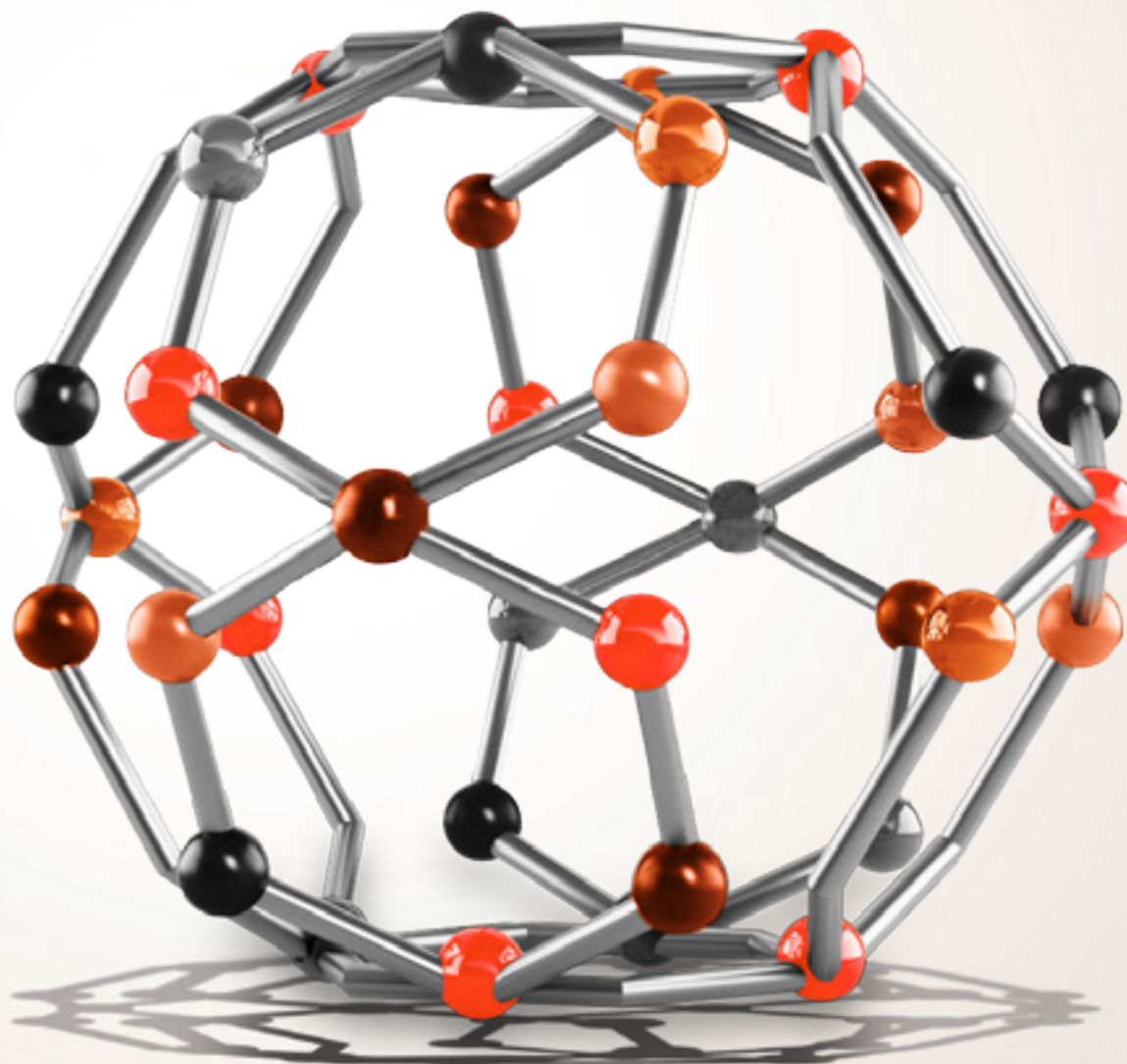




CCM DUOPHARMA
BIOTECH BERHAD
(524271-W)

BETTER LIVING THROUGH EXPERIENCE & TECHNOLOGY

SUSTAINABILITY REPORT 2015





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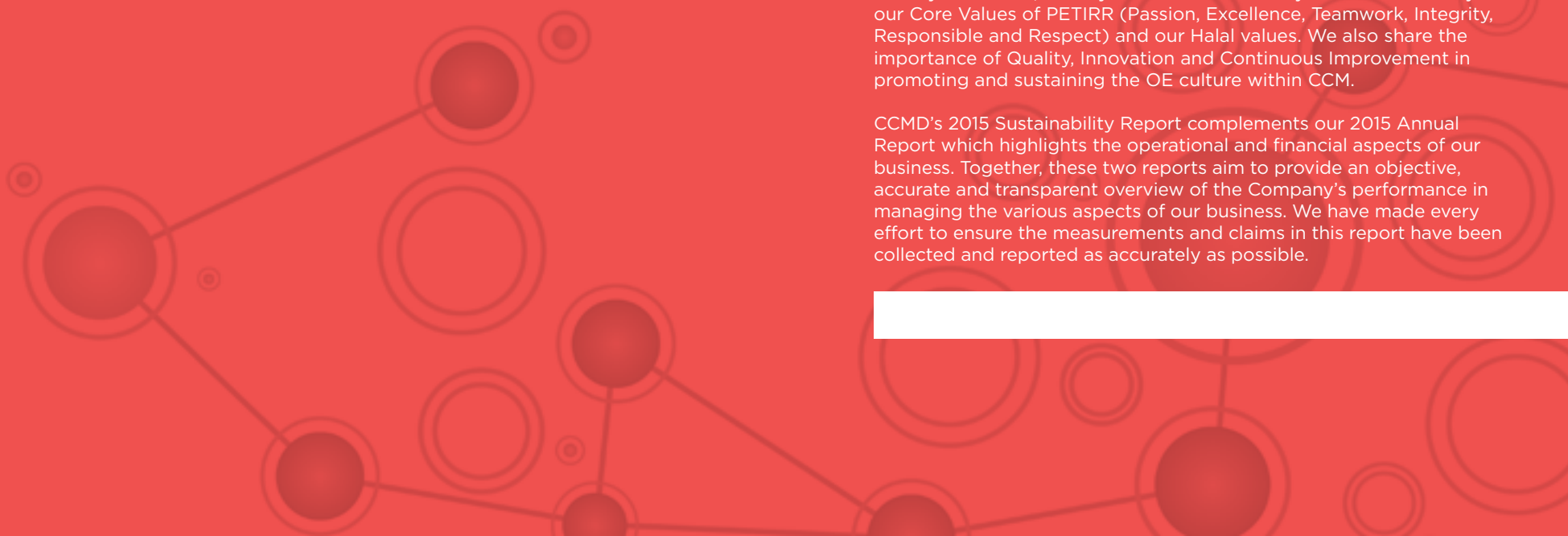
ABOUT THIS REPORT

CCM Duopharma Biotech Berhad (“CCMD”), a subsidiary of Chemical Company of Malaysia Berhad (“CCMB” or the “CCM Group”) recognises that the principles of responsible business and sustainability are key business drivers that differentiate our business. The CCMD 2015 Sustainability Report, our first standalone report, serves as a tool to demonstrate to our stakeholders and other interested parties how we undertook our operations in a responsible and sustainable manner throughout 2015.

This report is made available to all shareholders and key stakeholders (including business partners, regulators, industry groups, members of the media and communities) in digital format and can be downloaded from www.duopharma.com.my. This report covers the period 1 January to 31 December 2015 and highlights the business sustainability activities of CCMD headquartered at 13th Floor, Menara PNB, 201-A Jalan Tun Razak, 50400 Kuala Lumpur. It focuses only on our key sustainability activities in Peninsular Malaysia as well as provides insights into CCMD and the CCM Group’s strategic approach, key policies and governance structure pertaining to business sustainability. It also delves into the main Economic, Environmental and Social (“EES”) activities carried out under our sustainability mandate.

In our report, we touch upon the importance of Operational Excellence (“OE”) to our organisation and share highlights of the programmes in place to train, encourage and inculcate a mindset of Quality People, Quality Processes, Quality Products and Quality Services driven by our Core Values of PETIRR (Passion, Excellence, Teamwork, Integrity, Responsible and Respect) and our Halal values. We also share the importance of Quality, Innovation and Continuous Improvement in promoting and sustaining the OE culture within CCM.

CCMD’s 2015 Sustainability Report complements our 2015 Annual Report which highlights the operational and financial aspects of our business. Together, these two reports aim to provide an objective, accurate and transparent overview of the Company’s performance in managing the various aspects of our business. We have made every effort to ensure the measurements and claims in this report have been collected and reported as accurately as possible.



OUR VISION

Enhancing
Quality of Life

OUR MISSION

To be a responsible company committed to enhancing quality of life by providing sustainable solutions based on innovative sciences.

OUR POSITIONING

To be a Sustainable Business via Quality People, Quality Processes, Quality Products and Quality Services, all driven by the CCM Group's Core Values of PETIRR (Passion, Excellence, Teamwork, Integrity, Responsible and Respect) and our Halal values.

OUR MANUFACTURING FACILITIES

Our Malaysian plants are located in Bangi, Glenmarie and Klang in the state of Selangor Darul Ehsan.

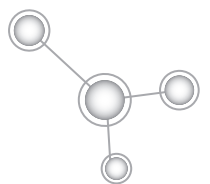
OUR WORKFORCE

we employ some

 **1,127**
employees

RECOGNITION

CCMD has received numerous awards on the Quality, Safety, Health and Environmental Management Systems front, as well as accolades from the Halal industry and customers such as the Guardian Pharmacy. We are the first pharmaceuticals company in the world to obtain the world's first Halal Pharmaceuticals Standard MS2424:2012, a feat that was recognised by the Malaysia Book of Records, the Global Islamic Economy Award and the Minority Shareholders Watchdog Group ("MSWG") Merit Award for Top Corporate Governance & Performance (Market Cap of RM300 million- RM1 billion).



