

# 7 CORPORATE SOCIAL RESPONSIBILITY REPORT

## CARING FROM THE HEART

As Asia's leading 3PL service provider, Kerry Logistics understands the importance of cultivating a strong corporate responsibility which integrates into its daily operations across its extensive network. At its core, Kerry Logistics places value on employee engagement, sustainable development and community outreach.

People are the backbone of our operations and the key to our success as the leader in providing exceptional services. The Group is committed to creating opportunities for our employees to develop their full potential by considering all aspects of their lives. Kerry Logistics firmly believes in the power and possibility of the next generation and strives to nurture these talents through our comprehensive management trainee programme.

Environment is the foundation of our broad logistics network and the Group strives to provide environmentally conscientious logistics solutions through continuous improvement and streamlined operations. By maximising awareness and minimising disturbance, Kerry Logistics' green initiatives hope to leave our home a better place than when we found it.

Community is the family that Kerry Logistics is fully committed to helping and supporting. The Group has a long history of contributing to numerous worthwhile charitable causes to make the lives of those around us happier and healthier. The Group prides itself on its responsibility to care for the less privileged, provide services and equal opportunities for the youth and elderly and bring positive changes for current and future generations.



## PEOPLE

At its core logistics is a people business, and people are Kerry Logistics' most important asset. The Group is committed to creating real value for employees through rewarding career developments, improved workplace quality and an emphasis on work-life balance. We have always been strong proponents of transparency and openness throughout the Group and our management team actively encourages open communication and dialogue across all levels of the organisation. Our employees can be confident that their perspectives will be respected and their voices be heard. This building of trust gives way to a continuous process of delivering results fundamental to the innovation and growth of our organisation.

## REWARDING CAREER DEVELOPMENT

Kerry Logistics recruits talents from around the world, creating ample opportunities for them to grow alongside the organisation by unleashing their full potential. Since 2001, the Group has organised a management trainee programme to attract bright young graduates worldwide. Through a 12-month intensive learning programme, trainees are provided with invaluable access and insight into the Group's core teams and gain exposure to all its different business areas.



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In 2014, management trainees were recruited from Hong Kong, Mainland China, Mongolia, Indonesia, India, Sri Lanka, Pakistan, and Canada. During the year, the Group also conducted a total of 1,144 hours of training programmes with 3,260 attendees in its Hong Kong head office.

### **WORKPLACE QUALITY**

Kerry Logistics places the health and safety of its employees as the first and foremost priority in its operations. To continue providing a high quality workplace, the Group provides occupational health and safety programmes for all staff. These courses focus on safety in the workplace including proper operations of equipment, fire safety and prevention and first aid training, as well as maintenance of a healthy lifestyle. A series of on-site influenza vaccinations and health screening programmes are also available to complement the corporate medical plan.

### **WORK-LIFE BALANCE**

Kerry Logistics understands that sometimes the high performance from its employees comes at a cost, and that is why the Group encourages all staff maintain a good work-life balance. One of the Group's primary goals is to ensure that all our people are given enough time and space for their personal and family commitments, so that they maintain a high quality of life in their personal well-being and professional productivity.

Throughout the year, Kerry Logistics organised a number of activities to provide employees with the opportunity of spending quality time outside of their workplace. In 2014, the Group formed its first dragon boat team in Hong Kong, joined Community Business' Work-Life Balance Week and organised other well-received activities such as intragroup bowling tournaments, charitable running events, hiking and yoga classes.

### **ENVIRONMENT**

Environmental sustainability is a tenet of Kerry Logistics' business and pillar in its strong corporate social responsibility platform. The Group has successfully built two green logistics facilities in Hong Kong and Singapore – Tai Po Production Customisation and Consolidation Centre (PC<sup>3</sup>), and Kerry Tampines Logistics Centre respectively.

In 2014, Kerry Logistics started deploying low-emission trucks in its Hong Kong daily operations as part of the Group's green initiatives across the globe. As at March 2015, 14.1% of its truck fleet (2014: 7%) in Hong Kong complies with Euro V Vehicle Emission Standards.

The Group also launched three hybrid electric vehicles in Hong Kong in 2013 under the Pilot Green Transport Fund scheme backed by the Hong Kong Government.

On top of these green initiatives, Kerry Logistics has also been a strong supporter of many charitable events which focus on environmental protection and sustainability. These include:

#### **EARTH HOUR 2014**

This is the Group's third year of participation in Earth Hour organised by the WWF. On 29 March 2014, Kerry Logistics switched off its outdoor billboard lighting at all five locations across Hong Kong, and encouraged its staff to turn off all non-essential lights in the office and at home for one hour to support global sustainability.

