
DUOPHARMA
DUOPHARMA BIOTECH BERHAD (524271-W)
(Formerly known as CCM Duopharma Biotech Berhad)
INNOVATING LIFE SCIENCES
Sustainability Report 2018

our dna

INNOVATING
LIFE SCIENCES

- Passion
- Excellence
- Teamwork
- Integrity
- Responsible
- Respect

SUSTAINABILITY-LED BUSINESS COMMITMENT

Creating economic value for business growth

OUR WORKFORCE AND COMMUNITY

Enhancing the lives of our employees and society

PLANET PERFORMANCE

Respecting the environment for a sustainable future

Vision

Providing Smarter Solutions for a Healthier Life

Merging Science with Human Values

Mission

A Leading Healthcare Group Providing Quality and Innovative Solutions

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About This Report

THIS IS THE FOURTH SUSTAINABILITY REPORT TO BE PRODUCED BY DUOPHARMA BIOTECH BERHAD (DUOPHARMA BIOTECH), IN WHICH WE DEMONSTRATE HOW WE SEEK TO CREATE SUSTAINABLE ECONOMIC, ENVIRONMENTAL AND SOCIAL VALUE AS WE UPHOLD OUR VISION OF "PROVIDING SMARTER SOLUTIONS FOR A HEALTHIER LIFE".

As a leading pharmaceutical company, we recognise that our stakeholders are interested not only in how much profit we make, but also how we reduce our environmental impact and enhance the well-being of our communities. Our Sustainability Reports are designed to provide such information.

To make this report more relevant, for the first time we have designed our contents around issues that are most pertinent to our sustainability. These was determined by conducting a materiality analysis, which identified 20 material matters. The material matters were subsequently prioritised according to their importance to both Duopharma Biotech as well as our stakeholders. They are highlighted in a matrix on page 17 of this report.

Guided by the Global Reporting Initiative (GRI) Standards, we have sought to provide an account of why these issues are important, and how Duopharma Biotech seeks to create maximum value for our stakeholders in relation to each material matter.

Where possible, we substantiate qualitative narrative with quantitative data. As this is still a relatively new journey for us, we are still putting in place the systems and processes that will enable us to monitor and measure data to produce even more comprehensive reports as we go along. In future reports, we also seek to indicate how our sustainability efforts support the United Nations' Sustainability Development Goals (UN SDGs).

In the meantime, we are pleased to provide a content index – in accordance with the GRI Standards Core option – to make it easier for stakeholders to navigate this report and access information.

This Sustainability Report covers all initiatives undertaken by the Malaysian operations of Duopharma Biotech from 1 January till 31 December 2018.

We welcome feedback to the report, and look forward to receiving your comments/suggestions via email to cs@duopharmabiotech.com.

MESSAGE FROM THE CHAIRMAN AND GROUP MANAGING DIRECTOR

"It gives us pleasure to present this Sustainability Report, the first to be produced following our demerger at end 2017. As we have explained, the demerger was undertaken to enable Duopharma Biotech to focus more single-mindedly on our growth into a leading ASEAN pharmaceutical company."

TAN SRI DATIN PADUKA SITI SA'DIAH BINTI SH BAKIR

LEONARD ARIFF BIN ABDUL SHATAR

Message from the Chairman and Group Managing Director

Sustainability at Duopharma Biotech has always been led by our Board of Directors, who are ultimately responsible for ensuring transparency and good corporate governance

It gives us pleasure to present this Sustainability Report, the first to be produced following our demerger at end 2017. As we have explained, the demerger was undertaken to enable Duopharma Biotech to focus more single-mindedly on our growth into a leading ASEAN pharmaceutical company. The idea is to strengthen our business and, in the process, create greater value for our stakeholders.

Much has been done towards this end which will be detailed in both our Annual Report and Sustainability Report. While our Annual Report focuses more on operational and business-related matters, this Sustainability Report highlights economic, environmental and social (EES) issues that are relevant to our stakeholders.

As a leading pharmaceutical company in the country, we have an enormous impact on the lives of a large number of people. One of our biggest concerns is the generally low level of awareness of how lifestyles influence our health. In this regard, we believe we can make a significant contribution to society by educating Malaysians on the many links between the way we choose to live and our well-being.

Although prevention is certainly better than cure, there is also growing need for affordable treatment for diseases that are becoming more prevalent such as cancer, diabetes and kidney as well as heart ailments. To play our part, we are redoubling our efforts to bring to Malaysians generics as well as biosimilars with proven efficacy to help manage these afflictions. Initiatives such as these are central to our vision of "Providing Smarter Solutions for a Healthier Life".

In addition to supporting better health and healthcare in the country, we are conscious of the role we can play in broader global imperatives, such as those highlighted by the United Nations in its Sustainable Development Goals (SDGs). Although Malaysia performs quite well on numerous socio-economic indices, there are still pockets of communities that are underserved. There is also scope for more efficient management of energy, water and waste. These are some of the areas that Duopharma Biotech invests in as we seek to contribute to more equitable development and a natural environment that is able to support the needs of future generations.

Many positive changes have been made in 2018 to strengthen our sustainability performance. Most pertinently, the Board Risk Management Committee now also provides oversight of the Group's sustainability initiatives, and has been renamed the Sustainability and Risk Management Committee. This means the Board will be more directly involved in Duopharma Biotech's sustainability programmes. We certainly look forward to making discussions on sustainability widespread across the Group, and to cultivate a mindset in which everyone takes interest in what we can do for a more sustainable future.

We are pleased that the Group has undertaken our first materiality analysis, as this helps to determine not only what is important to us as a corporate organisation but also what is seen to be important by our stakeholders. Some 20 material matters were identified which will serve as a reference for all future sustainability initiatives, as well as our reporting. In this Sustainability Report, you will discover what our material matters are and what we are doing to manage each issue.

Reporting in this manner is new to us. But we recognise its merits, and are committed to enhancing our reports every year by increasing the scope and depth of disclosure. In future, for example, we aim to map our performance against the relevant UN SDGs. We hope you enjoy reading this report, and look forward to your comments on how we can improve. Our sustainability efforts are driven by what is important to you, hence we value your feedback. All suggestions will be channelled to the appropriate people so as to shape our sustainability direction for optimum impact and value.

