

In 2014, we continued to enhance quality of life by implementing tangible and sustainable practices in the areas of Environment, Community, Marketplace and Workplace.

The following are the highlights of our sustainability initiatives in 2014. For more details of these initiatives, please refer to the full version of the Sustainability Report on our corporate website at [www.ccmberhad.com](http://www.ccmberhad.com).

## HIGHLIGHTS OF OUR 2014 SUSTAINABILITY INITIATIVES

### Safeguarding the Environment

- **Promoting Sustainable Practices**

We continued to advocate sustainable practices throughout the Group via our E3R (Eliminate, Reuse, Reduce, Recycle) initiative and by measuring our carbon dioxide emissions (CO<sub>2</sub>e). In 2014, the Group recorded an increase in CO<sub>2</sub>e count to 127,645 metric tonnes (MT) as compared to 125,511 MT in the previous year due to increase in production to meet market demand.

- **Safeguarding the Environment and Our Children's Future**

In collaboration with the Ministry of Natural Resources & Environment, we embarked on our fourth year of educating primary and secondary school students on environmental conservation via the Rakan Alam Sekitar Programme. Our efforts included the River Scientist Programme and the Environment Choir Competition. To date, the Group has impacted over 1,500 students via this programme.

- **Recognised for Our Good Environmental Performance**

CCM Chemicals Sdn. Bhd. was awarded the CICM Silver Award for Pollution Prevention Code at the CICM 11th Responsible Care Awards. We also received certification for our ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety Management System from Bureau Veritas.

### Enriching Communities

- **Promoting Healthy Living Among Youngsters**

We spread awareness on healthy living via our pilot programme, *CHAMPS* - Health on Wheels. Launched in March 2014, the programme impacted over 1,900 pre-schoolers in the vicinity of Pengerang through customised workshops and activities.

- **Strengthening English Proficiency**

We continue to advocate exposure to the English language through the CCM PINTAR Programme. Since 2007, the programme has seen CCM enabling more than 3,500 students in our 12 adopted schools to improve their English proficiency.

- **Helping Curb Graduate Unemployment**

CCM collaborated with leading universities in the nation under the CCM-JATI (*Jalinan Universiti dan Industri*) Programme to help reduce the number of unemployed graduates in the pharmaceutical industry. Some 200 students have successfully completed the programme since its inception in 2011.

- **In Support of Golf**

2014 marked the fourth year of CCM's five-year commitment to the PGM CCM Rahman Putra Championship. To date, we have contributed a sum of RM800,000 including a RM200,000 prize purse.

## Sustainability & Corporate Responsibility

- **In Support of Haj Pilgrims**

CCM donated RM518,000 worth of personal health supplements to the Sahabat Korporat Tabung Haji Programme. 2014 marked the 11th year of CCM's continued contribution to the programme with about 404,000 health kits (worth over RM8 million) having been donated so far.

- **Reaching Out to Marginalised Groups**

The Group collaborated with Pertubuhan SEED and the Malaysian AIDS Council to host a special *majlis berbuka puasa* celebration for the less fortunate and marginalised AIDS and HIV carriers in the community of Chow Kit and its surrounding areas. CCM also held open houses and made donations amounting to RM64,000 to several charities and foundations.

- **Lending a Helping Hand**

CCM partnered with the Malaysian Integrated Medical Professionals Association ("MIMPA"), the International Medical University ("IMU") and Mercy Malaysia to provide aid to the victims of the recent flooding in Pahang, Kelantan and Terengganu. The Group's flood relief efforts in early January 2015 saw a total amount of RM113,500 in cash and kind going towards this initiative.

### Upholding Good Marketplace Practices

- **Strengthening Industry Efforts**

CCM continued to play a vital role in various industry governing bodies such as memberships in Chemical Industries Council of Malaysia ("CICM"), Malaysian Rubber Glove Manufacturers Association ("MARGMA") and working closely with Halal Industry Development Corporation.

- **Appreciating Dealers**

CCM Fertilizers organised an Appreciation Night for its dealers with around 200 people attending the annual event.

- **Upholding Marketplace Integrity**

CCM inked the Corporate Integrity Pledge ("CIP") with the Malaysian Anti-Corruption Commission ("MACC") in May 2014.

- **Participating in Industry Events**

Through our Chemicals, Fertilizers and Pharmaceuticals Divisions, we participated in various exhibitions and conferences to actively promote the CCM brand and our diverse product offerings. We participated in the AsiaWater 2014 Expo & Forum; the Malaysia Agriculture, Horticulture and Agro-Tourism Exhibition ("MAHA") 2014 as well as Minggu Saham Amanah Malaysia ("MSAM") 2014.

