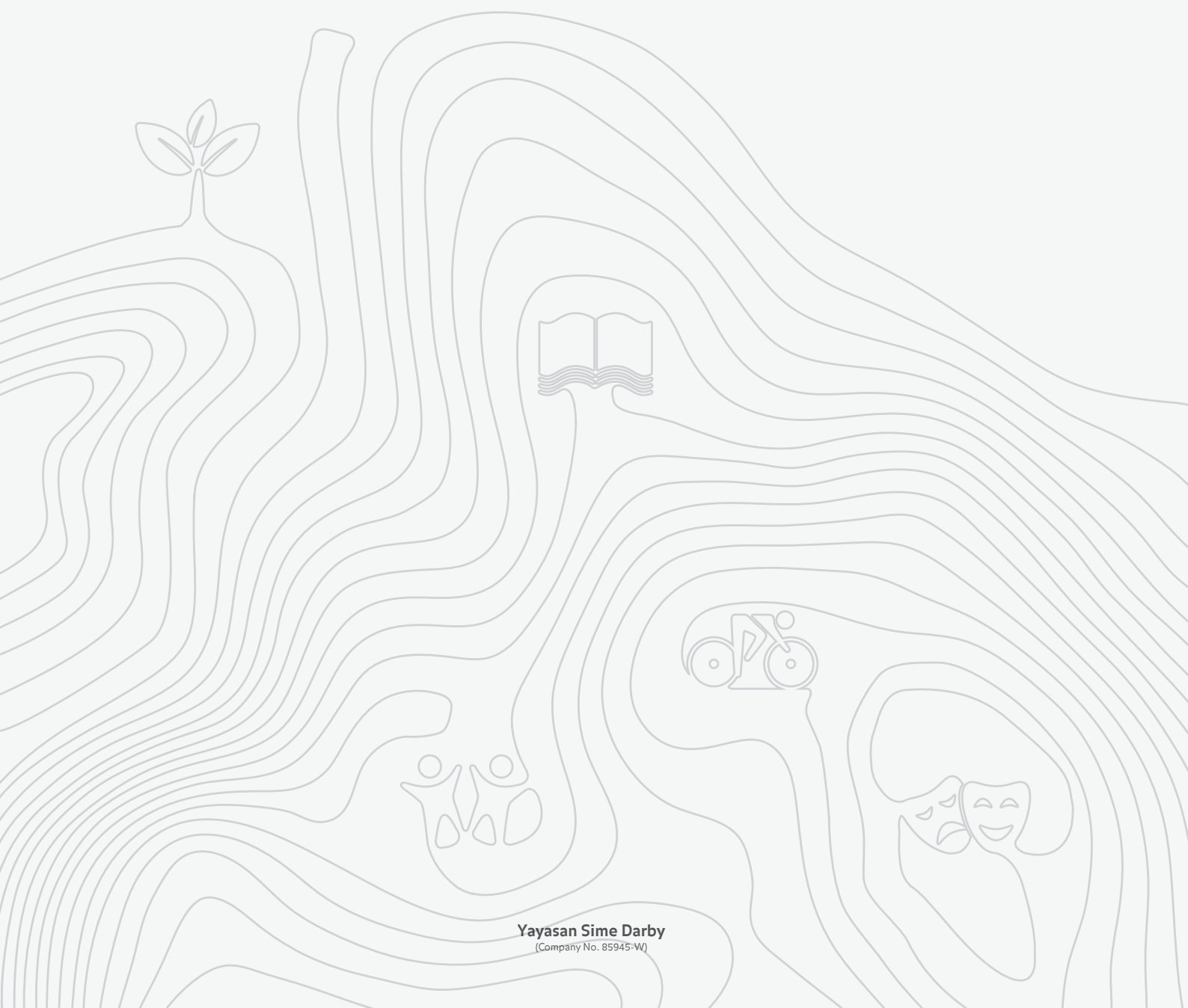




YAYASAN

INNOVATING FOR THE FUTURE

ANNUAL REPORT 2016



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ACKNOWLEDGEMENT

Yayasan Sime Darby (YSD) or Sime Darby Foundation (SDF) would like to thank the Sime Darby Group for the generous donation and continuous support over the years. Special thanks to the Sime Darby Group Communications department for editorial content and creative input. SDF also extends its gratitude to all beneficiaries for their tireless and unyielding effort to realise the projects undertaken and hopes to further enhance the synergy and relationship in the years to come.

WHO WE ARE AND WHAT WE DO

ABOUT SIME DARBY FOUNDATION

SDF is the philanthropic arm of Sime Darby Berhad. Over the years, the Foundation has expanded its wings from offering scholarships to outstanding and deserving individuals to funding impactful conservation, outreach and development programmes

OUR VISION

To lead and make a sustainable impact, and a difference in the lives of others

OUR MISSION

We are dedicated to enhancing lives and delivering sustainable value through the following 5 pillars:



EDUCATION



ENVIRONMENT



COMMUNITY & HEALTH



YOUTH & SPORTS



ARTS & CULTURE

We practise high ethical values and observe good corporate governance



INNOVATING FOR THE FUTURE

This year, our Annual Report cover is influenced by topography which symbolises Sime Darby Foundation's outreach across diverse segments. The Foundation believes that innovation is the key driver for change and betterment of the communities and causes that we support. Sustainability and good governance are also integral to everything that we do. The interconnecting lines that run through each of our pillars symbolises our mission for nation building through Education, Environment, Community & Health, Youth & Sports and Arts & Culture.

CHAIRMAN'S FOREWORD

COMM

SDF started 34 years ago by giving scholarships to Malaysia's best and brightest to study at the top universities in the United States and the United Kingdom. It was in the 1980s and the country was embarking on industrialisation. The national car was produced around the same time and the nation needed more bright talents to support the country's development.

As the Sime Darby Group expanded to cover more countries, the Foundation, which is Sime Darby's philanthropic arm, also grew to support initiatives internationally. Today, we provide scholarships in countries such as Indonesia, China, Liberia and Papua New Guinea.

Education has always been our core focus because it is literally the foundation for success. A good education will almost always guarantee employment opportunities, and for those who come from underprivileged backgrounds, it is critical. However, SDF recognises that there are other areas where doing good will also achieve a similar if not more meaningful impact.

The world that we live in today has seen so much progress in so little time. Unfortunately, there is also greater inequality and people seem to be more divided and more intolerant of others. This is why Youth & Sports as well as Arts & Culture are part of our five pillars. We believe that both sports and the arts have the power to unite, inspire and motivate people for the greater good.



ITMMENT

We have been supporting track cyclist Azizulhasni Awang since 2009 in the firm belief that he is a world class athlete, and he has proven us right with a bronze medal in the keirin event at the Rio Olympics 2016. After years of blood, sweat, tears, sacrifice and determination, the Pocket Rocketman has triumphed and fulfilled the nation's dream to bring back the first Olympic medal in the track cycling event.

The story of this young lad from Terengganu is simply amazing. Even his sports school teacher thought he was too small to make it in a sport dominated by much physically bigger competitors. However, he has proven that what matters is the size of your heart and your desire, and I am sure he has now motivated many youngsters to follow in his footsteps and make the country proud.

In the sport of golf, we may have found our very own Michelle Wie and Tiger Woods in Natasha Andrea Oon and Bryan Teoh. Both teenagers, through the Foundation's sponsorship to develop junior talents, have grown in strength by leaps and bounds.

Natasha came to us when she was 12 years old in 2013, an all-rounder who excelled not only in golf but academically as well. We see in her a national star in the making, and she is described by the Malaysian Golf Association as the next world class golf star for Malaysia.

Another world class athlete in the making is Jeremy Koo, whom SDF sponsored for match sailing since 2014. Jeremy was ranked 73rd in the world on 12 February 2014, and just recently on 29 September 2016, his world ranking jumped to 14!

The Foundation had also successfully organised the second Yayasan Sime Darby Arts Festival (YSDAF) this year which drew 15,000 attendees. Themed Arts Education+Future, the year-long Festival culminated with a weekend carnival with more than 300 activities held during the two days. The various workshops, talks and movies screenings were popular with participants and visitors. It was an arts festival like no other that I have ever seen or experienced in Malaysia.

I must thank our partners, klpac, who have once again outdone themselves in organising this extraordinary biennial YSDAF. We look forward to more fun and exciting collaborations with klpac in the years to come.

To the Sime Darby divisions who are our benefactors, I thank you. Without your generosity, much of what we do would not have been possible.

Indeed, it has been a fulfilling year for us at the Foundation. I would like to thank the management team and the SDF Governing Council for their unwavering commitment and hard work. Without all their efforts, we would not be where we are today.



TUN MUSA HITAM

Chairman,
Sime Darby Foundation

PRESIDENT & GROUP CHIEF EXECUTIVE'S MESSAGE

INNO



The Sime Darby Group faced a number of challenges in the past year. Weak and volatile commodity prices affected our plantation and industrial equipment businesses, while a sluggish global economy and fragile consumer sentiment weighed on our motors and property divisions. A slowing China also impacted our ports operations and on top of that, the Group had to contend with tougher government regulations and fluctuating currencies.

Notwithstanding all these challenges, the Group believes that being socially and environmentally responsible is not just the right thing to do, but is essential for the long-term sustainability of our business. Challenges are inevitable, but our commitment to a better future should remain.

SDF, the philanthropic arm of Sime Darby, has been able to directly influence the lives of many, through its five pillars; Education, Environment, Community & Health, Youth & Sports and Arts & Culture. We hope that our contributions will help to inspire and motivate others to achieve greatness and success.

As a multinational organisation that leads in sustainability, Sime Darby believes in the value of learning together. From our experience in the plantation industry, we continue to share sustainable agricultural practices with the communities in the areas where we operate in. We are doing this in Indonesia by teaching communities that there are better

VATION

ways to farm instead of relying on traditional methods such as open burning to improve soil fertility.

Biomass waste from farming, such as coconut husks, can be turned into fertiliser and generate additional income for farmers. Working their farms without using any fire will also help with the haze problem that the region faces every year. We hope this initiative will help to facilitate greater understanding on the benefits and impacts of farming to the community and environment.

Although Sime Darby is known for its pioneering work in agriculture, and leading ideas in the property and heavy equipment industries, there is a need to continue to innovate to help drive the Group forward.

For instance, how often do we encourage the young to express their imagination and come up with innovative ideas? In line with this thinking, the Sime Darby Young Innovators Challenge (SDYIC) was born.

Funded by the Foundation, SDYIC asked youths in Malaysia if they could help tackle poverty, a Sustainable Development Goal through designing innovative solutions. The team from Sabah and Sarawak, who called themselves Robin Food, won the hearts of the judges with their effort – an application to reduce food wastage by bridging communities, charitable organisations and NGOs with supermarkets and food outlets that produce excess food.

Thanks to their creative thinking, we are almost at the final lap of creating an app.

We hope to continue with the SDYIC programme annually, and create an avenue for more young people to let their creativity flow and make a difference to society and the environment.

As an organisation that thrives on the performance of its talent, Sime Darby strongly believes in the need for quality education. Thus, this remains an important pillar for the Foundation. A key milestone was the commencement of scholarships in Papua New Guinea (PNG), following our purchase of New Britain Palm Oil Ltd (NBPOL).

SDF continues to award scholarships, not just to the best and brightest, but also to underprivileged students. To date, SDF has contributed RM230 million benefiting 2,894 students in Malaysia, Indonesia, China, Liberia, South Africa and Papua New Guinea.

In the field of sports, many young people under the patronage of the Foundation have made great strides in their respective fields. Our assistance has helped them to gain exposure and experience through training and competing in international tournaments. One of them is Azizulhasni Awang, who won the first Olympic medal for the track cycling event at the Rio Olympics 2016.

Another area where the Foundation has made commendable inroads is the field of arts and culture. This year, we successfully organised the Yayasan Sime Darby Arts Festival (YSDAF) 2016, which has made art forms such as theatre, plays and musicals accessible to all segments of the society.

YSDAF encourages appreciation of Malaysia's rich, cultural heritage and its talented artistes.

All these efforts would not have been possible if not for the perseverance of the management team and members of the Governing Council. I would like to thank each and every one of you for your tireless work and efforts.

While the fluctuating fortunes of the Sime Darby Group may impact our contributions to the Foundation, we are nonetheless committed to supporting the Foundation to carry on with its noteworthy activities in the years to come.



**TAN SRI DATO' SERI
MOHD BAKKE SALLEH**
President & Group Chief Executive,
Sime Darby Berhad

CHIEF EXECUTIVE OFFICER'S REVIEW

REC

This year has certainly been a fruitful and busy year for the Foundation.

At long last, the inaugural Yayasan Sime Darby Environment Day 2016 was successfully held in Kota Kinabalu, Sabah, with one of our collaborative partners, the University College Sabah Foundation. Sabah is where most of our environment projects are located; specifically, RM84 million of RM129 million funding committed so far for projects under the Environment pillar.

I am grateful to our beneficiaries under the Environment pillar, who flew in from all over Malaysia to support the event. Talks, exhibitions, workshops and competitions were organised for primary and secondary school children as well as college and university students.

Another project that exhibits the greater good for the greatest number is the YSD Fund for Underprivileged Coronary Patients at the University Malaya Medical Centre (UMMC). Equipment for each angioplasty procedure costs up to RM10,000, and most patients from disadvantaged backgrounds can ill afford the treatment. Since SDF commenced funding in May 2013, 322 people have undergone the life-saving procedure and the foundation is hoping that the programme will benefit a similar number of people, if not more, in the next two years, until 2018.

To qualify for SDF funding, projects must be sustainable in the long-term and be able to display/showcase capacity building of personnel within the projects. I am very happy to state that the UMMC sponsorship has facilitated training for two trainee doctors to be exposed to coronary angioplasty procedures to improve their knowledge and skills, under the supervision of senior cardiologists who are among the best in their field.

SDF is also blessed to have the Malaysian Medical Relief Society (MERCY Malaysia) as a partner. Over the years, SDF has channeled emergency assistance and funding for disaster relief missions within and outside Malaysia through Mercy Malaysia. This year, SDF pledged RM1.4 million for disaster recovery and emergency relief assistance for the 5 June 2015 Sabah earthquake victims. Due to aftershocks which caused mudslides, homes were damaged and clean water supply became scarce. Funding from SDF was allocated for the installation of water supply systems to nearly 200 homes in Kota Belud and Ranau, shelter



COGNITION



repair kits, and the construction of temporary shelters for those who lost their homes.

The Foundation's Arts & Culture pillar has certainly grown by leaps and bounds over the past five years, with its efforts gaining international recognition. I was invited by the Kigyo Mecenat Kyogikai (KMK), also known as the Association for Corporate Support for the Arts in Japan, to speak at a conference in Tokyo - "Research and Conference for Facilitating Corporate Mecenat Activities and Establishing a Network in ASEAN countries." In August this year, a KMK delegation from Japan visited six projects under the Arts & Culture pillar funded by SDF; and was treated to a special performance by the ASK Dance Company. Subsequently, the ASK Dance Company has now been invited to Japan to perform at the Art Mix Japan festival which will be held in April 2017.

The Foundation is proud of the accomplishments of one of its star scholars, Fairul Zahid, who has elevated Malaysia's profile in the arts scene globally. The Foundation funded Fairul's studies in Masters of Fine Arts in Dance at the Tisch School

of Arts, New York University (NYU). Fairul graduated with a Cumulative Grade Point Average (CGPA) of 3.80 and is the first Malaysian to receive the Best Student Work award from the Tisch Dance Department and became NYU's representative for the National Ballet of China. During his studies and even after graduation, Fairul introduced Malaysian performing arts to the world by conducting dance workshops in the United States, Germany, China, Italy, Philippines and Sri Lanka. He was also awarded the inaugural Yayasan Sime Darby Chairman's Award 2016 during the recent SDF scholarship awards ceremony.

Another SDF scholar I am proud to mention is Ahmad Norharif Hamidon from an underprivileged family, who had just completed his Bachelor's Degree in Accounting and Finance at the University of East London with 1st Class Honours. Norharif was part of the Overseas Attachment Programme of the Malaysian Cricket Development Programme (NCDP) in the United Kingdom. Despite his busy training schedule for cricket, he managed to excel academically.

I would like to thank our main funders, the Sime Darby divisions, for their continuous support. Also not forgetting our beneficiaries and stakeholders, some of whom have been with us for many years and are responsible for the many good deeds that we have accomplished or are currently undertaking.

To my Governing Council Members, thank you for your patience and guidance, your contribution is priceless. How do I even begin to thank my team, who have worked tirelessly to carry out the projects to fruition and ensure that donations entrusted to the Foundation are accounted for through proper documentation and governance. I hope in the years to come, the Foundation will be able to do even more. May Allah guide us and provide us with the ability and strength to do the greatest good for the greatest number!

HAJJAH YATELA ZAINAL ABIDIN
Chief Executive Officer,
Sime Darby Foundation

SDF GOVERNING COUNCIL MEMBERS



TUN MUSA HITAM

Chairman

Nationality: Malaysian

Age: 82

Date of Appointment: 16 October 2008

Skills & Experience:

- Has several honours bestowed upon him including Honorary Doctorates from the University of Sussex, HELP University, University Malaysia Sabah, University of Malaya and Universiti Teknologi MARA, and Fellowships from the Malaysian Institute of Management and the Centre for International Affairs, Harvard University
- Chairman of the Malaysia – China Business Council
- Chairman of the World Islamic Economic Forum (WIEF) Foundation
- Chairman of the International Selection Panel of the Royal Award on Islamic Finance
- Advisory Council of the Iskandar Regional Development Authority
- Chairman of the Eminent Persons Group to draft the Association of Southeast Asian Nations (ASEAN) Charter
- Co-Chairman of the Eminent Persons Group (EPG) to chart out the ASEAN/China's 15-year economic cooperation programme in 2005
- Chairman of Johor Halal Park
- Former Minister of Primary Industries
- Former Minister of Education
- Former Deputy Minister of Trade and Industry
- Former Chairman of Sime Darby Berhad, Federal Land Development Authority and Kumpulan Guthrie Berhad
- Malaysia's 5th Deputy Prime Minister and Minister of Home Affairs from 1981 to 1986
- Prime Minister's Special Envoy to the Commonwealth Ministerial Action Group from 1995 to 2002
- Malaysia's Special Envoy to the United Nations between 1990 and 1991
- Led the Malaysian delegation to the United Nations Commission on Human Rights from 1993 to 1998
- Chairman of the 52nd Session of the Commission in 1995
- Leader of the Malaysian Investment Missions to Europe, USA and Japan and representing Malaysia at United Nations Educational, Scientific and Cultural Organisations (UNESCO) and United Nations Economic and Social Council (ECOSOC) related negotiating and regular conferences

Directorships of Public Companies:

- Chairman of the United Malayan Land Berhad
- Chairman of the International Advisory Panel of CIMB Bank Berhad



TAN SRI DATO' DR WAN MOHD ZAHID MOHD NOORDIN

SDF Governing Council Member

Nationality: Malaysian

Age: 76

Date of Appointment: 16 October 2008

Skills & Experience:

- Chairman of the Academy of Higher Education
- Chairman of Universiti Pendidikan Sultan Idris
- Former Chairman of Universiti Teknologi MARA
- Chairman of Management and Science University and Furukawa Electric Cables (M) Sdn Bhd
- Chairman of SP Setia Foundation
- Yang DiPertua, Majlis Agama Islam Dan Adat Melayu Perak (MAIPK)
- Chairman of Advisory Council of Higher Education Academy
- Chairman, Badan Penasihat Akademi Kepimpinan Pengajian Tinggi (AKEPT)
- Board of Trustees, PINTAR Foundation
- Former Chairman of Berger International Ltd based in Singapore
- Former Deputy Chairman of International Bank Malaysia Berhad
- Former Board of Director of Sime Darby Berhad
- Has held various positions in the Ministry of Education including being the Director-General of Education

Directorships of Public Companies:

- SP Setia Berhad
- Amanah Saham Nasional Berhad
- Amanah Mutual Berhad
- Perbadanan Usahawan Nasional Berhad
- Securities Industry Development Corporation (SIDC)



TAN SRI DATO' SERI MOHD BAKKE SALLEH

SDF Governing Council Member and
Sime Darby President & Group Chief Executive

Nationality: Malaysian

Age: 62

Date of Appointment: 7 March 2012

Skills & Experience:

- Council Member for the Northern Corridor Implementation Authority
- Council Member for the Global Science & Innovation Advisory Council
- Board of Director, Malaysian Industry-Government Group for High Technology
- Former Group President & Chief Executive Officer of Felda Global Ventures Holdings Berhad and Group Managing Director of Felda Holdings Berhad
- Former Group Managing Director and Chief Executive Officer of Lembaga Tabung Haji
- Former Director, Property Division of Pengurusan Danaharta Nasional Berhad
- Held various positions within the Permodalan Nasional Berhad Group including Managing Director of Federal Power Sdn Bhd, Managing Director of Syarikat Perumahan Pegawai Kerajaan Sdn Bhd and Group General Manager of Island & Peninsular Group

Directorships of Public Companies:

- Eastern & Oriental Berhad
- Sime Darby Property Berhad



DATIN PADUKA ZAITOON DATO' OTHMAN

SDF Governing Council Member

Nationality: Malaysian

Age: 76

Date of Appointment: 16 October 2008

Skills & Experience:

- Member of the Presidential Council of the Muslim Lawyers Association Malaysia where she was the President for 15 years
- Vice President of the Protect and Save the Children Association of Selangor and Kuala Lumpur (P.S. The Children)
- Former Board of Director of Sime Darby Berhad
- Former Member of the Board of the Institute of Legal and Judicial Training, where she was a Member for 20 years
- Former President of Persatuan Perwarisan and is currently the Advisor of the Association
- Former Chairman of Panel on Women's Affairs and Alliance Foundation Malaysia
- Former Commissioner of the Human Rights Commission of Malaysia (SUHAKAM) between April 2006 to April 2010
- Former Member of the Disciplinary Board of the Malaysian Legal Profession
- Represented the Muslim Lawyers Association in Gagasan Badan Ekonomi Melayu
- First female Deputy Public Prosecutor in Malaysia
- Previously served as a Magistrate, Judge of the Sessions Court and the Departmental Solicitor in the Public Trustee's Office
- Held positions as Senior Assistant Registrar and Deputy Registrar of the High Court of Malaya, Federal Counsel (Civil Division) at the Attorney-General's Chambers and the Deputy Director of the Legal Aid Bureau