Thank you.

TAN SRI DATIN PADUKA SITI SA'DIAH BINTI SH BAKIR
Chairman

LEONARD ARIFF BIN ABDUL SHATAR
Group Managing Director

WHAT WE DO

“We aim to explore new frontiers in science and technology to continue to offer cutting-edge healthcare therapeutic products to the public.”

What We Do

Duopharma Biotech Berhad (Duopharma Biotech) is the leading pharmaceutical company in Malaysia in terms of volume, and second in terms of value. We account for 6.5% of the total Malaysian pharmaceuticals market, and 20% of the generics market.

We develop, manufacture and market over 300 generic drugs while our consumer health care brands have become household names not only in Malaysia, but throughout the ASEAN region.

Having established ourselves in generics, we are venturing into biosimilars in partnership with innovative biotech companies while upgrading our own plants to produce specialty products, particularly in the treatment of diabetes, cancer, kidney and heart disease. We are the exclusive marketing and distribution partner in Malaysia, Singapore and Brunei for insulin and analogue products manufactured by Biocon Limited, a global biosimilars major based in India. We have also begun undertaking clinical trials and have developed the first biosimilar in the country together with PanGen Biotech Inc of Korea.

While most of our products are currently sold in Malaysia, we also export to more than 20 countries in Asia, the Middle East and Africa. Our objective is to become a leading international healthcare group, providing smarter solutions for a healthier life.

We employ more than 1,200 talented and dedicated people at our headquarters in central Kuala Lumpur; our plants in Bangi, Klang and Glenmarie, all in Selangor; our research and development (R&D) arm in Glenmarie; and regional offices in the Philippines, Singapore and Indonesia.

Duopharma Biotech was established in 1979 as a trading company before venturing into the manufacture of oral solids in 1986. A year after being listed on the main board of Bursa Malaysia in 2002, we moved our manufacturing to a new sterile plant where we produced a wide range of small volume parenterals. In 2005, Duopharma Biotech was acquired by Chemical Company of Malaysia Berhad (CCMB), a listed company which had its own group of pharmaceutical companies in Malaysia, the Philippines, Singapore and Indonesia, with a focus on consumer healthcare brands and oral dosage prescription products.

In 2015, CCMB underwent a corporate restructuring which saw all its pharmaceutical subsidiaries placed under Duopharma Biotech. In 2017, Duopharma Biotech de-merged from CCMB and Permodalan Nasional Berhad (PNB) emerged as the Group's largest shareholder.

Going forward, we aim to explore new frontiers in science and technology to continue to offer cutting-edge healthcare therapeutic products to the public.

Companies under the Duopharma Biotech Group:

- Duopharma (M) Sendirian Berhad
- Duopharma HAPI Sdn. Bhd. (formerly known as CCM Biopharma Sdn. Bhd.)
- Duopharma Manufacturing (Bangi) Sdn. Bhd. (formerly known as Upha Pharmaceutical Manufacturing (M) Sdn. Bhd.)
- Duopharma Manufacturing (Glenmarie) Sdn. Bhd. (formerly known as CCM Pharma Sdn. Bhd.)
- Duopharma (Singapore) Pte Ltd (formerly known as CCM Pharmaceuticals (S) Pte Ltd)
- DB (Philippines), Inc (formerly known as CCM International Philippines, Inc)
- Duopharma Marketing Sdn. Bhd. (formerly known as CCM Pharmaceuticals Sdn. Bhd.)
- Duopharma Innovation Sdn. Bhd. (formerly known as Innovax Sdn. Bhd.)

OUR COMMITMENT TO SUSTAINABILITY

“Duopharma Biotech has always placed the highest importance on ensuring the sustainability of our business. We recognise that this is achieved by balancing our economic performance with social and environmental obligations.”

Our Commitment To Sustainability

Duopharma Biotech has always placed the highest importance on ensuring the sustainability of our business. We recognise that this is achieved by balancing our economic performance with social and environmental obligations.

SUSTAINABILITY POLICY

In furtherance of our vision of Providing Smarter Solutions for a Healthier Life, Duopharma Biotech 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:

1. Ensure that our activities, products and services are, so far as is practicable, safe to the environment and the health of the people;
2. Be committed towards the prevention of injury, ill health and pollution as well as towards environmental conservation;
3. Comply with all applicable statutory, regulatory and business requirements in the territories that we operate;
4. Optimise the use of natural resources to reduce our carbon footprint and as far as practicable, practice energy efficiency throughout all our plants and facilities;
5. Be committed towards full conformance to applicable quality, safety, health and environmental international standards;
6. Operate in an open, transparent and accountable manner;
7. Cultivate a diverse, inclusive and respectful workplace;
8. Work closely with our stakeholders and local communities to further improve their quality of life;
9. Define our sustainability goals, objectives and targets and measure our sustainability performance against agreed targets;
10. Provide, as far as practicable, the appropriate resources in order to achieve our sustainability goals, objectives and targets;
11. Continually review and improve our sustainability performance by encouraging innovative thinking and monitoring global economic, social and environmental trends, best practices, challenges and opportunities; and
12. Communicate this policy to all relevant stakeholders including our customers, employees and the local communities in which we operate.

Corporate Responsibility Policy

Duopharma Biotech remains committed to being a responsible corporate organisation. We recognise the importance of integrating our business values with our operations to meet the expectations of our shareholders.

We are committed to managing our business with the highest standards of integrity and corporate governance practices and to demonstrating these responsibilities through our actions and within our corporate policies.

We will strive to provide our customers with products and services that are hallmarked by integrity, quality and care.

We are committed to protecting the health and safety of all individuals affected by our activities including our employees, contractors and the public by providing a safe and healthy working environment.

We will actively assess and manage the environmental impact of all of our operations.

We are committed to providing equal opportunity in all aspects of employment and ensure that employees are treated fairly and given the opportunity to grow with Duopharma Biotech.

We will continue to develop and participate in community programmes which enhance the quality of life especially those areas related to healthcare, education, sports and the environment.