ABOUT CCM DUOPHARMA BIOTECH BERHAD



IT'S ABOUT ENHANCING QUALITY OF LIFE

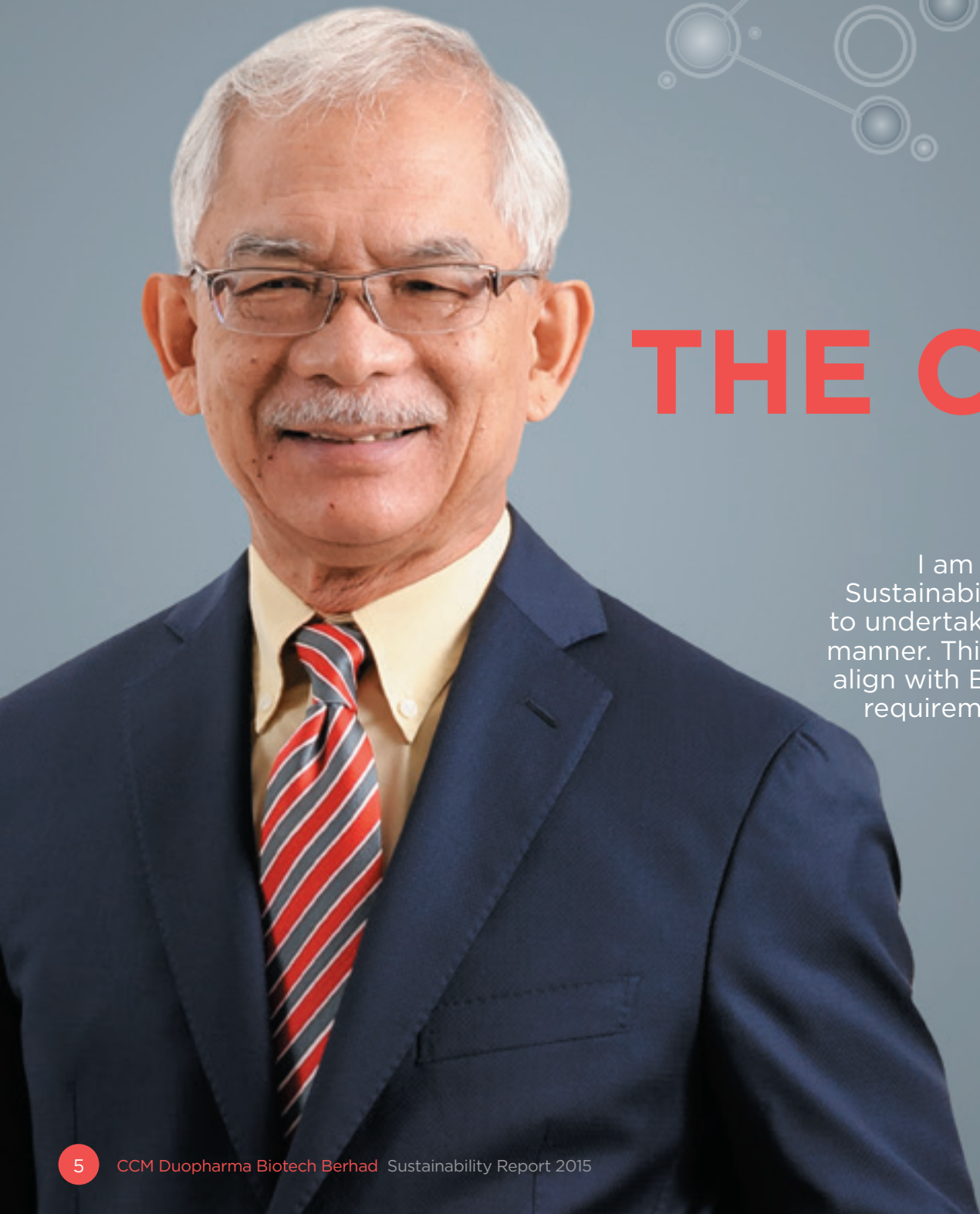


CCM Duopharma Biotech Berhad ("CCMD") is the leading Malaysian pharmaceutical manufacturer and a key regional player.

CCMD develops, manufactures and markets generic and Over-The-Counter pharmaceutical products. Our portfolio of products supports wellness for every stage of life from prevention to treatment and cure. We produce over 200 generic drugs, including our award winning medications such as *Omesec* and *Vascor*. Our range of Over-The-Counter brands such as *CHAMPS*, *Flavettes*, *Proviton* and *Naturalle* are well recognised and accepted by consumers in Malaysia and regionally.

Following the integration of six of our parent company's pharmaceutical units into CCMD's fold, we are today leveraging on an enhanced manufacturing capacity to bolster our product offering. We are also able to reap the benefits of emerging patent cliffs and increase our revenue base as more generic drugs become available for manufacture.

Going forward, we will focus our efforts on expanding into specialty drugs and the biotherapeutic sector as well as expanding our footprint in the ASEAN region.

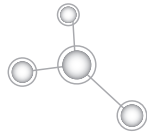


MESSAGE FROM THE CHAIRMAN

Dear Readers,

I am delighted to present CCMD's first standalone Sustainability Report which accentuates our dedication to undertaking business in a responsible and sustainable manner. This report represents our preliminary efforts to align with Bursa Malaysia's latest sustainability reporting requirements and we will be working hard to deliver a more comprehensive report over time.

MESSAGE FROM THE CHAIRMAN



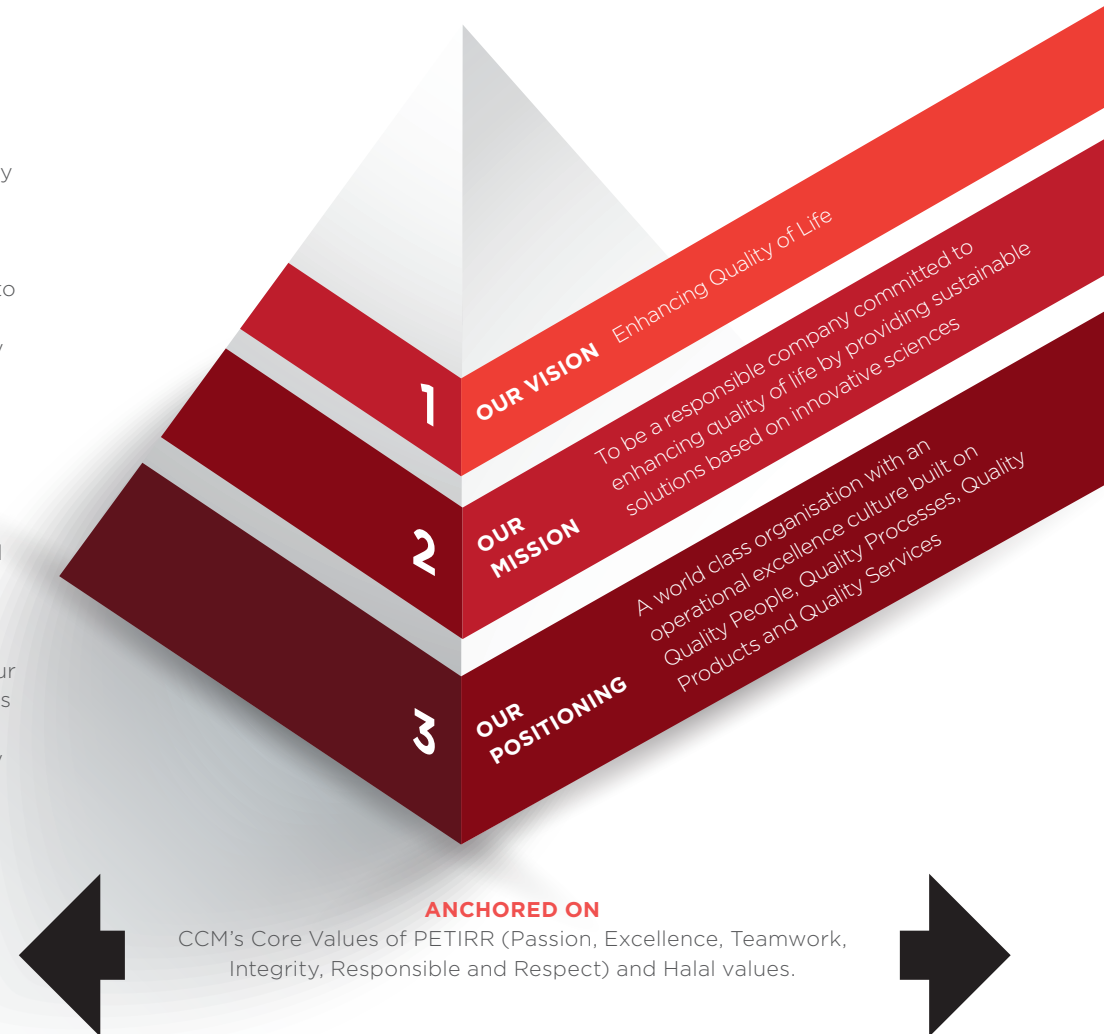
In alignment with the business sustainability agenda of our parent company, the CCM Group, we at CCMD, recognise that responsible business and sustainability go hand in hand and are the key drivers that differentiate our business from others. Clear goals translated into specific roles and responsibilities are at the heart of our corporate strategy. These are helping safeguard our long-term business profitability as well as enabling us to create a positive impact on our stakeholders, society and the environment.

The commitment towards sustainable growth is evident throughout all levels of our organisation. At the very top, the Board of Directors and Senior Management of CCMD recognise the importance of pursuing an agenda that upholds good economic, environmental and social (“EES”) practices. To this end, we have committed to investing in measures that promote the sustainable growth of our business and create value for our shareholders. On the ground, our employees carry out their everyday functions in a manner that makes a positive and sustainable impact on the EES front. With everyone throughout our organisation doing their bit to ensure responsible and sustainable behaviour, this has successfully safeguarded our reputation and strengthened shareholder value.

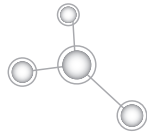
As we make solid strides forward as a business, we continue to be guided by our Vision of “Enhancing Quality of Life”, a mandate to find new ways to create a positive impact on the world around us. At the same time, we are driven by our Mission of “becoming a responsible company committed to enhancing quality of life by providing sustainable solutions based on innovative sciences”.

In 2015, we continued to work diligently to sustain our business with an operational excellence (“OE”) culture built on Quality People, Quality Processes, Quality Products and Quality Services. We also made good inroads in inculcating our Core Values of PETIRR (the acronym for Passion, Excellence, Teamwork, Integrity, Responsible and Respect) among our workforce. Simultaneously, we continued to leverage on our Halal values which advocate upholding the tenets of Quality, Safety, Hygiene and Continuous Improvement. I am pleased to say that our OE culture, together with our Core Values of PETIRR and Halal values, are doing much to propel us forward in our journey towards becoming a responsible and sustainable business.

CCM'S APPROACH TO DOING BUSINESS IN A RESPONSIBLE AND SUSTAINABLE MANNER



MESSAGE FROM THE CHAIRMAN



For the year under review, CCMD continued its efforts to enhance quality of life by rolling out effective Board-approved sustainability activities. The details of our sustainability activities encompassing EES best practices are spelt out in the respective sections of this Sustainability Report. This focus on implementing robust operational and financial performance, transparent environmental management, as well as effective social activities to benefit a whole spectrum of stakeholders, underscores CCMD's commitment to operate in the most cohesive, responsible and sustainable manner possible.

Going forward, we remain committed to developing a winning portfolio of sustainable pharmaceutical business and we will endeavour to build upon the firm foundations of our existing business. As we embrace 2016, we acknowledge that challenging times lay ahead for us. We are confident that as we leverage on our OE, PETIRR, Halal and EES initiatives, as well as other impactful strategies to strengthen our presence in Malaysia and the region, CCMD will remain resilient and profitable for years to come.

As we set our sights on enhancing our sustainability reporting (which is still at the formative stages) and strengthening our fundamentals for a sustainable future, we look to all our stakeholders to continue lending us their unwavering support. We trust that you will find CCMD's maiden standalone Sustainability Report an informative and interesting read.