CAROLINE CHRISTINE RUSSELL

SDF Governing Council Member

Nationality: Malaysian

Age: 51

Date of Appointment: 16 October 2008

Skills & Experience:

- Trustee of Yayasan Hasanah
- Chief Executive Officer of J.A. Russell & Co Sdn Bhd
- Chief Executive Officer of Boh Plantations Sdn Bhd
- Director of Tehdara Sdn Bhd
- Director of Nerada (Pty) Ltd
- Former Member of the General Committee of the Malaysian International Chamber of Commerce and Industry
- Member of the Malaysian Chapter of the Young Presidents Organization
- Former Trustee and Treasurer of WWF-Malaysia
- Finalist of Asia Business Leaders Award 2016
- Top Nominee in the Ernst & Young Entrepreneur of the Year (Malaysia) Awards 2004 and 2013
- Awarded the Malaysia Business Industry Excellence Award (Agriculture Sector) by the Kuala Lumpur Malay Chamber of Commerce in 2012



EDUCATION



ENVIRONMENT



COMMUNITY & HEALTH



YOUTH & SPORTS



ARTS & CULTURE

ONGOING LONG-TERM PROJECTS



EDUCATION



EDUCATION DEVELOPMENT

- 1 **Experience Works with Universiti Putra Malaysia (UPM)**
2013 - 2017
RM1,000,000
- 2 **Experience Works with Universiti Kebangsaan Malaysia (UKM)**
2013 - 2017
RM1,000,000
- 3 **Tabung Mengubah Destinasi Anak Bangsa (MDAB), UiTM**
2011 - 2018
RM6,000,000

- 4 **Tun Razak Ohio Chair for Malaysian Studies**
Since 2010
USD750,000
- 5 **Translation and Publication Project : Esei-esei Lengkap Sejarah Malaysia by Tan Sri Datuk Dr. Khoo Kay Kim**
2012
RM100,000
- 6 **The Malaysian Institute of Supply Chain Innovation (MISI)**
2013 - 2018
RM7,500,000

- 7 **Supporting the Senii School for Underprivileged Children in Liberia**
2014 - 2018
RM1,210,000
- 8 **Overall Impact Assessment on Tabung MDAB in Partnership with IDEAS**
2015 - 2016
RM150,000
- 9 **Scholarship for Underprivileged Students in collaboration with Universiti Tun Abdul Razak (UNIRAZAK)**
2014 - 2019
RM2,000,000

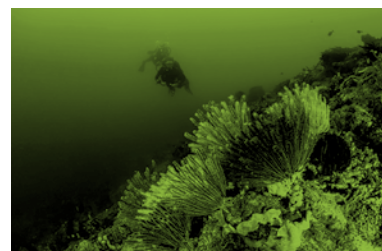
EDUCATION SCHOLARSHIP

SDF Scholarship Award
Since 1982
RM230,200,000



ENVIRONMENT

- 1 **Reef Check Malaysia: Cintai Tioman**
2014 - 2019
RM600,000
- 2 **Project RiLeaf**
2014 - 2017
RM3,700,000
- 3 **Conservation of Proboscis Monkey**
2010 - 2017
RM1,500,000
- 4 **The Conservation of Sunda Clouded Leopard in Fragmented Landscape Programme**
2012 - 2018
RM1,460,000
- 5 **Bornean Banteng Programme**
2012 - 2017
RM1,000,000
- 6 **The Management and Ecology of Malaysian Elephants (MEME)**
2012 - 2016
RM3,360,000
- 7 **Sime Darby Plant-A-Tree Programme**
2009 - 2018
RM13,016,481
- 8 **Peat Swamp Forest Protection and Rehabilitation of Raja Musa Forest Reserve**
2014 - 2017
RM1,000,000
- 9 **Stability of Altered Forest Ecosystems (SAFE)**
2010 - 2020
RM30,000,000
- 10 **Borneo Rhinoceros Sanctuary (BRS)**
2009 - 2016
RM13,221,083
- 11 **Bornean Sun Bear Conservation Centre (BSBCC)**
2012 - 2017
RM3,500,000
- 12 **Publication of Siri Buku Alam Upin & Ipin**
2015 - 2016
RM1,000,000
- 13 **Reforestation and Rehabilitation of Northern Ulu Segama for Orang Utan Habitat**
2008 - 2018
RM25,000,000
- 14 **UKM-YSD Chair for Climate Change**
Since 2010
RM5,000,000
- 15 **UKM-YSD Chair for Sustainable Development - Zero Waste Technology for the Palm Oil Industry**
Since 2010
RM15,000,000
- 16 **Support for Enforcement Activities in Taman Negara**
2016 - 2017
RM225,000
- 17 **Salleh Trail at Kota Damansara Community Forest (KDCF)**
2016 - 2021
RM40,000
- 18 **PT BNS and University of Riau Partnership for Fire Prevention through Sustainable Community-Based Farming**
2015 - 2016
RM250,000





COMMUNITY & HEALTH

- | | | | | |
|--|--|--|---|---|
| 1 IDEAS Autism Centre (IAC)
2014 - 2017
RM2,455,200 | 7 Cancer Research Malaysia
2012 - 2017
RM27,500,000 | 12 Malaysian AIDS Foundation (MAF)
2014 - 2017
RM1,500,000 | 16 24th International Harm Reduction Conference 2015
2015
RM130,000 | 19 10th Asia Pacific Conference on Child Abuse and Neglect (APCCAN)
2015
RM200,000 |
| 2 Yayasan Chow Kit (YCK)
2009 - 2017
RM2,750,000 | 8 Malaysian Federation of the Deaf (MFD)
2012 - 2016
RM2,700,000 | 13 WAO : Refuge for Battered Women
2010 - 2016
RM2,800,000 | 17 National Diabetes Institute
2010 - 2019
RM4,850,000 | 20 The Telenisa Legal Clinic : A Free Legal Service for Disadvantaged Women by Sisters In Islam (SIS)
2016
RM100,000 |
| 3 Yayasan Orang Kurang Upaya Kelantan (YOKUK)
2014 - 2017
RM855,000 | 9 Malaysian Association for the Blind (MAB)
2014 - 2017
RM1,800,000 | 14 Royal Ungku Aziz Chair for Poverty Eradication
Since 2009
RM2,500,000 | 18 EMPOWERED: The Cancer Advocacy Society of Malaysia - Support for the Colorectal Cancer Awareness and Screening Project
2016
RM230,000 | 21 Disaster/Emergency Assistance Related Projects
Since 2013
RM6,050,000 |
| 4 OrphanCARE Foundation
2014 - 2017
RM1,050,000 | 10 Hospis Malaysia
2013 - 2019
RM2,526,532 | 15 Tabung YSD for the Underprivileged Coronary Patients at UMMC
2013 - 2018
RM4,000,000 | | |
| 5 Diabetes Malaysia
2015 - 2017
RM730,000 | 11 Malaysian AIDS Council (MAC)
2013 - 2016
RM870,000 | | | |
| 6 YSD Sinar Harapan
Since 2012
RM4,650,000 | | | | |



YOUTH & SPORTS

- | | |
|---|---|
| 1 Sime Darby LPGA + Development Programme
2010 - 2016
RM92,000,000 | 6 Kuala Lumpur Cricket Association (KLCA)
2009 - 2015
RM800,000 |
| 2 Rising Star Juniors Programme (RSJ)
2015 - 2017
RM645,000 | 7 Junior Golf Talent: Bryan Teoh Wiyang
2012 - 2016
RM388,153 |
| 3 National Cricket Development Programme (NCDP)
2010 - 2017
RM6,000,000 | 8 Junior Golfer Talent: Natasha Andrea Oon
2014 - 2016
RM215,000 |
| 4 Road to Rio 2016: Sime Darby Foundation Track Cycling Team
2013 - 2016
RM2,850,000 | |
| 5 Sime Darby Foundation - Koo Racing Team
2014 - 2016
RM1,290,000 | |



ARTS & CULTURE

- | | |
|---|---|
| 1 The Royal Press (TRP)
2014 - 2017
RM3,110,000 | 7 Kota Kinabalu Jazz Festival
2012 - 2016
RM530,000 |
| 2 Yayasan Sime Darby Arts Festival (YSDAF)
2014 & 2016 (Biennial event)
RM2,880,000 | 8 Johor Bahru Indigenous Festival 2016
2016
RM150,000 |
| 3 The Kuala Lumpur Performing Arts Centre (klpac)
2013 - 2019
RM4,500,000 | 9 The Borak Art Series
2014 - 2016
RM195,000 |
| 4 ADC: National Dance Tour
2011 - 2017
RM2,800,000 | 10 ASEAN Film Showcase
2016
RM150,000 |
| 5 Support for the Development of Technical Theatre Skills in the Performing Arts Industry
2016
RM100,000 | 11 tenTenTEN : A Performing Arts Collaboration with Five Arts Centre (FAC)
2014 - 2016
RM380,000 |
| 6 Staging of William Shakespeare's Macbeth in Chinese Opera Style
2016
RM30,000 | |



SPECIAL FEATURES

SDF's First Ever Environment Day Celebration In Kota Kinabalu, Sabah

"Each and every one of us needs to be at the forefront of protecting and conserving our biodiversity. It is our choice and for us to decide. Otherwise, in 50 years, we will only be able to see the Orangutans and other endangered wildlife species in movies and pictures," Sabah Tourism, Culture and Environment Minister YB Datuk Seri Panglima Masidi Manjun

Every year on the 5th of June, people around the world celebrate "World Environment Day" (WED), a global event initiated by the United Nations in 1974 to encourage worldwide awareness and action for the protection of our environment and biodiversity conservation.

Held annually in different cities all over the world, this year's theme "Go Wild for Life" is aimed at raising awareness on wildlife crimes and the booming illegal wildlife trade, which has led to the loss of precious biodiversity and driven wildlife species to the brink of extinction.

Malaysia, unfortunately, has not been spared. Listed as one of the world's megadiverse countries along with the United States (US), Mexico, Colombia, Ecuador, Peru, Venezuela,

Brazil, Democratic Republic of Congo, South Africa, Madagascar, India, Indonesia, Philippines, Papua New Guinea, China, and Australia, many of our wildlife species are very much vulnerable, threatened and endangered.

The main factors contributing to reduced numbers of these animals are loss of habitat and wildlife poaching for traditional medicinal practices, which often dictate the consumption of animal body parts.

In a bid to heighten environmental awareness of our country's rich biodiversity and the importance of its protection, SDF hosted its first ever Environment Day on 20 May 2016 at the University College Sabah Foundation (UCSF) in Kota Kinabalu, Sabah.





(Left to right) SDF CEO Hajjah Yatela, Datuk Seri Panglima Masidi Manjun and Bornean Sun Bear Conservation Centre (BSBCC) CEO Wong Siew Te with a Bornean Sunbear mascot at the exhibition booth visit.



A group of secondary school students preparing for their competition final round.



(Second from left to right) SDF Governing Council Member Caroline Russell, SDF CEO Hajjah Yatela, Datuk Seri Panglima Masidi Manjun, Dean of Natural Science and Sustainability at University College Sabah Foundation (UCSF) Professor Dr. Mustafa Abdul Rahman and SDF Governing Council Member Datin Paduka Zaitoon at the inaugural launch of SDF Environment Day.



SDF CEO Hajjah Yatela presents a hamper prize to one of the secondary school winners.

The Event was graced by Sabah Tourism, Culture and Environment Minister YB Datuk Seri Panglima Masidi Manjun, SDF Governing Council Members Caroline Christine Russell and Datin Paduka Zaitoon Dato' Othman and UCSF Dean of the Faculty of Natural Science and Sustainability Prof. Dr. Mustafa Abdul Rahman.

Echoing this year's WED theme, the day-long event saw numerous activities including talks, documentary screenings, and exhibitions by SDF's beneficiaries and partners, namely the Bornean Sun Bear Conservation Centre, Borneo Rhino Alliance, Management & Ecology of Malaysian Elephant, Danau Girang Field Centre, South East Asia Rainforest Research Programme (SEARRP), Nestle Malaysia, Global Environment Centre with Sahabat Hutan Gambut Selangor Utara, Reef Check Malaysia ("RCM") and the Kinabatangan Orangutan Conservation Programme.

UCSF also launched its "Protect the Pangolin" campaign at the Event, to spread awareness on the dwindling number of Pangolins in the wild in Malaysia. Despite being the most illegally traded wildlife species in the country, the Pangolin has yet to be acknowledged as critically endangered.

Some of the child-friendly activities that took place were "DIY Reef Fish using Carton and Eggs" by RCM, a recyclable art competition, crossword puzzle challenge, and environmental quizzes, which drew overwhelming support from schoolchildren ranging from primary, secondary and tertiary levels from Sabah.

Among the topics presented by SDF beneficiaries were "Maximising the Economic Benefits of Oil Palm Plantations while minimising their Environmental Impacts: SAFE Project" by South East Asia Rainforest Research Programme (SEARRP),

"Moving Towards a Science-Driven Conservation of Malaysian Elephant" by University of Nottingham Malaysia's Management, and the Ecology of Malaysian Elephant (MEME) Project.

The successful event saw participation from 15 schools in the district of Kota Kinabalu and more than 1,000 visitors participated in the day-long event.

The message driven throughout the event was to lobby the authorities for harsher penalties to curb illegal wildlife trade, awareness campaigns and investing in community conservation projects and law enforcement.

Hopefully, through education and awareness raised from events like these, more people will understand the damage inflicted on our environment, livelihoods, communities and security. Only with the decline of demand will the supply of illegal wildlife products be wiped out.

More than 1,000 people including students from Kota Kinabalu participated in the SDF's Environment Day.



80% of SDF's conservation projects are in Sabah, hence the chosen venue for the inaugural Environment Day celebration. It is also to drive a strong message against the construction of the Sukau Bridge highway that will partly encroach the floodplains of Kinabatangan where SDF's presence in the conservation space is significant.



SDF Environment Day will be held as a biennial event; as a conscious initiative to raise more awareness on environmental conservation in the country.



Did you know?

The tropical rainforests, seas and freshwater ecosystems of Malaysia support a rich and diverse array of both flora and fauna. In fact, Malaysia is recognised as one of 12 mega-diverse countries in the world!



One of the exhibitors at the SDF Environment Day.



SDF CEO Hajjah Yatela (left) and SDF Governing Council Member Caroline Russell (right) at one of the exhibitions.



Some of the secondary school students in the "Borneo Botanic Batik" painting competition.

Sime Darby Young Innovators Challenge (SDYIC)

“Malaysia must innovate or stagnate,” Prime Minister Datuk Seri Mohd Najib Tun Abdul Razak



(Left to right) Sime Darby PGCE Tan Sri Bakke, Sime Darby Berhad Chairman Tan Sri Dato' Abdul Ghani Othman, Prime Minister YAB Dato' Sri Mohd Najib Tun Abdul Razak, SDF Chairman Tun Musa and Sime Darby Director Tan Sri Samsudin Osman pose with winners of the SDYIC 2016.

The Sime Darby Foundation (SDF) was the proud sponsor of the inaugural Sime Darby Young Innovators Challenge (SDYIC) which was organised to encourage youth between 13 years old to 16 years old to collaborate and discover innovative, creative, and actionable solutions to make our world a better place.

Under its Education pillar, the Foundation supports transformational efforts to reduce gaps within the education system, which is also in line with Malaysia's aspiration to be a developed nation by year 2020 through science, innovation, and technology. This initiative is part of Sime Darby Group's overarching innovation agenda.

Youths from all over Malaysia were encouraged to explore design thinking, innovation, leadership and entrepreneurial skills, with a focus on assisting the homeless and transitioning them back into society and the workforce, meeting the basic needs of people without harming the environment, and raising the income of families living in poverty.

As part of the SDYIC programme, Sime Darby appointed Faye Jong Sow Fei, the first Malaysian to have an asteroid named after her,

as the first SDYIC Ambassador. Faye's environmental management project on bio-waste earned her the Environmental Management Award at the Intel International Science and Engineering Fair, USA, in 2014. She was also a participant at the European Union Contest for Young Scientists, Poland, in 2015. As the SDYIC Ambassador, Faye's role was to share her experiences to aid in spurring the interests of youth in Malaysia to innovate.

In the run up to the Challenge, shortlisted applicants were invited to participate in regional camps held in Malacca, Penang, Negeri Sembilan and Sabah. Participants were accompanied by Innovation Officers from Sime Darby and coached in design thinking to come up with ideas for their pitch. Regional winners were awarded cash prizes and the first prize winners from each region were invited to attend the national innovation workshop.

The winning teams who made it into the final stage of the Competition attended a five-day innovation workshop, accompanied by their respective Innovation Officers. At the Workshop, participants were coached in advanced design thinking, co-creation and collaboration of ideas, public speaking, pitching of ideas,

and techniques of prototyping and visualisation. Participants were also taken on site visits for them to have first hand exposure, knowledge and understanding of the needs of the underprivileged before fine-tuning their ideas.

The final test for the SDYIC participants was the 'Shark Tank' style presentation pitch held at the Sime Darby Convention Centre in front of an audience of over 400 people. The teams – Unicorn Inc, Team ACE, Robin Food, and The Lion King – pitched their ideas on alleviating poverty to a panel of judges.

The highlight of the inaugural SDYIC was the prize giving ceremony by the Prime Minister of Malaysia, Dato' Seri Mohammad Najib Tun Abdul Razak. The clear, winning team which bowled everyone over was Robin Food, from East Malaysia. Their idea was an app to reduce food wastage, by bridging communities such as charity homes and NGOs with food sources such as supermarkets, hotels, and restaurants. The team walked away with the challenge trophy, RM10,000, and a Macbook Air each.

Following up from the idea presented by Robin Food, Sime Darby is embarking on a project to make Robin Food a reality.

Sime Darby Foundation hands out Scholarships in Papua New Guinea (PNG)



Papua New Guinea Minister of Higher Education Honourable Malakai Tabar (centre), Sime Darby PGCE Tan Sri Bakke (sixth from left), New Britain Palm Oil Limited Chairman Dato' Henry Sackville Barlow (sixth from right), Sime Darby Plantation Managing Director Datuk Franki Anthony Dass (fifth from right) and SDF CEO Hajjah Yatela (fifth from left) pose with recipients of the PNG scholarships.

In March 2015, Sime Darby Plantation ventured into Papua New Guinea (PNG) with the acquisition of New Britain Palm Oil Limited (NBPOL), marking the beginning of a new journey for Sime Darby.

During a courtesy call with PNG Prime Minister Peter O'Neill following completion of the acquisition, Sime Darby President and Group Chief Executive (PGCE) Tan Sri Dato' Seri Mohd Bakke Salleh pledged to commence within a year, a scholarship programme offering promising students the chance to pursue tertiary education locally in PNG and Malaysia.

Less than a year later, on 4 February 2016, SDF commenced its inaugural scholarship awards in PNG with a total commitment of USD500,000.

The ceremony in Port Moresby was attended by the Minister of Higher Education the Honourable Malakai Tabar, who represented Peter O'Neill, Sime Darby PGCE Tan Sri Dato' Seri Mohd Bakke Salleh, High Commissioner of Malaysia to PNG His Excellency Datuk Jilid Kuminding, NBPOL Chairman Dato' Henry Sackville Barlow, Sime Darby Plantation Managing Director Datuk Franki Anthony Dass, and the Foundation's CEO Hajjah Yatela Zainal Abidin.

SDF awarded scholarships for students to pursue tertiary education in the fields of agriculture, engineering and human resources, as well as in technical vocational studies.

Two international scholarships were awarded for undergraduate electrical and mechanical engineering studies at the National University of Malaysia (UKM). Eight local scholarships were awarded for undergraduate and diploma studies at the Papua New Guinea University of Technology (UNITECH), University of Natural Resources and Environment (UNRE) and University of Papua New Guinea (UPNG).

Fourteen technical vocational scholarships were awarded for studies at the Don Bosco Technological Institute, Don Bosco Technical School, Madang Technical College and Papua New Guinea National Polytechnic Institute, Lae.

Applications opened in PNG in October 2015 and out of the 417 applications received, 45 candidates were shortlisted. Assessments and interviews were carried out at NBPOL

estates in six provinces; Port Moresby in the National Capital District, Mosa in West New Britain province, Ramu Agri-Industries Ltd. which is located between Madang and Morobe provinces, Poliamba in New Ireland province, Higaturu in Oro province, and Milne Bay province.

Recipients included 29 year old Rodney Nakuan, who lost vision in his right eye at a young age. Despite scoring straight A's for his Grade 12 examinations, Rodney failed to secure a university placement. He worked in goldmines and did odd jobs before stumbling upon the SDF scholarship initiative. Rodney will now be able to pursue a degree in human resources at UPNG. The full scholarship programme by SDF covers tuition fees, board and lodging, living expenses, airline tickets and books. SDF also provides support for the scholars' welfare and their academic performance during tenure of the scholarships.

Successful scholars also stand a chance to be offered employment with NBPOL after completing their studies.

Yayasan Sime Darby Arts Festival 2016 brings “Arts Education + the Future” to the masses

“The arts scene has been lacking the ‘oomph’ for so many years here in Malaysia. We want to see awareness of the arts expand and promote audience participation. The important thing is that it should also be a part of the Malaysian Education curriculum. People should get interested in it,”
SDF Chairman Tun Musa Hitam

The second edition of the biennial Yayasan Sime Darby (Sime Darby Foundation) Arts Festival (YSDAF) 2016 culminated in a festival finale from 20 August 2016 to 21 August 2016 at the Kuala Lumpur Performing Arts (klpac). The mission this round was to introduce fresh ideas and new programmes that would elevate YSDAF as a bona fide Malaysian community project that brings artistes, arts enthusiasts and the masses together for a free for all festival.

