

Corporate Social Responsibility

Malayan Flour Mills Berhad (“MFM”) continues its commitment to the principle of Corporate Social Responsibility (“CSR”) by way of being transparent and ethical in all its dealings as well as making positive contribution to the community in which it operates. In addition to building trust with the community and giving the organization an edge in attracting good customers and employees, acting responsibly towards workers and others in society is in the long term interest of the Group and its shareholders.

CSR for Marketplace

MFM has embedded CSR into its business philosophy and policies to meet the expectations of its stakeholders which include the shareholders, suppliers and customers.

The Company is committed to ethical business approach through compliance with law, honoring business obligations and ensuring integrity in its business dealings.

In relation to customers, the Company is creating value for its customers by providing differentiated offerings based on its best cost production, consistent quality, service and innovative solutions. The Company is also committed in its customer-focus approach by understanding its customers’ history, culture, decision-making process, key people, vision, mission, strategies, goals and strengths. Focus is placed on the customers’ needs as well as building trust in the relationships with the customers.

MFM takes seriously all feedback, complaints and compliments that it received from its stakeholders. Initiatives such as customer service programmes which effectively monitor complaints and aim to provide continuous improvement are in place.

MFM also committed to the safety and quality of all its products with the adoption of HACCP system, applying Good Manufacturing Practice and training the employees on the Good Hygiene Practice throughout the food processing flow chart from raw material to finished goods as well as engaging in only ethical procurement practices.

CSR for Community

MFM is committed to improving opportunities and quality of life in the community it serves. In its effort to ease the burden of the rising cost of medication and healthcare on those who require medical treatments, the Company had donated to the Lung Foundation of Malaysia to assist the Foundation in easing the suffering of underprivileged lung patients who require medical treatment as well as funding scientific, education and training to enhance the knowledge, skill and care for patients in Malaysia.

The Company also responded to the appeal for fund for the purchase of medical bed by Yayasan Latihan Insan Istimewa Ipoh, a home for handicapped and Down Syndrome children and adults.

Besides this, contributions were given to MAKNA (Majlis Kanser Nasional) to support its ‘i-Give Project’ to help deserving cancer patients and other non-profit charitable organisations towards improving the general welfares of the less fortunate.

Education has always been an important aspect of any society and provides the necessary intellectual components to enhance a person’s contribution to society. In support of this, the Company has contributed to fund raising activities of numerous schools for various purposes such as sports event and upgrading of buildings.

CSR for Workplace

Employees provide the know-how, productivity, customer service and innovativeness necessary for business activity. Therefore, the continued success of a company is reliant on the commitment of its employees.

Recognising this, MFM has taken initiatives that promote the retention and development of its staff and nurture workplace environments that will attract recruits of the highest calibre.

MFM believes in developing the potential and skill competency of its employees and is committed to ensure that they are trained to undertake the position for which they are employed and to develop their abilities and skills in line with technological changes and other needs of the organization. Hence, training programs and development are designed to help the individual employee to develop the targeted competencies.

During the year under review, the Group in collaboration with the Federation of Malaysian Manufacturers Institute conducted an Executive Development Certification Program for the employees of the Group. Selected employees had participated in the program which aimed to provide the fundamental management and leadership skills for the talented executives who have the right fit for the organization, to develop the talented executives to grow their careers with the Group as well as to create opportunities as part of the executive retention program.

The Company also provides, and strives to maintain, a clean, healthy and safe working environment for its employees to carry out their business activities.

In term of the welfare of the employees, MFM offers its employees clear and fair terms of employment. Benefits like medical, hospitalization and insurance coverage are provided to protect the livelihood of the

employees. Various activities like Annual Dinner, Festive Celebrations and Family Outings were also organized to foster better ties and interaction amongst the employees.

CSR for Environment

The Group is mindful of its responsibility towards preserving the environment and conserving resources wisely. The Group is committed to protect the environment through its corporate Environmental Policy whereby in its daily operations, environment friendly practices are observed such as recycling of paper, increased electronic communication, energy saving practices for lighting and equipments and proper management of wastage.

At its manufacturing operations, various measures are taken to ensure that pollution will be minimal. Air filter systems are installed at the flour and feed mills to capture about 99% of the dust emitted from the milling processes.

As for the poultry processing plant of the Group, it operates waste water treatment to treat the final discharge of waste water in compliance with the requirements set by the Department of Environment Malaysia (DOE Standard B).

The broiler farms of the Group are converting the opened houses to tunnel-ventilated closed houses in stages, which have proven to be more effective in addressing the flies and smell problems. The Group has also successfully implemented the latest state-of-art closed house design at its new breeder and broiler farms which are of international standards. As the houses are environmentally controlled, flies within and outside the houses are minimal, with more than 95% reduction, hence a healthier and pleasant environment to the nearby inhabitants.