Thank you.

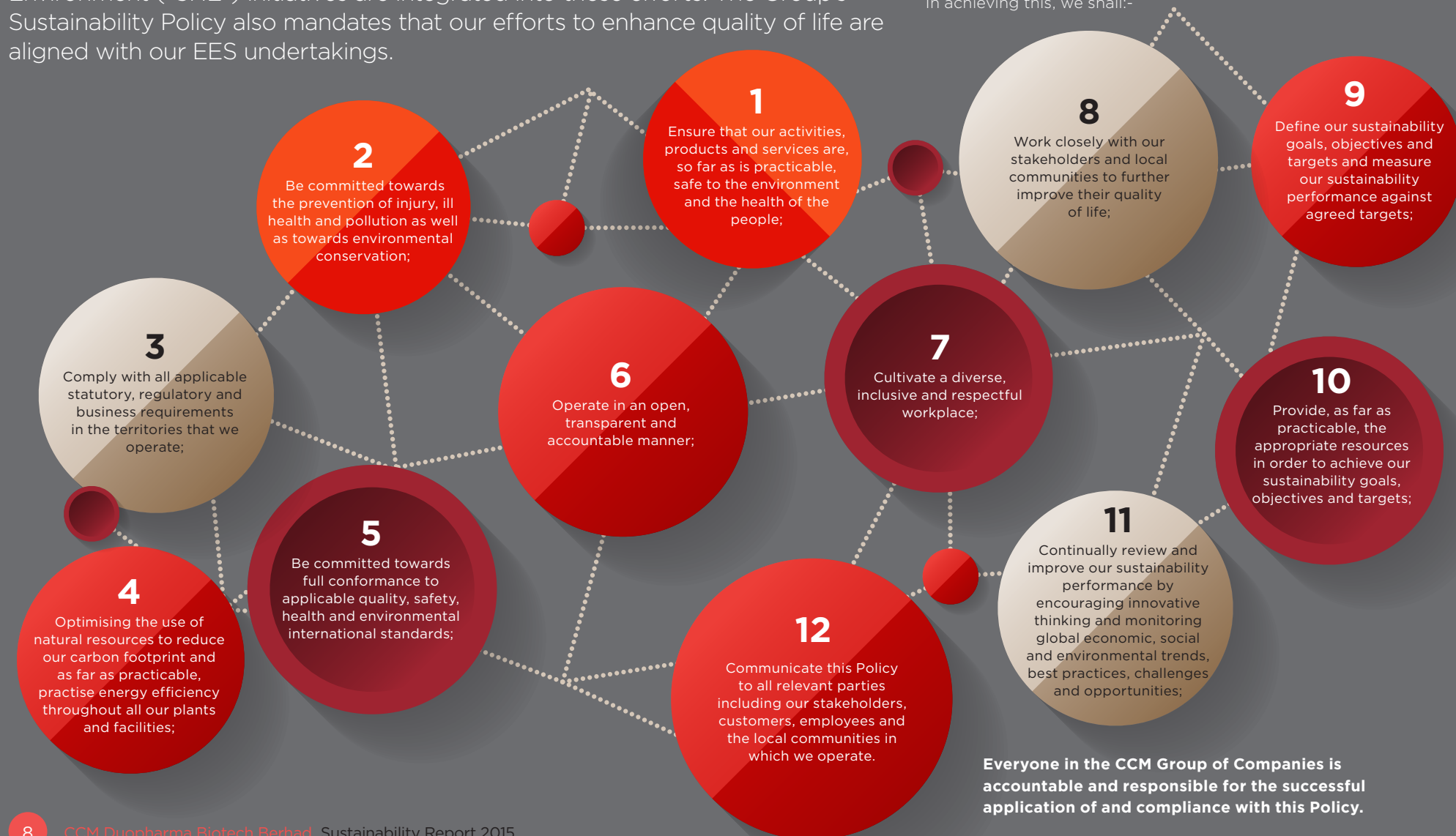
TAN SRI DR. ABU BAKAR BIN SULEIMAN
Chairman

OUR SUSTAINABILITY POLICY

CCM is committed to enhancing quality of life via a sustainable business model based on our OE, PETIRR Core Values and Halal values. As we implement these elements, we go out of our way to ensure stringent Safety, Health and Environment (“SHE”) initiatives are integrated into these efforts. The Group’s Sustainability Policy also mandates that our efforts to enhance quality of life are aligned with our EES undertakings.

In furtherance of our vision of enhancing quality of life, the CCM Group of Companies is committed towards achieving sustainability that will benefit our stakeholders, the environment, our people and the communities in the territories in which we operate.

In achieving this, we shall:-



Everyone in the CCM Group of Companies is accountable and responsible for the successful application of and compliance with this Policy.

KEY FINANCIAL AND SUSTAINABILITY INDICATORS



CONSOLIDATED BALANCE SHEET

(RM'000)	2014	2015
Non-Current Assets	115,623	279,100
Current Assets	106,854	354,346
Total Assets	222,477	633,446
Current Liabilities	23,347	74,712

Financed by:

Share Capital	69,739	139,478
Treasury Shares	(1,578)	–
Non-Distributable Reserves	13,720	193,483
Retained Profits	111,749	116,757
Shareholders' Funds	193,630	449,718
Deferred Tax Liabilities	5,500	5,207
Loan and Borrowing	–	103,809

CONSOLIDATED INCOME STATEMENT

(RM'000)	2014	2015
Turnover	176,961	269,794
Profit Before Taxation	46,501	47,829
Taxation	(11,226)	(11,438)
Profit After Taxation	35,275	36,391
Profit Attributable to Shareholders	35,275	36,391
Dividends	(24,294)	(31,383)
Transfer to Retained Profits	10,981	5,008

CARBON DIOXIDE EMISSIONS (CO₂e)

CO ₂ e (Metric Tonnes)	2014	2015
CCMD	16,854	17,447

TOTAL RECORDABLE CASE FREQUENCY ("TRCF")

KEY AREAS	2014	2015
No. of Fatality Cases	0	0
No. of Fines or Penalty	0	0
No. of LTI cases	1	2
No. of Recordable Cases	3	3
Lost Time Injury Frequency ("LTIF")	0.28	0.72
Total Recordable Case Frequency ("TRCF")	0.85	1.08
All Incidents	31	28
No. of Near Miss Cases	11	5

BUSINESS SUSTAINABILITY, GOVERNANCE AND RISK MANAGEMENT



To steer us on the right course in our sustainability endeavours, we have set in place the Group's Three-year Sustainability Roadmap that came into effect in 2015.

CCM'S THREE-YEAR SUSTAINABILITY ROADMAP (2015 – 2017)

YEAR 1 2015

- Leadership and Management commitment
- Realigning internal structure
- Gap Analysis
- Capacity Building via awareness, training and project implementation
- Develop framework for sustainable use of human capital
- Reporting

- Continue awareness campaign to build culture
- Intensify capacity building via training and project implementation
- Benchmarking with MNCs
- Implement framework for sustainable use of human capital
- Monitor and communicate results and advantages gained
- Reporting

YEAR 2 2016

YEAR 3 2017

- Maintain built capacity via framework
- Monitor, sustain and communicate
- Continuous Improvement work culture
- Healthy and Safety work culture
- Halal values/integrity work culture

BUSINESS SUSTAINABILITY, GOVERNANCE AND RISK MANAGEMENT



As we embarked on the first year of CCM's Three-year Sustainability Roadmap in 2015, we achieved these results:-

STATUS UPDATE: YEAR 1 OF THE SUSTAINABILITY ROADMAP

Leadership and Management commitment	<ul style="list-style-type: none"> Conducted Board of Directors training on Sustainability on 28 April 2015
Realigning internal structure	<ul style="list-style-type: none"> In progress
Gap analysis	<ul style="list-style-type: none"> Deferred to 2016
Capacity building via awareness, training and project implementation	<ul style="list-style-type: none"> Reached out to 484 CCMD employees out of 817 employees (YTD Dec 2015) via 27 Sustainability Awareness 101 briefing sessions conducted Group-wide Conducted 13 OE QC Tools classes for 106 employees Rolled out 3 Lean Six Sigma Green Belt training for 27 employees Inaugurated the Halal AQL Certified Industry Foundation Programme ("CIFP") Training with examinations for 16 CCM employees and 17 employees of CCM's Bumiputera Vendors Implemented 20 new OE improvement projects in addition to 63 existing completed projects, delivering RM28 million worth of productivity gains Group-wide Won 3rd place and recognition at the PNB Innovation & Quality ("IQ") Convention 2015 Incorporated training into CCM's Bumiputera Empowerment Agenda for employees Uplifted skills of employees
Develop framework for sustainable use of human capital	<ul style="list-style-type: none"> In progress
Reporting	<ul style="list-style-type: none"> Monthly reporting at internal Group Management Committee ("GMC") meetings Monthly Communication via internal <i>Sustainability News</i> Bi-monthly in-house newsletter, <i>Berita Kimia</i> On-going updates via CCM Intranet External reporting via Sustainability Report

While we made good progress in several areas in 2015, there is still much work to be done particularly in the way of conducting a gap analysis on business excellence. We are confident that as we leverage on our Three-year Sustainability Roadmap together with our PETIRR Core Values and Halal values, these will serve as growth drivers to take us closer towards achieving our Vision and Mission.

BUSINESS SUSTAINABILITY, GOVERNANCE AND RISK MANAGEMENT



GOOD GOVERNANCE AT CCMD

In tandem with ongoing efforts at the CCM Group level, CCMD is committed to upholding and implementing the highest standards of corporate governance throughout our organisation. Through stringent adherence to best practices in this area, we are bringing about the sustainable growth of our businesses, safeguarding our reputation and bolstering shareholders' value.

Recognising the importance of good corporate governance in the pursuit of quantifiable and sustainable success for the CCM Group as a whole, as well as to ensure continuous value creation for all our stakeholders, the Board of Directors at CCMD are tasked with driving governance matters. Today, this commitment to fostering a corporate culture with high standards of governance, integrity, transparency and accountability is underscored by the many effective initiatives we have in place.

CORPORATE INTEGRITY PLEDGE

In line with our emphasis on the need to uphold integrity throughout every level of our organisation, May 2014 saw the CCM Group becoming a party to the Malaysian Anti-Corruption Commission's ("MACC") Corporate Integrity Pledge ("CIP"). As a signatory to the pledge, we continue to uphold the Anti-Corruption Principles for corporations in Malaysia in all our business dealings with our business partners and the Government.