OUR SUSTAINABILITY JOURNEY

Our Sustainability Journey

2015

- Obtain commitment from leadership and management
- Realign internal structure
- Perform gap analysis
- Build capacity by raising awareness as well as conducting training and projects
- Develop framework for sustainable use of human capital
- Reporting

2016

- Continue awareness campaigns to develop sustainability culture
- Intensify capacity building through training and projects
- Implement framework for sustainable use of human capital
- Monitor and communicate results and advantages
- Reporting

2017

- Maintain capacity built via an agreed framework
- Monitor, sustain and communicate
- Continuously improve work culture
- Adopt a healthy and safe work culture
- Adopt Halal values/Integrity in our work culture

2018

- Internal and external stakeholder engagement
- Sustainability strategy and vision awareness among top level management
- Establishment of Materiality Matrix
- Reporting prioritised sustainability material matters with baseline indicators
- Adhering to basic GRI Standards
- Report is in full compliance with Bursa Malaysia
- Adopting similar Sustainability Policy from 2017

2019

- Sustainability strategy and vision awareness among mid-level management
- Embedding the United Nations' Sustainable Development Goals (SDGs) in our sustainability framework
- Setting sustainability framework
- Issuance of new Sustainability Policy

2020

- Sustainability Policy fully embedded in our business strategy
- Sustainability Assurance in terms of validating indicators
- Stakeholder engagement for our international entities

SUSTAINABILITY

GOVERNANCE

“

Sustainability at Duopharma Biotech has always been led by our Board of Directors, who are ultimately responsible for ensuring transparency and good corporate governance

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Sustainability Governance

Sustainability at Duopharma Biotech has always been led by our Board of Directors, which is ultimately responsible for ensuring transparency and good corporate governance. In 2018, however, a formal sustainability governance framework was put in place with the expansion in scope of the Risk Management Committee to include Sustainability. The committee, accordingly renamed as the Risk Management and Sustainability Committee, is supported by a Sustainability Management Council.

Under our sustainability framework, the Board is accountable for the strategic direction of Duopharma Biotech's sustainability initiatives and for ensuring sustainability-related strategies are embedded into our business operations.

The Risk Management and Sustainability chaired by a Non-Independent, Non-Executive Director and supported by all other Board members, supervises the implementation of sustainability strategies based on Duopharma Biotech's sustainability direction. These strategies are aligned with our risk management process to ensure a common design and purpose in all our actions and decisions.

The Sustainability Management Council comprises Heads of Department and process owners from the different functions in Duopharma Biotech who meet every two months to discuss progress made in all sustainability related initiatives. The Council reports to the Risk Management and Sustainability Committee on a quarterly basis, and ensures the Committee's directions are implemented.

BOARD OF DIRECTORS

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

SUSTAINABILITY MANAGEMENT COUNCIL

VALUING OUR STAKEHOLDERS

We define our stakeholders as those who are able to influence our operations or reputation, as well as those who are impacted by the same parameters.

Valuing Our Stakeholders

We define our stakeholders as those who are able to influence our operations or reputation, as well as those who are impacted by the same parameters. In order to identify our key stakeholders, we conducted a stakeholder analysis. This highlighted 12 stakeholder groups, with varying influence/dependence on Duopharma Biotech.

We value all our stakeholders – those who influence us because they have a direct bearing on our performance, and those we influence because we recognise and embrace our responsibility to effect positive change in society.

STAKEHOLDER GROUP	Shareholders	Local Communities	Customers	Healthcare Professionals	Industry Associations
AREAS OF INTEREST	• Duopharma Biotech's business direction and key corporate developments	• Transparent, quality products and services • Community development and enrichment • Reaching out to the community	• Safe products and services • Quality management • Compliance status	• Quality management • Compliance status • Safe products and services	• Industry developments • Relevant laws and regulations
ADDRESSING THEIR INTERESTS	• Announcements on Bursa Malaysia and our corporate website • Investor roadshows, updates and briefings for fund managers • Annual general meetings • Annual reports	• Reaching out through roadshows, seminars, exhibitions and get-together events • Halal workshops and symposiums • CSR programmes • Philanthropy and donations	• Up-to-date safety and quality certifications • Zero product safety non-compliance • Accurate description of our products • Continuing Medical Education (CME) sessions for medical fraternity • Reaching out through roadshows, seminars, exhibitions and get-together events	• In house Pharmacovigilance unit • Continuing Medical Education (CME) sessions for medical fraternity • Reaching out through roadshows, seminars, exhibitions and get-together events • In house Clinical Study Expertise	• Participation in industry forums, conferences, dialogues, exhibitions and local and international networking events • Membership in Malaysian Organisation of Pharmaceutical Industries (MOPI)

Valuing Our Stakeholders

We seek to establish transparent channels of communication with our stakeholders so as to keep them updated on our operations, performance and direction, as well as to obtain feedback on how well we fare in terms of matching their expectations.

Stakeholder engagement is conducted via various platforms appropriate to each group. The manner in which we engage with our stakeholders and key topics of interest are presented in the table spreading across pages 14 and 15 below.

	Government/ Regulatory Authorities	Employees	Suppliers and other Business Partners	Media	Non-Governmental Organisations (NGOs)	Financial Community	Scientific Community
	• Compliance • Nation building • Helping the government achieve its goals	• Career development • Competitive remuneration • Work-life balance	• Fair procurement • Transparency • Supplier development	• Public-private partnerships • Transparency in communication • Responsible innovation	• Access to healthcare • Healthcare infrastructure strength	• Access to finance • Business stability	• Access to knowledge • Future business growth based on R&D
	• Supporting national agendas such as the Halal Agenda and the Bumiputera Agenda • Meetings, dialogues and updates • Good representation in trade councils and associations	• Regular communication through email, townhalls, company intranet, up-to-date Berita Farma Facebook and in person • Structured and customised training programme that meet individuals' needs • Regular benefits benchmarking exercise by Group Human Resources • Activities such as family days, festive celebrations, sports and CSR	• Bumiputera Vendor Development Programme • Group procurement policy and procurement system • Implementation of e-bidding system	• Media releases • Press conferences and events	• Programmes and events partnering NGOs • Supporting well-being via donations	• Regular interaction with bankers • Annual General Meetings • Financial statements	• Research collaboration based on medicines and vaccines • Talks/ events on pharmaceutical research • Equity participation in technologically advanced companies

MANAGING OUR MATERIAL ISSUES

Guided by Bursa Malaysia's Sustainability Reporting Guide, we identified our material matters by considering emerging global risks and opportunities related to the pharmaceutical industry as well as those related to Duopharma Biotech specifically.