The two-day finale recently saw 15,000 attendees, with over 300 workshops and 600 crews and volunteers, bringing not just entertainment, but also awareness on the importance of arts education in schools and institutions. Hence the theme, “Arts Education + The Future.”

As with the first installation of YSDAF, this year’s YSDAF kicked off with “Walk to the Future Parade,” a 2.1km walk along Jalan Ipoh in Sentul, Kuala Lumpur, which showcased interpretations of fashion in the future, designed by the students of YSDAF’s festival partner, Saito

Fashion School @ Saito College. These future concept costumes were worn by models who joined the parade accompanied by the mighty beat of drums and the costumes were later exhibited throughout the festival weekend at klpac.

Numerous workshops were also held for kids and adults alike ranging from dance and puppetry to directing and calligraphy. Another attraction was the “Lorong Makan”, which saw happy festival goers feasting on offerings from food truck offerings within the grounds.

The YSDAF2016 Gala Night also proved to be a hit, with performances by the legendary Malaysian 80’s pop rock band, Alleycats, up and coming soul artiste, Dasha Logan and the eclectic Fynn Jamal. This year’s Gala Night was also made memorable with the staging of works by young talents mentored by renowned arts industry maestros such as Dr. Joseph Gonzales, Tay Cher Siang, Lee Swee Keong, Lee Kok Leong and Harith Iskandar.

With the Arts Festival now fully cemented as a major arts event, Sime Darby Foundation looks forward to working with klpac for the next YSDAF in 2018. We hope that the Arts Festival will continue to bring together the masses and inculcate love and appreciation of the arts and humanities among both children and adults alike.



A full house workshop at the lawn of klpac.



SDF Chairman Tun Musa Hitam flags off the festival finale morning parade.



An attentive crowd glued to a theatre skit at YSDAF.

From August to December 2015

1. The year-long festival kicked off in August 2015 at the lawn of Standard Chartered Kuala Lumpur amidst the glittery background of the illuminated Petronas Twin Towers. The wayang kulit performance entitled "Hikayat Sang Kancil" was an interesting collaboration between the Yayasan Chow Kit youths and DAM Interactive's Fairuz Sulaiman, with a fun spin on the beloved Sang Kancil fable, using a mix of shadow puppetry, animation and sound effects.
2. The second satellite show in October 2015 was a dance extravaganza by dancers from the Faculty of Dance, Akademi Seni Budaya dan Warisan Kebangsaan (ASWARA), called "3 Faces" which showcased three diverse acts that encapsulated Malaysia's multicultural society; the Bharatanatyam, Zapin and Contemporary dance.
3. The third and last satellite show in December was the screening of South East Asia's top short film entries from The Best of Tropfest SEA, the Southeast Asian edition of the world's largest short film festival. The Event proved to be a hit with arts enthusiasts and the public alike.

From January to August 2016

1. In May this year, a community outreach programme was held entitled "Wayang Shakespeare Sekolah". The workshop for students in Klang Valley featured the art of puppetry through a combination of Shakespeare's works with our traditional wayang kulit artform. It opened the eyes of participants to two completely different elements of the play which were fused together to create a great piece of art.
2. A mentor-mentee programme, aptly named Master + Murid, was also launched in the same month with a mission to search for the next generation of Malaysian talents to be "tutored" under five renowned "gurus" in the fields of dance, jazz, comedy, orchestra and a Japanese dance called "butoh". Students also had the golden opportunity to perform at the Festival Gala Night with their mentors.
3. Other activities included a crowd-sourced photography exhibition entitled "Then & Now" which invited the public to post photos that exhibited memories of their past.
4. YSDAF 2016 also carried out exciting competitions such as "Pitch Start", a mission to find Malaysia's most creative talents to premiere their unique art work at the festival finale. The winners, "Paras Bunyi Collective" delivered a multi-sensory experimental musical and visual experience for festival goers while CubeArt Stage & Performance premiered a full-length theatrical production entitled "Bulan Separa Penuh."
5. Another competition held was the "Future Living Design" for architecture students and graphic designers to showcase their architectural skills that reflect the festival theme under the mentorship of an experienced architect. The winner of this competition was a group of students from Universiti Teknologi Malaysia, called The P.L.Y, with their winning design "The Reflect-O" which presented a futuristic outdoor pavilion combining the festival theme with architectural skills.

Azizulhasni Awang bags Malaysia's First Ever Olympic Medal in Track Cycling

National cyclist Azizulhasni Awang did the nation proud when he clinched the country's first medal in track cycling at the recent Rio Olympics 2016. The Pocket Rocketman, as he is affectionately known, took the bronze medal in a highly strung race, which had to be restarted twice. Azizulhasni's sponsorship with the Sime Darby Foundation began in 2009, when Azizulhasni was part of the SDF Track Cycling Team-Road to London Olympics 2012 which was funded by SDF with a sponsorship of RM2 million for three years from 2009 to 2012. Azizulhasni and two others qualified for the London Olympics 2012, though they did not win any medals then.

SDF continued funding through to Road to Rio 2016 and committed a total of RM2.85 million towards sponsoring Azizulhasni and Fatehah Mustapa. The duo was part of the SDF Track Cycling team and were determined to bring home an Olympic medal for the nation.

Azizulhasni who was born in Dungun, Terengganu, is the eighth of nine children in his family. He began his career being coached by the Dungun Cycling Team before subsequently entering the National Sports School in Bukit Jalil, where he was given custom training and education.

He first began making headlines in track cycling for the nation when he participated at the Beijing 2008 Olympics, where he was also the flag bearer. In 2009, Azizulhasni became the overall winner of the Keirin event in the 2008 to 2009 World Cup after obtaining two gold medals. He also became the first Malaysian to win a medal at the Union Cycliste Internationale (UCI) Track Cycling World Championships, when he won silver in the men's sprint event at the 2009 World Championships in Pruszków, Poland.

He subsequently qualified for the 2010 Commonwealth Games in India. At the Asian Games in 2010, Azizulhasni, together with the Track Cycling Team, won the gold medal in the sprint category. He is probably best remembered due to an accident in February 2011. Azizulhasni was involved in a crash during the keirin final in the World Cup leg in Manchester where he suffered serious injuries when a 20cm wooden splinter pierced through his leg. Not one to give up, he got up on his bike and continued riding to the finish line! He also qualified to the London Olympics 2012 but did not win any medal at the Games. He

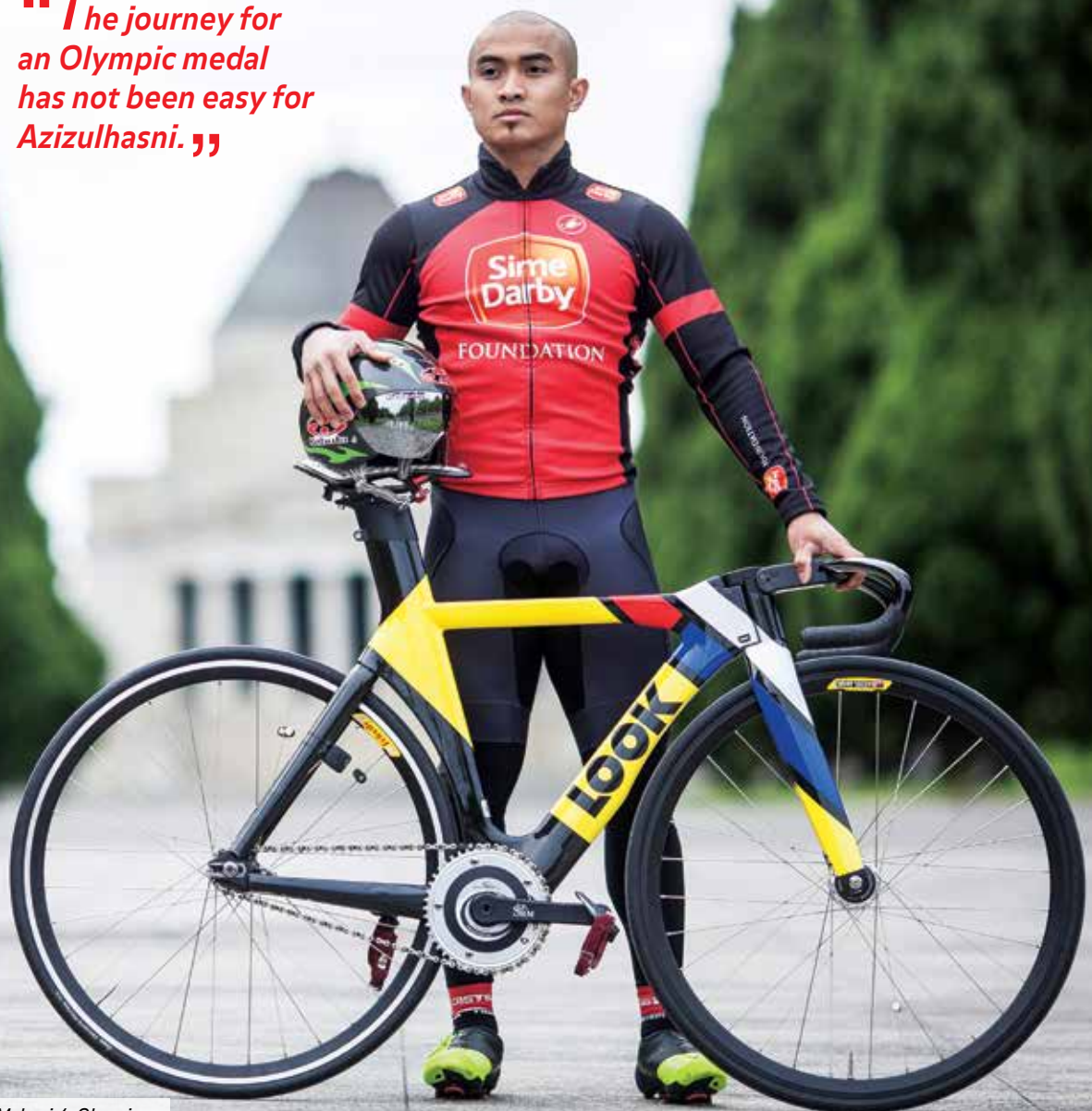


Malaysia's Pocket Rocketman in full-speed.

continued keeping busy in the years leading up to the Rio Olympic 2016, both professionally and personally, winning the bronze medal at the 2015 World Championships.

Azizulhasni's win at the Rio Olympics 2016 did not come easy, though. Competing in a sport dominated mostly by cyclists from Europe and Australia, he had to put up with the

“The journey for an Olympic medal has not been easy for Azizulhasni.”



Azizulhasni, Malaysia's Olympian.

race being twice delayed. Finally, when the race began for the third time, Azizulhasni positioned himself in the first wheel and then jumped onto the wheel of Jason Kenny around the final bend, getting the better of a fading Joachim Eilers (Germany) to claim the bronze medal with Matthijs Buchli (Netherlands) winning silver. Sharing the podium with acclaimed British cyclist Jason Kenny certainly put Azizulhasni among the cream of the cycling crop.

The journey for an Olympic medal has not been easy for Azizulhasni, especially when track cycling is not a popular sport in Malaysia. However, he has proven that nothing can come in your way when you put your mind and heart to it. He has exemplified what the Foundation stands for and has done Malaysia very proud.



Malaysia's track cycling darlings; Azizulhasni and Fatehah.

EDUCATION

Supporting Education for All and Equal Education for the Underprivileged

Under its Education pillar, SDF dedicates itself to promoting the human quest for learning, knowledge, meaning, goodwill and understanding. The Foundation endeavours to offer wisdom, expertise and assistance at all levels of education, where these can promote and advance what people believe they can achieve, especially the underprivileged. SDF supports initiatives that reduce gaps in access to quality education between urban and rural societies, and those that improve access to basic education for the marginalised.

**RM280.9
million**

Total Committed
Since 1982



High Impact Training Creative Content Initiative (HIT)

RM2.5 million
Oct 2014 - Sept 2018



Students under the HIT Programme exhibiting their creative work.

“SDF believes that providing education to students from disadvantaged backgrounds is the most effective measure to break the cycle of poverty”

SDF believes that providing education to students from disadvantaged backgrounds is the most effective measure to break the cycle of poverty.

The Foundation has embarked on the High Impact Training Creative Content Initiative (HIT) Programme with University College Sabah Foundation (UCSF) for deserving students to pursue creative multimedia courses.

Under the Programme, SDF pledged to offer scholarships worth RM2.5 million to 50 deserving students in Sabah.

UCSF has conducted roadshows in towns such as Sandakan, Tuaran and Lahad Datu to raise awareness about the Programme.

The two-year HIT programme requires students to go through novice and apprenticeship levels. 14 novice level students have gone through year one of the Programme while eight apprenticeship level students have gone through year two of the Programme.

Upon completion of the Programme, the students will be prepared to enter the workforce. Students eligible for the Programme are Malaysians aged 25 years and below with a pass in Sijil Pelajaran Malaysia and come from families with a monthly gross household income of RM3,000 and below.

The full scholarship offered under the HIT programme covers tuition fees, meals and living allowances, accommodation, and transportation. A total of RM50,000 is allocated for each student until the completion of their respective courses.

As of June 2016, SDF has awarded scholarships to 22 students and 28 more scholarships will be awarded before September 2018.

The HIT programme adds to a host of other educational programmes initiated by SDF to offer opportunities to disadvantaged students.

SCHOLAR

Mohamad Afif
Mohamad Norzal,
24 years old

“Despite the challenges, I was excited to embark on my journey to create, design and innovate myself to achieve the unimaginable”

Upon being granted a scholarship by SDF, I continued my studies at the University of Melbourne in Australia and boy, was I in for a rude shock.

Once I was removed from the comfort of familiar faces, and had to deal with a tough engineering course taught by some of the best and brightest minds in the engineering world, I was constantly stressed out.

Despite the challenges, I was excited to embark on my journey to create, design and innovate myself to achieve the unimaginable.

My drive and passion in engineering eventually landed me a spot in the University of Melbourne’s multicopter team, which led the propulsion team.

My challenge for that particular year was right up my alley, as it required the team to innovate unmanned aerial vehicles (UAV) for emergency services. We had to produce a tangible product by the end of the year.



SDF scholar Mohamad Afif.

The main difference with this particular project compared to others was that we had to innovate commercially viable products, as the end goal was for the drone to be marketed for emergency services.

In short, it was challenging to juggle the demands of the product to be technologically advanced enough to be effective in the event of a bushfire, and cheap enough that people would be willing to buy and use it.

I knew from the start that juggling a big project with my advanced engineering subjects was going to be tough, so I prepared well and early, determined to succeed.

There were many lows, blood, sweat and tears shed before our project was presented with the Autodesk Design Award for using innovative materials and design (3D Printed Titanium Chassis), as well as the Wade Institute Commerciality Prize for our innovative payload (in-house produced thermal camera system).

I got to experience first-hand how hardship builds resilience and character as well as persevering

through hardship is ultimately rewarding, even through the toughest storms.

I would not have been able to experience such valuable life lessons without the help of SDF, pushing me to my limits, to recognise my boundaries and be rid of self-doubt, excuses and arrogance.

I graduated with a Bachelors' Degree in Science and Masters in Engineering, and recently joined the Sime Darby workforce.

To the current scholars, no matter how hard things get, a positive attitude and resilience will always get



The Phoenix, a new technology that provides information of the location and intensity of fire hot spots, acquired via thermal imaging.

you through. Treat every hardship as an opportunity to build character, every failure as a moment for self-reflection and every success as a lesson in humility.

SCHOLAR

Muaz Nor Azmi,
28 years old



SDF scholar Muaz Nor Azmi with his family.

“My early years at SDI proved to be an enriching work experience”

My journey as a Sime Darby scholar began back in December 2004 with a phone call from SDF which changed my life and career path.

With a scholarship from SDF in hand, I graduated with a degree in Engineering (Mechanical and Manufacturing Engineering) from the University of Melbourne.

I began my stint at Sime Darby Industrial (SDI) as a trainee in the services department in March 2010 and worked there for four years before being identified as an advanced talent.

I was then selected to work as an attachment at SDI's subsidiary Hastings Deering Group and worked at the group's operations in Queensland, Brisbane as a workshop planner and process engineer for two years.

My early years at SDI proved to be an enriching work experience that later enabled me to handle the work demands at Hastings Deering and innovation was central to the experience.

When SDI secured its first deal involving the 773E Off-Highway Truck (OHT) fleet in Malaysia, I was lucky to be part of the team, which was based at the Penjom gold mine site, to support the full maintenance and repair activities for site equipment.

Our customer was an Indonesia-based gold mine operator with vast experience in contractual mining activities. They expected good machine availability, low maintenance costs, and continual service support from SDI.

In the past, it was common for our site support operations to schedule planned maintenance (PM) and repairs manually by hand.

I still remember when I first visited the mine site, there was a white board displaying completed and scheduled PM work for each machine.

We kept the repair history of each equipment in log books and the system initially worked well because we only had nine units of 365C excavators to manage.

However, under the new contract, there were 41 units of 773E OHTs and eight units of 390D large excavators to manage.

It was impossible to achieve the desired results using conventional systems and processes, and it was obvious we needed to invest in technology to elevate site support operations to the next level.

That was when SDI decided to use AMT, a complete software package specifically designed for equipment maintenance and we were the first in Malaysia to do so.

Not only is AMT allowing us to effectively plan and execute PM and repairs, it also helps us to track and forecast total projected cost for each machine.

Case in point, we were able to identify problems with certain sub-systems that were costing us more than what was budgeted, which gave us the opportunity to do corrective action to minimise the cost.

During the first 2,000 hours of the OHT operation, we identified minor but repetitive failures related to the lubrication system at the operation's rear suspension.

Based on the information gleaned from the AMT software, our team did some investigations and came out with a solution to address the minor issues and since then, we had no more failures at the rear suspension.

If the problems had persisted, we would have had to fork out 10 times the budgeted amount to repair the lubrication system.

At 28 years old, I am now a manager at SDI and I always look back to this experience as a reminder of how innovation can be capitalised upon to create operational efficiency.

SCHOLAR

**Muhammad Fairul
Azreen Mohd Zahid,**
28 years old



SDF scholar Muhammad Fairul.

My journey as a dancer and choreographer began late, when I was 18 years old.

I did not always know that I wanted to be a dancer. I was active in sports such as football in school. It later dawned on me that being a sportsman was not the future I envisioned for myself.

I decided to pursue a professional career in dance but my parents were not enthusiastic about my decision, as we were not financially well off.

As I am the only son in the family, I am expected to support the family financially, and the perception was that dance and choreography could not provide me with a good, sustainable income.

I was determined to prove that one can have a successful and lucrative career in the performing arts.

I enrolled in the National Arts Culture and Heritage Academy (ASWARA) in the specialised fields of ballet, traditional and contemporary dance.

After obtaining a degree at ASWARA, I decided to pursue a Masters in Dance in London but was turned down by the Trinity Laban Conservatoire of Music and Dance as well as the University of Roehampton.

“As a student from a poor family, I was determined to achieve something”

Finally, with financial support from SDF, I enrolled in the New York University (NYU) Tisch School of the Arts.

Innovation is an integral part of dance and choreography and there are so many artistes constantly changing, adding twists and turns to dance movements such as the 'Vogue' in the 1980s, to create something new in the field.

While I was studying in New York, I wanted the 'city that never sleeps' to know more about Malaysian culture and our traditional dances.

So, I embarked on a collaborative project with several other artistes to produce a cross-cultural contemporary dance performance. We named ourselves Building Bridges, and combined the ideology of four choreographers from three different countries and cultures – Malaysia, United States of America and China.

The purpose of the Project was to foster cultural exchange, transcending geographical borders, and to showcase existing, local ideas from different generations. I produced several small productions with my colleague Yachao Zhu from China and one of my professors, Pamela Pietro and together we performed in the United States.

I was chosen by the NYU to perform for the Shanghai Ballet School at Skirt Ball Centre, to be a substitute lecturer in NYU, and choreograph in New York.

I was also invited by the Beijing Dance Academy, Minzu University of the Arts, Beijing Drama School, University of Philippines, Joffery Ballet School and Florence Arts Centre to give dance workshops and produce choreography for the students there.

Following all these initiatives, I accomplished my studies at NYU with a 3.89 GPA, among the best students in the dance field at NYU.

I also established a dance company titled Asia Duo Dance Company in New York with my colleague and good friend Yachao Zhu.

I never dreamt of being the best of the best, but I was determined to expand my knowledge.

As a SDF student from a poor family, I was determined to achieve something and that drove me towards making Malaysia known as a cultural and arts centre on par with other countries.

As a Star Scholarship recipient, I hope to support the mission of SDF to promote the arts and make it accessible to all, and I believe what I have pursued so far will help me reach these goals in the near future.

IN A NUTSHELL

RM 1.98 million

SDF SKILL ENRICHMENT SCHOLARSHIP PROGRAMME WITH SIME DARBY INDUSTRIAL ACADEMY (SDIA)

Jul 2015 – Jun 2019

PROJECT YEAR



This scholarship programme sees SDF’s collaboration with Sime Darby Industrial Academy (SDIA) and Hyundai – Sime Darby Motors Sdn Bhd (HSDM) as an initiative to fulfill the Malaysian Government’s aspiration to produce a highly skilled workforce through Technical and Vocational Education and Training (TVET) in line with the 11th Malaysia Plan. The Programme is open to school leavers with a minimum five credits in the Sijil Pelajaran Malaysia (SPM). Aside from sponsoring students to pursue a two-year Certificate in Heavy Equipment course at SDIA in Puchong, the Foundation also offers the same sponsorship at SDIA’s training centre in Miri, Sarawak to provide educational opportunities for students in East Malaysia.

From July 2015 to June 2016, the activities undertaken are:

- On 17 November 2015, the first batch of 20 underprivileged students, aged 18 years old to 25 years old were awarded scholarships for the Programme. They are from families with a household income of RM3,000 and below and will pursue a two-year Certificate in Automotive (Level 1 to 3) course at SDIA.