CODE OF CONDUCT

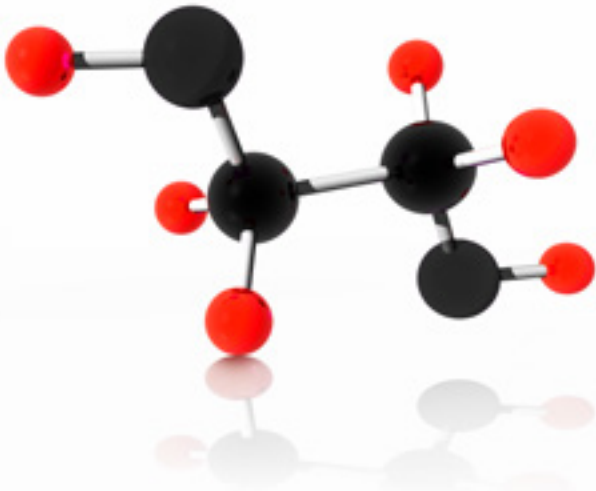
In all that we undertake, we strive to ensure that the Group's integrity and professional conduct are beyond reproach. As such, we have formalised ethical standards for our people through a Code of Conduct (the Code) and established the necessary mechanisms to ensure compliance. The Code mandates that our employees adhere to the ethical values and standards of conduct expected of them. Based on the Group's Vision, Mission and Core Values, it embodies the principles contained in various policies adopted by the Group and gives guidance on how employees and other people falling under the ambit of the Code should apply these to the Group's businesses and activities.

GROUP WHISTLE-BLOWING POLICY

The Group's Whistle-Blowing Policy provides an avenue for employees to report their concerns about any wrongdoing within the Group. These may cover unlawful conduct, financial malpractice or dangers to the public or the environment. The Policy makes it clear that such concerns can be raised without fear of victimisation, recrimination, discrimination or disadvantage to the employee reporting the concern. It provides a formal channel to encourage and enable employees to report serious concerns so that such concerns can be properly addressed. Today, whistle-blowers are able to email their concerns to the CCM Integrity Hotline via ccmintegrity@gmail.com.

INTEGRITY UNIT

To strengthen the Group's corporate governance practices and ethical standards, an Integrity Unit was established to manage integrity issues within our organisation. Set up in September 2013, the Integrity Unit comes under the purview of the CCM Group Audit and Compliance Committee.



BUSINESS SUSTAINABILITY, GOVERNANCE AND RISK MANAGEMENT



LEGAL COMPLIANCE

The CCM Group Legal Department ensures that the Group's businesses are conducted in accordance with applicable laws and regulations. The year 2015 saw a number of new legal requirements come into force. Our Legal team conducted legal awareness training and knowledge sharing sessions for all employees of the CCM Group on topics ranging from intellectual property, confidentiality obligations, personal data protection, competition law and basic contracts.

To facilitate sustainability in our business operations and improve efficiency in preparation of selected agreements, the CCM Group Legal Department developed several document templates for adoption by the Group including those relating to non-disclosure agreements and consultancy agreements.

PDPA POLICY

With the implementation of the Personal Data Protection Act ("PDPA") Policy, the CCM Group Legal Department carried out refresher education on the PDPA Policy to reinforce compliance across the CCM Group.

COMPETITION ACT

The CCM Group Legal Department also carried out refresher training pursuant to the implementation of the Competition Law and Compliance Policy.

PROFIT CONTROL AND ANTI-PROFITEERING ACT 2011

Following the introduction of the Goods & Services Tax Act 2014 and the corresponding Profit Control and Anti-Profiteering Act 2011 ("PCAPA"), awareness training sessions were conducted to ensure that the Group's businesses comply with the PCAPA.

RISK MANAGEMENT AT CCMD

Risk Management is an essential component of our business and we are committed to implementing effective risk management practices to mitigate the various risks that may affect CCMD and the CCM Group. Today, various risk management elements are in place throughout our organisation to safeguard our operations, reputation and shareholder value.

AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC")

The CCMD Board through the ARMC determines the level of risk tolerance and actively identifies, assesses and monitors key business risks to preserve shareholders' investment and the Company's assets.



BUSINESS SUSTAINABILITY, GOVERNANCE AND RISK MANAGEMENT



ENTERPRISE RISK MANAGEMENT (“ERM”) FRAMEWORK

To manage risks effectively, the Board at CCMD has developed an ERM Framework for the Group in line with the universally accepted standard ISO 31000 for Risk Management.

RISK MANAGEMENT POLICY

This policy mandates that the Group implement an effective risk management programme and control system to ensure the Group meets all its business objectives.

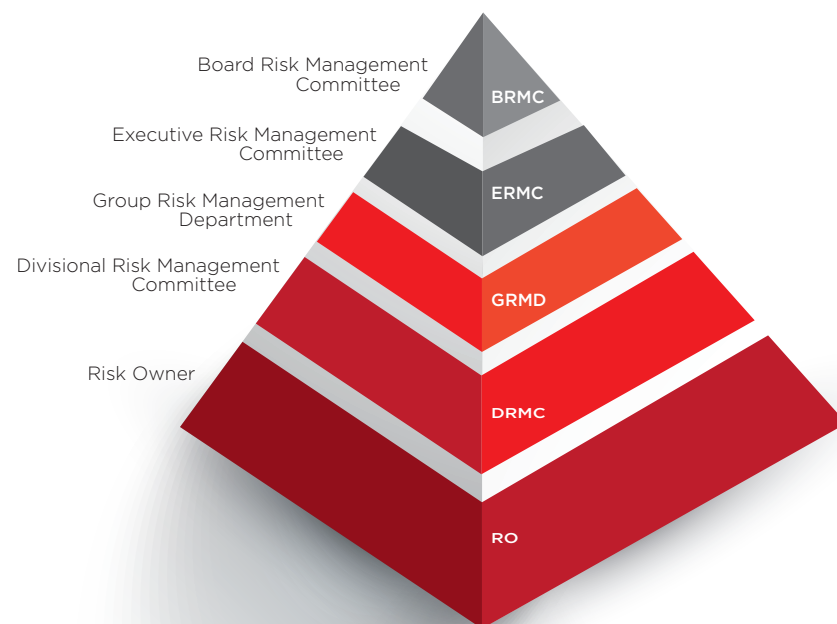
RISK MANAGEMENT STRUCTURE

This structure provides the framework for assigning responsibilities and facilitating risk management processes from the transactional level right up to the Board of Directors level.

KEY RISKS

To date, we have identified risks in several key areas. Their impact on CCMD and the actions required to mitigate these risks are as follows:-

KEY AREAS	RISK	DESCRIPTION	MITIGATION MEASURES
Operational	Talent Management and Succession Planning	Successful execution of talent management and succession planning programmes are critical for the organisation in order to attract and groom talents for sustainable growth of the organisation.	Ongoing development of the Talent Management Framework and the Leadership Competency Model.
	Large Capital Expenditure (“CAPEX”) spend over the next 5 years	CCMD is investing in high CAPEX for its pharmaceuticals manufacturing sites over the next few years to ensure CCMD remains relevant in the future.	Ensure proper project management monitoring and reporting.
External	Impact of Trans-Pacific Partnership Agreement (“TPPA”)	Pharmaceutical manufacturers to be impacted due to changes in intellectual property protection for drugs. Bumiputera companies to be impacted due to changes in flexibility and competitiveness.	Active monitoring and assessment of TPPA development to ensure the associated risks are properly addressed and the Company is able to capitalise on potential business opportunities.
	Depreciation of the Malaysian Ringgit against the US Dollar	Ringgit depreciation is significantly impacting on our businesses both on the operational costs and CAPEX projects.	<ul style="list-style-type: none"> A hedging strategy to minimise FOREX losses. Close monitoring of the FOREX market including watching economic data and engaging with panel bankers for views and opinions on the outlook for FOREX.



STAKEHOLDER ENGAGEMENT



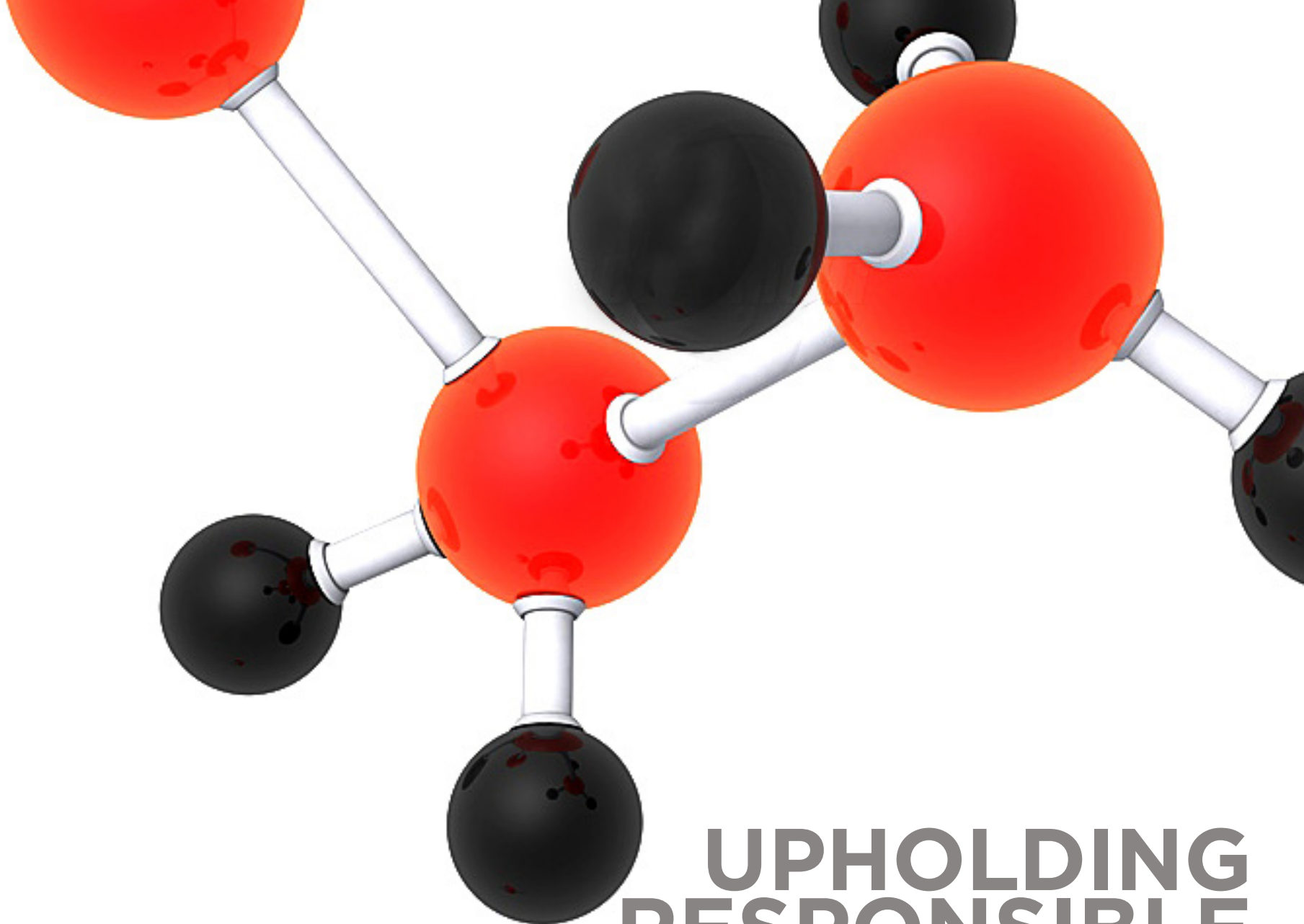
As CCMD's businesses and marketplace evolve, we are finding ourselves interacting with a growing number of different stakeholder groups. Effective engagement with our stakeholders at CCMD helps us to address and respond to their diverse expectations and changing needs.

