

## Corporate Responsibility

CCM strongly believes in conducting our business responsibly by upholding ethical business standards and continuing to contribute to the economic, social and environmental development of the communities that we serve.

### *Environment*

In December, CCM's Chemicals Division collaborated with the Johor Department of Environment and various regulatory agencies to enact an emergency mock drill, led by the Malaysia-Singapore Joint Committee on the Environment (MSJCE) to test respective emergency response plans in dealing with accidents at the Malaysia-Singapore Second Link involving the transportation of hazardous chemicals. The exercise tested the state of preparedness and standard operating procedures in handling and bringing under control a potentially large environmental incident. Our Chemicals Division also organised a community awareness programme in conjunction with 'Q-SHE Week' to share information on the Division's Pasir Gudang Works operations, its products and commitment towards continuous improvement in the areas of Safety, Health and Environmental management.

In our attempt to create a better understanding on the importance of conserving the environment, we also conducted a biodiversity awareness campaign at Hutan Lipur Panti, Kota Tinggi, Johor involving students from SMK Taman Pasir Putih with the support of the Department Of Environment (DOE) and Johor Forestry Department. Under the theme, "Environmental Conservation for Sustainable Biodiversity", the campaign aimed to create awareness and educate the students on the importance of Malaysia's biodiversity and how climate change can have an impact on the environment.

### *Communities*

On the education front, we focused on the development of the English language and knowledge empowerment amongst students from seven primary schools in Penang, Kelantan, Johor, and the Klang Valley through our PINTAR (Promoting Intelligence, Nurturing Talent and Advocating Responsibilities) school adoption programme. The programme focused on implementing customised modules that suited each school such as motivational activities and tuition classes to encourage students' enthusiasm and interest in learning. The programme also aimed at cultivating academic excellence, skills building and leadership for the next generation as well as educational excellence particularly amongst

the less privileged communities. For example, Standard Two and Three students learned ways to improve their English through courses that helped them to gain self-confidence in using the language in their daily lives. To date, 3,700 students nationwide have benefitted from the PINTAR programme and CCM aims to motivate more students to achieve better academic performance in the future despite their underprivileged backgrounds.

CCM's CHAMPS brand sponsored the "Perak Spelling Day" which was jointly organised by *Knowledge Discovery* magazine and the Perak State Education Department, involving 130,000 students from 817 primary schools in Perak. Their participation in the country's second "Spelling Day" led them into the Malaysia Book of Records as the highest number of participants in a single spelling event.

The "*Knowledge Discovery-CHAMPS 3rd National Spelling Competition*" was held in October and jointly organised by *Knowledge Discovery* magazine and the Ministry of Education Malaysia with CHAMPS as the main sponsor. Aimed at strengthening the vocabulary and spelling skills of primary school students from Standard Four to Six, the event attracted 48 students from 13 states in the finals.

Our CHAMPS Educational School Programme was also voted winner of the 'Best Corporate Social Responsibility Project' award under the 'Best Halal Product' category by *The Halal Journal Awards 2009*.

We have always been committed to inculcate an interest in reading especially amongst rural school children and in 2009, we donated another RM30,000 worth of referral books on science, technology and health - our fourth annual contribution to 10 primary schools in Perak. Since the inception of this programme in 2006, 24,000 students from 37 rural schools in Perak have benefitted from CCM's contribution of 2,000 books in English and Bahasa Malaysia, including encyclopedia sets worth more than RM110,000. The donation provides rural school children equal opportunities as their urban peers to experience the joy of reading the latest books on science, health and technology.

The Group's corporate responsibility effort also leans towards sports development in Malaysia. In 2009, we contributed to the development of lawn bowling by donating RM150,000 to the *13th CCM Asia Pacific Bowls Championship 2009*. We also donated RM50,000 to the *Kriket Peringkat Antarabangsa 2009* tournament

and RM10,000 to the *Selangor Super Classic 2009* competition. The contribution would help to develop and promote these sports amongst the younger generation and assist in grooming potential players for international success.

One of the largest corporate responsibility initiatives undertaken by CCM is the contribution of personal health kits to help pilgrims preparing for the Haj on how to manage simple ailments such as headaches, muscular strain, eye irritation and sore throat through the *Sahabat Korporat Tabung Haji* programme. In 2009, we contributed 29,000 sets of personal health kits worth RM660,000 to Malaysian pilgrims as well as Singaporean and Bruneian pilgrims who received 2,500 and 2,000 sets respectively, worth over RM90,000. Since 2004, CCM has donated 233,000 health kits worth more than RM4.7 million in line with the Group's pledge to contribute towards the well being of Malaysian pilgrims.

In September 2009, Philippines was hit by *Typhoon Ketsana*. CCM's staff in Malaysia, Singapore and the Philippines collected PHP43,780 for our fellow colleague, Michelle Rubio, an office assistant and receptionist at the CCM office in the Philippines who was directly affected by the catastrophe. CCM Group of Companies also contributed RM10,000 to GMA Kapuso Foundation Inc. to extend further assistance to the flood victims and other humanitarian projects undertaken by the foundation.

#### Marketplace

As an advocate of the halal initiative, we emphasise the importance of preparing our halal certified products in the best possible manner, in terms of quality, pureness, cleanliness, safety and nutritional standards. In October, we contributed RM100,000 worth of halal pharmaceutical products to KPJ Healthcare Berhad's network, Waqaf An-Nur clinics. The joint effort enables us to leverage on KPJ Healthcare Berhad's network of Waqaf An-Nur clinics as a platform to sponsor halal ethical and over-the-counter (OTC) pharmaceutical products while providing medical services that are in line with Islamic principles. It also enhances awareness and addresses the demand for halal pharmaceutical products amongst Muslims.

In line with CCM's commitment towards spearheading the halal initiative, CCM was given the opportunity to present a paper on the latest global halal trends and challenges faced by the pharmaceutical industry at the *World Halal Forum 2009* and *World Halal Forum Europe 2009*. CCM also added another feather to

its cap when its children's supplements, *CHAMPS* won the 'Best Halal Product - Pharmaceuticals' at the *National Halal Conference 2009*. Our accomplishment proves that we are dedicated to provide consumers with health and wellness products that not only improve their quality of life but also fully adhere to strict Islamic values of safety, quality and hygiene throughout the entire manufacturing process. The award reaffirms our role in promoting the concept of corporate responsibility in our efforts to enrich the lives of the community that we serve.

CCM's Vendor Development Programme and Entrepreneur Development Programme were also successfully launched and helped us to achieve savings and create more value through operational cost reductions. At the same time, both programmes helped to develop better skilled and more competent Bumiputera vendors and suppliers.

#### Workplace

We believe that our corporate responsibility initiative stretches beyond our products and business practices. Each year, we conduct a variety of development programmes to help enhance employees' skills to give our staff the competitive edge in increasing their performance level. Subsequently, this helps to create an effective workforce which facilitates sustainable development in the long run.

The internal activities that were held in 2009 were training and development programmes including the home grown "CCM Outdoor Challenge" that involved all employees and workshops on human capital strategy, performance management system, strategic manpower planning, sales and marketing and also fire and rescue training. A CCM Leadership Development Programme was also carried out during the year for various levels of our management staff to equip them with the necessary skills and increase their competencies to face organisational challenges.

We also organised an on-going Healthy Lifestyle Campaign across the Group to create awareness on the importance of health amongst staff through exercise activities, health talks and health checks by various health organisations.

External trainings were also organised to expose employees to the external business environment, strengthen their understanding of current market trends and issues, and enhance their business networking across the industry.