The progress and achievements to date of the Programme are as follows:

- 222 underprivileged students have benefitted from YSD’s Skill Enrichment Programme since 2010, with all of them having successfully secured jobs within the heavy equipment industry, including with Sime Darby Industrial.

Next year, the Programme’s plans are:

- Recruit the second batch of 20 underprivileged students to be enrolled for this Programme. The sponsorship covers funding for 60 students.

RM 2 million

SCHOLARSHIP FOR UNDERPRIVILEGED STUDENTS IN COLLABORATION WITH UNIVERSITI TUN ABDUL RAZAK (UNIRAZAK)

Sept 2014 – Aug 2019

PROJECT YEAR



This Bursary scholarship programme is allocated for underprivileged students from a household income of RM3,000 and below to pursue undergraduate and postgraduate studies at Universiti Tun Abdul Razak (UNIRAZAK). SDF’s four-year sponsorship until August 2019 covers tuition and accommodation fees, books and computer allowances. Scholarships are offered to students pursuing critical courses in line with UNIRAZAK’s initiative to address the nation’s talent shortage, especially in the fields of accountancy, taxation and insurance.

From July 2015 to June 2016, the activities undertaken by the Project are:

- On 13 August 2015, a scholarship award ceremony was held to award 25 students with scholarships to pursue their undergraduate and postgraduate programmes at UNIRAZAK.

The progress and achievements to date of the Programme are as follows:

- Two postgraduate students are due to complete their studies in 2017.
- A series of motivational talks and engagement sessions were held for the students to ensure they are able to cope with the learning expectations.

Next year, the Programme’s plans are:

- Fulfill the remaining allocation for the postgraduate studies for an underprivileged student.

RM6 million

**TABUNG MENGUBAH
DESTINI ANAK BANGSA
(TABUNG MDAB)**

Jul 2011 – Jun 2018

SDF has committed to support the Project which provides an alternative path for students who are both from a low income background and did not make the cut for tertiary education after their Sijil Pelajaran Malaysia (SPM). The second chance Programme seeks to improve their academic performance as well as their soft skills in order to prepare them for a diploma programme at Universiti Teknologi MARA (UiTM). If successful, the students will also stand a chance to enter into the degree programme at UiTM. Through the Tabung MDAB, each student is provided an allowance of up to RM1,700 per semester to cover their living expenses. SDF remains the biggest contributor of this Programme since it commenced in 2010.

PROJECT YEAR



From July 2015 to June 2016, the activities undertaken under the Programme are:

- Financial assistance extended to 2,268 students to attend the pre-diploma courses in Commerce for 12 months and Science for six months at 12 UiTM campuses nationwide.
- Notable positive impact on the students resulting in an average 80% passing rate.
- Between November 2015 and June 2016, 664 out of 776 students enrolled in the MDAB programme and 86% successfully secured offers to pursue their diploma studies at UiTM. Of these, 504 were supported by SDF.

Next year, SDF's plans are:

- Assist more than 1,000 underprivileged students via Tabung MDAB over the next two years until June 2018. This sponsorship fulfills the requirements of two SDF pillars namely the "Community Development" and "Education" pillars. Supporting capacity-enhancement programmes such as MDAB will help these unfortunate students build and maintain better lives through education opportunities they would not have received elsewhere.



Students under the Tabung MDAB Programme.

RM230 million

**SIME DARBY
FOUNDATION
SCHOLARSHIP**
Since 1982



SDF Governing Council Member Tan Sri Wan Mohd Zahid (middle) presents Ainaa Farhanah Amali her SDF Special Needs scholarship award as witnessed by SDF CEO Hajjah Yatela (left).

Since 1982, SDF has awarded scholarships worth RM230 million to 2,894 students and the Foundation's education footprint spans across countries where Sime Darby operates namely Indonesia, Liberia, China, Singapore, Hong Kong, South Africa and recently, Papua New Guinea. SDF's scholarships are clustered into three categories namely the Special Support Bursaries, Skill Enrichment and Excellence. The scholarship programmes are designed and aim to:

- Develop the nation's talent pool, especially individuals who are well rounded in their academic and non-academic achievements as well as those who are vocationally inclined; and
- For the underprivileged and the differently-abled.

PROJECT YEAR

1982

2016

From July 2015 to June 2016, the activities undertaken are:

- 407 students were awarded scholarships and bursaries worth RM18.9 million.
- Of these, 31 students received excellence scholarships worth RM4.6 million to pursue pre-university and undergraduate studies at top universities in China, Indonesia and Malaysia.
- SDF is also sponsoring eight international students from Liberia, China and Papua New Guinea to pursue their undergraduate studies at Universiti Kebangsaan Malaysia (UKM).
- RM14.3 million worth of bursaries were awarded to 376 students from low-income families, students who are vocationally inclined and those who are physically challenged to pursue tertiary education in any field of study at local public and private universities.
- For the very first time, SDF has introduced the Sime Darby Employees and Employees' Children Education Programme. Seven Sime Darby employees and 30 Sime Darby employees' children were awarded scholarships to pursue tertiary education locally.
- Malaysia's top swimmer Lim Ching Hwang was awarded the prestigious Star scholarship award. He is currently pursuing a Bachelor's Degree in Business Administration since September 2014 while undergoing training to become a world-class professional swimmer at the Ohio State University, one of the top five universities known for its swimming programme. His best achievement this year is:
 - Winning the gold medal in the men's 200m individual medley at the 18th Malaysia Games
 - Participated in the 28th Sea Games in Singapore and his team won a silver medal in the 4x200m freestyle relay men's swimming competition



MIT-Malaysia Masters of Science in Supply Chain Management Graduating Class of 2016.

RM 7.5 million

THE MALAYSIAN INSTITUTE OF SUPPLY CHAIN INNOVATION (MISI)

Oct 2013 – Sept 2018

In support of educational advancement in the field of supply chain management in Malaysia and Asia, SDF granted a five-year funding to enable MISI to carry out educational development programmes and research for new innovations in the supply chain domain and its industry outreach efforts. As the fourth centre of the MIT (Massachusetts Institute of Technology) Global SCALE network, MISI is uniquely positioned not only to raise the standards of education and practice of Supply Chain Management in Malaysia, but for Asia as a whole.

PROJECT YEAR



<p>From July 2015 to June 2016, the activities undertaken by MISI are:</p>	<p>The progress and achievements to date of the Project are as follows:</p>	<p>Next year, MISI’s plans are:</p>
<ul style="list-style-type: none"> MISI carried out researches on: <ul style="list-style-type: none"> – “Sustainable Sourcing for Procter & Gamble Palm Kernel Oil Supply Chain” – “Adaptation of Supply Chain Strategy to Changes in Industry Life Cycle (Case of High-Tech Industry)” – “Exploring the Nature of Small and Medium Enterprise (SME) Retail Supply Chains” In August 2015, MISI hosted the International Association of Maritime Economists (IAME) 2015 conference entitled “The Role of Maritime Clusters and Innovation in Shaping the Future Global Trade,” which received 140 attendees from around the world. 	<ul style="list-style-type: none"> 137 students have graduated since 2013 from the MISI programme and are now attached with companies such as Accenture, AirAsia, Deloitte, eCEOs, Malayan Flour Mills (MFM), PETRONAS, PwC and Schlumberger. Since its inception, MISI has published over 30 research papers. Hosted three global conferences; the Global Supply Chain Summit Conference (2011), Health & Humanitarian Logistics Conference (2013) and Global Supply Chain Management Conference (2014). 	<ul style="list-style-type: none"> Develop more customised executive trainings in partnership with more corporate bodies and private companies to enhance supply chain talent and industry competitiveness. These programmes shall serve as potential revenue generators for the Programme’s sustainability. Produce world class publications for innovative solutions that will be useful and implementable in any business operation for them to gain expertise to lead in their respective industries. MISI has applied to the Malaysian Qualification Agency (MQA) to begin a Master’s in Procurement course and received approval in June 2016 to start its PhD programme.

ENVIRONMENT

Assisting Impactful Research and Conservation Work

Under its Environment pillar, SDF dedicates itself to the protection and preservation of the environment and the conservation of biodiversity, while preserving landscape and selectively, seascape. This includes support for, and the promotion of, initiatives to protect and conserve forests and the sea, species and their biodiversity; and ensure that high conservation value ecosystems are protected. Priority is given to vulnerable and/or endangered species and the preservation of the forest reserves, including areas in and around Sime Darby's operations.



**RM129
million**

Total Committed
Since 2009



Bornean Sun Bear Conservation Centre (BSBCC)

RM3.5 million

Feb 2012 – Feb 2017

“The Centre is also one of a kind that seamlessly combines both conservation and ecotourism together, providing benefits for wildlife, the environment and local communities”

The Bornean Sun Bear Conservation Centre (BSBCC) was established in 2008 to provide care and rehabilitation for rescued Bornean sun bears and to raise awareness both locally and internationally.

BSBCC is a collaborative project between SDF, Sabah Wildlife Department, Sabah Forestry

Department and the Land Empowerment Animals People (LEAP), an NGO based in Sabah.

SDF is the biggest funder to date with a support of RM3.5 million for the operations of the Centre. This funding has been and will continue to be used to care for ex-captive and orphaned sun bears in Sabah and promote conservation efforts of the species.

The funding has also enabled the construction of the Second Forest Enclosure and Perimeter Walkway, which aims to facilitate the reintroduction of sun bears into their original habitat. The Second Observation Platform and Aerial Walkway built to cater to the high volume of visitors were officially launched in May 2016. One of the aims of BSBCC is to educate the public on the plight of sun bears and to date, more than 135,000 visitors from more than 30 countries have visited BSBCC since its opening in January 2014. This has made it an important ecotourism destination in Sabah.

BSBCC has rescued a total of 50 sun bears, 40 of which are currently residing at the Centre. One bear, Natalie, has been released into the



SDF Governing Council Member Caroline Russell (middle) officiates the ribbon cutting ceremony at the launch of the second observation platform and aerial walkway at BSBCC. (From left) SDF CEO Hajjah Yatela and SDF Governing Council Member Datin Paduka Zaitoon and BSBCC CEO Wong Siew Te (right) looks on.

wild, while nine other sun bears have died over the years due to various reasons such as diseases and being attacked by snakes. On July 25, 2016, the second female sun bear Lawa, was reintroduced back into the wild after the rehabilitation programme at BSBCC and she is currently being monitored.

The Centre is also one of a kind that seamlessly combines both conservation and ecotourism together, providing benefits for wildlife, the environment and local communities.

Ecotourism is the third most important industry in Sabah and BSBCC's efforts in conservation ecotourism has provided benefits for the local people while encouraging environmental protection.

BSBCC is currently looking at launching the Tabin Sun Bear Project at the Tabin Wildlife Reserve, which will serve as a rehabilitation centre. BSBCC will also be conducting a study on the wild sun bear population and ecology, specifically researching population density and other aspects crucial to the survival of wild sun bears.



(Left to right) SDF Governing Council Members Datin Paduka Zaitoon and Caroline Russell, BSBCC CEO Wong Siew Te and SDF CEO Hajjah Yatela on the newly constructed second observation platform.



An elephant spotted at the Belum-Temenggor Forest Complex. The MEME project aims to evaluate the effectiveness of elephant management and conservation strategy in Malaysia.

Management & Ecology of Malaysian Elephants (MEME)

RM3.36 million
Jan 2012 – Dec 2016

The Management & Ecology of Malaysian Elephants (MEME) is an internationally recognised research project in collaboration with the Department of Wildlife and National Parks Peninsular Malaysia (DWNP or PERHILITAN). MEME aims to produce scientific information about elephant behaviour, ecology and relationships with people that will allow PERHILITAN to work towards an evidence-based conservation of Malaysia's elephants.

SDF has helped in promoting initiatives to conserve animals, with a focus on vulnerable or endangered animals in Malaysia. The world's most comprehensive inventory of the global conservation status of plant and animal species, the International Union for Conservation of Nature (IUCN) Red List of Threatened Species has listed the Asian Elephants as endangered and threatened. The funding covers the overall costs of collaring the elephants, purchase of appropriate vehicles for transportation in the forests, various equipment for research purposes, postgraduate tuition fees for students who are helping with the research as well as for the Principal Investigator (Dr. Ahimsa Campos-Arceiz) to attend scientific meetings overseas.

“The findings will also benefit those who suffer from crop raiding by elephants, to the better management of Malaysian tropical rainforest and human-dominated landscapes and the overall social wellbeing and natural capital of the country”

MEME collars wild elephants using GPS satellite collars that track their movements in the rainforest. This has helped them understand how elephants move and how they respond to habitat fragmentation and being translocated away from human-elephant conflict zones. They also extract hormones from elephant dung that is later analysed in the laboratory to assess the elephant's physiological condition, for example, stress. In addition to this, they use remotely-triggered video cameras to conduct observations of elephant behaviour in their natural habitat; the first for Asian elephants.

With the findings gained from this Project, MEME aims to reduce human-elephant conflicts and eliminate it completely in future. The Project also aims to assess the effectiveness of current elephant management policies and develop a better one for the future as well as to contribute to the National Elephant Conservation Action Plan (NECAP).

Moreover, the findings will also benefit those who suffer from crop raiding by elephants, to the better management of Malaysian tropical rainforest and human-dominated landscapes and the overall social wellbeing and natural capital of the country. It will also be a stepping



A close up of a Malaysian elephant, a species that is under threat due to habitat fragmentation and conflicts with humans.

stone for the government to introduce new initiatives and laws concerning wildlife and implement guidelines and stricter rules to combat poaching.

Since receiving SDF's funding, MEME has published and contributed to five scientific papers, with five more expected to be submitted for publication before the end of this year. They have also conducted over 50 public talks about the conservation of Malaysian elephants, including talks abroad and in Malaysia for academics, students, and the general public. In addition to this, they have

also collected nearly three years of data on the seeds of plants dispersed by elephants.

In the past year, a PhD student and two Masters students successfully submitted their dissertations after researching with MEME, while MEME itself has published two scientific papers about elephant conservation during the period under review.

In 2017, MEME will look at one more PhD student graduating and completing the data collection of ongoing studies.



An elephant is collared under the MEME project which started in 2012.

Borneo Rhino Sanctuary

RM13.22 million

Jul 2009 - Jun 2017

Borneo Rhinoceros Sanctuary (BRS) is a joint initiative of the Borneo Rhinoceros Alliance (BORA) and the Sabah Wildlife Department (SWD). It serves as a sanctuary for the critically endangered Sumatran rhinoceros (rhino) within a fenced area at the Tabin Wildlife Reserve in Lahad Datu, Sabah. BRS also brings isolated rhinos from non-viable environments around Sabah into the Sanctuary to provide breeding opportunities for the rescued rhinos. Since 2009, BRS has acquired funding from SDF, including two funding extensions from 2009 to 2017.

SDF's funding covers the staffing costs of BORA employees and caretakers of the rhinos, subcontracted services enlisted to maintain BRS, travel costs incurred by BORA, and other indirect costs. The additional funding allowed for the advanced reproductive technology (ART) activities in partnership with experts from Leibniz Institute for Zoo & Wildlife Research, Berlin

“To date, ART has not been used for any wildlife in Asia, making BRS the first facility to adopt ART,”

(IZW). IZW also provided training for BORA employees to enable them to acquire new skills and expand the pool of local specialists who are able to conduct the ART programme and In-Vitro Fertilisation (IVF) work.

To date, ART has not been used for any wildlife in Asia, making BRS the first facility to adopt ART, notably IVF and cell culture as a means to help prevent the extinction of a critically endangered species.

Nonetheless, there has not been any success in the production of the first IVF rhino embryo, as only eight oocytes (immature eggs) have been obtained. The necessary, optimum conditions and procedures for successful IVF have not been confirmed, prompting further research in this field.

The BRS programme has benefitted the people of Sabah through the creation of employment opportunities. BORA has 21 field staff (other than the veterinarian-field manager), all of whom are Sabahans. 13 are from four different native communities in the Tabin region. Over 25 people from predominantly rural communities have been employed under the project since 2009, some of whom now have employment with organisations such as WWF-Malaysia and the Sabah Wildlife Rescue Unit following their experiences with BRS.

Over the years, it has been apparent that the only way to save the Sumatran rhino is through IVF. BRS is working towards securing the Malaysian government's support to collaborate with Indonesia to save the species.



Tam remains in good condition, although is now estimated to be approaching advanced middle age.

SDF's support for the BRS project has shed light on the importance of the last remaining Sumatran rhinoceros in Malaysia and the Malaysian government has taken notice.

A five-year funding of RM11.9 million has been allocated under the 11th Malaysian Plan from the Natural Resources and Environment Ministry for the ART component of the Project.

SDF has now discontinued its funding of the BRS project to allow for other environment conservation projects which are in critical need of funding.

BRS has also successfully raised the profile of the Sumatran rhinos globally through the release of the National Geographic documentary "Operation Sumatran Rhino: Mission Critical" which follows BORA's Executive Director Datuk Dr. John Payne and Senior Veterinarian Dr. Zainal Zahari Zainuddin on their adventures and efforts to save the Sumatran rhinos in Malaysia.

The documentary was aired on National Geographic Wild and National Geographic Channel in conjunction with World Rhino Day in September 2016.



Sumatran rhino Tam under general anesthesia, undergoing the electro-ejaculation procedure on 24 August 2015.

IN A NUTSHELL

RM **1** million

SIRI BUKU ALAM UPIN & IPIN

Jan 2015 – Sept 2016

A children's book project depicting the famous Upin & Ipin cartoon characters was created to promote better understanding of environmental conservation to inculcate a strong sense of natural resources stewardship amongst kindergarten and lower primary schoolchildren (from ages five to nine). This Project is a collaboration between SDF, Malaysian Nature Society (MNS), Pos Malaysia and Nyla Sdn. Bhd. (Nyla) the publisher of Majalah Komik Upin & Ipin. The 'Siri Buku Alam Upin & Ipin' consists of two volumes; interactive workbooks (for kindergarten children) and informative textbooks (for lower primary students) covering six core topics namely plants, animals, water, environmental cleanliness, recycling and global warming.

PROJECT YEAR

2015

2016

2017

From July 2015 to June 2016, the activities undertaken by Siri Buku Alam Upin & Ipin are:

- 55,000 Interactive Workbooks were delivered to 498 Tadika Perpaduan and 70,000 Informative Textbooks were delivered to 200 selected primary schools which include 86 primary schools registered as Kelab Pencinta Alam (KPA) under MNS, 46 schools within Sime Darby Plantation estates across Malaysia, as well as 71 primary schools in rural and underprivileged communities.
- The final topic of the publication, "Global Warming," is expected to be released in October 2016 and distributed to selected kindergartens and primary schools nationwide.



(Left to right) SDF CEO Hajjah Yatela and SDF Governing Council Member Tan Sri Wan Mohd Zahid at the Siri Buku Alam Upin & Ipin launch.

RM **15** million

**UKM-YSD CHAIR
FOR SUSTAINABLE
DEVELOPMENT :
ZERO WASTE
TECHNOLOGY FOR THE
PALM OIL INDUSTRY**

Endowment
Since 2010

The endowment fund brings together Universiti Kebangsaan Malaysia (UKM) and Sime Darby Plantation's research teams to produce innovative homegrown green technology to convert palm oil mills into carbon-neutral factories, with zero carbon footprint.



From July 2015 to June 2016, the activities undertaken by the Chair are :

- On 4 August 2015, a seminar entitled "Symbiotic Eco-community and the Bio economy," was held at UKM.
- A public lecture was delivered by the second Chair-holder and biohydrogen expert from Feng Chia University, Professor Shu-Yii Wu. Professor Wu is also the Chief Executive Officer at the Asia-Pacific Economic Cooperation (APEC) Research Centre for Advance Biohydrogen technology.
- UKM held a meeting with the Ministry of Science, Technology and Innovation (MOSTI) and Taipei Economic and Cultural Office (TECO) to explore a potential tripartite collaboration between UKM, agencies under MOSTI, and TECO, to encourage the exchange of scientific and technological expertise between Malaysia and Taiwan.
- Year 2016 saw the appointment of the Chair's Research Thrust Leader Professor Dr. Jamaliah Bt Md Jahim as the Chairman of the APEC Research Centre for Advanced Biohydrogen Technology - Malaysia Chapter for a two-year term until 2017.
- The Co-Chair-holder Professor Ir. Dr. Mohd Sobri Takriff was appointed as the Chairman of the Academic Research on Palm Oil Sustainability (ARPOS) network.
- On 18 November 2015, the Chair hosted its inaugural "Sustainability Challenge Competition 2015" for university students to explore innovative ideas on improving sustainability within the palm oil industry.
- The competition received 205 applications from 21 local universities. 10 essays were selected for the final round, based on originality and quality of the ideas, practicality and strategy of implementation, as well as contribution towards society, economy and the environment.
- A two-student team from Universiti Sains Malaysia (USM) won the first prize of RM8,000 in cash for their invention of a technology to recover low-heat waste in a palm oil mill using a modified Stirling engine.
- In April 2016, SDF held discussions with the Minister of Natural Resources and Environment and the Department of Environment on Sime Darby Plantation's good mill practices towards zero waste.
- In June 2016, the Chair co-hosted a regional workshop entitled "Overcoming Critical Bottlenecks to Accelerate Renewable Energy Deployment in ASEAN countries," in partnership with the International Renewable Energy Agency (IRENA), the Asian and Pacific Centre for Transfer of Technology (APCTT) of the United Nations Economic and Social Commission for Asia and the Pacific, MOSTI, Thailand Institute of Scientific and Technological Research (TISTR) and National Science and Technology Development Agency of Thailand (NSTDA).
- The collaborative regional workshop has catalysed a long-term partnership between the Chair and Thailand through the signing of a Memorandum of Understanding (MoU) with TISTR.
- The Chair was also involved in APEC trainings to promote community empowerment through green technology to generate electricity in rural areas in Taiwan.
- 30 new research publications were published, 20 public lectures and workshops were held and 11 new partnerships with overseas universities were successfully cemented.

The progress and achievements to date of the Project are as follows:

- To date, the Chair has produced 127 journals, 56 public lectures and workshops, 10 partnerships with local universities, and 20 partnerships with top notch overseas universities.