We engage with diverse audiences at different levels on a regular basis and in many ways through a host of platforms. These include our corporate website, social media, market research and surveys, forums, briefings, meetings and publications. These are also proving to be effective means to communicate to our diverse stakeholders how we are delivering a balanced growth in a responsible and sustainable manner.

The Stakeholder Engagement Matrix below spells out the stakeholder engagement activities that we undertook in 2015, many of which are ongoing:-

STAKEHOLDER	KEY AREA OF FOCUS	PLATFORMS AND TOOLS UTILISED
Shareholders and Investors	Business direction of CCMD and key corporate developments	<ul style="list-style-type: none"> Announcements on Bursa Malaysia and CCMD's corporate website Investor roadshows and updates/fund analysts' briefings Annual General Meeting/Extraordinary General Meeting Annual Report
Customers and Local Communities	Transparent and high quality products and services/communities development and enrichment	<ul style="list-style-type: none"> Continuous Medical Education ("CME") sessions for the medical fraternity Branding-cum-education opportunities (e.g. <i>CHAMPS</i> Story Telling Competitions for pre-schoolers) CCM JATI entrepreneur programme for pharmacy students in public universities CCM PINTAR Programme for schools in rural areas Program Sahabat Korporat Tabung Haji in support of Malaysian Haj pilgrims CCM Invitational Pro-Am Golf tournament with customers in conjunction with the PGM CCM Rahman Putra Championship Minggu Saham Amanah Malaysia ("MSAM") exhibition
Industry Peers	Knowledge sharing, stewardship and networking	<ul style="list-style-type: none"> Participation in industry forums, conferences, dialogue, exhibitions, networking events at both the national and international levels CCM played host to H.E. Tan Sri Iyad Ameen Madani, Secretary General of the Organisation of Islamic Cooperation ("OIC") during his official visit to CCM's Bangi plant
Government/Regulatory Authorities	Compliance, strong relationships, industry stewardship	<ul style="list-style-type: none"> Meetings, dialogues and updates Partnerships in initiatives including support of the PEMANDU Global Transformation Forum as a Bronze sponsor Strong representation in The Malaysian Organisation of Pharmaceutical Industries ("MOPI")
Employees	HR Management	<ul style="list-style-type: none"> Regular communication via email blasts and the company intranet, monthly internal publication <i>Sustainability News</i>, bi-monthly <i>Berita Kimia</i> newsletter Townhall meetings Training and development initiatives Social activities including family days and Kelab Sukan CCM activities Employee Engagement Survey Voluntary welfare and charity activities organised by CCM "PEERS" Committee
Suppliers	Procurement, transparency and development	<ul style="list-style-type: none"> Bumiputera Vendor Development Programme ("BVDP") Group Procurement Policy and procurement system

STAKEHOLDER ENGAGEMENT MATRIX



UPHOLDING RESPONSIBLE **ECONOMIC PRACTICES**

UPHOLDING RESPONSIBLE ECONOMIC PRACTICES



STRENGTHENING OUR MARKETPLACE ECOSYSTEM

Recognising that the total marketplace ecosystem is important to the success of our business, we continue to engage in activities that are helping us to establish and nurture lasting bonds with our industry peers, suppliers, customers and other stakeholders in the marketplace.

INTENSIFYING INDUSTRY EFFORTS

CCMD plays a commendable role to bolster industry efforts on the national Halal agenda through our active involvement in the development of Halal standards for pharmaceutical products. CCMD assisted with the development of the Halal Strategic document for the 11th Malaysia Plan ("RMK11") by participating in various workshops and technical working groups led by the Halal Industry Development Corporation ("HDC").

We are also helping to drive the Halal Pharmaceuticals sector as a member of the Technical Committee for Halal Pharmaceuticals chaired by the Department of Standards Malaysia, Ministry of Science, Technology and Innovation ("MOSTI") and Dasar Ubat Nasional ("DUNas"), Technical Committee for Halal Pharmaceuticals chaired by the Ministry of Health ("MOH").

CCMD continues to serve as an Executive Council member of the Malaysian Organisation of Pharmaceutical Industries ("MOPI"). Under our mandate of optimising patient outcomes in primary care, we provided a platform for healthcare professionals on a continuous basis through our Continuous Medical Education ("CME") initiatives that keep this group abreast of treatment updates and disease management. Health awareness activities were also conducted for the public in conjunction with World Diabetes Day.

BACKING LOCAL BUSINESSES

As a subsidiary of one of the top 20 Government-Linked Companies ("GLC") in the country, CCMD is a key player in the pharmaceuticals arena. CCMD, together with its parent company, CCMB, are well positioned to support the Government's efforts to establish a Bumiputera Commercial and Industrial Community ("BCIC") under the National Development Policy. Through the CCM Bumiputera Vendor Development Programme ("BVDP"), we are helping to create capable Bumiputera entrepreneurs who are reliable and competitive in delivering their products and services.

In July 2015, the CCM Group took a commitment on BVDP by signing a Memorandum of Understanding ("MOU") with Small Medium Enterprise Development Bank Malaysia Berhad ("SME Bank"). The MOU outlines a three-year collaborative effort to develop capable Bumiputera vendors. SME Bank will offer financial assistance to eligible SMEs within the Group's business ecosystem while its subsidiary, the Centre for Entrepreneur Development and Research ("CEDAR"), will play its part by providing entrepreneur development training to the vendors under the BVDP.

To date, 13 companies have been identified and accorded training as well as networking opportunities with professionals from CCMD and various industries. Upon graduating from the programme with all KPIs met, each vendor will be recognised as a "CCM Preferred Vendor" and will have greater opportunities to secure future projects with the Group. These companies will also be given the opportunity to be part of the programme under the Ministry of International Trade & Industry ("MITI") to develop national, regional and global champions by 2020.

EXPANDING OUR SPHERE OF INFLUENCE

Over the course of 2015, CCMD continued to participate in various exhibitions and conferences to network, promote the CCMD brand and products, as well as to expand our sphere of influence.

In tandem with the CCM Group's efforts, CCMD participated in events such as Minggu Saham Amanah Malaysia ("MSAM") 2015, the GLC Open Day Programme which showcased GLC success stories, as well as investor relation talks. The MSAM 2015 event marked the 11th year of the CCM Group's involvement with the exhibition that serves as a platform to showcase and promote the CCM Group and its products as well as generate interest in the unit trust products of its parent company, Permodalan Nasional Berhad ("PNB").

CCMD also participated at the CPhI Worldwide Exhibition held in Madrid, Spain to showcase our product offerings and to establish business relationships with global pharmaceutical players.

SOLID PROGRESS ON THE HALAL FRONT

In 2015, we participated in the Group's efforts to showcase its Halal products and services in the global arena through our participation in the World Halal Conference ("WHC") 2015, the Malaysia International Halal Showcase ("MIHAS") 2015 and the 11th World Islamic Economic Forum ("WIEF"). These events served as platforms to promote our innovative range of Halal pharmaceutical products to a wider group of global consumers, as well as gave us the opportunity to highlight the trade and investment opportunities available within the Group.

UPHOLDING RESPONSIBLE ECONOMIC PRACTICES



Halal Excellence Award

In recognition of our continued commitment to Halal for more than 15 years, the CCM Group was the sole recipient of the esteemed Halal Excellence Award 2015 presented by the Halal Industry Development Corporation (“HDC”) at the World Halal Conference 2015. The award recognises both individuals and organisations that have made exceptional contributions and achievements for the development of the overall Halal industry.



Global Islamic Economy Award

The CCM Group continued its winning streak in the Halal arena to secure the prestigious Global Islamic Economy Award in the Food and Health category at the Global Islamic Economy Summit in Dubai, United Arab Emirates. The integrity and credibility of the award was managed independently by Thomson Reuters, audited by Deloitte and adjudicated by an esteemed panel of 11 judges.



CCMD also had the privilege of playing host to H.E. Tan Sri Iyad Ameen Madani, the Secretary General of the Organisation of Islamic Cooperation (“OIC”) upon his visit to see first-hand the production of Halal pharmaceutical products at our facility in Bangi.

CCMD’s spokespersons were also invited to impart their Halal expertise and conduct talks on the local and international fronts. The year also saw us engaging with Halal industry stakeholder via visits to Jabatan Agama Johor (“JAJ”), SIRIM QAS International Sdn Bhd and the Halal Hub of the Department of Islamic Development in Malaysia (“JAKIM”). The Group’s representatives were also appointed to sit on the Halal Professional Board which was newly set up to monitor the supervisory training development of the Halal industry.

KNOWLEDGE SHARING & ENGAGEMENT ACTIVITIES

Over the course of 2015, CCM representatives were invited to impart knowledge to various organisations and stakeholders. We conducted various Continuous Medical Education (“CME”) sessions for the medical fraternity as well as health awareness activities for the public community in conjunction with the World Diabetes Day. We also held Halal Awareness talks for participants from other industries and within the mentor-mentee programmes that we ran with other organisations.

UPHOLDING RESPONSIBLE ECONOMIC PRACTICES



ELEVATING OPERATIONAL EXCELLENCE

The Group has always been a strong advocate of Operational Excellence (“OE”) tools and in 2015, we took our OE efforts up several notches. In 2015, the Group expanded its OE training to include Quality Control (“QC”) Tools and the Plan-Do-Check-Act (“PDCA”) improvement methodology for the wider CCM population. As at end 2015, a total of 13 OE-QC Tools classes had been conducted with 106 employees from CCMD trained. The year also saw 3 Lean Six Sigma Green Belt classes conducted with a total of 27 employees trained. Under our Lean Six Sigma programme that was introduced in May 2012, 87 employees from CCMD out of a total of 191 employees across the Group have completed the Green Belt training to date with 13 employees certified, while 5 employees have attended the more in-depth Black Belt training.

As of 31 December 2015, a total of 35 OE projects in CCMD had been completed and the productivity gain tracked in all areas of operations. These projects were conducted in all areas including plant operations and maintenance, supply chain management, logistics and warehousing, sales and marketing as well as support services such as finance, human resource and information technology. In 2015, the OE programme contributed savings and productivity gains of RM10.03 million. All in all, the programme has generated annualised savings amounting to RM26.34 million since June 2012.

The nurturing of an OE culture among our people has not only brought about significant savings and productivity gains, it has helped instill a mindset of continuous improvement amongst them. As we move forward, we will continue to inculcate an OE culture throughout our organisation to strengthen internal processes that will ultimately enable us to sustain our market leadership position and business growth.