#### **GREEN RUN 2014**

On 24 August 2014, the Group co-organised the Green Run with the Chinese Taipei Association of Ultrarunners. The race advocates the principles of "Reduce Carbon, Reuse and Recycle".

#### **COMMUNITY**

Kerry Logistics understands that as a leader in the region it has the responsibility to give back to its community. The Group feels honoured to step up to the challenge of supporting those in need either directly or by its commitment to local non-governmental organisations and partnerships with its customers and partners. The Group has also made donations to or participated in numerous outreach programmes and functions throughout the year, and in 2014 these included:

#### **THE 2014 COMMUNITY CHEST CORPORATE CHALLENGE**

On 19 January 2014, 31 Kerry Logistics staff participated in the 10-km and half marathon races organised by The Community Chest of Hong Kong for the 10th consecutive year. It raised funds to improve the rehabilitation and aftercare services for the elderly in Hong Kong.

#### **STANDARD CHARTERED HONG KONG MARATHON 2014**

On 16 February 2014, 57 Kerry Logistics staff joined the full and half marathons, as well as the 10-km races for the fourth time. It is the largest participatory annual sporting event in Hong Kong.

#### **THE 21ST GREEN POWER HIKE**

This is the Group's seventh year of participation in this annual fund-raising walkathon for Green Power. On 25 February 2014, a team of 35 Kerry Logistics staff joined the event to support community environmental education programmes in Hong Kong.

#### **RACE FOR WATER 2014**

On 16 March 2014, 24 staff of the Group participated in the Race For Water 2014 for the fourth consecutive year. This is an annual charity event organised by A Drop of Life Limited to raise funds for the construction of water cellars in arid areas of Mainland China.

#### **ORBIS PLANE PENDANT SALES 2014**

In May 2014, Kerry Logistics staff made a donation in support of plane pendant sales organised by ORBIS. Donations received will be allocated to support the ORBIS Flying Eye Hospital.

#### **DONATION FOR ORPHANS AND ELDERLY**

In September 2014, the Group donated to Shepherd's Field Children's Village and Hetong Elderly Nursing Home in Mainland China to support disabled orphans and the elderly in the country.

#### **ORBIS WORLD SIGHT DAY**

In October 2014, Kerry Logistics staff donated to the pin campaign organised by ORBIS in Hong Kong for the fifth consecutive year. The campaign aims to bring hope to those at risk of preventable blindness across the world.

#### **CSR-DIW AWARD**

On 17 October 2014, the Group received the CSR-DIW Award 2014 organised by the Department of Industrial Works (DIW) of the Thai Ministry of Industry, recognising its community projects such as visiting seniors and the handicapped. The Award aims to encourage enterprises to operate businesses with social responsibility and carry out community projects for sustainable development.

#### **THE COMMUNITY CHEST GREEN DAY**

On 16 and 17 November 2014, Kerry Logistics staff donated to support Green Day organised by The Community Chest of Hong Kong for the 10th year. This initiative aims to encourage the public to "Act Green & Live Green", and to benefit the medical and health services supported by the organiser.

#### **HONG KONG 24 HOUR CHARITY PEDAL KART GRAND PRIX**

On 22 and 23 November 2014, the Group participated in the event for the second consecutive year. Organised by The Association of Round Tables in Hong Kong, this fundraising event supported the underprivileged and disabled in our society. The Group's food catering arm supported the event by providing catering service on both days.

#### **OPERATION SANTA CLAUS**

In December 2014, the Group supported Operation Santa Claus, a charity campaign organised by South China Morning Post and Radio Television Hong Kong by participating in a collective art creation for charity auction. Proceeds will go to 20 beneficiaries to aid people in need, including children, the elderly and the mentally and physically challenged.

#### **FOOD BANK FOUNDATION**

In December 2014, the Group donated to the Food Bank Foundation in Spain for the second consecutive year. The foundation secures, stores and distributes food to the needy and educates people on the reasons behind hunger and undernourishment.

#### **CARING COMPANY**

In recognition of its charitable contributions and participation in community service, the Group has been named a "Caring Company" by the Hong Kong Council of Social Service for the fourth consecutive year.

#### **END CHILD SEXUAL ABUSE FOUNDATION**

For the ninth consecutive year, Kerry Logistics supported the End Child Sexual Abuse Foundation by offering two covered parking spaces at the Kerry Cargo Centre in Hong Kong for its mobile classrooms.