Next year, the Chair's plans are:

- Scale up completed laboratory experiments under the Chair to a pilot plant project in partnership with Sime Darby Plantation upon completion of the construction and commission of a demonstration plant in October 2016.
- To engage potential partners in Indonesia as part of the Chair's effort to strengthen its presence in the region, and proactively identify potential collaborations that will facilitate the advancement of the zero-waste technology efforts within the Chair.



SDF Governing Council Member Tan Sri Wan Mohd Zahid (fourth from left) and UKM Deputy Vice-Chancellor Industry & Community Partnerships Professor Dato' Dr Imran Ho Abdullah listens intently to Teh Wei Huai (fourth from right) while other winners look on.

RM5 million

UKM-YSD CHAIR FOR CLIMATE CHANGE

Endowment
Since 2010

The Endowment Chair is a partnership between SDF and Universiti Kebangsaan Malaysia's (UKM) Institut Kajian Perubahan Iklim (IKP). IKP is the first research centre of its kind in South East Asia. It was established to understand tropical climate systems, address issues and impacts of climate change on a local and regional level, as well as develop solutions to mitigate such impacts.

From July 2015 to June 2016, the activities undertaken by the Chair are :

- Four public lectures on climate change were held and 11 new research papers were published.
- A paper titled "Trends in Global Palm Oil Sustainability Research" was published in the International Journal of Cleaner Production and ranked 5th out of 50 other research publications under the category of Environmental Engineering. It was also presented by Dr Sune Balle Hansen through the Academic Research on Palm Oil Sustainability (ARPOS) Network which focuses on a holistic framework for palm oil sustainability research through multidisciplinary studies and collaboration between the industry and academia.
- A community engagement visit to Kg Sungai Ayam in Batu Pahat, Johor, in partnership with the UKM-YSD Chair for Sustainable Development: Zero-Waste Technology for the Palm Oil Industry, and the MPOB-UKM Endowment Chair to understand the impact of accelerated coastal erosion and rising sea levels on the affected villages.
- 1,075 copies of "Biodiversity of The Oil Palm Ecosystem" books by Dr. Salmah Yaakop were distributed to 250 children in primary schools nationwide.
- The book aims to educate children aged between 9 and 12 on the oil palm ecosystem and biodiversity. It was nominated for the Science & Technology Book Award at the National Book Awards held in November 2015.
- On 29 December 2015, 50 school children from Bangi participated in the "Kem Sehari Skwad Palma" at Hutan Penyelidikan Alam, Fakulti Sains & Teknologi, UKM, to heighten awareness on the impacts of climate change.
- The Chair's Research Group led by Professor Ir. Dr. Mardina Abdullah won the "Cabaran My Innovation – Jejak Inovasi Negeri Selangor 2015", an innovation competition hosted by the State Government of Selangor.
- The Chair's Research Leader Dr. Mohd. Nizam Mohd. Said spearheaded the establishment of "Open Roof Ventilation Green House" facilities for experiments in response to vegetation species in higher concentration of carbon dioxide.
- Research results by Professor Dr. Jamal Othman entitled "Development of the Malaysian Environmental Input-Output Database for Climate Change Policy Analysis" was presented to the Cabinet as part of the Chair's efforts to improve national policies on climate change.



At one of the UKM-YSD Chair for Climate Change site visits.

The progress and achievements to date of the Project are as follows:

- Since its inception, 835 researchers, students and government officers have benefitted from public lectures, seminars and workshops organised by the Chair.
- To date, a total of 17 research papers and books have been published on climate change, and 14 public lectures were held.

Next year, the Chair's plans are:

- To give out sponsorships worth RM10,000 to post-graduate/undergraduate students in Climate Change studies.
- Expand research collaborations related to climate change issues, and Science, Technology, Engineering and Mathematics (STEM) with other potential corporate bodies.
- Carry out community programmes involving primary school pupils to increase awareness and understanding on the palm oil industry and the ecosystem.



Students participate in a workshop conducted by the UKM-YSD Chair for Climate Change.

RM600,000

CINTAI TIOMAN PROJECT BY REEF CHECK MALAYSIA

Mar 2014 – Feb 2019

SDF's first seascape project with Reef Check Malaysia (RCM) aims to reduce climate change impact to reefs, increase coral reef resilience and to build capacity of the local community on Tioman Island to play a greater role in coral reef conservation and management.



A diver carries a net of crown of thorns freshly removed from the corals.

From July 2015 to June 2016, the activities undertaken by RCM are:

- Introduction of the Association of South East Asian Nations (ASEAN) Green Hotel Standard to four resorts on Tioman Island to promote sustainable tourism practices around the region. The ASEAN Green Hotel Standard is a certification process which will increase environment-friendly efforts and Energy Conservation in the ASEAN accommodation industry.
- Trained and certified 20 snorkel guides and recruited eight Green Fins members on the island. Green Fins is a public-private initiative of the United Nations Environment Programme and Reef-World, and provides the only internationally recognised code of conduct used to reduce the environmental impact of the diving and snorkelling industry.
- Engaged a local marine conservation team with the Department of Marine Park Malaysia (DMPPM) on the management of marine protected areas, beach clean-ups and reef rehabilitation, discarded nets and crown of thorns (COT) starfish outbreaks.
- Deployed nursery frames at the northern and southern side of Monkey Bay with the help of local villagers to improve the poor state of its coral reefs due to human and natural impacts. As of June 2016, the corals at the rehab site have shown lower mortality rates and high growth. Despite being hit by El Nino in June, only a couple of colonies succumbed to bleaching, which proved that the corals are surviving due to the regularly maintained nursery frames.
- Initiated the separation and recycling of Polyethylene Terephthalate (PET) plastic bottles and aluminium cans which further reduced the amount of trash and plastic used on the island.
- Introduced organic waste composting to the locals.

PROJECT YEAR



Next year, the RCM's plans are:

- Set up a recycling centre on the island to store, segregate and pack recyclable items to be shipped out to the mainland. RCM also plans to have biodiesel machines at the centre to recycle used cooking oil into diesel.
- Increase the number of businesses involved in the Responsible Tourism (RT) programme. Currently, RCM has introduced Green Fins and Green Hotel Standards on the island. However involvement is voluntary and low. RCM aims to get more dive shops and resorts to sign up for the RT programme.
- Set up an information sharing centre in Tekek for locals and tourists to improve awareness and knowledge about the island.
- Reduce the impact of construction on the island by promoting environmentally friendly guidelines. RCM is currently working with Tioman Development Authority (TDA) to implement these guidelines as mandatory for all future construction projects on the island.



Reef Check Malaysia also includes monitoring coral spawning.



Cintai Tioman project also enlists the help of locals in beach clean-ups.



Alvin Chelliah, Cintai Tioman's project manager, removes crown of thorns from the corals that adorn the artificial structure to promote coral growth.

COMMUNITY & HEALTH

Improving Community Health, and Alleviating the Poor and the Disadvantaged

Under its Community & Health pillar, SDF supports community-based programmes and sustainable initiatives intended to promote the wellbeing and health of disadvantaged people, reduce socio-economic disparities and enhance the welfare of neglected children and senior citizens, vulnerable women, people with disabilities and other marginalised groups. SDF assists advocacy efforts that promote national policy changes to protect basic rights and improve the quality of life of the disadvantaged. SDF also encourages research efforts towards improved community health.



**RM114
million**

Total Committed
Since 2009



University of Malaya Medical Centre (UMMC) RM4 million May 2013 – Jan 2018

“With a total of RM4 million committed for this Project, SDF aims to support more than 500 underprivileged patients in Malaysia to undergo coronary angioplasty intervention”

Coronary Heart Disease (CHD) has been and continues to be the leading cause of death worldwide. University of Malaya Medical Centre (UMMC) reported that 25% of patients suffering from acute heart attacks in Malaysia are below 50 years old, many of whom are at the peak or at the end of their careers with families to support.

To address the nation’s high mortality rate due to heart diseases, SDF commenced its support for the “Tabung YSD for Underprivileged Coronary Patients” in May 2013 in partnership with UMMC, led by one of Malaysia’s top consultant cardiologists, Professor Datuk Paduka Dr. Wan Azman Wan Ahmad.

With a total of RM4 million committed for this Project, SDF aims to support more than 500 underprivileged patients in Malaysia to undergo coronary angioplasty intervention, a procedure used to open clogged heart arteries. Reports by UMMC show that only a mere 9.4% of them can afford angioplasty procedures.

The procedure involves temporarily inserting and inflating a tiny balloon in a clogged artery and for a stent to be put in place to keep the artery open. This treatment has been successful in saving lives and salvaging the heart muscle from damage with a success rate of 96.6%.

SDF’s funding has helped UMMC to purchase essential equipment for angioplasty procedures which cost up to RM10,000 per patient. As of June 2016, 322 patients have benefited from the Project and it is anticipated that 200 more will benefit from the Project in the next two years.

In order for the Project to provide support to more patients outside of UMMC, Professor Datuk Paduka Wan Azman started the My ST-Elevation Myocardial Infarction (MySTEMI) Network programme which allows the coronary patients from government hospitals to be referred to UMMC.

Since it began running in July 2015, MySTEMI has allowed Hospital Tengku Ampuan Rahimah, Klang (HTAR) to transfer at least 25 patients to UMMC to receive emergency coronary angioplasty treatment. The next targeted hospital is Hospital Shah Alam.

SDF’s assistance in these programmes also helps to provide trainee doctors with much needed exposure to coronary angioplasty procedures. Each cardiologist now performs around 100 coronary angioplasty procedures in a year which is far more than the minimum requirement of 20, set by the National Specialist Register of Malaysia. The vast difference in procedures performed has further improved the technical knowledge and skills of trainee doctors.



SDF’s support to UMMC has enabled underprivileged patients suffering from coronary heart disease to receive proper medical attention.

IDEAS Autism Centre (IAC)

RM2.45 million

Jan 2014 – Dec 2017

IDEAS Autism Centre (IAC) is a full-service centre for autistic children providing care and support through daycare services, academic lessons and living skills. IAC differs from other private autism centres in Malaysia, offering affordable professional services to low-income families with a minimal fee of RM300 per month for households with a monthly income below RM1,500. Services are free if the household income is below RM500. Only children from families with monthly household incomes of below RM1,500 are accepted.

The aim of IAC is to provide holistic early intervention, care, therapy and education to autistic children to enable them to attend government school by the age of seven to nine.

The funding provided by SDF is used mainly to support IAC's operational expenses including teachers' salaries, teacher training and development, parents' workshops and school outreach, rental, security fees and utilities.

IAC hires external experts to conduct a series of intense speech training for the teachers over the weekends which provides them with the necessary skills to conduct speech therapy sessions for the students. Parents are also given the same training for them to continue conducting the sessions at home with their children. This has helped them to not only reduce costs but also to enhance each child's learning experience.

IAC has adopted new therapy methods which range from pet therapy, gardening, baking,

hippotherapy as well as hydrotherapy. These not only provide the children with a variety of therapy options but also allows IAC to provide quality care as not all centres in Malaysia have these therapies as part of their programme. Other services and therapy available at IAC include horse-riding and swimming classes, art and music therapy as well as basic multimedia and IT programmes. IAC also provides meals for the children, based on their healthy meals guidelines.

They have since published two policy papers which have been acknowledged by the Malaysian Federation of the Disabled and the Malaysian Association of the Blind. These papers have also been sent to policy makers including Malaysian ministers and all major political parties and government agencies including the Department of National Unity and Integration under the Prime Minister's Department and the Selangor Menteri Besar's Office. In one of their policy papers, titled "Financial Burden of Living with Autism," it was reported that on average, families who sent their children to IAC had their monthly household income increase from RM3,962 to RM4,065. The same paper reported that four parents were even able to find jobs after having enrolled their children at IAC.

“Having created a centre that fills the gap of full daycare and therapy services for low-income communities has helped families get back on their feet”

Having created a centre that fills the gap of full daycare and therapy services for low-income communities has helped families get back on their feet, providing them an opportunity to find employment during the day and network with other parents with autistic children. This builds a tight community where parents can share their issues and concerns with each other.

The success rate of being accepted into the Program Pendidikan Khas Integrasi (PPKI), also known as the 'special class' in government schools, has also proven the effectiveness and impact of the Centre's intervention and care for the autistic children. Since SDF's sponsorship for the project, and as of June 2016, 14 out of 19 students have gained entry into government primary school under PPKI, further showcasing the growing success of IAC.



A tutor assists two children at the IDEAS Autism Centre (IAC).



Awareness programmes carried out by Cancer Research Malaysia.



A Cancer Research Malaysia volunteer at work.

Cancer Research Malaysia

RM27.5 million
Jan 2012 – June 2017

“Cancer Research Malaysia has successfully developed one of the first genetic counselling and genetic testing programmes in Malaysia to assist families with a higher risk of breast and ovarian cancer.”

Cancer Research Malaysia is now the leading cancer research organisation in the region. This award-winning organisation has collaborated with top scientists from more than 15 countries, published 162 scientific papers, registered four patents and awarded a total of 93 awards and fellowships. Some of the more recent ones include the Best Oral Presentation & Young Investigator Award at the Malaysian Genetics Congress and the Best Basic Science Paper at the 5th World Congress on Oral Oncology, Sao Paulo, Brazil in July 2015.

Through long-term partnership with Cancer Research Malaysia, SDF is helping to improve the survival rate of those diagnosed with cancer and save lives.

SDF's funding covers staff salaries, training and development efforts, and operational costs of the Organisation.

Cancer Research Malaysia has successfully written a code for a cell-counting software which will shorten experimentation process from three days to only three minutes without losing accuracy or compromising the integrity of the experiments. Cancer Research Malaysia has also managed to develop the code for a teledentistry application (app) that would enable them to use mobile phone imaging for early detection

of oral cancer in concordance with clinical oral examination. The app is now in its development and improvement stage.

Through Cancer Research Malaysia's numerous achievements, the costs of genetic testing have been reduced, enabling more women and their families to access genetic testing in Malaysia. Besides this, Cancer Research Malaysia has developed a new way of harnessing a patient's immune system to fight cancer while establishing one of the largest breast cancer genetic studies in Asia. This has contributed to the discovery of more than 100 new genetic loci and helped to raise greater awareness on the risks and prevention of cancer.

Cancer Research Malaysia has successfully developed one of the first genetic counselling and genetic testing programmes in Malaysia to assist families with a higher risk of breast and ovarian cancer. More than 90% of both services in Malaysia are offered by them.

To date, they have been able to engage with 9,521 participants in research projects, while future projects include launching a cancer prevention study, examining the role of dietary intake of soy on breast cancer risks and completing their animal studies for immunotherapy.

The First Diabetes Empowerment for Women Initiative in Malaysia

RM3.5 million

May 2015 – Apr 2019

“It is hoped that this research aspect of the DEWI programme will enable NADI to influence the government to further improve its current practices and policies in managing the disease in Malaysia”

Almost half of Malaysian women are overweight or obese, which according to UK medical journal Lancet, is a statistic that soars above the global average of 30%. This means that Malaysian women are at a greater risk of diabetes, heart disease and cancer. The lack of management of pregnancy-related diabetes and absence of a proper long-term follow-up on mothers living with diabetes in Malaysia is an alarming issue for both mother and child.

The National Diabetes Institute (NADI), realising an urgent need to address this gap, initiated a structured intervention programme called the Diabetes Empowerment for Women Initiative (DEWI). Being the first of its kind in Malaysia, NADI DEWI aims to minimise and avoid development of pregnancy-related complications such as early miscarriage, complicated delivery due to excessive bleeding, and high risks of obesity. Babies are also at a risk of developing chronic and cardiovascular diseases in the future.

DEWI has received RM3.5 million from SDF since 2015 to carry out its initiatives. The sponsorship covers salaries of NADI personnel, expenditure for workshops and meetings, as well as for various

equipment, including centrifuge machines, fat analysers, waist measurement tapes and much more.

The programme seeks to work with 10 selected government hospitals nationwide and will focus on the management and mitigation of pregnancy-related diabetes.

500 women living with diabetes (pre-existing diabetes), those with potential diabetes (pre-diabetes) as well as women with previous gestational diabetes (diabetes during pregnancy) will be screened and selected to be a part of the DEWI programme and will be given counselling and follow up sessions.

The diabetes counselling sessions aim to impart critical knowledge on healthy lifestyle, suitable exercise, stress management and diabetes monitoring strategies to provide a sustainable lifestyle for the women even after the end of the programme. It also aims to prevent progression of diabetes and development of complications for both mother and baby. The counselling sessions will include pre-pregnancy sessions, while the follow up sessions will begin after the first trimester of pregnancy and last two years after delivery of the baby.

It is hoped that this research aspect of the DEWI programme will enable NADI to influence the government to further improve its current practices and policies in managing the disease in Malaysia. If this intervention programme is proven to be effective, it will then be submitted to the government for nationwide implementation.

For the immediate future, DEWI will be performing the Oral Glucose Tolerance Test (OGTT) screening and recruit women who meet their requirements. Once they are confirmed to be pregnant, the programme will start and feedback will be collected based on any tests that have been carried out.



Volunteers of the NADI DEWI programme.

IN A NUTSHELL



The MERCY Malaysia team at the affected area where a 6.0 magnitude earthquake struck Mount Kinabalu on June 5 last year.

RM 1.4 million

DISASTER EMERGENCY AND RECOVERY ASSISTANCE WITH MERCY MALAYSIA

Nov 2015 – June 2016

The SDF Disaster Relief Fund allocates an annual budget of RM2 million for emergency relief efforts locally and internationally, in partnership with credible NGOs such as the Malaysian Medical Relief Society (MERCY Malaysia).

PROJECT YEAR



From July 2015 to June 2016, SDF carried out the following disaster relief activities in partnership with MERCY Malaysia:

- The 5 June 2015 Sabah earthquake resulted in water interruptions. With water pipes laid out and tanks brought in by SDF and MERCY Malaysia, more than 300 families now enjoy uninterrupted water supply.
- In April 2016, water supply was installed in:
 - 112 houses in Kampung Mesilau, Ranau,
 - 28 houses in Kampung Kiau Bersatu,
 - 28 houses in Kampung Kiau Nulu, Kota Belud.
- 26 units of shelter repair kits were distributed for repair works of affected homes in Kg Tiong Rantau and Kg Tomis Jaya in Tuaran, Sabah.
- 11 units of temporary shelters were built in Kg Tomis Jaya in Tuaran, Sabah, for families whose homes were severely affected by the earthquake.
- In February 2016, 100 families in Samarahan received cleaning equipment as part of MERCY Malaysia’s post-flood recovery efforts. Due to continuous rain, several areas in the district of Kuching, Samarahan, Bau and Serian were inundated.

The progress and achievements to date of the Project are as follows:

- Since December 2014, SDF has committed RM3.29 million to MERCY Malaysia to carry out various humanitarian efforts.
- In total, SDF has contributed RM6.05 million since 2013 for local and international disaster relief efforts with other partners such as Islamic Relief Malaysia (IRM) and Sime Darby Plantation for communities surrounding Sime Darby estates during floods.

RM2.8 million

WOMEN'S AID ORGANISATION (WAO)

Jan 2010 – Dec 2016



Minister of Women, Family, and Community Development YB Dato' Sri Rohani Abdul Karim (second from left) and SDF Governing Council Member Datin Paduka Zaitoon (right) launch Women's Aid Organisation's (WAO) Domestic Violence Shelter Standards and Toolkit, alongside with representatives from WAO and its partners.

PROJECT YEAR



SDF's assistance to WAO has enabled the NGO to continuously provide shelter and protection, empower battered women with necessary skills and knowledge to continue their lives and facilitate the necessary policy or legislative amendments by relevant government bodies and agencies. The support for the latter has resulted with the inclusion of psychological abuse in the Domestic Violence Act 1994 and the recent guidelines of the nine different government and law enforcement agencies in handling domestic violence cases in the country.

From July 2015 to June 2016, the activities undertaken by WAO are:

- Development of the "Domestic Violence Case Handling Guidelines" that defines the roles and responsibilities of nine different government and law enforcement agencies in handling Domestic Violence cases. It was successfully launched by the Ministry of Women, Family and Community Development on 1 October 2015.
- In March 2016, WAO launched its "Domestic Violence Shelter Standards and Toolkit", a Standard Operating Procedure (SOP) for safe spaces dedicated for domestic violence survivors in partnership with the High Commission of Canada.
- In March 2014, WAO successfully carried out a public education campaign called "No Excuse for Abuse" and the launch of WAO's SMS helpline "TINA" (Think I Need Aid), with the aim of raising public awareness about the early phases of abuse. Since its launch, TINA has recorded close to 300 SMS inquiries with 50% of the numbers related to domestic violence cases.
- In November 2013, WAO and the Ministry of Women, Children and Community Development co-hosted a national roundtable to discuss the good practices and challenges faced when handling domestic violence cases.
- In October 2011, WAO facilitated the amendment of the national Domestic Violence Act 1994 to include psychological abuse, including emotional injury as part of domestic violence.
- From June 2015 to July 2016, WAO sheltered 146 women and 134 children. On top of this, 1,764 domestic violence victims received phone counselling from WAO.
- Since 2010, more than 800 women and 700 children have been assisted through the dedicated support of WAO's social workers funded by SDF to help them get back on their feet and rebuild their lives.
- The project term ends this year and SDF is confident that WAO will continue to ensure its advocacy and good work will benefit more women in the future.

RM2.7 million

**MALAYSIAN
FEDERATION OF THE
DEAF (MFD)**
Sept 2012 – Sept 2016

SDF’s support for Malaysian Federation of the Deaf (MFD)’s “Bahasa Isyarat Malaysia” (BIM), a dictionary project, is to improve the quality of education for the hearing impaired and to increase their level of comprehension in reading, writing and communication. The BIM comes in the form of books and CDs suitable for all ages. SDF also funds MFD’s premises and training centres as well as the “Independent Living Skills Programme” (ILSP) to promote capacity enhancement via living skills and on-the-job training.