CCM IQ Convention



STEADFASTLY FOCUSED ON INNOVATION AND QUALITY

In September 2015, the CCM Group held its 20th CCM Innovation and Quality (“IQ”) Convention. This event served as a platform for our people to showcase the various improvement projects undertaken within the Group amidst an atmosphere of friendly competition. At the 2015 CCM IQ Convention, teams from the CCM Group presented seven projects which demonstrated how they were leveraging on OE tools such as the Lean Six Sigma methodology as well as the PDCA, Fishbone Diagram and Root Cause Analysis. The CCMD team emerged as the overall winner of the CCM IQ Convention and represented the CCM Group at the PNB Innovation and Quality Convention in November 2015 where they won the third prize and had the distinction of joining the ranks of first and second place heavyweights, Sime Darby Plantations and Maybank.



PNB IQ Convention

UPHOLDING RESPONSIBLE ECONOMIC PRACTICES



RESEARCH, INNOVATION AND ACCREDITATION

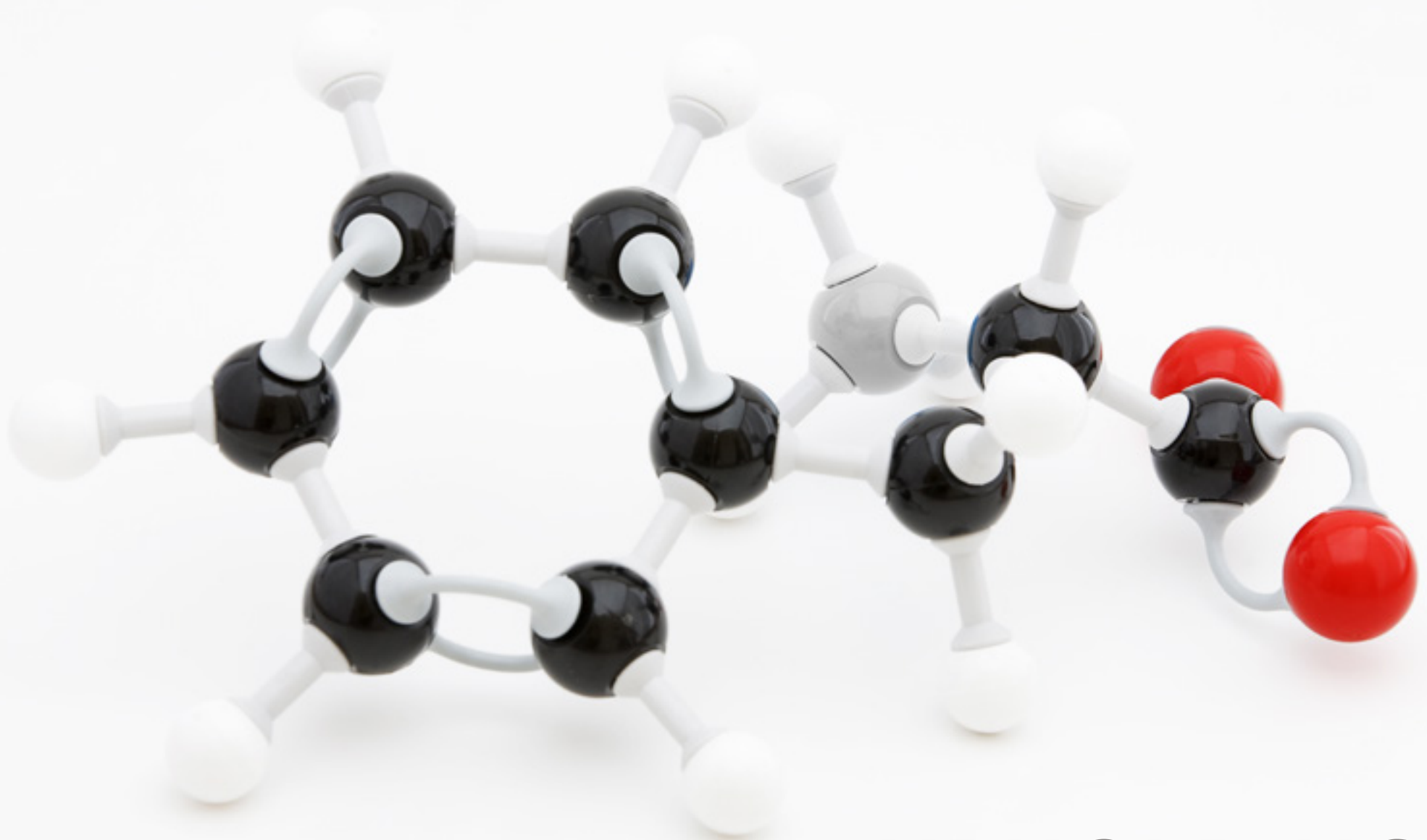
As the pharmaceuticals industry continues to evolve, CCMD continues to undertake extensive research and development as an integral aspect of our business. We continue to develop internal competencies and synergies on the methodologies and approaches to ensure a stream of new generics for our future plans.

CCMD also works actively with universities and collaborates with third party research and formulation organisations to help develop innovations that improve our current product offering. We also constantly endeavour to ensure that our facilities fully comply with international standards. To date, CCMD has been accredited with the ISO 9001:2008 Quality Management System and ISO 13485:2003 Quality Management System for Medical Devices.

MARKETPLACE AWARDS AND ACCOLADES

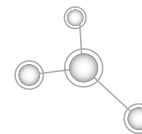
The year 2015 marked another year of achievement for CCMD as reflected in the recognition that we received in the marketplace:-

NO.	RECIPIENTS	AWARD RECEIVED	AWARD PROVIDER
1	Chemical Company of Malaysia Berhad	Halal Excellence Award 2015	Halal Industry Development Corporation ("HDC")
2	Chemical Company of Malaysia Berhad	Global Islamic Economy Award 2015 under Food & Health Category	Global Islamic Economy Summit 2015 organised by Dubai Chamber of Commerce & Industry and Thomson Reuters
3	CCM Pharmaceuticals Sdn Bhd	Guardian Teens' Choice Award 2015	Guardian Health And Beauty Sdn Bhd
4	CCM Duopharma Biotech Berhad	Merit Award for Top Corporate Governance & Performance (Market Cap RM300 mil to RM1 bil)	Minority Shareholders Watchdog Group ("MSWG")
5	Upha Pharmaceutical Manufacturing (M) Sdn Bhd	ISO 9001:2008	TUV SUD Asia Pacific
6	Upha Pharmaceutical Manufacturing (M) Sdn Bhd	Good Distribution Practice for Medical Device ("GDPMD")	TUV SUD Asia Pacific



UPHOLDING RESPONSIBLE ENVIRONMENTAL PRACTICES

UPHOLDING RESPONSIBLE ENVIRONMENTAL PRACTICES



PRESERVING THE ENVIRONMENT

CCMD is committed to preserving the environment that we operate in is evident in the array of effective operational practices that we have implemented to date to reduce our environmental footprint. We shall continue to ride on the CCM Group's initiatives on its environmental programmes with stakeholders on community-centred initiatives.

EMBEDDING SUSTAINABLE OPERATIONAL PRACTICES

As part of efforts to promote sustainable environmental practices on a Group-wide basis, we continue to tap proven practices such as the E3R (Eliminate, Reuse, Reduce, Recycle) initiative to mitigate our dependency on natural resources. To date, our employees have done away with plastic water bottles and styrofoam cups, and are utilising mugs instead. Employees are also mindful of recycling paper and reducing electricity consumption in the course of their work.

To reduce our carbon footprint, CCMD continues to measure carbon dioxide emissions (CO₂e) from our operations. For the year in review, we recorded an overall CO₂e count of 17,447 metric tonnes (MT), a 3.5% increase from the previous year (2014: 16,854 MT). This increase was due to additional production to meet the demand of our pharmaceutical products.

RUNNING FOR THE ENVIRONMENT

As part of the CCM Group's mandate to protect the environment, 39 of CCMD's employees joined the CCM Group team in the Chemical Industries Council of Malaysia ("CICM") Responsible Care Run at Taman Bukit Cahaya in Shah Alam, Selangor Darul Ehsan and also a team to the Pertubuhan Pelindung Khazanah ("PEKA") Save our Rainforest Race held at Hutan Lipur Kuala Woh, Tapah, Perak Darul Ridzuan.





UPHOLDING RESPONSIBLE SOCIAL PRACTICES

UPHOLDING RESPONSIBLE SOCIAL PRACTICES



As part of our efforts to uphold responsible social practices, CCMD is committed to carrying out effective practices and programmes that seek to strengthen the workplace, keep our stakeholders and businesses safe, as well as enrich the communities we operate in.

STRENGTHENING OUR WORKPLACE

CCMD Workforce

Our employees are the driving force behind our success and in 2015, we continued to roll out a host of initiatives empowering our employees to achieve their very best on the professional and personal levels. We also conducted activities throughout the year to ensure a good employee work-life balance and a holistic work-life.

As at 31 December 2015, CCMD's workforce was 1127 employees (2014: 478 employees). The male to female ratio of employees stood at 48:52 (2014: 52:48) while our executive and non-executive employee levels stood at 43:57 (2014: 14:86).

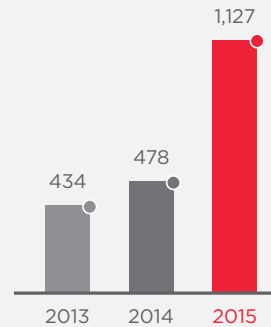
Our Stand On Diversity

CCMD's workforce comprises talented and distinct individuals reflecting the diversity of the Malaysian population. Our diversity is our strength and we regard this as an invaluable trait when serving the varied needs of the marketplace. We remain committed to promoting equal opportunities and fostering diversity and inclusiveness both in our workplace and marketplace. In line with this, policies and business initiatives such as recruitment, retention, training and development, as well as our sponsored corporate and social activities, are all carried out in a manner that does not discriminate against ethnicity, gender, age, disability or status.

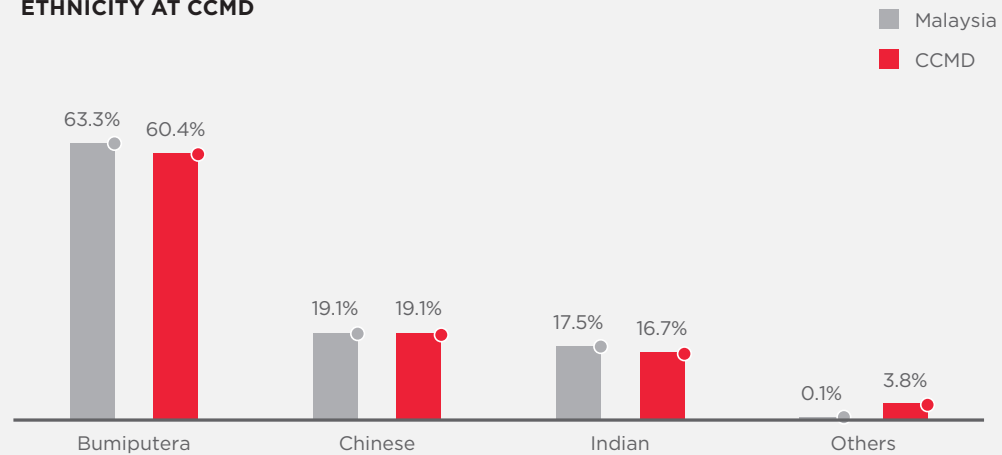
As an equal opportunity employer, CCMD employs, appoints, promotes, develops and rewards its employees through the principles of meritocracy and fairness. We are committed to hiring and promoting people based on defined criteria that aligns with local legislation. All these measures ensure that the CCMD family remains a well-balanced, safe and harmonious one.