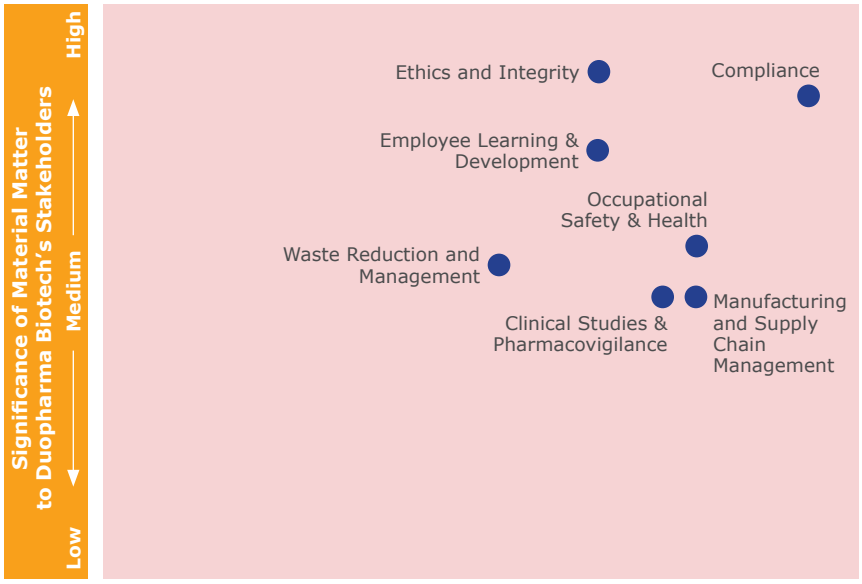
Managing Our Material Issues

In 2018, Duopharma Biotech performed a materiality assessment to help us prioritise the most significant risks and opportunities (material matters) faced by the Company. Guided by Bursa Malaysia's Sustainability Reporting Guide, we identified our material matters by considering emerging global risks and opportunities related to the pharmaceutical industry as well as those related to Duopharma Biotech specifically. For global trends, we referred to industry publications and global best practices such as the GRI Sustainability Reporting Standards (GRI Standards) and the Sustainability Accounting Standards Board (SASB) for Biotechnology & Pharmaceuticals Industry. For specific Duopharma Biotech issues, we considered internal and external factors such as business strategy, business risks and opportunities, while also taking into account media publications and peer reports.

We then conducted surveys and interviews to determine the level of importance of the identified sustainability matters with our stakeholders – ie shareholders, financial community, employees, local communities, suppliers and other business partners, government/regulatory authorities, scientific community, customers, media, industry associations, non-governmental organisations (NGOs) and healthcare professionals. To represent the views of customers and healthcare professionals, we interviewed managers directly involved in dealing with these stakeholders.

This was followed by a sustainability risk assessment to determine the likelihood and potential impact of the different material matters on Duopharma Biotech. Senior Management including a representative from our Risk Department were grouped for the sustainability risk assessment. The outcome of the materiality assessment as shown in the materiality matrix on the right, was reviewed and approved by the Risk Management and Sustainability Committee and the Sustainability Management Council for the preparation of this Sustainability Report.

DUOPHARMA BIOTECH'S MATERIALITY MATRIX



- Counterfeit Medicines and Adulteration
- Energy Consumption
- Fair Employment Practices
- Accessibility of Medicines
- Water Scarcity
- Competitive Pricing
- Carbon Footprint
- Community Outreach
- Business Innovation and Model
- Product Portfolio
- Research and Development
- Talent Recruitment & Retention
- Halal Commitment
- Waste Reduction and Management
- Clinical Studies & Pharmacovigilance
- Manufacturing and Supply Chain Management
- Occupational Safety & Health
- Employee Learning & Development
- Ethics and Integrity
- Compliance

As indicated in our materiality matrix, Duopharma Biotech has 20 material matters. Initiatives to manage all material matters, save for Accessibility of Medicines, Competitive Pricing, and Counterfeit Medicines and Adulteration, are described in the following pages. We have classified our material matters into three broad categories, namely Sustainability-Led Business Commitment, Our Workforce and Community, and Planet Performance. We intend to include disclosure on Accessibility of Medicines, Competitive Pricing, and Counterfeit Medicines and Adulteration in our Sustainability Report next year.

SUSTAINABILITY-LED BUSINESS COMMITMENT

> Given the nature of what we do – enable the prevention and treatment of diseases – trust is key in maintaining and growing our business.

Sustainability-Led Business Commitment

Corruption Free Pledge Signing Ceremony

ETHICS & INTEGRITY

Trust is key in maintaining and growing our business. This is established by transparency and integrity in our actions.

We recognise it takes only a split second to destroy trust that took years to build, and are committed to doing the right thing at all times, regardless of the circumstances. This commitment is underscored by various policies and codes that serve to create a culture of integrity. It is further supported by initiatives that reinforce the values that define us.

We recognise it takes only a split second to destroy trust that took years to build, and are committed to doing the right thing at all times, regardless of the circumstances

Code of Conduct

Our Code of Conduct is applicable to all our employees as well as Directors. It sets out our expectations of everyone at Duopharma Biotech in his/her day-to-day activities and dealings with people within the Group as well as our external stakeholders. New recruits are briefed on this Code of Conduct when they join the Group, and sign a declaration to abide by the guidelines. The Code of Conduct is available on our corporate intranet for easy reference by everyone.

Anti-Bribery & Corruption Policy

We have zero tolerance for bribery or corruption. Our Anti-Bribery & Corruption Policy prohibits anyone at Duopharma Biotech from either giving or receiving anything of value with the intention of influencing the behaviour of a third party for commercial advantage.