(Left to right) SDF CEO Hajjah Yatela, MFD advisor Tan Sri Datuk Seri Utama Shahrir Abdul Samad, SDF Governing Council Member Datin Paduka Zaitoon, Deputy Minister of Education I YB Dato’ P. Kamalanathan and MFD President Mohamad Sazali Shaari with children from the Istikajaya pre-school at the launch of the BIM book.

PROJECT YEAR



From July 2015 to June 2016, the activities undertaken by MFD are:

- Seven teachers received BIM training, six workshops were carried out for special needs educators and professionals and 90 attendees have benefited from the workshops.
- 500 new BIM vocabularies were collected and to date, 3,243 vocabularies have been translated into pictorial items that will be documented into sign language dictionary publications.

The progress and achievements to date of the Project are as follows:

- MFD has successfully reached out to 155 special education teachers from 24 schools nationwide through seven BIM training workshops.
- Under the ISLP training programme, 100 hearing impaired trainees have successfully received work placements at various companies such as MFD, Panasonic, McDonald’s, Canon, Tesco Puchong and Politeknik Shah Alam.

RM730,000

EMPOWERING UNDERPRIVILEGED CHILDREN LIVING WITH TYPE 1 DIABETES IN COLLABORATION WITH DIABETES MALAYSIA

Jan 2015 – Dec 2017



A child who participated in the Diabetes Children's Camp at play with a volunteer.

SDF is supporting Diabetes Malaysia through its "Diabetes Children Programme" for 240 children below 18 years old with Type 1 Diabetes (T1D) from households with an income of RM2,000 and below. In Malaysia, especially among low-income families with T1D children, access to self-monitoring devices and self-management education is limited. This leads to severe disability and early death in children with diabetes. The support covers the cost of an essential blood glucose self-monitoring device to enable the children to monitor their blood glucose levels twice a day and for logistics expenses for a Diabetes Children's Camp twice a year. The Diabetes Children's Camp is to guide T1D children on how to cope with stress, anxiety, depression, peer pressure and public perception on diabetes so that these children will be more confident and independent in managing their lives.



Dr Raja Aimee, one of the speakers at the Diabetes Malaysia Programme, speaking to children who participated in the Diabetes Malaysia Programme.

PROJECT YEAR

2015

2016

2017

From July 2015 to June 2016, the activities undertaken by the Project are:

- 30 children attended the first Diabetes Children Camp in Pahang from 19 September 2015 to 21 September 2015.
- 28 children attended the second Diabetes Children Camp in Johor Bahru from 25 November 2015 to 27 November 2015.
- 23 children attended the third Diabetes Children Camp in Kedah from 2 June 2016 to 4 June 2016.
- Hosted workshops on diabetes self-management plan especially in managing hyperglycaemia (low blood sugar) and interactive group sessions to teach students on the proper insulin injection technique, achieving blood glucose target and outdoor activities such as sports and exercises.

The progress and achievements to date of the Project are as follows:

- Currently, there are 226 children registered under the Programme.
- A total of 81 children attended and participated in the Diabetes Children Camps held in states such as Pahang, Johor and Kedah.
- Three Diabetes Children Camps were organised since 2013.
- 29 children have completed the programme.

Next year, the Project plans are:

- To review new applications to select the 14 most deserving children to meet the planned target of assisting 240 children living with diabetes in 2017.

The Telenisa Legal Clinic provides free legal consultation for women, especially young single mothers from the low-income group to assist them with their basic rights. The legal clinic handles enquiries and cases channelled to the Sisters in Islam (SIS) helpline through various mediums including phone calls, emails, walk-ins and social media.

SDF's support covers a portion of the salaries and benefits of the Telenisa Legal Clinic Programme Manager and its Legal Officer for a year.

PROJECT YEAR

2016

RM 100,000

THE TELENISA LEGAL CLINIC: A FREE LEGAL SERVICE FOR DISADVANTAGED WOMEN BY SISTERS IN ISLAM (SIS)
Jan – Dec 2016

From July 2015 to June 2016, the activities undertaken by the Project are:

- 197 clients have reached out to SIS between January and June 2016.
- Of these, 107 single mothers and underprivileged women in Malaysia have received legal advice on their basic rights as well as ways to manage emotional trauma and abuse. The assistance was provided through emails, Facebook, telephone calls and walk-ins.
- 18-week internship programme offered to chambering students as part of SIS' efforts to develop a group from the legal fraternity competent with Sharia laws and legal procedures. The internship includes training on gender and human rights issues, as well as Sharia law.

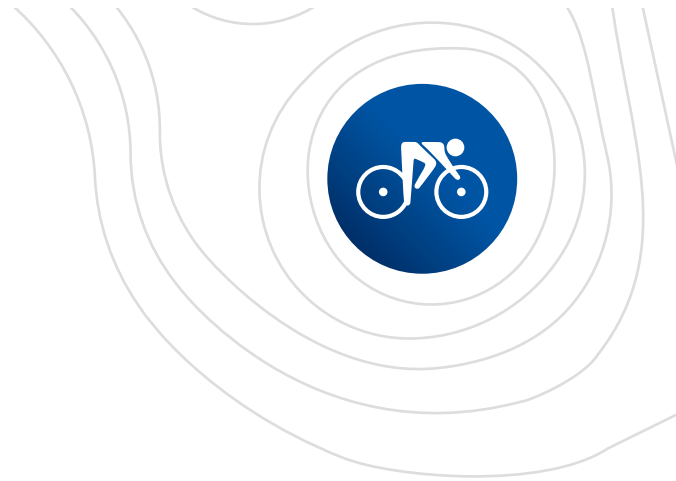


A counseling session in progress, demonstrated by a volunteer at Sisters in Islam.

YOUTH & SPORTS

Towards World-Class Performances to Create a Sporty, Healthy Malaysia

Under its Youth & Sports pillar, SDF supports programmes that promote the all-round development of youths to enable them to become trustworthy, conscientious and productive members of society. To this end, SDF makes available the resources at its disposal to promote sporting activities to help youths realise their full potential; develop sports; cultivate sportsmanship within the community and raise the standards of sports.



**RM163
million**

Total Committed
Since 2009





Renowned sailor Jeremy Koo and his team have notched a string of impressive results since receiving support from SDF in January 2014.

Koo Racing Team

RM1.29 million

Jan 2014 - Dec 2016

Ever since Malaysia's renowned sailor Jeremy Koo received support from SDF in January 2014 to May 2015 with an initial sum of RM490,000 to compete in 16 local and international competitions, the Sime Darby Foundation-Koo Racing Team (SDF-KRT) have notched a string of impressive results.

With marked improvements to show his progress, SDF decided to continue supporting Koo and his team, pledging RM800,000 from January 2016 to December 2016.

Koo has improved his world ranking from 82 in October 2013 to 14 as at 29 September 2016.

SDF's support covers sponsorship of the team's accommodation, meals, transportation, allowances, branding and uniforms. Through SDF's support, Koo and his team are able to focus on improving their performance without having to worry about fund raising.

The Foundation's support of the SDF-KRT hinges on its mission to fund sports-related training programmes or competitions which will serve as springboards for individuals and teams to accomplish their goals.

It is also the first time a corporation's foundation is supporting a national team in the Match Racing events.

SDF's move complements governmental efforts to hone talent in the sailing sport.

The existing support that the Malaysian government is offering for the development of sailing sports in Malaysia is for the Optimist, Laser, International 420 and International 470 sailing events – which is different to Koo's specialisation in the Match Racing events.

Match Racing pits one boat against another around a short two-lap windward/leeward course.

SDF's move to support sailing is yet another affirmation of the Foundation's efforts to support unconventional sports in an effort to develop Malaysian talent.

Koo's current 14th spot in the ranks is his best-ever so far. SDF is excited to see the skipper advance further in the years to come.

“Koo has improved his world ranking from 82 in October 2013 to 14 as at 29 September 2016”



Sime Darby PGCE Tan Sri Bakke (left), SDF Chairman Tun Musa (second from left), Youth and Sports Minister YB Khairy Jamaluddin (third from right), Sime Darby Chairman Tan Sri Abdul Ghani Othman (second from right) and Sime Darby Property Managing Director Dato' Ir Jauhari Hamidi (right) are flanked by Sime Darby LPGA winner Jessica Korda (middle) and the Rising Star Juniors at the Sime Darby LPGA 2015.

Rising Star Juniors

RM645,000

Apr 2015 – Mar 2017

Rising Star Juniors (RSJ) is a golf development programme run by Tournament Players Club (TPC) Kuala Lumpur, formerly known as Kuala Lumpur Golf and Country Club (KLGCC) and MST Golf, which is intended to reach out to underprivileged children from orphanages and children's homes in the Klang Valley. The first of its kind in Malaysia, RSJ aims to provide not only golf playing opportunities but also golf related careers as well as life-skills assistance for the children to adopt and use throughout their lives.

SDF chose to fund RSJ to assist and potentially increase the national talent pool for golf and the number of holistic athletes who not only excel in sports but also academically.

This long-term golf training programme for underprivileged juniors is divided into three stages; screening of suitable candidates, a

40-week development programme and lastly, exceptional candidates are recommended for a second year of training.

These candidates, upon completion of the two-year programme, will have opportunities to either play golf consistently, or continue to be in the golfing industry through potential employment opportunities from the programme partners. This will allow the underprivileged youths a chance to better their lives, as well as the lives of their families. The programme therefore not only focuses on learning the game but also exposes the juniors to the industry as a whole.

SDF's funding contributes to professional golf trainer fees, transportation costs, golf shoes, meal allowances, programme video and prizes as well as development programmes.

Since the inception of the programme, the trainers have found that the students' personalities have changed for the better, and they are more confident when communicating with others. Being a part of RSJ has also improved their command of the English language as well as knowledge on the importance of fitness and a proper diet.

Juniors are also exposed to mental techniques to deal with high pressure situations on and off the course.

To date, the juniors have attended various golf clinics by professional golfers, the TPC junior golf tournament and two co-training sessions with the Sime Darby Ladies Professional Golf Association (SDLPGA) 2016 development programme. The juniors were also given the opportunity for an internship programme at the MST Pro Shop. This internship element allows juniors to continue and follow the programme's training sessions while providing economic support, especially for juniors who would soon have to leave the homes.

RSJ did see the exit of two juniors, one due to academic commitment and the other for medical reasons. However, RSJ has also since moved 16 juniors into part 3 of the programme where they will receive MST Golf's 9-level learning programme, a comprehensive 9-level module.

The trainers at RSJ will be working towards assisting each junior to achieve their own national handicap card while also giving them more exposure and experience in junior tournaments each month.

“SDF chose to fund RSJ to assist and potentially increase the national talent pool for golf”



LPGA Professional Christina Kim demonstrates her golfing skills to RSJ participants.



Youth and Sports Minister YB Khairy Jamaluddin meets and greets the Rising Star Juniors.

National Cricket Development Programme (NCDP)

RM6 million
Apr 2010 – Mar 2017



A junior bowler gives his best shot at the East Coast Challenge tournament held last year in Kota Bahru, Kelantan.

Last year, the Malay Cricket Association of Malaysia's (MCAM) partnership with SDF hit a record of sorts, with the introduction of the renowned international test format, Twenty20.

MCAM innovated the way cricket matches at the grassroots level are played with the format first being introduced during the inter-state East Coast Challenge tournament held in Kota Bahru, Kelantan last year.

Since its introduction in 2003, the Twenty20 cricket format has been adopted in many cricket test nations such as Pakistan, India and South

Africa, helping to pave the way for the sport to garner a new audience among the younger generation.

The format is noted among cricket enthusiasts for its shorter period in each game (approximately three hours each), which makes the traditional paced game of cricket fast and exciting.

During a match, each team only has 20 overs and only 80 minutes to get through their 20 overs, with 15 minutes between innings.

Each bowler are also restricted to maximum of four overs.

The MCAM has pledged to make the East Coast Challenge Twenty20 an annual affair to hone the skills of national cricket players to compete in the popular 20-over competitions.

The preparation is vital as the cricket matches for the Asian Games 2018 in Indonesia and the Southeast Asian Games 2017 in Malaysia will be in the Twenty20 format.

In addition to the East Coast Challenge, SDF has supported MCAM's efforts towards developing talents in schools and universities across the nation under the National Cricket Development Programme (NCDP).



The East Coast Challenge tournament held last year in Kota Bahru, Kelantan was the first time the tournament was held in the Twenty20 format.

“The MCAM has pledged to make the East Coast Challenge Twenty20 an annual affair to hone the skills of national cricket players to compete in the popular 20-over competitions”

A total of RM6 million will be disbursed to MCAM until 2017 towards the NCDP and the programme has produced about 1,800 cricket players from a wide range of ages and races via 28 Cricket Centres of Excellence comprising 20 primary and 8 secondary schools located nationwide.

A case in point of supporting talent across diverse backgrounds is the opening of a cricket centre in Lipis, Pahang for female cricketers, where MCAM has garnered the

participation of players from the Orang Asli community who have also represented Malaysia at the Chiang Mai International Ladies Challenge in Thailand.

The tournament is a collaboration between MCAM and the Thailand National Cricket Body.

SDF has also pledged RM1.4 million over a period of two years until 2017 towards the construction of the Universiti Kebangsaan Malaysia-Yayasan Sime Darby (UKM-YSD) Cricket Oval.

A collaboration between SDF and MCAM, the new cricket oval will serve as a venue for international cricket championships, providing more opportunities for local cricketers to compete against their peers from around the world.

MCAM has also been actively organising international exposure tours for young local players since 2002, coupling local cricket novices

with foreign players, which have proven to be a great success.

Many local players who have participated in the tours are currently playing for the national teams across different age groups.

These players include skipper Ahmed Faiz Mohd Noor, 28, and Nazril Rahman, 23, in the national senior team under the senior category.

As at 2015, Malaysia is ranked 23rd on the world cricket rankings based on the current form of the Under-19 and senior teams while its ranking within non-test countries remains at second place, behind Canada.

Being placed 23rd on the International Cricket Council rankings is a feat in itself. It also shows that the country can advance further up the world cricket rankings, especially through systematic and successful development programmes with serious commitment from all stakeholders.



MCAM's National Cricket Development Programme (NCDP), which SDF supports, aims to develop talent in the cricket sport.

IN A NUTSHELL

RM92 million

**SIME DARBY LADIES
PROFESSIONAL
GOLF ASSOCIATION
(SDLPGA) MALAYSIA
2015
2010 – 2016**

SDF's support for the SDLPGA Malaysia is aimed at creating a platform to elevate female Malaysian golfers in the international golf arena and simultaneously generate funds for Cancer Research Malaysia, an organisation focused on finding a cure for cancer. SDF's contribution supports the event's development programme in training the crème de la crème of junior female Malaysian golfers with a handicap of 2.0 and below annually.



Tournament Players Club Kuala Lumpur general manager Steven Thielke (right) with (left to right) Sime Darby LPGA 2015 qualifiers Cindy Lee-Pridgen, Aditi Asok and Nur Durriyah Damian.

PROJECT YEAR



From July 2015 to June 2016, the activities undertaken by the Tournament and Development Programme are:

- SDLPGA 2015 tournament was held from 8 October 2015 to 11 October 2015 and Jessica Korda from US emerged as the Champion winning USD300,000 of the total RM2 million prize money.
- Malaysian Angels who competed in the tournament were Kelly Tan, Michelle Koh, Ainil Bakar, Cindy-Lee Pridgen and Nur Durriyah.
- Currently, six out of seven Malaysian women professionals are active on tours around the world after graduating from the development programme namely Kelly Tan, Michelle Koh, Ainil Bakar, Aretha Pan, Dianne Luke and Michele Low.
- Eight graduates – Nur Durriyah, Kelie Tan, Genevieve Ling, Nyca Khaw, Ashley Lau, Natasha Oon and Winnie Ng – have been drafted into the national elite and development teams and 18 graduates have secured local and international US college golf sponsorships.
- Two of the graduates are Malaysia's 2016 Olympians; Kelly Tan is ranked 39 in the Olympics ranking and Michelle Koh is ranked 55.

The progress and achievements to date of the Project are as follows:

- 50 elite female Malaysian golfers have been groomed and developed under the SDLPGA Development Programme.
- Over RM2.5 million was successfully raised from the tournament for Cancer Research Malaysia since it first started in 2010 through fundraising events such as the Charity Gala Dinner and Chip-4-Charity.
- This year's tournament will take place from 27 October 2016 to 30 October 2016 on the grounds of the newly rebranded TPC Kuala Lumpur at Alya Kuala Lumpur, Bukit Kiara.



Olympic bronze medal track cyclist Azizulhasni Awang talks to journalists.

RM **2.85**
million

**ROAD TO RIO 2016:
SIME DARBY
FOUNDATION TRACK
CYCLING TEAM**
2013 – 2016

SDF's sponsorship for Road to Rio 2016 was a quest to realise the nation's dream of bringing home an Olympic medal this year for track cycling by funding Malaysia's two top track cyclists – Mohd Azizulhasni Awang and Fatehah Mustapa – who were coached and trained by Malaysia's national coach, John Beasley. The Sponsorship covered monthly allowances, yearly registration fees to Union Cycliste Internationale (UCI), entrance fees for local and international races, travelling expenses, logistics as well as new racing attire.

PROJECT YEAR



From July 2015 to June 2016, the activities undertaken by the Project are:

- In March 2016, a press conference was held at the Sama-Sama Hotel, KLIA, to announce Azizulhasni and Fatehah's qualifying spot in the Rio Olympics 2016. Azizulhasni represented Malaysia for Keirin whilst Fatehah for the Sprint event.
- The duo trained in Lisbon, Portugal, for two months from June 2016 to July 2016 for the final preparation before the Rio Olympics.
- On 6 August 2016, the duo departed to Rio de Janeiro, Brazil, for the Olympics.
- On 14 August 2016, Fatehah competed in the Women's Sprint and managed to attain 21st placing.
- On 16 August 2016, Azizulhasni competed in the Men's Keirin and won the bronze medal.
- Among the major achievements by the duo during the year under review are as follows:

Azizulhasni Awang

- Bronze medal in Rio Olympics 2016 in Men's Keirin category
- Bronze medal in UCI Track Cycling World Championship 2016 in London
- Bronze medal in UCI Track Cycling World Championship 2015 in France
- Gold medal in 2015 Asian Cycling Championships in Thailand
- Gold medal in South East Asian Grand Prix 1, 2015

Fatehah Mustapa

- Gold medal in South East Asian Grand Prix 1, 2015
- Bronze medal in 2015 Asian Cycling Championships in Thailand

Next year, the Project's plans are:

- Continue its funding to assist national track cyclists in preparing them for the 2020 Olympic Games in Tokyo.

ARTS & CULTURE

Enhancing Arts and Culture Appreciation and Education

Under its Arts & Culture pillar, SDF supports the development of a vibrant arts community in Malaysia's multi-cultural society which includes projects and activities in the performing arts and traditional heritage preservation. SDF sponsors initiatives that encourage the arts and culture, develop the demand for the arts whilst empowering the industry with knowledge and skills that contribute to the richness of a cultural heritage that is uniquely Malaysian, and promote local arts and artistes towards achieving international recognition.



**RM18.4
million**

Total Committed
Since 2009



**Macbeth:
Chinese Opera style**
RM30,000
One off, 2016

“SDF’s support in this theatre production is evidence of its continuous commitment in encouraging local arts practitioners”



A poster of Macbeth: Chinese Opera Style

An East meets West production titled “Macbeth in Chinese Opera” came to life in Malaysia, thanks to the dedication and hardwork of Chin San Sooi, one of the founding members of Malaysia’s oldest arts company, Five Arts Centre.

Chin, a freelancer in the arts industry worked with non-profit making society Kakiseni on the theatrical experiment to combine two world-renowned classical performing art genres in one production; Shakespearean plays and Chinese Opera. The first run of this fusion production was held in April 2015 and proved to be a big hit with 1,200 people attending in the span of 10 days.

The production was restaged this year following earlier success and in conjunction with the 400th anniversary of William Shakespeare’s death. Staged at Damansara Performing Arts Centre (DPAC) for

seven days from 22 April 2016 to 1 May 2016, the production saw a total of 11 performances involving 19 performers, four of whom were Malaysian.

The re-staged production included elements of Chinese Opera with great attention on the use of costumes, makeup, and stylised gestures and expressions. This made the play more realistic, grand and true to the traditional elements of Chinese Opera. The plot and story however was of Macbeth, performed in English in a Chinese Opera style.

SDF sponsored 800 tickets valued at RM30,000 for distribution to selected secondary schools and tertiary education institutions including:

- 260 tickets were given to underprivileged teenagers from 15 secondary schools in Klang Valley, Ipoh and Seremban.

- Institut Pendidikan Guru (IPG)
- University of Malaya

Tickets were distributed to students with the aim to both expose those new to English Literature and Chinese Opera as well as give a fresh perspective and a different interpretation of Shakespeare’s work as opposed to the conventional play.

SDF’s support in this theatre production is evidence of its continuous commitment in encouraging local arts practitioners to produce and perform a variety of artistic productions, expose the general public and educate students about the arts.

The Royal Press: The Living Museum of Printing

RM3.11 million
Mar 2014 – Feb 2017



Printing blocks once used for printmaking at The Royal Press in Malacca.

Striving to be “The Living Museum of Printing,” The Royal Press (TRP) is a business that hailed from very traditional settings, specifically the heritage city of Malacca. TRP’s prints in letterpress printmaking form has shown that time can stand still without modern day commercial disruption.

Located in the heart of Jonker Street in Malacca, TRP, founded in 1938 by Ee Lay Swee, is one of the few remaining multi-lingual old style print companies in the world. Over the last 76 years, TRP has housed 12 rare working letterpresses which printed in Malay, Tamil, Chinese, English and Jawi. Its numerous archives of bus tickets, bottle labels, election posters and newspapers tell the social and cultural history of Malacca in ways that historical texts could never do.

Due to its historic past, TRP’s building in Malacca was in a dire need of both renovation and restoration work

“Funding from SDF has also facilitated a dilapidation study to be carried out”

to achieve its target of becoming a living museum of printing. SDF has supported this Project with a total commitment of RM3.11 million since 2014 to help fund key activities such as restoration of building and machinery, preservation of Type Library, archiving, researching and documentation of TRP materials as well as running workshop apprenticeship programmes.