The following charts show the composition of CCMD's diverse workforce as at 31 December 2015:-

TOTAL NUMBER OF EMPLOYEES



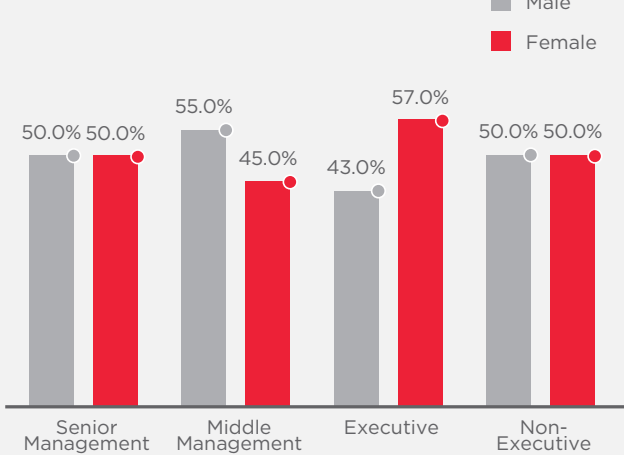
ETHNICITY AT CCMD



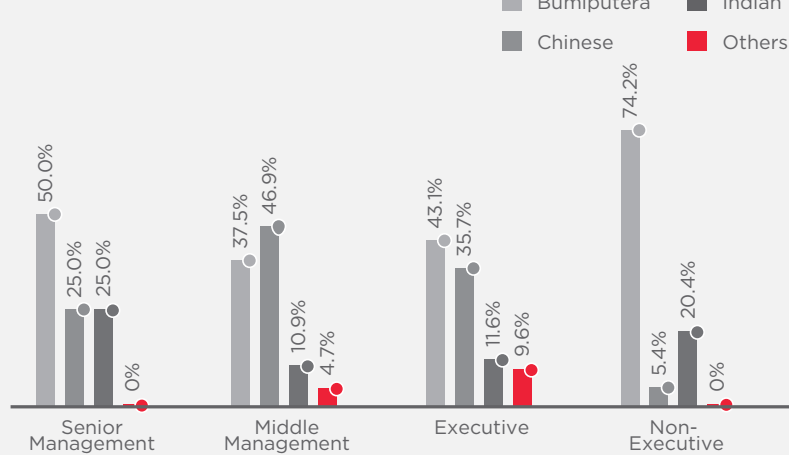
UPHOLDING RESPONSIBLE SOCIAL PRACTICES



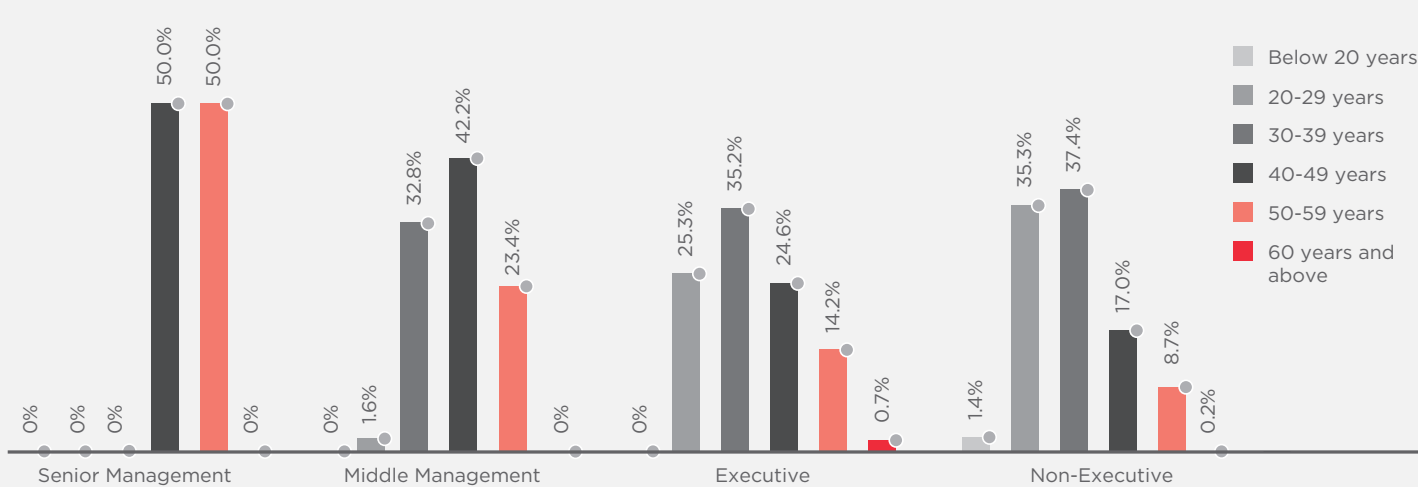
BREAKDOWN BY GENDER



BREAKDOWN BY ETHNICITY



BREAKDOWN BY AGE



UPHOLDING RESPONSIBLE SOCIAL PRACTICES



Advancing Graduates' Careers

Following the launch of the Group-wide my Millennial Apprentice Programme ("myMAP") in late 2014, the programme has been advancing smoothly. This development programme serves to provide talented graduates with an accelerated approach to achieve their maximum potential while paving a pathway for them to secure a successful career within the Group. Encompassing stimulating components such as the Apprentice Amazing Challenge, the Professional Development Series and the Leadership Development Series, the 18-month myMAP enables graduates to explore, understand, develop and pursue their careers with the Group while experiencing self-realisation and self-improvement. As at end 2015, CCMD took a total of 8 participants under its care.

Non-Executive Career Acceleration Programme

In line with continuous efforts at the Group level to develop the strengths and capabilities of the Group's employees, 2015 saw CCMD's employees participating in the myCareer Acceleration Programme ("myCAP"). Developed in cooperation with the Department of Skills Development of the Ministry of Human Resources, this programme also aligns with the Performance Management and Delivery Unit ("PEMANDU") Workforce Transformation Roadmap to transform the Malaysian workforce. This structured Upward Mobility Programme is designed specifically for the CCM Group's non-executive employees to enhance their skills, competencies and capabilities to provide greater opportunities for career growth and mobility.

Comprising components such as the behavioural development programme and internal certification programme, myCAP accords our employees the relevant resources, skills and knowledge needed for career development. At the same time, it promotes networking opportunities. As at end 2015, a total of 46 of the 59 employees in the myCAP were from CCMD, with 36 of them successfully obtaining the "Sijil Kemahiran Malaysia" ("SKM") certificate.



UPHOLDING RESPONSIBLE SOCIAL PRACTICES



Ongoing Employee Engagement

Even as the CCM Group expands, we recognise the need to maintain a united workforce within the CCM family. To this end, we continue to make the most of employee engagement activities to communicate with and unify our employees. Our initiatives to date include the Group's Healthy Living Programme while outstanding and deserving employees are recognised by way of the Long Service Awards. We also tap the CCM Employee Engagement Index Survey to measure employee satisfaction and engage with our people via our Quarterly Town Hall sessions whereby our Senior Management cascades the latest Group news and developments to them.

CCM's employees are also provided a platform to share their ideas, suggestions and comments through the Employees Speak Session. The year in review saw us celebrating all festive occasions at our sites while 6 of our CCMD staff joined other team members of the CCM Group to march in the GLC contingent at the nation's 58th Merdeka Day parade. Through our ongoing Healthy Living Programme, we are enabling employees to connect with one another while participating in healthy activities.

Our Kelab Sukan CCM ("KSCCM") continued to roll out a series of activities over 2015 including the ever popular Annual Hi Tea & Educational Excellence Awards for members' children who achieved excellent results in their UPSR, PT3 and SPM examinations. KSCCM also organised a fishing competition and the annual Sports Carnival to promote teamwork as well as inculcated healthy and active lifestyles among staff. December 2015 saw the highlight of the year, the KSCCM Annual Dinner, taking place at MATRADE, which was attended by more than 1,000 employees and their spouses from the Group. Our employees also participated in several Permodalan Nasional Berhad Sports Club events over the course of 2015.



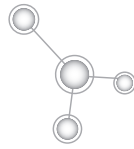
Upholding Workplace Integrity

The CCM Group places great value on integrity and transparency and in 2015, we continued to roll out several initiatives under our Integrity Unit to ensure a transparent and corruption-free workplace. Group-wide initiatives such as the Group Integrity Quarterly Newsletter, Group Certified Integrity Officer, Group Empowering Integrity Series for all levels of our organisation, Gift Policy as well as the CCM Integrity Hotline, have certainly helped to solidify the sense of accountability, transparency and integrity among our workforce.

On 17 December 2015, the CCM Group held our third annual CCM Integrity Day event to promote transparency in the workplace and to encourage a whistle-blowing culture. Themed "In the Eyes of the BeHolder", the event was organised by Group Integrity and Assurance in an interactive and effective activity through a Treasure Hunt that saw our employees playing the LRT lines to find the treasure with an emphasis on integrity.



RIGOROUS SHE IMPLEMENTATION



In line with the CCM Group's commitment to ensure the best working environment for all employees and the communities that we operate in, CCMD continues to play its part in upholding stringent Safety, Health and Environment ("SHE") standards and regulations throughout our operations. In the year under review, CCMD continued to implement rigorous SHE practices that ensured compliance with industrial best practices, international safety operating standards as well as statutory and regulatory requirements.

By leveraging on the Group's SHE Management Framework, we are readily able to identify and assess hazards, prevent unsafe acts and conditions, maintain and improve employees' health, as well as enhance communication on health and safety issues. In establishing targets and KPIs for every employee at every level and by benchmarking these against industry standards, we are ensuring that we are consistently meeting all critical parameters. All these efforts are enabling us to maintain a reputable position on the SHE management front, which a key strategic thrust for the Group.

For 2015, CCMD registered a weaker performance in terms of health and safety matters as compared to the preceding year. Hand injuries, slips, trips and falls continue to be a major area of concern and the Group will continue to intensify efforts to promote awareness and training on the importance of observing good SHE practices. Our 2015 performance against the preceding year's performance can be found on page 9 of this report.

Upholding Safety On All Fronts

Employee and community safety continue to be priorities Group-wide. In 2015, we continued to implement a variety of effective employee-oriented safety measures throughout the Group including the Group Employee SHE (Safety, Health and Environment) briefings, First Aiders training and Fire Drills. Via CCM's SET3 Programme, staff are encouraged to take a few minutes to observe safety hazards within the boundaries of their workspace.