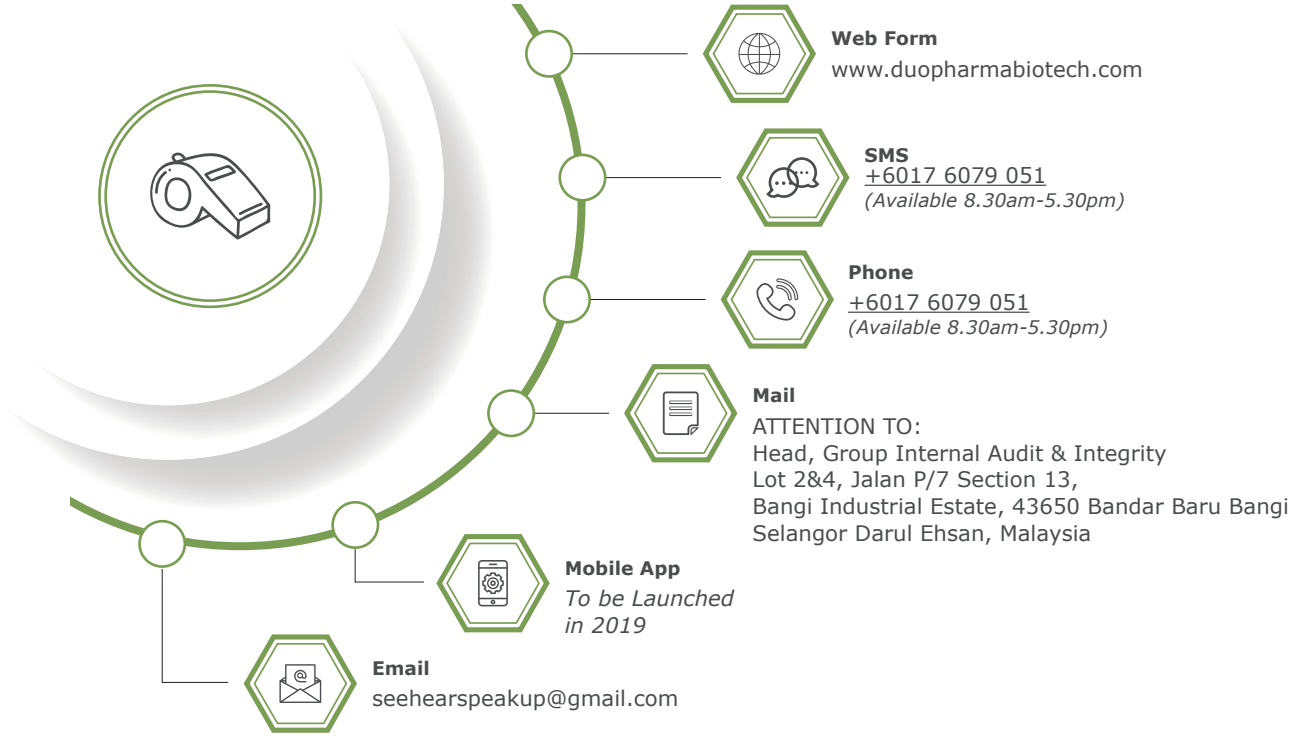
Gift / Sponsorship Policy

Employees and our Directors are not allowed to accept or give presents/gifts, except when token gifts are in line with custom or practice. We expect all gifts, hospitality and sponsorships to be declared and approved by the relevant authorities within the Group.

Integrity Pact

We signed the Integrity Pact with our suppliers in 2015 to work together to fight corruption. Since then, all new suppliers are required to sign the Pact.

Sustainability-Led Business Commitment



Whistle-blowing Policy

Our Chairman during Closing Ceremony of Halal & Integrity Week 2018

On 28 November 2018, the Board approved a revised Whistle-Blowing Policy which provides an avenue for employees and stakeholders to report any concerns about misconduct within the Group. Whereas before we made use of CCMB's whistle-blowing channels, now five new "Speak-Up-Pharma" channels have been made available while another – via app – is to be launched in 2019. The revised policy assures stakeholders that any report made as well as records of investigations will remain confidential. It further states that whistleblowers will be protected against any retaliation, so long as their reports are made in good faith.

Audit & Integrity Department

To strengthen the Group's corporate governance and ethical standards, the Board established an Audit & Integrity Department in December 2017 to oversee Duopharma Biotech's integrity across the organisation. The department comes under the purview of the Audit and Integrity Committee.

Corruption-Free Pledge (CFP)

The Corruption-Free Pledge (CFP) is an initiative introduced by the Malaysian Anti-Corruption Commission (MACC). It is taken voluntarily by an organisation's leadership in their individual capacity to hold them accountable for carrying out their duties and to hinder them from engaging in any form of corruption throughout their tenure.

In a clear demonstration of Duopharma Biotech's commitment to integrity, our leadership and senior management – led by Group Managing Director Leonard Ariff Abdul Shatar – signed the CFP on 27 March 2018, witnessed by our Chairman, Tan Sri Datin Paduka Siti Sa'diah binti Sh. Bakir, and MACC's Director of Community Education, Dato Haji Abdul Samat Kasah.

Integrity & Halal Week

We organised a Halal & Integrity Week from 3-7 December 2018 to further reinforce the value of integrity in our day-to-day conduct; and to enhance halal awareness as we strive to sustain our position as a thought and market leader in this niche.

Sustainability-Led Business Commitment

Other Key Events

Programme	Details
Directors and Senior Management Training	A training session on the newly introduced Corporate Liability Bill was conducted for our Board of Directors and Senior Management in September 2018.
Integrity Briefing to New Employees	Throughout the year, new employees were given an integrity briefing as part of their onboarding programme.
Review of policies and procedures	As part of continuous improvement efforts, the Group Integrity Unit worked with various relevant functions to review our policies and procedures. Among the key policies reviewed were the Whistle-Blowing Policy, Gift Policy, Sponsorship Policy and the Anti-Bribery & Corruption Policy.
Integrity Pact	A briefing was held in November 2018 for our vendors and suppliers.

COMPLIANCE

During the year, there were no violations of the MACC Act 2009, or international regulations such as the Foreign Corrupt Practices Act (FCPA), or any other related statutes, laws or regulations. The Audit & Integrity Committee and Management are aware of amendments to the MACC, gazetted in May 2018, and are ensuring the Group adheres to the new requirements. In 2019, an assessment will be carried out by the Malaysian Institute of Integrity to evaluate Duopharma Biotech's integrity framework and provide recommendations on how this can be further strengthened.

