



Sustainability & CORPORATE RESPONSIBILITY



CCM's Corporate Responsibility is embedded within the Company's culture as we recognise the importance of integrating our business values and operations to meet the expectations of our shareholders. We strive to make a difference in the community that we operate in and continuously seek to enhance our corporate values and adopt ethical business practices with the ultimate aim of enhancing the quality of life.

As required under the Malaysian Code on Corporate Governance 2012, the Group has adopted the guidelines under the Securities Commission CSR Framework 2006 to achieve its sustainability objectives in the areas of Stakeholders and Marketplace expectations, Environment, Workplace Sustainability and Community Needs. The Corporate Sustainability Policy can be accessed from the Company's official website at www.ccemberhad.com.



ENVIRONMENT

Rakan Alam Sekitar

During the year in review, CCM once again collaborated with the Ministry of Natural Resources & Environment to promote awareness and educate the young on the importance of preserving the environment, particularly in conserving our rivers, through the *Program Rakan Alam Sekitar*. This was the first time the programme was held in Peninsular Malaysia after the inaugural programme in Pensiangan, Sabah in 2010.

In September 2012, we worked with the Parliamentary Constituent of Bukit Katil, Melaka to conserve the river at Taman Persisiran Sungai Tasik Utama, Ayer Keroh. Six schools in Melaka were chosen to participate in the programme, whereby students actively carried out activities such as monitoring water quality and testing the pH level of the river.

Sekolah Lestari

Sekolah Lestari is a joint collaboration project between the Department of Environment (DOE), Johor and CCM with SK Taman Pasir Putih chosen as the pioneer school under this programme. This programme inculcates environmental education through the incorporation of positive environmental values in school management, curriculum, co-curriculum and greening activities in a continuous manner towards the development as a way of life that is in line with the concept of sustainable development.

The programme involves the school community as a whole, with participation from local communities, government, private sector and non-governmental organisations. It also serves as a centre of learning and education that can assist both the school community and society towards a way of life that is sustainable through current and planned environmental activities.

Through this programme, SK Taman Pasir Putih has been nominated as one of the finalist representing the Johor state for the primary school category at the national level competition.

COMMUNITY

CCM PINTAR Programme

4 of CCM PINTAR Schools completed their 3-year term under the programme in mid 2012. SK Padang Jawa, Shah Alam, SK Padang Garong 2, Kota Bharu, SK Sungai Ramal Dalam, Bangi, and SK Sungai Tisang, Bintulu were each awarded a plaque from CCM to mark the end of their journey with us. As part of their final task, the schools were required to come up with ideas to upgrade their schools and executing them. Winning suggestions put forth include having their own 'Herb Land', building a new court, a covered assembly area and a walkway. The four schools were awarded RM20,000 each by CCM to execute their ideas.

A group of students from the CCM PINTAR programme also had the opportunity to visit CCM Pharmaceuticals in Bangi to learn about the manufacturing of pharmaceutical products and the processes involved. The students, aged 10-12, were able to view the packing machines at the viewing gallery and participated in indoor games focusing on teamwork.

Sahabat Korporat Tabung Haji Programme

The Group contributed 40,000 personal health kits to the pilgrims performing the Haj through the *Sahabat Korporat Tabung Haji* programme. These health kits are used to treat minor ailments that could arise during the course of their pilgrimage, and comprised our Halal-certified products such as *Flavettes Vitamin C*, *O-Fresh*, *Uphamol 650*, *Sloans Analgesic Rub*, *Eye Glo* and *Donna Glucosamine*.

13th MSAM, Sabah

Sabah was the location of the 13th Minggu Saham Amanah Malaysia (MSAM) where CCM set up a booth at the event. We took the opportunity to provide *Sahabat Sihat* and *Chat Diet* – free health checks and diet consultancy services for the visitors. It was also an ideal platform to promote our new online portal for buying CCM Pharmaceuticals' products. Overall our booth received an overwhelming response where all our pharmaceutical and fertilizers products were almost sold out by the end of the week.

PGM Tour

CCM extended its support for the growing PGM (Professional Golf of Malaysia) Tour with a sponsorship of RM200,000 to the PGM-CCM Impian Masters 2012. This was our second year supporting the fledgling PGM Tour, and our sponsorship was an expression of confidence in the growing success and prominence of PGM's 19-leg championship.

MARKETPLACE

CCM JATI Programme

In heeding the government's call to the industry to engage with local universities, CCM kicked-off the CCM JATI (Jalinan Universiti dan Industry) programme, with the aim of building and moulding entrepreneurial capacity among local pharmacy graduates. Our aim is to pioneer 500 new entrepreneurs in community pharmacy retail by 2020. This is in line with the Government's plans to license the dispensing of prescription medicines at the retail level. Students in this programme will be exposed to various aspects of marketing, business management, retail and Halal pharmaceuticals, through their interaction with CCM's experienced professionals and industry members.