- **Leveraging on Media Platforms**

The Group engaged in several brand awareness initiatives that employed the use of media platforms. These included collaborations with JAKIM with a Halal Pharmaceutical Series on TV JAKIM and radio station IKIM.fm.

- **Improving OSH Standards among SMEs**

CCM Chemicals Sdn. Bhd. signed a Memorandum of Understanding ("MoU") with Kejuruteraan Asas Jaya ("KAJ") Sdn. Bhd. under the Occupational Safety & Health Mentorship Programme. The programme is part of an on-going effort by the Department of Occupational Safety and Health ("DOSH") of Selangor to improve occupational safety and health ("OSH") standards within the SME sector with the support of key corporations.

- **Imparting Knowledge**

Representatives of CCM's Fertilizers Division gave a talk on our product, MPOB F2 and oil palm agronomy as well as other agricultural related topics to 60 TUNAS officers from across Sabah at a seminar organised by the Malaysian Palm Oil Board ("MPOB").

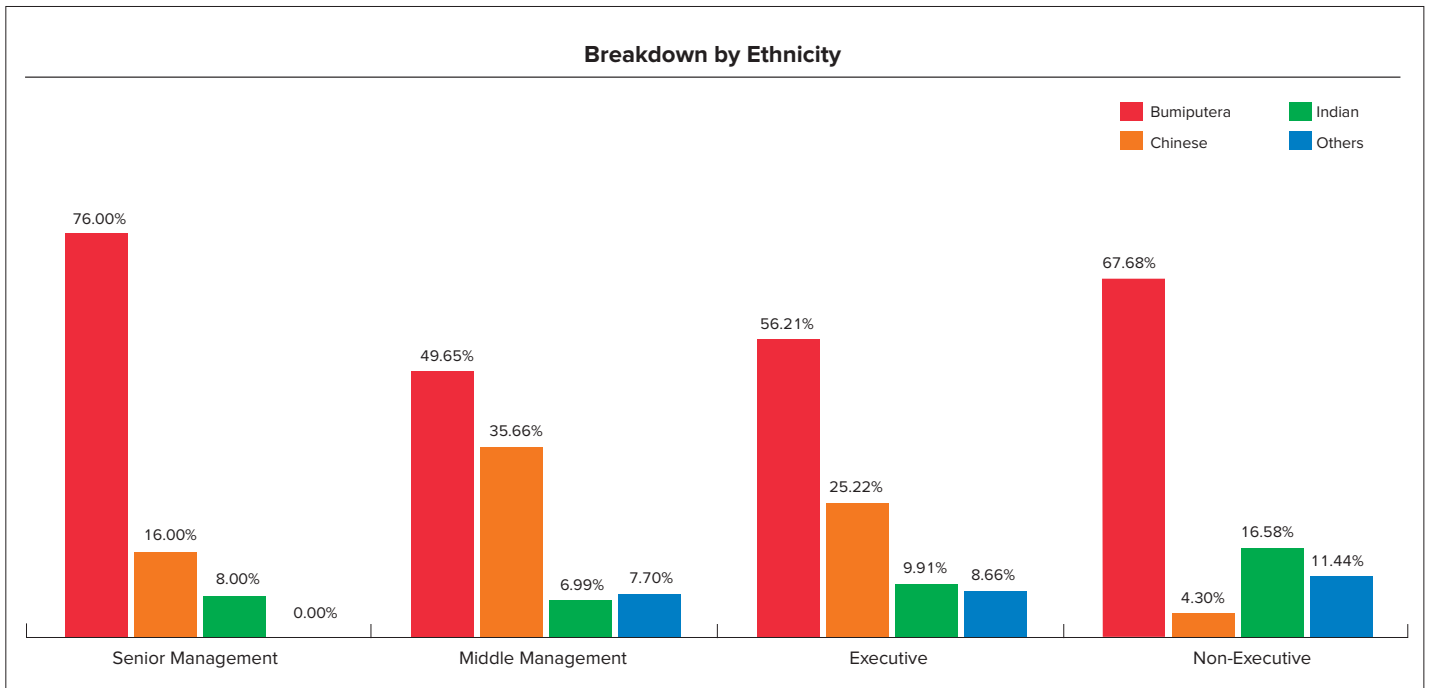
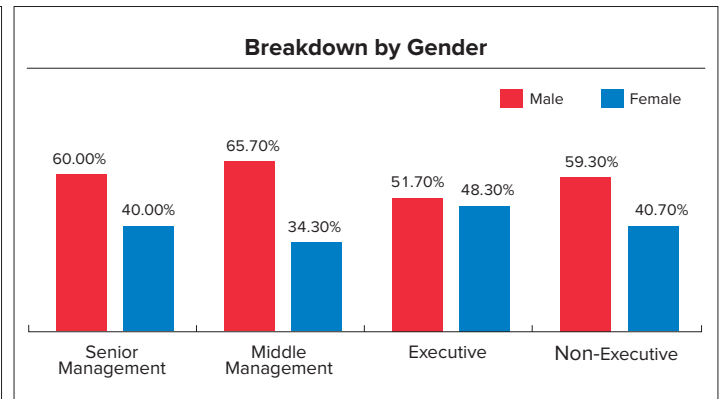
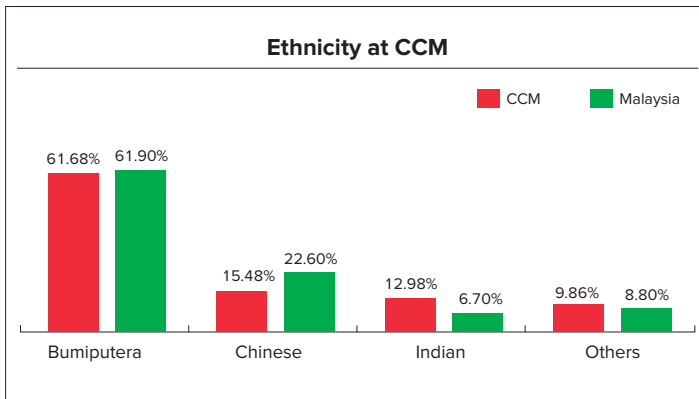
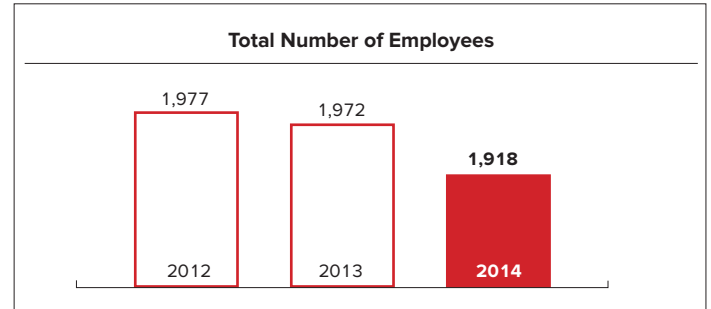
- **Recognised for Good Marketplace Practices**