Emergency Response Team-CPR Training



RIGOROUS SHE IMPLEMENTATION

Reinforcing CCM's Sustainability Mindset

To ensure an understanding of business sustainability is embedded even further into our work culture and our people's mindset, we implemented CCM Sustainability Awareness 101 training sessions in 2015 for all employees. These sessions aimed to raise awareness on sustainability matters, particularly those pertaining to the areas of SHE, OE and Halal. As at end 2015, a total of 27 training sessions had been rolled out by the Sustainability Department on a Group-wide basis with some 817 employees in attendance, including 484 employees from CCMD. The sessions will continue into 2016 until all our employees have undergone sustainability-related training.

April 2015 saw a Directors' Training on Sustainability being conducted where several distinguished speakers were invited to address our Board of Directors and Senior Management. Participants were also provided insights into the Sustainability programmes carried out by the Business Council for Sustainability & Responsibility Malaysia ("BCSRM").

On 17 August 2015, the CCM Sustainability Launch took place at the Double Tree Hilton Kuala Lumpur with a focus on Safety, Quality and Effectiveness. In conjunction with the launch, we rolled out a CCM Sustainability Season covering the areas of SHE, OE and Halal. The month-long Sustainability Season programme included a Walk with Nature at FRIM, a Healthy Food Talk and Cooking Competition, SHE video competitions at Innovax and CCMP Bangi, as well as training conducted by an approved partner of the American Heart Association. On top of this, we rolled out the Go-Clean-Plate programme that encouraged zero food wastage, plus a series of seminars on the methodology and science behind Halal slaughtering. The CCM Sustainability Season culminated in the CCM IQ Convention held in September 2015.

To keep our employees abreast of all aspects of the Group's SHE, OE and Halal practices, we will continue to publish our monthly e-bulletin, *Sustainability News*. We are confident that as we continue to implement a host of such initiatives within our operations, we will be able to ensure workplace safety and reap the benefits of having smoother and safer operations.

A Walk with Nature



"The science behind Halal Slaughtering - A practical experience"

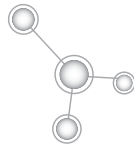


Healthy Cooking Talk & Competition



CCM Sustainability Launch





In our endeavours to give back to society, CCMD's goal has always been to positively influence society via tangible community enrichment initiatives. For the year in review, we followed through on a variety of proven programmes that continued to make the Group's impact felt among the various echelons of society – from pre-schoolers, to schoolchildren, to graduates, to pilgrims, to the marginalised. Simultaneously, we continued to look for new ways and means to enrich communities.

Helping Raise Champ-ions

In September 2015, we brought the *CHAMPS* Pre-School Talent Competition to IOI City Mall Putrajaya providing kindergarten-goers around the Klang Valley an opportunity to showcase their self-expression and public speaking skills as well as the chance to win cash prizes totalling RM10,400. The children, along with their teachers, were given a storyline where they had to perform a 10-minute sketch featuring *CHAMPS* animal mascots and the benefits of staying healthy. All participating schools were presented with *CHAMPS* hampers and goodies for their continuous support to Malaysia's favourite children's vitamin brand. The event reflects our efforts to enhance quality of life among communities by providing youngsters the best possible footing in terms of health and education.

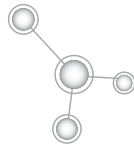
Strengthening English Proficiency

CCM's association with the PINTAR Foundation on CCM PINTAR Programme since the year 2007 has to date enabled students in 12 schools throughout Malaysia to improve their proficiency in English. With our support, students are able to reap the benefits of exposure to the English Language through the programme's various fun-filled activities. In addition, we ensure that students maintain their health by supplying them with our *CHAMPS* vitamins.

In 2015, we continued our search for the Teacher and Student of the Year at all of our 12 adopted schools under the CCM PINTAR Programme through our *Anugerah Pemangkin Minda* and *Anugerah Juara Bestari* initiatives respectively. The *Anugerah Pemangkin Minda* was to recognise and commemorate the contribution of teachers in conjunction with the national Teachers Day celebrations with each recipient taking home a cash prize worth RM500, a CCM Pharmaceuticals hamper worth RM250 and a Certificate of Appreciation.

The *Anugerah Juara Bestari* was formulated in conjunction with World Children's Day for students who excel academically and in their co-curricular activities besides having a good personality. Each winner of the *Anugerah Juara Bestari* took home a Cash Prize worth RM500, Popular book vouchers worth RM200, a uniquely designed trophy and a Certificate of Appreciation.





Nurturing The Investors Of Tomorrow

In collaboration with Permodalan Nasional Berhad, we continued to host the CCM Interschool Showdown, an interactive competition on trading and finance between secondary school students to nurture the country's future generation of investors. The fourth edition of the CCM Interschool Showdown comprised a series of simulation games such as the "trading race" which exposed students to the risks and returns of investing. Held in Sibul, Sarawak, the event also served to promote both CCM and the Minggu Saham Amanah Malaysia ("MSAM") 2015. The investment wizards of SMK Agama Sibul clinched the top spots in the 2015 CCM Interschool Showdown which attracted participation of over 6,000 students from 22 secondary schools across Sibul.



Winning team, SMK Agama Sibul's Team (A) received the grand prize of RM3,000 and a CCM Pharmaceuticals hamper from En Leonard Ariff Abdul Shatar, CCM Group Managing Director



Future entrepreneurs of the CCM JATI programme



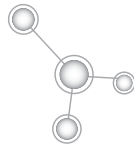
Students raced against time to complete the simulation games during the CCM Interschool Showdown 2015

Training And Developing Our Graduates

In 2015, the Group strengthened its involvement in community activities at the tertiary level via expanding the boundaries of the CCM JATI (*Jalinan Universiti dan Industri*), an industry-university collaborative effort. CCMD played its part in supporting the programme that involves Universiti Sains Malaysia ("USM"), Universiti Malaysia Sabah ("UMS"), Universiti Teknologi MARA ("UiTM") and the International Islamic University Malaysia ("IIUM").

The CCM JATI initiative was introduced in 2011 to address the growing concern of unemployment among pharmacy graduates. With over 1,000 graduates entering the industry each year on top of the 11,000 existing pharmacists in Malaysia today, competition for a good job intensifies. In 2013, the Health Ministry reported that low quality graduates, including those with poor language proficiency, skills and training were among those facing unemployment in the medical field.

To resolve this problem, the various parties within CCM JATI undertake the task of grooming undergraduates to become leading entrepreneurs in the community pharmaceutical retail sector. The three-year capacity building programme offers students a holistic immersion into the industry and empowers them with entrepreneurial capabilities as they venture into the working environment. This includes exposure in marketing, business management and hands-on retailing through interaction with professionals from the Group as well as via training sessions. Undergraduates also have the opportunity to undergo an internship at a "JATI" kiosk set up by CCM, which also serves as a pharmacy outlet at the universities. Since the inception of this initiative, more than 200 students have successfully undergone the programme.



Via CCM JATI, the Group has set its sights on developing 500 competitive entrepreneurs in the community pharmaceutical retail arena by 2020. The initiative serves as a conducive platform to develop industry-ready graduates who are ready to be set apart from their peers and be empowered with an entrepreneurial spirit as they enter the workforce. Instead of solely heading to work for entities that are already established as per the norm, we strive to develop young adults who are capable and confident of starting their own companies and are of “employer material”. Through CCM JATI, we hope to raise Bumiputera entrepreneurs in support of the Government’s initiatives to address the uneven distribution of pharmacists and increase Bumiputera participation in the industry.

November 2015 saw the Group organising a two-day JATI Day Out for student representatives of the four universities to educate them on product knowledge, product promotion, selling techniques and team building activities.

The Group is also committed to play its role in national human capital development through the *Skim Latihan 1Malaysia* (“SLIM”). The SLIM initiative aims to enhance the employability of graduates and provide on-the-job training within the CCM Group. In 2015, CCM Group took in 51 trainees under this scheme and 6 SLIM trainees were absorbed into the CCMD workforce in the same year.

In Support Of Haj Pilgrims

In 2015, some 22,320 Malaysian pilgrims benefitted from the contribution of health kits comprising CCM pharmaceutical products worth RM566,000 when they performed their pilgrimage in Mecca. This contribution marked the 12th year of CCMD and the Group’s continued contribution to the Sahabat Korporat Tabung Haji Programme with a total contribution of 429,000 health kits worth more than RM8 million since 2004.

The health kits comprised of CCMD Halal-certified products. These included *Uphamol* 650mg for safe and effective relief from headaches, pain or fever; *Dermoplex* Antiseptic Cream that prevents infection and assists in healing minor cuts and burns, nappy rashes, blisters, sunburn, insect bites and stings; *Donna* Glucosamine for effective muscular and joint pain relief; and *Beacolytic Elixir* 60ml which facilitates expectoration by reducing phlegm in wet cough. In distributing these health kits, we sought to ensure the well-being of tens of thousands of pilgrims during their Haj.

We also engaged in promotional activities through our participation in the *Kursus Asas Haji* (“KAH”) and *Kursus Haji Perdana* (“KHP”) organised by Tabung Haji in all states.



Lending A Helping Hand In Time Of Need

Following the devastating floods that hit the East Coast of Malaysia in early 2015 and caused catastrophic damage, Malaysians of all races, including the teams at CCM, worked together to alleviate the hardships experienced by those affected. Under the ambit of Yayasan CCM, a subsidiary of the Group, some 45 CCM employees volunteered and assisted with the cleaning up of Rumah Sejahtera Warga Emas, Kg. Bangau Tanjung in Temerloh through a two-day flood relief aid programme in early January 2015. Yayasan CCM also contributed essential items such as mattresses, blankets, pillows and cooking utensils to 10 residents of the home to help them get back on their feet and rebuild their lives.

CCMD played its part in contributing essential medical supplies and health supplements worth more than RM50,000 in collaboration with the Malaysian Integrated Medical Professionals Association (“MIMPA”) and International Medical University (“IMU”). The Group also made direct contributions to 25 local pre-schools in the states of Kelantan and Pahang. Through the GLC circle disaster network, the Group collaborated with Mercy Malaysia to donate post-floods cleaning kits worth RM50,000 and also contributed RM5,000 each to help two of the Group’s adopted schools under the CCM PINTAR Programme, namely SK Padang Garong in Kota Bharu and SK Sg Selad in Bintulu which were also affected by floods.



THE WAY FORWARD

Moving forward, CCMD will continue to run its business operations in a responsible and sustainable manner that fully complies with all legal and regulatory requirements. Our continuous effort to leverage all sustainability programmes based on our **PETIRR** (*Passion, Excellence, Teamwork, Integrity, Responsible and Respect*) and Halal values coupled with our Operational Excellence way of working will definitely enable CCMD to live up to our Vision of Enhancing Quality of Life for all our stakeholders.

WE WELCOME YOUR FEEDBACK

CCMD's 2015 Sustainability Report is available to all stakeholders in digital format and can be downloaded from our corporate website. We welcome your feedback on this report and our sustainability efforts. Please feel free to contact us at:-

CCM DUOPHARMA BIOTECH BHD (524271-W)

Lot 2599, Jalan Seruling 59
Kawasan 3, Taman Klang Jaya
41200 Klang, Selangor Darul Ehsan
Tel: +603-3323 2759
Fax: +603- 3323 3923
Email: info@ccmberhad.com

www.duopharma.com.my