BUSINESS INNOVATION AND MODEL

Business sustainability is all about staying relevant. Duopharma Biotech's demerger from CCMB at end 2017 was undertaken specifically to enable us to focus more intently on doing this. Since the demerger, Management has taken stock of our rapidly evolving industry, the challenges posed and how Duopharma Biotech can leverage our strengths to keep growing so as to deliver value to our shareholders and other stakeholders.

While leading in the Malaysian market, we aspire to move up the value chain and grow regionally to become a Leading Pharmaceutical Company in ASEAN by 2022. Various strategies have been put in place to support our expansion goals. These hinge on identifying niche, high-value areas in biotherapeutics, and building long-term partnerships to venture into new modalities within the pharmaceutical as well as healthcare industry.

At the same time, we are developing our internal manufacturing and human resources capabilities to support our growth.

While leading in the Malaysian market, we aspire to move up the value chain and grow regionally to become a Leading Pharmaceutical Company in ASEAN by 2022. Various strategies have been put in place to support our expansion goals. These hinge on identifying niche, high-value areas in biotherapeutics, and building long-term partnerships to venture into new modalities within the pharmaceutical as well as healthcare industry.

Initiatives

We have designated the task of strategising our manufacturing, marketing and geographic expansion to our Strategy and Business Development team. Other than to identify new business opportunities, members of the team also see through the implementation of new projects as we venture into areas such as oncology, vaccines, biosimilars and regenerative medicine.

During the year itself, Duopharma Biotech invested in a 5.8% equity stake in South Korean biotechnology company SCM Lifescience (SCM). Through this acquisition we have access to technology transfer and commercialisation rights of SCM's stem cell therapy products. This marks our first foray into regenerative medicine.

Sustainability-Led Business Commitment

Notable Achievements

In 2018, we also saw the fruition of efforts embarked on earlier. They included:

- Completion of Phase III clinical trial of Erysaa, our first Erythropoietin (EPO) biosimilar, as well as completion of Malaysia's first biological pre-filled syringe line for the product. Erysaa is expected to be commercialised in the second quarter of 2019, upon registration with the National Pharmacy Regulatory Agency (NPRA).
- Completion of Malaysia's first Highly Potent Active Pharmaceutical Ingredients (HPAPI) manufacturing facility for oncology and psychotropic drugs. The plant will be operational in the second quarter of 2019.
- Commercialisation of Hepatitis C products through strategic partnership with Natco Pharma Limited.
- Launch of a pre-filled pen format for Basalog insulin glargine in mid-December.
- Winning a two-year Government tender to supply Daclatasvir, medication to treat Hepatitis C.

Target and plans for improvement

Expansion of our business portfolio will be accompanied by continuous operational improvements to ensure we stay on track towards achieving our goals. Our Strategy and Business Development Department, will manage, track and coordinate our corporate strategies. What was previously a relatively small Business Development group will be beefed up to have dedicated teams assigned to specific roles to ensure the delivery of all our strategic projects and initiatives in a timely manner.

PRODUCT PORTFOLIO

Duopharma Biotech has an extensive portfolio, with more than 70 Consumer Healthcare (CHC) products, close to 300 generic drugs and three biosimilars (Insugen, Basalog and Basalog One) with two more to be launched in 2019.

Today, in line with our new Vision to "Provide Smarter Solutions for a Healthier Life", we are redirecting our focus on meeting increasing demand for the treatment of diabetes, cancer, heart and kidney ailments. These non-communicable diseases (NCDs) are becoming more prevalent, and we believe we can use our resources to add value to patients in Malaysia and the other markets where we have a presence.

Initiatives

We have set up franchises within our Ethical Specialty Business to manage our Diabetes, Cancer, Cardiovascular and Renal Care products. The Diabetes Care Franchise has been effective since the third quarter of 2016, followed by the Cancer Care and Cardiovascular Franchises in 2017, and the Renal Care Franchise in 2018.

- The Renal Care Franchise hopes to grow its revenue via Duopharma Biotech's matured products as well as two new products, namely Erysaa and Ranofer (iron sucrose). A Haemosol C (hemodialysis concentrate) range is expected to be launched in the second half of 2019.
- The Diabetes Care Franchise is focused on improving its public sector market share by winning the insulin glargine (Basalog) tender from the Ministry of Health (MoH) while growing its insulin glargine disposable pen (Basalog One) in the private sector. Commercialisation of Basalog One began in mid-December 2018.
- The Cardiovascular Franchise will be launching Bezartan (irbersartan) in the second half of 2019. Meanwhile, the team will continue to grow in the private sector focusing on key brands, namely Atorvas and Perinace, via improved penetration and distribution.

Going forward, our Ethical Specialty Business has outlined a Business Strategy for 2019-2023 encompassing the launch of more high-value products through an expanded network of partnerships.

CME Roadshow 2018

Sustainability-Led Business Commitment

THE FLAVETTES STORY: Putting Bubble into a Flat Business

Flavettes, one of our key OTC brands, was launched more than 30 years ago to provide Malaysians with the benefits of Vitamin C in their daily lives. Over the years, it gained in popularity and became the Adults Vitamin C brand leader by volume, while ranking among the Top 3 for value, based on Nielsen Retail Audit reports. The brand focused on chewable Vitamin C tablets with a single product in effervescent format manufactured by PT Kalbe Farma, Indonesia.

More recently, however, consumers have developed a preference for Vitamin C in effervescent format. Competitive brands with effervescent products grew while Flavettes floundered in a business that began to go flat. It lost its leadership in the Adults Vitamin C market, both in terms of volume and value.

To reverse its decline, the Flavettes team proposed the development of an effervescent facility, the first in Malaysia, which was approved. Duopharma Innovation Sdn. Bhd. was brought into the picture. Its research scientists worked with the Flavettes marketing team to produce an effervescent range positioned as bringing out one's inner beauty with the goodness of Vitamin C. Brand awareness was driven via consistent consumer engagement including drama sponsorship, roadshows and events targeted at adults who want to look good and feel good.

