

Corporate Responsibility

Our corporate responsibility approach is strategically embedded within our business goals as we strive to make a difference in the community we operate in. With a keen focus on community welfare, environmental care and ensuring fairness to all our stakeholders, we continuously seek to enhance our corporate values and adopt ethical business practices in every aspect.

ENVIRONMENT

In the 10th Malaysia plan, valuing our environmental endowments has been identified as one of the ten main ideas for the country. In line with this, the Group places paramount importance on various environmental initiatives from water conservation to environment preservation in rural areas. One of the key efforts in this regard is the Rakan Alam Sekitar programme, launched in 2009 to promote community participation in keeping the environment clean and safe. This year, the programme continued to reach greater heights as over 400 students under the Pensiangan parliament constituency in Sabah gathered at SMK Tulid to be educated on various water preserving methods. Among others, activities included monitoring water quality and testing the river's pH level chemically through water samples and biologically through living organisms in the water using kits provided by the Department of Irrigation and Drainage. Additionally, exhibitions, quizzes and talks by various experts were held to provide students with further information and knowledge on

conservation of the environment and water sources. To ensure the continuous sustainability of this programme, the Group also contributed RM1,500 seed money to three schools namely SMK Tulid, SMK Nabawan II and SMK Sook in helping them to establish their own Kelab Rakan Alam Sekitar and carry out other environmental protection and conservation activities.

At the same time, the Sekolah Lestari programme, a joint collaboration project between CCM, Department of Environment and the Johor state government took place in February 2011 with the aim to inculcate environmental education through the incorporation of positive environmental values in school management, curriculum, co-curriculum and greening activities. Under this programme, SK Taman Pasir Putih, Johor, was chosen to be the pioneer school, working towards sustainability and ensuring the entire school community (teachers, students, parents and staff members) are environmentally aware and are doing their part for the environment each and every day.

COMMUNITY

The Group strongly believes in the power of education, especially for our future generation and for this reason, its community activities focuses on the development of the English language among primary school students in Malaysia. This year, five schools successfully completed the three-year PINTAR (Promoting Intelligence, Nurturing Talent and Advocating Responsibilities) school adoption programme. Befitting to its name, PINTAR is aimed at cultivating academic excellence, skill-building and leadership qualities, particularly amongst rural school children. The programmes included English communication classes, motivational camps, Newspaper in Education (NiE), education excellence awards, reference book donations and leadership programmes.

A regular on CCM's Corporate Responsibility ("CR") agenda, the CHAMPS National Spelling Competition kicked off its fifth year with 48 students from 13 states and 3 federal territories across Malaysia participating in the finals. Open to Malaysian students from Standard Four to Six, the competition was jointly organised by Knowledge Discovery Magazine, the Ministry of Education Malaysia and CCM Pharmaceuticals. This much awaited competition was aimed at encouraging students to enhance their spelling, vocabulary and English proficiency.

At the same time, the Group also focuses on recognising achievements, especially the children of the CCM Fertilizers' Golden Growers Club members who excel in their Sijil Pelajaran Malaysia (SPM) and Sijil Tinggi Persekolahan Malaysia (STPM)

examinations. Last year, CCM Fertilizers lauded the achievements of 26 SPM students and 4 STPM students with the Educational Excellence Awards for their outstanding results in their 2010 examinations. Since 1998, the Educational Excellence Awards have rewarded over 560 deserving students with the aim to positively encourage students to achieve academic excellence.

Another regular initiative on the CCM's CR agenda is its contribution of health kits to Malaysian pilgrims performing their Haj through the Sahabat Korporat Tabung Haji programme. Last year, CCM contributed 37,000 health kits valued at RM787,400. Since 2004, the Group has contributed over 306,000 health kits worth more than RM6 million, all with the aim to ease common ailments amongst pilgrims including headaches, muscular aches and eye irritation. To further strengthen its commitment in helping the pilgrims, CCM also participates in activities organised by Tabung Haji for pilgrims where the Group conducted briefings on its products in the given health kits and its appropriate usage which, when combined with our Halal compliant status, would give them an added peace of mind.

Other CCM community initiative included a humanitarian programme for Cambodian children where the Group contributed *CHAMPS D WORMS* product to 250 children from Preak Khdan Village, Cambodia. On the sports front, CCM sponsored a total of RM200,000 for the PGM-ADT-CCM Impian Classic 2011 Golf Tournament with the hope of grooming young talents and local champions.

MARKETPLACE

Following the Government's call to intensify collaboration between universities and industries, CCM teamed up with Universiti Sains Malaysia (USM) to pioneer 500 new entrepreneurs in community pharmaceutical retail by 2020. The initiative, aptly known as CCM JATI (Jalinan Universiti dan Industri) will see CCM's Pharmaceuticals Division and USM's

School of Pharmaceutical Sciences collaborating to identify 50 second year students and mould them to become a new generation of community pharmaceutical retail business entrepreneurs. 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 the various aspects of marketing, business management, retailing and Halal pharmaceuticals through interaction with experienced professionals from CCM and the industry.

Besides this, with global awareness on Halal products on the rise, CCM is proud to be a pioneer in promoting and advocating Halal in the industries beyond food and beverages. Year on year, the Group continues to reach out to the public and educate them on the sanctity and availability of its Halal products. As a testament to this, CCM received the Halal Recognition Award 2011 from the Halal Industry Development Corporation (HDC) to acknowledge the Group's effort in the Halal industry, especially in the pharmaceutical sector.

WORKPLACE

CCM strongly believes that the workforce is its most important asset and for this reason, the Group constantly emphasises the importance of building our employees' capabilities and skill sets. Employees are actively involved in various training and development programmes, all with the objective to build a secure and stable working environment. These programmes are also aimed at increasing job satisfaction and enhancing productivity. Among others, the SMILE Award was initiated to promote exemplary behavior amongst our employees that will directly reflect our Company's values. The award was inceptioned to recognise employees who go beyond their ordinary course of work to make a difference to their lives, the organisation or the community. SMILE is an excellent motivation for employees to pursue their passion and reach greater heights.

Additionally, a Customer Excellence Communication programme entitled "How to become an ARTist" was conducted across the CCM Group. The programme was aimed at enhancing awareness and understanding on customer excellence, besides creating awareness on the importance of customers, both internal and external, and their impact to the business performance.

Wide range of external programmes were also carried out to enable employees develop new skills, harness their critical thinking abilities and increase their knowledge and awareness on current events in the ever-changing business world.