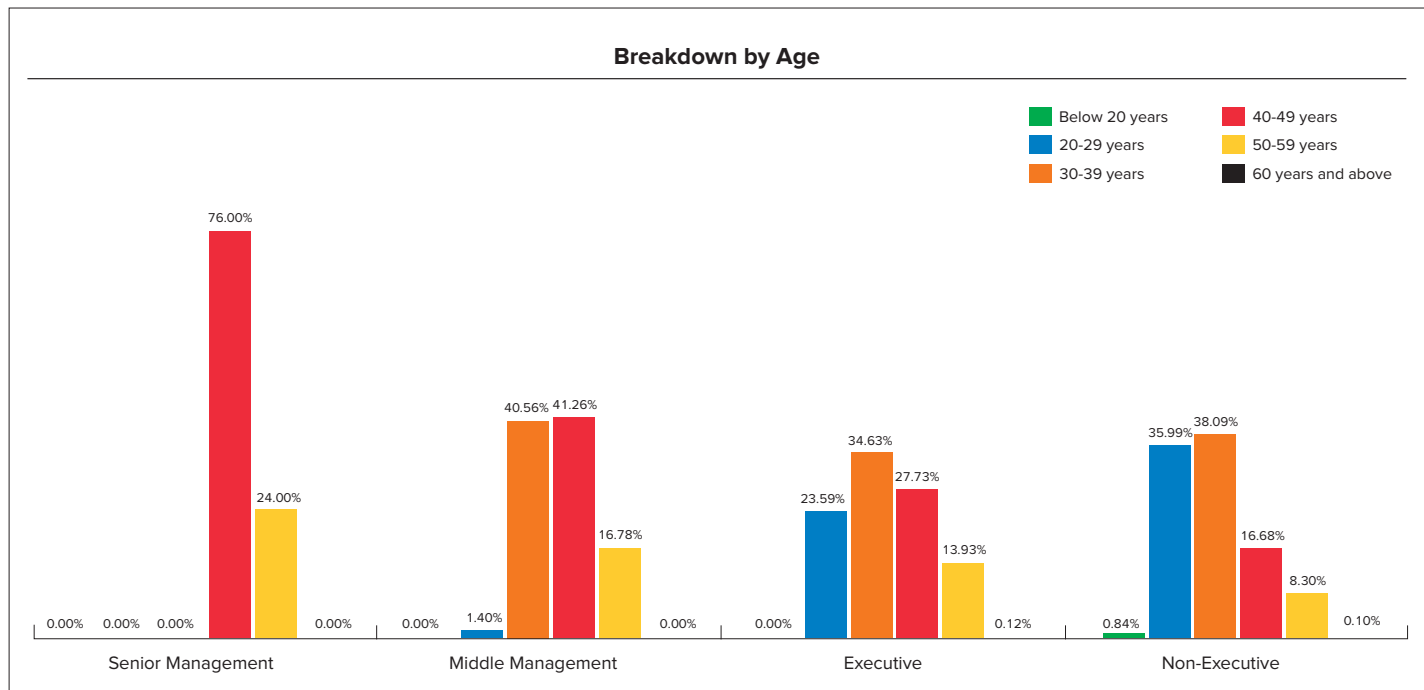
In 2014, the CCM Group received several awards in recognition of our marketplace practices. These included the PNB Islamic Initiative Award, awards from CICM, Anugerah Pengguna Malaysia Standards and accreditations in various areas.