The results were quick, and amazing. In 2018, Flavettes regained its leadership in the Adults Vitamin C market in terms of volume and is a close contender for the top position based on value too. With even more intense consumer engagement in the pipeline, Flavettes has regained its fizz and is set to bubble for a while to come.

MANUFACTURING & SUPPLY CHAIN MANAGEMENT

Efficient manufacturing, supported by a cost-effective and ethical supply chain, is critical to our sustainability. This, and other aspects of our operations, comes under the purview of our Operational Excellence (OE) team.

Manufacturing Efficiencies

Duopharma Biotech has been enhancing our operational efficiencies under a Continual Improvement (CI) programme, encompassing both the Lean and Six Sigma methods. Based on observations, the OE team felt that Six Sigma was complex and was not inclusive enough to engage all production staff. As of 2018, therefore, there has been greater focus on Lean Manufacturing using Kaizen tools.

Kaizen can be defined as small, quick changes that shop floor staff can implement to improve the workplace. It focuses on the elimination of waste in eight areas: Defects, Overproduction, Waiting, Non-Utilised Talent, Transportation, Inventory, Motion and Extra-Processing.

In January 2018, the first Lean (Kaizen) programme was launched. Four training sessions were conducted to familiarise staff with its methodology. A target of 70 Kaizen projects was set (such projects generally last less than two weeks). At the end of the year, 48 teams managed to complete and present their completed projects. These ranged from housekeeping programmes (5S) to productivity improvement.

At the same time, OE is also lending support to teams that are continuing with their LSS projects. Of these, three were completed in 2018.

Sustainability-Led Business Commitment

A total of six Continuous Improvement projects were successfully completed in 2018, and were showcased at an Innovation and Quality Convention (I & QC) held on 22 November 2018. Team Eff from Bangi Production was announced the winner, with an innovation to improve the production of effervescent products.

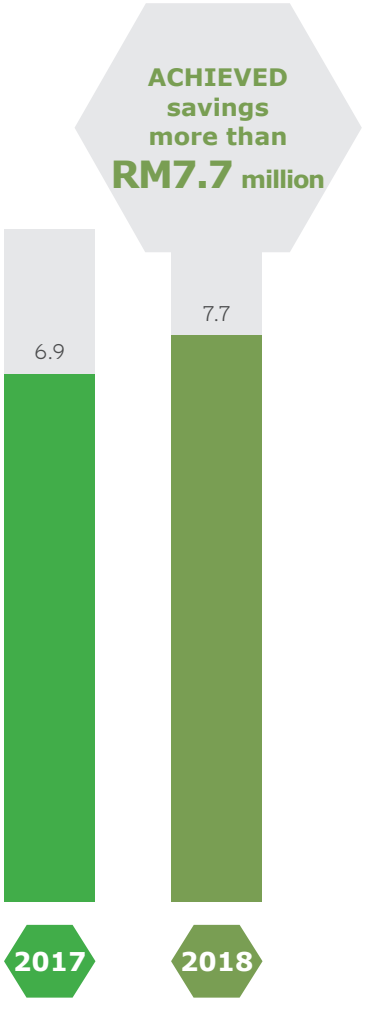
Externally, a team called Eazy Fizzy won one of the main prizes at the PNB Group Innovation Challenge 2018. We also participated in Malaysia Productivity Corporation (MPC)'s Lean Management Systems Development, which involved comprehensive Lean training and coaching for the participating teams. Two teams from Duopharma Biotech focused on the production processes of two Consumer Healthcare (CHC) products - Uphalyte Salts and Uphamol Suspensions. The experience further strengthened the teams' knowledge and understanding of Lean methodologies.

Team wins prize for effervescent personal care tablet

Team Easy Fizzy from Duopharma Biotech was one of the main prize winners in PNB Group Innovation Challenge 2018. The team, consisting of Muhammad Shalhadi Bin Saharuddin, Ivan Liew Cher Wei, Nor Amalina Bt Ahmad Alwi, Saidatul Huda Hamzah and Thipashini Ganesan, presented a personal care kit in the form of an effervescent tablet. The tablet boasts an optimum dosage of active ingredients in a compact and lightweight form. For their innovative, creative and disruptive ideas, the team took home RM12,000. PNB Group Chairman, Tan Sri Dr Zeti Aziz, presented the prize.

All Continuous Improvement activities in Duopharma Biotech resulted in verified savings of more than RM7.7 million in 2018, exceeding our target of RM6 million.

CI Savings 2017 - 2018



Sustainability-Led Business Commitment

Enhanced Productivity At Microbiology Labs

The Microbiology laboratories in Bangi and Klang implemented the Environmental Monitoring Laboratory Information Management System (EM LIMS) in 2018 to improve their workflow processes. Key benefits of the system include:

I. Improved operational efficiency, saving time and money
II. Easy interface and workflow configuration
III. Improved scheduling, including sample plans
IV. Ability to track cost & testing time
V. Data integrity & security, meeting 21 CFR PART 11
VI. Minimised human error by using barcode system
VII. Inventory tracking & automatic order notifications
VIII. Real-time data trending and analysis
IX. Rapid data entry, reducing time to read the plate
X. Reduced regulatory & business risks
XI. Ability to identify contamination sooner

The EM LIMS has helped to increase productivity in the laboratories by almost 50% from time saved in preparing plates for Environmental Monitoring (EM). Apart from that, all EM data and information are now stored in a centralised system and can be easily traced and retrieved, complying with data integrity.

Warehouse Performance

Our warehouse operations plays an important role in our supply chain as it determines how efficiently we process and deliver our customers' orders.

The completeness of delivery to customers is measured by the On Time in Full (OTIF) Index, whereby the goods must be sent out from the warehouse within 24 hours of orders being placed. In 2018, our target was to achieve an average OTIF of 95%.

To achieve this target, in January 2018 we implemented a Warehouse Management System (WMS) which monitors our order status and generates daily reports on pending orders. These are discussed with warehouse staff during morning briefings to highlight any outstanding orders. Monthly OTIF reports are then shared with the sales team and warehouse supervisors to update them on our delivery performance.

During the year, the Bangi warehouse achieved an average OTIF of 97%, ie two percentage points higher than the set target. While we are pleased with this, we seek to keep enhancing our OTIF performance.