Funding from SDF has also facilitated a dilapidation study to be carried out on the existing structure of the building to pinpoint specific areas in need of restoration.

The future opening of the museum will enable the public to learn more about the unique and historical art of letterpress printmaking, further preserving the linguistic heritage of Malaysia. This will also serve as a way to achieve sustainability for traditional Malaysian press.

While renovations are on-going, TRP has temporarily relocated its letterpress machines and artefacts to Art Printing Works (APW), Bangsar, Kuala Lumpur. They have since been running apprenticeship programmes and have started public workshops which began in March 2016.

Responses have been positive with students learning the true complexity of letterpress printing while creating a greater appreciation of this specialised skill.

TRP will host a final exhibition at APW in September 2016 to provide the public an opportunity to view their work in progress, letterpress artefacts and machineries, as well as attend talks by their researchers and architects.

To date, TRP has been able to restore wall murals, develop a workshop space, conduct workshops and draft plans for the execution of the upcoming living museum. They are currently working on making the living museum a reality by 2017.



Printing blocks once used for printmaking at The Royal Press in Malacca.

IN A NUTSHELL



A play being acted out at klpac.

RM4.5 million

THE KUALA LUMPUR PERFORMING ARTS CENTRE (KLPAC)

Phase 1

May 2013 – Apr 2016

Phase 2

May 2016 – Apr 2019

As one of Kuala Lumpur’s hubs of the arts, SDF’s support to klpac has enabled the fully-integrated performing arts centre to continue providing a platform for the arts community locally and internationally to convene under one roof and present their shows for people from all walks of life to enjoy.

PROJECT YEAR



From July 2015 to June 2016, the activities undertaken by klpac are:

- Sponsorship extension of an additional three years until 2019 to enable klpac to carry out technical equipment replacements and conduct building maintenance.
- Hosted the Yayasan Sime Darby Arts Festival for the second time. The Festival, which was held from 20 August 2016 to 21 August 2016 saw a total of 15,000 attendees with over 300 workshops and 600 crews and volunteers participating throughout the two-day fest.

The progress and achievements of klpac to date are:

- Won 10 awards for five different productions that were supported by klpac at the 13th BOH Cameronian Arts Awards in April 2016.
- Close to 2,000 shows were housed at klpac, receiving audiences of more than 500,000 people.
- Premiered 300 new works of the performing arts.

Next year, klpac plans to:

- Strengthen its outreach programme to schools and the communities via various programmes and initiatives, in an effort to develop new audiences and fans of the arts.



klpac has organised workshops for all age groups since its inception.



klpac has long been a space that supports the growth of artistic talent.

RM2.8 million

**ASK DANCE
COMPANY (ADC)
NATIONAL DANCE
TOUR: CONNECTING
COMMUNITIES, GET
MALAYSIAN DANCING!
AND BUILDING
BRIDGES THROUGH
DANCE**

Jun 2011 – May 2017



ASWARA dancers doing what they do best – promoting appreciation for arts and culture.

Since 2011, SDF has been supporting Ask Dance Company (ADC)'s dance outreach programmes in an effort to promote appreciation and understanding of cultures as well as to revive dying traditional dances among students and the public through free workshops and

performances nationwide. Each year the ADC troupe holds thematic National Dance Tours throughout the country in collaboration with National Department for Culture and Arts (JKKN), NGOs and schools to conduct free dance workshops nationwide

PROJECT YEAR



From July 2015 to June 2016, the activities undertaken by ADC are:

- From June 2015 to May 2016, The National Dance Tour – Get Malaysian Dancing! (Phase 2) was held with 12 workshops and live performances conducted by 16 ASWARA dancers reaching out to 3,500 people in Peninsular and East Malaysia.
- Nominated in four categories at the 13th BOH Cameronian Arts Awards 2016 and won two awards:
 - I. Best Featured Performer: Maria Devonne Escobia for Jamu 2015 Performance;
 - II. Won 'Best Group Performance': "Becoming King: The Pakyung Revisited,"
 - III. Won 'Best Choreographer in a Feature Length Work': Joseph Victor Gonzales for "Becoming King: The Pakyung Revisited," and;
 - IV. Best Costume Design, Styling & Make Up: Naim Syahrazad, Ruby Wahid and Rizianah John for their works in "Reborn" performance.

The progress and achievements to date of the Project are as follows:

- From June 2016 – ongoing (till May 2017), the "Building Bridges through Dance" has reached 760 participants in various states thus far including Perak, Penang, Melaka and Negeri Sembilan. The number of audiences is expected to increase until the completion of the tour next year.



Visit our website for more information on the Foundation, including:

- Sponsorship requests
- Scholarship openings
- Our projects
- Press releases

www.yayasansimedarby.com



REPORTS AND FINANCIAL STATEMENTS

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GOVERNING COUNCIL'S REPORT

The Governing Council hereby submits its report together with the audited financial statements of Yayasan Sime Darby ("the Yayasan") for the financial year ended 30 June 2016.

PRINCIPAL ACTIVITIES

The Yayasan is principally engaged in receiving and administering funds to award scholarships or loans for educational purposes, promote recreational and sporting activities, undertake environmental conservation and sustainability projects and other related activities for the benefit of the community. There was no significant change in the nature of these activities during the financial year.

The Yayasan is incorporated in Malaysia as a company limited by guarantee and does not have a share capital.

FINANCIAL RESULTS

RM

Deficit of expenditure over income	(31,450,591)
------------------------------------	--------------

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year.

GOVERNING COUNCIL MEMBERS

The members of the Governing Council ("Directors") who have held office since the date of the last Report are:

Tun Musa Hitam
 Tan Sri Dato' Dr. Wan Mohd Zahid Mohd Noordin
 Tan Sri Dato' Seri Mohd Bakke Salleh
 Datin Paduka Zaitoon Dato' Othman
 Caroline Christine Russell
 Datuk Adeline Pung Shuk Ken (Resigned on 19 January 2016)

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Yayasan is a party, with the object or objects of enabling Directors of the Yayasan to acquire benefits by means of the acquisition of shares in, or debentures of, the Yayasan or any other body corporate other than those arising from the PBESS as disclosed in Directors' Interests in Shares.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Yayasan or a related corporation with the Director or with a firm of which he or she is a member, or with a company in which he or she has a substantial financial interest except that certain Directors received remuneration as Directors or employees of related corporations.

GOVERNING COUNCIL'S REPORT (CONTINUED)

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings, the interests of the Director who held office at the end of the financial year in shares in or debentures of Sime Darby Berhad, the Yayasan's immediate holding company are as follows:

	Grant date	Type of grant	Number of ordinary shares of RM0.50 each granted under PBESS			
			At 1 July 2015	Granted	Forfeited	At 30 June 2016
Tan Sri Dato' Seri Mohd Bakke Salleh	7 October 2013	GPS	82,200	-	-	82,200
		DPS	65,300	-	-	65,300
	20 October 2014	GPS	82,200	-	-	82,200
		DPS	65,300	-	-	65,300
			295,000	-	-	295,000

The third grant of PBESS to be made in the financial year has been deferred as the Group is reviewing the salient features of the LTIP.

The shares granted to Tan Sri Dato' Seri Mohd Bakke Salleh were made in accordance with the resolution passed by shareholders of Sime Darby Berhad during the Extraordinary General Meeting held on 8 November 2012. Pursuant to the resolution, Sime Darby Berhad's Board of Directors are authorised to, at any time and from time to time while the PBESS is in force, cause/procure the offering and allocation to Tan Sri Dato' Seri Mohd Bakke Salleh, of up to 3,000,000 shares in Sime Darby Berhad and to procure the transfer of such number of shares to him, all in accordance with the By-Laws.

The GPS and DPS will be vested only upon fulfilment of vesting conditions which include achievement of service period and performance targets. Depending on the level of achievement of the performance targets as determined by the Nomination and Remuneration Committee ("NRC"), the total number of shares which will be vested may be lower or higher than the total number of shares granted and is subject to a limit of up to 3,000,000 shares over the duration of the PBESS.

The details of the shares granted under the PBESS and its vesting conditions are disclosed in Note 17 to the financial statements.

Other than as disclosed above, none of the other Directors in office at the end of the financial year held any interest in shares of the Yayasan, or shares in, debenture of or participatory interests made available by its related corporations during the financial year.

GOVERNING COUNCIL'S REPORT (CONTINUED)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

- (a) Before the statement of comprehensive income and expenditure and statement of financial position of the Yayasan were made out, the Directors took reasonable steps:
- i. to ascertain that proper action had been taken in relation to the writing off of bad debts and the impairment for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate impairment had been made for doubtful debts; and
 - ii. to ensure that any current assets, which were unlikely to realise in the ordinary course of business, their values as shown in the accounting records of the Yayasan, have been written down to amounts which they might be expected to realise.
- (b) At the date of this Report, the Directors are not aware of any circumstances:
- i. which would render the amounts written off for bad debts or the amount of impairment for doubtful debts in the financial statements of the Yayasan inadequate to any substantial extent; or
 - ii. which would render the values attributed to current assets in the financial statements of the Yayasan misleading; or
 - iii. which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Yayasan misleading or inappropriate.
- (c) As at the date of this Report:
- i. there are no charges on the assets of the Yayasan which have arisen since the end of the financial year to secure the liability of any other person; and
 - ii. there are no contingent liabilities in the Yayasan which have arisen since the end of the financial year other than those arising in the ordinary course of business.
- (d) At the date of this Report, the Directors are not aware of any circumstances not otherwise dealt with in the Report or financial statements which would render any amount stated in the financial statements misleading.
- (e) No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Yayasan to meet its obligations as and when they fall due.
- (f) In the opinion of the Directors:
- i. the results of the operation of the Yayasan during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - ii. no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this Report which is likely to affect substantially the results of the operations of the Yayasan for the financial year in which this Report is made.

GOVERNING COUNCIL'S REPORT (CONTINUED)

IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The Directors regard Sime Darby Berhad as its immediate holding company and Yayasan Pelaburan Bumiputera as its ultimate holding company. Both companies are incorporated in Malaysia.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the Governing Council dated 1 September 2016.



TUN MUSA HITAM
DIRECTOR



TAN SRI DATO' DR. WAN MOHD
ZAHID MOHD NOORDIN
DIRECTOR

Kuala Lumpur
1 September 2016

STATEMENT BY DIRECTORS PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Tun Musa Hitam and Tan Sri Dato' Dr. Wan Mohd Zahid Mohd Noordin, two of the Directors of Yayasan Sime Darby, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 76 to 100 are drawn up so as to give a true and fair view of the state of affairs of the Yayasan as at 30 June 2016 and of the results and the cash flows of the Yayasan for the financial year ended on that date, in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Signed in accordance with a resolution of the Governing Council dated 1 September 2016.



TUN MUSA HITAM
DIRECTOR



TAN SRI DATO' DR. WAN MOHD
ZAHID MOHD NOORDIN
DIRECTOR

Kuala Lumpur
1 September 2016

STATUTORY DECLARATION PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Yatela Zainal Abidin, the Officer primarily responsible for the financial management of Yayasan Sime Darby, do solemnly and sincerely declare that the financial statements set out on pages 76 to 100 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.



YATELA ZAINAL ABIDIN

Subscribed and solemnly declared by the above named Yatela Zainal Abidin at Kuala Lumpur, Malaysia on 1 September 2016

COMMISSIONER FOR OATHS




16TH FLOOR, WISMA SIME DARBY
JALAN RAJA LAUT, 50350 KUALA LUMPUR



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YAYASAN SIME DARBY

(Incorporated in Malaysia as a company limited by guarantee and not having a share capital)
(Company No: 85945-W)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Yayasan Sime Darby on pages 76 to 100, which comprise the statement of financial position as at 30 June 2016 of Yayasan Sime Darby ("the Yayasan"), and the statement of comprehensive income and expenditure, statement of changes in general fund and statement of cash flows of the Yayasan for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 18.

Directors' Responsibility for the Financial Statements

The Directors of the Yayasan are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YAYASAN SIME DARBY (CONTINUED)

(Incorporated in Malaysia as a company limited by guarantee and not having a share capital)
(Company No: 85945-W)

REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Yayasan Sime Darby as of 30 June 2016 and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that, in our opinion, the accounting and other records and the registers required by the Act to be kept by the Yayasan have been properly kept in accordance with the provisions of the Act.

OTHER MATTERS

This report is made solely to the members of the Yayasan, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers'.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Azizan Bin Zakaria'.

AZIZAN BIN ZAKARIA
(No. 2930/05/18 (J))
Chartered Accountant

Kuala Lumpur
1 September 2016

STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	2016 RM	2015 RM
INCOME			
Donations from Sime Darby Group	15(a)	49,234,922	94,707,064
Donations from third parties		-	849,130
Profit sharing from mudharabah accounts		231,879	578,649
Interest from bank current account		8,645	13,577
Scholarship refunds		6,418,610	3,113,064
Accretion of discount		31,354	4,152
		55,925,410	99,265,636
LESS: EXPENDITURE			
Corporate social responsibility expenses:			
- Community & Health		15,001,681	11,155,270
- Education:			
- Scholarship expenses		19,773,790	18,265,377
- Education development		3,804,809	1,925,225
- Environment		9,715,516	10,153,748
- Youth & Sports		28,117,853	14,936,571
- Arts & Culture		3,197,656	4,188,848
Discount on loans receivable		302,925	-
Impairment of loans receivable		4,068,207	38,952
Audit fees		5,700	5,700
Travelling and accommodation		1,836	23,995
Staff costs	6	2,397,927	2,942,980
Rental of office building		319,828	355,104
Rental of vehicles		100,057	76,926
Training expenses		39,546	42,917
Printing and stationery		58,205	66,850
Depreciation		102,820	107,494
Foreign exchange loss		5,307	214
Other administrative expenses		362,338	314,075
		87,376,001	64,600,246
(DEFICIT)/SURPLUS OF INCOME OVER EXPENDITURE BEFORE TAXATION		(31,450,591)	34,665,390
TAXATION	7	-	-
(DEFICIT)/SURPLUS OF INCOME OVER EXPENDITURE		(31,450,591)	34,665,390

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Note	2016 RM	2015 RM
GENERAL FUND			
Balance as at beginning of the financial year		268,350,164	233,684,774
(Deficit)/surplus of income over expenditure		(31,450,591)	34,665,390
Balance as at end of the financial year		236,899,573	268,350,164
Represented by:			
CURRENT ASSETS			
Stocks		5,756	3,802
Receivables	8	243,831,768	242,786,178
Cash and cash equivalents	9	1,872,073	25,944,564
		245,709,597	268,734,544
LESS: CURRENT LIABILITIES			
Payables	10	268,658	860,027
Amount due to immediate holding company	11	-	301
Amounts due to related companies	12	9,981,560	192,782
		10,250,218	1,053,110
NET CURRENT ASSETS		235,459,379	267,681,434
NON-CURRENT ASSETS			
Plant and equipment	13	31,429	134,243
Receivables	8	1,408,765	534,487
		1,440,194	668,730
NET ASSETS		236,899,573	268,350,164

STATEMENT OF CHANGES IN GENERAL FUND

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Total RM
2016	
At 1 July 2015	268,350,164
Deficit of income over expenditure	(31,450,591)
Employee share scheme	
- Value of employee services	(214,259)
Recharge to immediate holding company	214,259
At 30 June 2016	236,899,573
2015	
At 1 July 2014	233,684,774
Surplus of income over expenditure	34,665,390
Employee share scheme	
- Value of employee services	(77,780)
Recharge to immediate holding company	77,780
At 30 June 2015	268,350,164

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	2016 RM	2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
(Deficit)/surplus of income over expenditure		(31,450,591)	34,665,390
Adjustments for non-cash items:			
Profit sharing from mudharabah accounts		(231,879)	(578,649)
Interest from bank current account		(8,645)	(13,577)
Depreciation		102,820	107,494
Impairment of loans receivable		4,068,207	38,952
Discount on loans receivable		302,925	-
Accretion of loan receivable		(31,354)	(4,152)
Operating (loss)/income before working capital changes		(27,248,517)	34,215,458
Changes in working capital:			
Stocks		(1,954)	(1,496)
Receivables		(6,266,500)	(49,685,577)
Payables		9,197,108	15,675
Net cash used in operations		(24,319,863)	(15,455,940)
Profit sharing from mudharabah accounts received		238,733	687,416
Interest from bank current account received		8,645	13,577
Net cash used in operating activities		(24,072,485)	(14,754,947)
CASH FLOWS FROM INVESTING ACTIVITY			
Purchase of plant and equipment		(6)	(7,848)
Net cash used in investing activity		(6)	(7,848)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(24,072,491)	(14,762,795)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		25,944,564	40,707,359
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	9	1,872,073	25,944,564

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

1 GENERAL INFORMATION

The Yayasan is principally engaged in receiving and administering funds to award scholarships or loans for educational purposes, promote recreational and sporting activities, undertake environmental conservation and sustainability projects and other related activities for the benefit of the community. There was no significant change in the nature of these activities during the financial year.

The Yayasan is incorporated in Malaysia as a company limited by guarantee and does not have a share capital.

2 BASIS OF PREPARATION

The financial statements of the Yayasan have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Yayasan have been prepared under the historical cost convention unless otherwise indicated in the respective policy statement in Note 3 to the financial statements.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Yayasan's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Yayasan's financial statements are disclosed in Note 4.

(a) Accounting pronouncements that are effective and have been adopted in preparing these financial statements

- Amendments to MFRS 7 – Financial Instrument: Disclosures
- Amendments to MFRS 116 – Property, Plant and Equipment
- Amendments to MFRS 119 – Employee Benefits

The adoption of the above amendments to existing standards did not result in any significant changes to the Yayasan's results and financial position.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

(b) Accounting pronouncements that are not yet effective and have not been early adopted in preparing these financial statements

i. Effective for annual periods beginning on or after 1 January 2017:

- Amendments to MFRS 107 Statement of Cash Flows – Disclosure Initiative
- Amendments to MFRS 112 Income Taxes

ii. Effective for annual periods beginning on or after 1 January 2018:

- MFRS 9 – Financial Instruments
- MFRS 15 – Revenue from Contracts with Customers

iii. Effective for annual periods beginning on or after 1 January 2019:

- MFRS 16 – Leases

The effects of the above amendments to published standards are currently being assessed by the Directors.

3 SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

These principal accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements, and to all the financial years presented, unless otherwise stated.

(a) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of the Yayasan are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The financial statements are presented in Ringgit Malaysia, which is the Yayasan's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions and monetary items are translated into the functional currency using the exchange rates prevailing at the transaction dates and at the end of the reporting period, respectively. Foreign exchange differences arising therefrom and on settlement are recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

3 SUMMARY OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(b) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of an asset or part of an asset. The carrying amount of the replaced part is derecognised and all repairs and maintenance costs are charged to the profit or loss during the financial year in which they are incurred.

Plant and equipment are depreciated on a straight-line basis to write down the cost or valuation of each asset to their residual values over their estimated useful lives. The principal annual depreciation rates are:

Office equipment	20% to 33.33%
Furniture and fittings	20%
Renovations	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, annually.

The carrying amount of an item of plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is recognised in the profit or loss.

(c) Financial assets

The Yayasan's financial assets are categorised as loans and receivables.

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. These financial assets are recorded at fair value plus transaction costs and thereafter, they are measured at amortised cost using the effective interest method less accumulated impairment losses.

Financial assets are classified as current assets for those having maturity dates of less than 12 months after the reporting date, and the balance is classified as non-current.

(d) Financial liabilities

The Yayasan's financial liabilities are categorised as other financial liabilities and are recognised initially at fair value plus transaction costs and thereafter, at amortised cost using the effective interest method. Amortisation is charged to profit or loss.

Financial liabilities are classified as current liabilities for those having maturity dates of less than 12 months after the reporting date, and the balance is classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

3 SUMMARY OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(e) Impairment

Loans and receivables are assessed individually and thereafter collectively for objective evidence of impairment. If evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. Reversal of impairment loss to profit or loss, if any, is restricted to not resulting in the carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised previously.

(f) Stocks

Stocks are merchandise purchased for giveaways during events held for Corporate Social Responsibility activities and are stated at cost. The cost will be charged out to the profit or loss when the merchandise is given away.

(g) Employee costs

(i) Short-term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the period in which the services are rendered by employees.

(ii) Defined contribution pension plans

A defined contribution plan is a pension plan under which the Yayasan pays fixed contributions into a separate entity. The Yayasan has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Yayasan's contributions to defined contribution plans are charged to profit or loss in the financial year in which they relate.

(iii) Share-based compensation

Sime Darby Berhad, the Yayasan's immediate holding company, operates an equity-settled, share-based compensation plan (Performance-Based Employee Share Scheme or PBESS) for the employees of Sime Darby Berhad group.

Employee services received by the Yayasan in exchange for the grant of Sime Darby Berhad's shares are recognised as an expense in the profit or loss over the vesting period of the grant with a corresponding increase in equity (as capital contribution). Where the share grants are subsequently recharged to the Yayasan by Sime Darby Berhad, the amounts are debited against the equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

3 SUMMARY OF PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(g) Employee costs (continued)

(iii) Share-based compensation (continued)

The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares granted.

Non-market vesting conditions are included in the assumptions to arrive at the number of shares that are expected to vest. At the end of the reporting period, Sime Darby Berhad revises its estimates of the number of shares that are expected to vest. The impact of the revision of original estimates, if any, is adjusted in the profit or loss with a corresponding adjustment in the equity or in the amount recharged to the Yayasan.

(h) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash in hand and deposits held at call with banks.

(i) Revenue recognition

Donations from the Sime Darby Group are recognised in the statement of comprehensive income and expenditure when the Yayasan is entitled to the donations. Other donations are recognised as income upon receipt.

Interest income is recognised on an accrual basis, using the effective interest method.

(j) Scholarship

Scholarship expenses are recognised at the time when the obligation becomes due and payable. Loans receivable are recognised in the Statement of Financial Position when scholars or former scholars breached the conditions set out in the scholarship agreements. The amounts recoverable are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less impairment losses, if any.