## Bolstering Our Workplace Practices

### People – Our strength

Our talented workforce of 1,918 employees reflects the diversity of the Malaysian population, and we count this as an invaluable trait when serving the varied needs of the marketplace. Irrespective of ethnicity, gender, age, disability, or status, we are committed to employing, promoting, developing and rewarding employees through the principles of meritocracy and fairness, championing equal opportunities and encouraging diversity and inclusiveness both in our workplace and marketplace.





- **Accelerating Non-Executive Careers**

We continued to implement the My Career Acceleration Programme (“MyCAP”) which we developed in cooperation with the Department of Skills Development. This programme is designed exclusively for our non-executive employees to strengthen their skills, competencies and capabilities in their career development. To date, 60 employees have been enrolled for this programme.

- **Integrating New Employees into Our Culture**

To help new employees ease into the Group’s culture, Group Human Resource has set up the New Employee Orientation Programme (“NEO”).

- **Fast-tracking Graduate Careers**

In October 2014, we launched the My Millennial Apprentice Programme (“MyMAP”), a development programme that aims to provide talented graduates a fast-tracked approach to achieving maximum potential while paving the way for them to establish a successful career with CCM.

- **Upholding Operational Excellence**

In 2014, Lean Six Sigma contributed savings of RM18.2 million to operating profit. To date, the programme has generated savings of RM37.6 million since June 2012. Furthermore, some 146 employees have completed the Green Belt training, 11 employees have attended the Black Belt training and 204 projects were registered as of March 2015.

- **Engaging Our Employees**

The Group organised numerous employee engagements throughout 2014 to foster unity within the CCM Family. Activities included the CCMC Quarterly Employee Engagement Programme, Healthy Living Programme, Town Hall Sessions, Employees Speak Sessions and the Stick2Stix programme.

- **Upholding Workplace Integrity**

CCM rolled out several initiatives under our Integrity Unit which was established in November 2013. Group-wide efforts included the Group Integrity Quarterly Newsletter, a Group Certified Integrity Officer, a Group Empowering Integrity Series for all levels of the organisation and CCM's Integrity Hotline.

- **Ensuring Stringent SHE Implementation**

Our Chemicals, Pharmaceuticals and Fertilizers Divisions continue to implement stringent Safety, Health and Environment ("SHE") standards and regulations throughout their operations. Overall, the Group recorded better performance in 2014 as compared to 2013 in terms of safety and health matters.

- **Reinforcing Safety on all Fronts**

We reinforced safety measures throughout the Group by rolling out several effective initiatives. These included the Group's New Employee Safety, Health and Environment ("SHE") briefing, the Group/CCMC-PGW OHSAS 18001 for Safety and Health, the Group First Aiders training and a Group Mock Drill.

- **Showcasing Our Quality Efforts**

CCM held its 19th CCM Innovation and Quality (IQ) Convention in which a total of seven projects from the Chemicals, Fertilizers and Pharmaceuticals Divisions were showcased. Additionally, CCM Innovative Solutions Sdn. Bhd. and CCM Duopharma Biotech Berhad received certification for their ISO 9001:2008 QMS, while CCM Fertilizers Sdn. Bhd. received certification for its MS1900:2005 QMS from Islamic Perspectives.

- **Recognised for Our Good SHE Practices**

The Group received recognition for its good SHE performance and practices when CCM Chemicals Sdn. Bhd. received the following awards at the CICM 11th Responsible Care Awards:

- CICM Gold Award for Community Awareness & Emergency Response Code;
- CICM Gold Award for Distribution Code;
- CICM Silver Award for Process Safety Code;
- CICM Silver Award for Pollution Prevention Code; and
- CICM Silver Award for Employee, Health and Safety Code.