In October 2012, we expanded our CCM JATI initiative, by successfully collaborating with Universiti Teknologi Mara (UiTM) following our strategic tie-ups with Universiti Sains Malaysia (USM) and Universiti Malaysia Sabah (UMS) previously. Through this, UiTM will identify 50 students annually from their Faculty of Pharmacy, to take part in the CCM JATI programme to prepare them for a future as community pharmacists.

MAHA International Show 2012

CCM was once again one of the exhibitors at the Malaysia Agriculture, Horticulture & Agrotourism (MAHA) International Show 2012, held at the Malaysia Agro Exposition Park, Serdang (MAEPS) from November 23-December 2. The 10-day event themed 'Agriculture Transformation through Innovation' featured product showcase achieved in the agriculture and agro based sector, through local and foreign technology and innovation. Both our Pharmaceuticals and Fertilizers Divisions took the opportunity to interact and promote their products to the visitors.

WORKPLACE

Employee Team Building

The Group's HR division organised several skills improvement workshops for our staff throughout the year, such as the *Microsoft Excel 2007 (Intermediate & Advanced)*, *Finance for Non-Finance Managers Workshop*, *Write It Right* – for employees to learn business writing skills, *Enhancing Your Professional Image for Success*, and many more. These were part of our efforts to develop the capabilities of our staff in various areas outside of their immediate job scopes. We view these additional skills as a necessary competitive advantage in today's business environment.

62 of our colleagues attended a 2-day workshop entitled, *Take Charge*, to learn how to build a mindset of improving quality of life. The activities focused on strengthening communication skills, effective listening and building positive relationships with people around us.



Sustainability & CORPORATE RESPONSIBILITY cont'd

The Pharmaceuticals Division's Committee Members (DCM) initiated team-building programmes for the employees to foster closer working relationships. Due to the size of the workforce, events will be staggered over the next two years covering smaller sized teams. The first Off-Site Team Building Programme for the Pharmaceuticals Division was held between 14-16 September 2012 with a total of 206 staff from Bangi, Klang and Innovax.

The Healthy Living Programme (HLP) Committee of CCM Pharmaceuticals in Bangi also held their annual 'Healthy Week 2012' in September 2012. The event featured talks, quizzes, games and activities by several organisations promoting healthy living. The event helped create awareness on healthy living and shed light on important issues through the talks.

New Year, New You

New Year New You (NY2) is a joint effort by Group Internal Audit, Group SHE and Group HR, to encourage all CCM employees to lead a healthier and more enriching lifestyle, in line with our motto 'Enhancing Quality of Life'. The 6-month programme, which kicked off in June 2012, saw 25 participants registered to embrace a healthier lifestyle.

An integral part of the programme is the personalised training session once a week for 25 weeks. The first Personal Training (PT) session included a weigh-in of the participants and readings by a Body Analysis & Weight Management Expert. Participants were also briefed on the food they should take and consequences of skipping meals. Other activities organised throughout the programme included aerobics, badminton and health talks.

Career & Education Fairs

On the career and education front, CCM took part in several career fairs and expos, including the second round of the *Graduan Career Fair*, *The Graduan Australia Recruitment Drive 2012* and the *Carnival Nusajaya – Career Expo*. The Graduan recruitment drive expanded our scope of recruiting young graduates from abroad, this time in Australia, and bringing the CCM brand to overseas students. CCM also lent its support to the celebration launch in Nusajaya by setting up a booth and introducing the visitors to various ways to help them enhance their quality of life.

Festive Celebrations

In celebrating the month of Ramadhan, CCM organised its 'Majlis Berbuka Puasa' with its employees. The occasion was also blessed with the presence of orphans aged from 5 to 10 years from Rumah Penyayang Hembusan Kasturi, Klang. Amidst the fun and feasting, the children were also given 'duit raya' from our Chairman, YBhg. Tan Sri Dato' Sri Hamad Kama Piah bin Che Othman.

Our Fertilizers and Chemicals Divisions also joined forces to organise their own 'Majlis Berbuka Puasa'. It was attended by employees and their families from both divisions, and students from SK Padang Jawa and Sek Amal Asnaf Al-Barakh, Banting. They also contributed to Masjid Al Solihin and Pusat Jagaan Lembaian Kasih (Tahfiz) from Sg. Penchala. All the Fertilizers' sites including Medan, Jakarta, Lahad Datu and Bintulu organised their own 'Majlis Berbuka Puasa' at their respective sites too.

Sports

10 November 2012 marked the grand finale of our 2012 KSCCM Sports Carnival. Showcasing the finest team spirit and sportsmanship, the various divisions worked hand-in-hand to vie for the Champion title. At the end, the victory went to CCM Duopharma for a second consecutive year.

Meanwhile, CCMC PGW Sports Club organised a badminton tournament as part of their sports carnival, along with other games such as futsal, table tennis, darts and carrom. We would also like to applaud our employees from CCM Agriculture (Sabah) Sdn. Bhd. who succeeded in scaling Mount Kinabalu, Sabah. We hope that this spirit of determination and sportsmanship will continue to permeate the CCM Group.