(k) Contingent liabilities

The Yayasan does not recognise contingent liabilities but discloses their existence in the notes to the financial statements. A contingent liability is a possible obligation that arises from past events whose crystallisation will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Yayasan or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstances where there is a liability that is not recognised because it cannot be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates that involve complex and subjective judgements and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. The Directors exercise their judgement in the process of applying the Yayasan's accounting policies. Estimates and assumptions are based on the Directors' best knowledge of current events. Such estimates and judgement could change from period to period and have a material impact on the results, financial position, cash flows and other disclosures.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(a) Impairment of loan receivables

Impairment is made for loan receivables that the management considers the recoverability to be doubtful. On a regular basis, the management reviews the loan receivables' ageing report and repayment history for any objective evidence of impairment.

If the past due debts as shown in Note 8 were to be impaired by an additional 1%, the deficit of income over expenditure before taxation of the Yayasan will be negatively affected by RM1,448 for the financial year.

5 FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

(a) Financial risk management

The financial risk management of the Yayasan is carried out under policies approved by the Governing Council. Financial risk management is carried out through risk reviews, internal control system and adherence to Group Policies and Authorities. The Governing Council regularly reviews the risks and approves the policies covering the management of these risks.

Interest rate risk

Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Yayasan's income and operating cash flows are substantially independent of changes in market interest rates. Interest rates exposures arise from deposits placed with licensed banks and other financial institutions which are short term in nature and earn market interest rates.

Currency risk

Currency risk arises when transactions are denominated in foreign currencies. The Yayasan make payments for tuition fees and living expenses for overseas scholars in foreign currency which are translated at spot rates when expected to be incurred. The Yayasan is not exposed to significant foreign currency risk as its financial assets and liabilities are denominated in Ringgit Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

5 FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTINUED)

(a) Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Yayasan will encounter difficulties in meeting its financial obligations due to insufficient funds. The Yayasan maintains sufficient cash and cash equivalents to enable it to meet its operational obligations when they fall due.

The table below analyses the financial liabilities of the Yayasan into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Note	Repayable on demand RM	Less than 1 year RM	Total RM
<u>As at 30 June 2016</u>				
Payables	10	-	268,658	268,658
Amounts due to related companies	12	9,981,560	-	9,981,560
		9,981,560	268,658	10,250,218
<u>As at 30 June 2015</u>				
Payables	10	-	860,027	860,027
Amount due to immediate holding company	11	301	-	301
Amounts due to related companies	12	192,782	-	192,782
		193,083	860,027	1,053,110

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

5 FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT (CONTINUED)

(a) Financial risk management (continued)

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Yayasan. The Yayasan has minimal exposure to significant credit risk as donations receivable are from related companies within the Sime Darby Group and is collectible once the donations are recognised. Loans receivable are secured by guarantee from third parties. For cash and cash equivalents, the Yayasan minimises credit risk by dealing with high credit rating counterparties.

Fair value of the financial instruments

The carrying amounts of the financial assets and liabilities with maturity of less than 1 year as at end of reporting period approximated their fair values.

(b) Capital risk management

The Yayasan considers its general funds as its capital. The Yayasan's capital management is managed by its immediate holding company. As at 30 June 2016 and 30 June 2015, the Yayasan is not exposed to any capital risk as there are no outstanding borrowings made with financial institutions nor related companies.

6 STAFF COSTS

	2016 RM	2015 RM
Wages, salaries and bonus	2,289,479	2,654,256
Employee share scheme (Note 17)	(214,259)	(77,780)
Defined contribution plan	322,707	366,504
	2,397,927	2,942,980

7 TAXATION

No provision has been made for taxation as the Yayasan is a charitable institution which is exempted from tax by virtue of Section 127(1) of the Income Tax Act, 1967 (Paragraph 13 (1)(a) of Schedule 6).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

8 RECEIVABLES

	2016 RM	2015 RM
<u>Current</u>		
Loans receivable	6,647,895	4,059,531
Less: Provision for impairment	(5,143,311)	(1,075,104)
	1,504,584	2,984,427
Donations receivable (Note 15(b)(i))	242,238,778	239,703,856
Profit sharing receivable from mudharabah accounts	-	6,854
Prepayments	1,381	5,976
Deposits	84,025	84,025
Advance payments	3,000	1,040
	243,831,768	242,786,178
<u>Non-current</u>		
Loans receivable	1,408,765	534,487
Total receivables	245,240,533	243,320,665

The donations receivable are pledged by the related companies and held at call by the Yayasan.

Loans receivable represent outstanding interest free study loans granted to students and amounts due from scholars who have breached their scholarship agreements. These amounts are repayable over a period ranging from one to fifteen years from the date of completion of studies or termination. The terms of repayment range from monthly instalments to lump sum payment. Repayment within one year is classified as current asset and repayments after one year are classified as non-current asset. Loans receivable are analysed as below:

	2016 RM	2015 RM
At 1 July	3,518,914	1,868,085
Scholarships breached during the financial year	6,418,610	3,113,064
Loans granted during the financial year	60,000	271,834
Accretion of discount	(302,925)	-
Discount on inception	31,354	4,152
Realised foreign exchange loss	(3,702)	-
Repayment during the financial year	(2,740,695)	(1,699,269)
Impairment of loans receivable	(4,068,207)	(38,952)
At 30 June	2,913,349	3,518,914
Current asset	1,504,584	2,984,427
Non-current asset	1,408,765	534,487
	2,913,349	3,518,914

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

8 RECEIVABLES (CONTINUED)

Ageing analysis of loans receivable

Ageing analysis of loans receivable categorised into impaired and not impaired are as follows:

	2016 RM	2015 RM
Not impaired:		
- not past due	2,768,584	1,331,454
- past due by		
1 to 30 days	3,224	-
31 to 60 days	136,957	541,813
61 to 90 days	1,792	677,718
91 days to 1 year	2,792	642,637
More than 1 year	-	325,292
Impaired	5,143,311	1,075,104
Gross loans receivable	8,056,660	4,594,018

Loans receivable that are neither past due or individually impaired relate to the scholars where there is no expectation of default.

The Yayasan's credit risk management objectives, policies and the exposure are described in Note 5(a). Movement of the impairment losses is as follows:

	2016 RM	2015 RM
At 1 July	1,075,104	1,036,152
Impairment of loans receivable	4,068,207	38,952
At 30 June	5,143,311	1,075,104

The fair value of loans receivable (current and non-current) as at 30 June 2016 was RM2,913,349 (2015: RM3,518,914). The fair value was determined based on cash flows discounted using the current market interest rate and is within Level 2 of the fair value hierarchy.

Level 1 - Quoted prices in active markets for identical assets or liabilities

Level 2 - Valuation inputs (other than level 1 input) that are observable for the asset or liability, either directly or indirectly

Level 3 - Valuation inputs that are not based on observable market data

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

9 CASH AND CASH EQUIVALENTS

	2016 RM	2015 RM
Placement in mudharabah accounts:		
Licensed banks	-	25,187,055
Other financial institutions	-	652,953
	-	25,840,008
Cash and bank balances	1,872,073	104,556
Cash and cash equivalents	1,872,073	25,944,564

All placements in mudharabah accounts, cash and bank balances are denominated in Ringgit Malaysia.

Bank balances are deposits held at call with banks and earn no interest.

The credit rating profiles of banks and other financial institutions in which the placements in mudharabah accounts had been made are as follows:

	2016 RM	2015 RM
- AAA	-	19,300,000
- AA2	-	5,300,000
- AA3	-	587,055
- A2	-	652,953
	-	25,840,008

The weighted average profit sharing rate per annum of placement in mudharabah accounts that were effective at end of financial year were as follows:

	2016 %	2015 %
Licensed banks	-	3.4
Other financial institutions	-	3.8

There is no placement in mudharabah accounts of the Yayasan as at 30 June 2016. Placement in mudharabah accounts of the Yayasan as at 30 June 2015 had an average maturity period ranging from 3 to 35 days.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

10 PAYABLES

	2016 RM	2015 RM
Other payables	56,075	51,600
Accruals	212,583	808,427
	268,658	860,027

The fair value of the payables equal their carrying value as the impact of discounting was not significant.

11 AMOUNT DUE TO IMMEDIATE HOLDING COMPANY

The amount due to immediate holding company was denominated in Ringgit Malaysia, unsecured, interest free and repayable on demand. The fair value of the amount due to immediate holding company equalled its carrying value as the impact of discounting was not significant.

12 AMOUNTS DUE TO RELATED COMPANIES

The amounts due to related companies are denominated in Ringgit Malaysia, unsecured, interest free and repayable on demand. The fair value of the amounts due to related companies equal their carrying value as the impact of discounting was not significant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

13 PLANT AND EQUIPMENT

	Office equipment RM	Furniture and fittings RM	Renovation RM	Plant and machinery RM	Motor vehicle RM	Total RM
2016						
<u>Cost</u>						
At 1 July 2015	338,239	64,816	14,750	-	-	417,805
Additions	4	-	-	1	1	6
At 30 June 2016	338,243	64,816	14,750	1	1	417,811
<u>Accumulated depreciation</u>						
At 1 July 2015	225,431	50,756	7,375	-	-	283,562
Charge for the financial year	95,251	4,619	2,950	-	-	102,820
At 30 June 2016	320,682	55,375	10,325	-	-	386,382
<u>Carrying amount</u>						
At 30 June 2016	17,561	9,441	4,425	1	1	31,429

During the financial year, plant and machinery amounting to RM234,990 were acquired. RM234,987 was expensed off as Corporate Social Responsibility expenditure. Office equipment amounting to RM3 was transferred to the Yayasan from its related company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

13 PLANT AND EQUIPMENT (CONTINUED)

	Office equipment RM	Furniture and fittings RM	Renovation RM	Total RM
2015				
<u>Cost</u>				
At 1 July 2014	337,481	57,726	14,750	409,957
Additions	758	7,090	-	7,848
At 30 June 2015	338,239	64,816	14,750	417,805
<u>Accumulated depreciation</u>				
At 1 July 2014	124,538	47,105	4,425	176,068
Charge for the financial year	100,893	3,651	2,950	107,494
At 30 June 2015	225,431	50,756	7,375	283,562
<u>Carrying amount</u>				
At 30 June 2015	112,808	14,060	7,375	134,243

14 COMMITMENTS

The following table presents the undiscounted commitments of the Yayasan at the end of the reporting period:

Operational commitments:

2016	Maturity profile		
Committed	<1 year RM	1-5 years RM	Total RM
Education:			
- Scholarships committed	11,156,981	5,951,823	17,108,804
- Education	6,800,415	4,532,591	11,333,006
Community & Health	20,106,134	2,764,742	22,870,876
Environment	18,336,429	12,851,740	31,188,169
Youth & Sports	28,215,011	-	28,215,011
Arts & Culture	7,496,504	916,666	8,413,170
	92,111,474	27,017,562	119,129,036

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

14 COMMITMENTS (CONTINUED)

Operational commitments: (continued)

2016	Maturity profile		
<u>Not committed</u>	<1 year RM	1-5 years RM	Total RM
Education	11,473,368	8,486,632	19,960,000
Community & Health	3,750,000	21,300,000	25,050,000
Environment	225,000	-	225,000
Arts & Culture	495,000	-	495,000
	15,943,368	29,786,632	45,730,000

2015	Maturity profile		
<u>Committed</u>	<1 year RM	1-5 years RM	Total RM
Education:			
- Scholarships committed	11,617,412	8,659,407	20,276,819
- Education	2,691,704	4,699,797	7,391,501
Community & Health	20,346,730	10,164,737	30,511,467
Environment	15,187,305	19,177,780	34,365,085
Youth & Sports	28,754,648	1,300,000	30,054,648
Arts & Culture	5,272,119	289,500	5,561,619
	83,869,918	44,291,221	128,161,139

2015	Maturity profile		
<u>Not committed</u>	<1 year RM	1-5 years RM	Total RM
Education	3,216,038	3,129,462	6,345,500
Community & Health	3,000,000	20,000,000	23,000,000
Environment	1,821,083	1,628,917	3,450,000
Youth & Sports	18,638,480	42,861,520	61,500,000
Arts & Culture	2,600,000	1,250,000	3,850,000
	29,275,601	68,869,899	98,145,500

As at 30 June 2016, there were 572 scholarships (2015: 370) in progress.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

15 RELATED PARTY DISCLOSURES

The Yayasan regards Sime Darby Berhad, a company incorporated in Malaysia, as the immediate holding company and Yayasan Pelaburan Bumiputera, a company incorporated in Malaysia, as the ultimate holding company.

The following companies are related to Yayasan Sime Darby by virtue that these companies are fellow subsidiaries.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are the significant related party transactions and balances:-

(a) Transaction with related parties

	2016 RM	2015 RM
Donation income:		
Sime Darby Plantation Sdn Bhd	29,934,922	62,673,520
Sime Darby Property Berhad	11,300,000	19,430,000
Sime Darby Motors Sdn Bhd	4,000,000	6,000,000
Sime Darby Industrial Sdn Bhd	4,000,000	5,075,000
Sime Darby Energy Sdn Bhd	-	1,365,000
Brunsfeld Engineering Sdn Bhd	-	45,000
Sime Darby Auto Performance Sdn Bhd	-	30,000
Hyundai-Sime Darby Motors Sdn Bhd	-	15,000
Jaguar Land Rover (Malaysia) Sdn Bhd	-	15,000
Sime Darby Auto Connexion Sdn Bhd	-	15,000
Sime Darby Lockton Insurance Brokers Sdn Bhd	-	15,000
Sime Darby Offshore Engineering Sdn Bhd	-	15,000
Mecomb Malaysia Sdn Bhd	-	15,000
Sime Kubota Sdn Bhd	-	4,000
Kuala Lumpur Golf & Country Club Berhad	-	1,974
Sime Darby Holdings Berhad	-	(7,430)
	49,234,922	94,707,064
Rental of office building from:		
Wisma Sime Darby Sdn Bhd	319,828	355,104
Rental of motor vehicles from:		
Sime Darby Rent A Car Sdn Bhd	100,057	76,926
Accounting services from:		
Sime Darby Global Services Centre Sdn Bhd	172,402	47,492
Internal audit services from:		
Sime Darby Holdings Bhd	63,600	37,113

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

15 RELATED PARTY DISCLOSURES (CONTINUED)

(b) Balances with related parties

(i) Donations receivable from related companies

	2016 RM	2015 RM
Sime Darby Energy Sdn Bhd	5,300,000	5,300,000
Sime Darby Holdings Berhad	792,570	892,570
Sime Darby Industrial Sdn Bhd	18,571,002	16,571,002
Sime Darby Motors Sdn Bhd	15,599,000	14,199,000
Sime Darby Plantation Sdn Bhd	189,076,206	177,641,284
Sime Darby Property Berhad	12,900,000	25,100,000
	242,238,778	239,703,856

(ii) Amount due to immediate holding company

Sime Darby Berhad	-	301
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(iii) Amounts due to related companies

Sime Darby Global Services Centre Sdn Bhd	61,316	51,179
Sime Darby Holdings Berhad	9,354,077	49,783
Sime Darby Healthcare Educational Services Sdn Bhd	526,615	-
Ara Damansara Medical Centre Sdn Bhd	-	573
RSD Hospitals Sdn Bhd	-	7,790
Sime Darby Plantation Sdn Bhd	-	432
Wisma Sime Darby Sdn Bhd	30,381	83,025
Sime Darby Rent A Car Sdn Bhd	8,827	-
Sime Darby Lockton Insurance	344	-
	9,981,560	192,782

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

15 RELATED PARTY DISCLOSURES (CONTINUED)

(c) Key management personnel compensation

Key management personnel comprise the Governing Council members and the Chief Executive Officer of Yayasan Sime Darby. The remuneration paid to the Governing Council members are borne by Sime Darby Berhad, the immediate holding company. Total remuneration paid to the key management personnel of Yayasan Sime Darby are as follows:

	2016 RM	2015 RM
Salaries, bonus and other emoluments	599,002	552,484
Defined contribution plan	69,645	65,310
Employee share scheme (Note 17)	-	69,206
Estimated monetary value of benefits-in-kind	15,000	15,000
	683,647	702,000

16 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets and financial liabilities are categorised as follows:

	2016 RM	2015 RM
<u>Financial assets – loans and receivables</u>		
Receivables (excluding prepayments and advance payments)	245,236,152	243,313,649
Cash and cash equivalents	1,872,073	25,944,564
	247,108,225	269,258,213
<u>Financial liabilities – other financial liabilities</u>		
Payables	268,658	860,027
Amount due to immediate holding company	-	301
Amounts due to related companies	9,981,560	192,782
	10,250,218	1,053,110

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

17 PERFORMANCE-BASED EMPLOYEE SHARE SCHEME

The Performance-Based Employee Share Scheme ("PBESS") of Sime Darby Berhad is governed by the by-laws approved by the shareholders at the Extraordinary General Meeting held on 8 November 2012. Under the PBESS, ordinary shares of RM0.50 each in Sime Darby Berhad ("Sime Darby Shares") are granted to eligible employees and executive directors of Sime Darby Berhad group of companies. The PBESS was effected on 15 January 2013 following the submission of the By-Laws for the PBESS to Bursa Malaysia Securities Berhad, the receipt of all required approvals and the compliance with the requirements pertaining to the PBESS.

The grants under the PBESS comprise the Group Performance Share ("GPS"), the Division Performance Share ("DPS") and the General Employee Share ("GES").

The salient features of the PBESS are as follows:

- a. Eligible employees are those executives (including executive directors) of the Yayasan who have attained the age of 18 years; entered into a full-time or fixed-term contract of employment with and is on the payroll of the Yayasan; have not served notice of resignation or received notice of termination on the date of the offer; whose service/employment have been confirmed in writing; and have fulfilled other eligibility criteria which has been determined by the Sime Darby Berhad Nomination and Remuneration Committee ("NRC") at its sole and absolute discretion from time to time.
- b. The total number of Sime Darby Shares to be offered to any one of the employees and/or to be vested in any one of the grantees shall not be more than 10% of the Sime Darby Shares made available under the PBESS and shall not either singly or collectively through persons connected with the said employee, holds 20% or more of Sime Darby Berhad's issued and paid up share capital.
- c. The maximum number of Sime Darby Shares to be allotted and issued under the PBESS shall not be more than in aggregate 10% of the issued and paid-up ordinary share capital of Sime Darby Berhad at any point in time during the duration of the PBESS.
- d. The PBESS shall be in force for a period of 10 years commencing from the effective date of implementation.
- e. The new Sime Darby Shares to be allotted and issued pursuant to the PBESS shall, upon allotment and issuance, rank pari passu in all respects with the then existing issued Sime Darby Shares and shall be entitled to any rights, dividends, allotments and/or distributions attached thereto and/or which may be declared, made or paid to Sime Darby Berhad's shareholders, provided that the relevant allotment date of such new shares is before the record date (as defined in the PBESS By-Laws) for any right, allotment or distribution.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

17 PERFORMANCE-BASED EMPLOYEE SHARE SCHEME (CONTINUED)

- f. If the NRC so decides (but not otherwise), in the event of any alteration in the capital structure of Sime Darby Berhad during the duration of the PBESS, such corresponding alterations (if any) may be made in the number of unvested Sime Darby Shares and/or the method and/or manner in the vesting of the Sime Darby Shares comprised in a grant.

The shares granted will be vested only upon fulfilment of vesting conditions which include achievement of service period and performance targets as follows:

	<u>GPS</u>	<u>DPS and GES</u>
Performance metrics	Group Long Term Incentive Plan (LTIP) scorecard (financial targets) and absolute and relative total shareholders' return of Sime Darby Berhad	Division/Group LTIP scorecard (financial and strategic targets)
Vesting period	<p>First grant</p> <p>- over a 3-year period from the commencement date of 1 July 2013, with retest till 30 June 2018 for GPS</p> <p>Second grant</p> <p>- over a 3-year period from the commencement date of 1 July 2014, with retest till 30 June 2019 for GPS</p>	

Depending on the level of achievement of the performance targets as determined by the NRC, the total amount of shares which will vest may be lower or higher than the total number of shares granted.

The movement in the number of Sime Darby Shares granted under the PBESS to the Yayasan's eligible employees is as follows:

	Fair value at grant date (RM)	Number of ordinary shares of RM0.50 each				
		At 1 July 2015	Granted	Transferred	Forfeited	At 30 June 2016
First grant						
GPS	7.737	6,309	-	-	-	6,309
DPS	8.583	7,580	-	-	-	7,580
GES	8.583	8,164	-	-	(1,997)	6,167
Second grant						
GPS	7.243	9,807	-	-	-	9,807
DPS	8.181	11,736	-	-	-	11,736
GES	8.181	15,600	-	-	(3,462)	12,138

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

17 PERFORMANCE-BASED EMPLOYEE SHARE SCHEME (CONTINUED)

Sime Darby Group is reviewing the salient features of the LTIP. Accordingly, the third grant of PBESS to be made during the financial year has been deferred until such time the review is approved by the NRC.

The fair value of the Sime Darby Shares granted is determined using Monte Carlo Simulation model, taking into account the terms and conditions under which the shares were granted.

The significant inputs in the model are as follows:

	<u>GPS</u>	<u>DPS</u>	<u>GES</u>
<u>First grant</u>			
Closing market price at grant date (RM)	9.54	9.54	9.54
Expected volatility (%)	12.94	12.94	12.94
Expected dividend yield (%)	3.47	3.47	3.47
Risk free rate (%)	3.21 – 3.53	3.28	3.28
<u>Second grant</u>			
Closing market price at grant date (RM)	9.16	9.16	9.16
Expected volatility (%)	11.60	11.60	11.60
Expected dividend yield (%)	3.79	3.79	3.79
Risk free rate (%)	3.51 – 3.64	3.51	3.51

The expected dividend yield used was based on historical data and future estimates, which may not necessarily be the actual outcome. Volatility is measured over a 3-year period on a daily basis to increase the credibility of assumption. No other features of the share award were incorporated into the measurement of fair value.

18 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Governing Council on 1 September 2016.

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