Sustainability-Led Business Commitment

Voice of Customers (VOC)

The Voice of Customers Survey is an indicator of customers' satisfaction with our products and services. We conduct a VOC survey every year with targeted customers from various channels, including ethical business, consumer healthcare, EHE, government business, ethical specialty, private hospitals and exports.

The survey covers products, people, processes and Halal awareness. Questionnaires are distributed to sales managers for them to cascade down to their representatives via whatsapp. Every customer can log in and respond only once to the survey link using their account number with the company. In 2018, we obtained 1,886 respondents, exceeding a target of 1,800, marking an increase of 38% from 2017. We achieved a score of 95.7% as against a target of 90%, indicating a very high level of customer satisfaction with Duopharma Biotech.

In 2019, we hope to increase the number of survey participants, covering more customers from different backgrounds.

Customer Returns Analysis

Products that are sent to customers may be returned for a number of reasons such as proximity to the expiry date and the customers placing wrong orders. All returned consignments are recorded and an analysis conducted. The analysis is shared with relevant sales managers once every two months during sales and operational meetings (S&OP). The analyses identify the reasons for stocks being returned in order to close the gaps both internally and externally. Our target is to maintain less than 5% returns for CHC products, and less than 1% for Ethical products. During the year, the value of returned stocks for CHC products stood at 4.3% and that for Ethical products, 0.7%.

Purchasing Policy

Our Purchasing Policy provides guidelines for departmental managers and employees to ensure that all procurement is conducted efficiently, generating value to the Company. Procurement savings have the potential to contribute significantly to the Company's profitability.

Apart from written standard operating procedures (SOPs), our Systems Applications and Products (SAP) sets out purchasing approval limits for those authorised to procure for the Company. Departmental managers are allowed to approve low-cost purchases, such as stationery or office supplies. For higher value purchases, approval is required from more senior management. There are two stages of control – at the Purchase Requisition stage (ie User/Buyer level) and at the Purchase Order processing stage (PO approval stage). For purchases over the agreed limit, or for equipment purchases that represent capital investments, users/buyers are required to obtain the Board's approval.

Even with direct negotiation, requests for quotation or auctions, there are guidelines to secure competitive and reasonably priced goods and/or services.

To attain the best possible prices, in 2013 our Purchasing department embarked on e-auction/bidding. In 2018, a total of 88 projects were negotiated via e-auction. For greater transparency, the department has set a target to purchase more than RM1 million worth of goods/services through e-tendering in 2019.

New Source Evaluation (NSE)

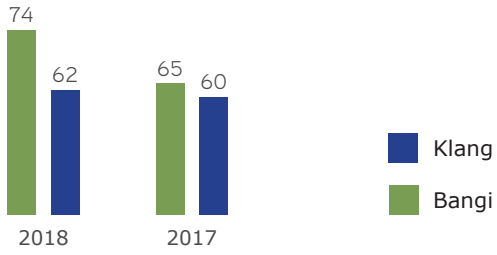
A key procurement initiative is to secure alternative suppliers of items such as raw and packaging materials. Towards this end, in 2018, a New Source Evaluation (NSE) was driven under Purchasing's Risk Management. Other than create a back-up source of essential inventory, the NSE also enhances cost savings by identifying more competitive sources/materials.

In pharmaceutical manufacturing, securing an alternate approved source is a lengthy and challenging process that involves many chemical and technical evaluations by the relevant departments, as indicated in the graphic.

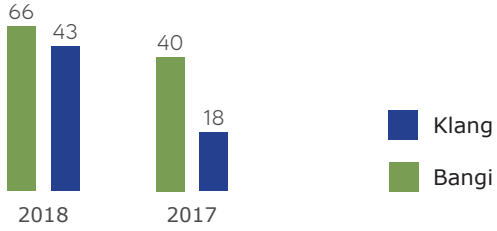
Sustainability-Led Business Commitment

The process of engaging a new supplier:

Raw materials and packaging materials successfully identified and accepted for new source evaluation



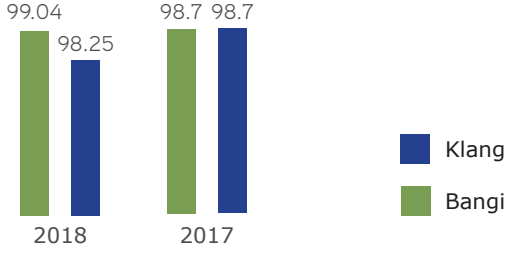
Raw materials and packaging materials successfully evaluated and approved for commercial use



Vendor Management

Vendor management is important in order to secure a continuous and smooth flow of supplies. We engage regularly with our vendors to establish strong relationships with them. We also appraise them via a Vendor Performance Evaluation (VPE) system, which includes obtaining feedback from them on issues faced in meeting their obligations. This provides us with insight on potential risks which we can then mitigate.

VPE scores in 2017 & 2018



We were pleased with our VPE scores for 2018, which exceed our target of 98%.

COMPLIANCE

The pharmaceuticals industry is, to be expected, highly regulated. Manufacturers are subject to regulatory controls to ensure product safety and efficacy. Various laws and regulations exist for the different phases of the value chain, from testing, safety, efficacy and marketing of drugs to their patenting.

In Malaysia, we are required to adhere to the following acts:

- **Poisons Act 1952 and Regulations**
- **Dangerous Drugs Act 1952**
- **Patent Act 1983**
- **Sale of Drugs Act 1952**
- **Medicines Advertisements and Sales Act 1956**
- **Control of Drugs and Cosmetics Regulations 1984**

Duopharma Biotech makes every effort to comply with these, not only because they are mandatory for the annual renewal of our Manufacturing, Wholesale, Import and Pharmacist Type A Poison Licences, but also because we genuinely care about creating positive outcomes. Quality assurance is integral to everything we do – from research and development to procurement, manufacturing, marketing and communication.

In Malaysia, we are guided by the current Good Manufacturing Practice (cGMP) advocated by the Pharmaceutical Inspection Co-operation Scheme (PIC/S), and the Good Distribution Practice for Medical Devices (GDPMD) which ensures the quality, safety and performance of medical devices. Given that our products are marketed overseas, we seek cGMP audits by the relevant authorities in our international markets too.

Sustainability-Led Business Commitment

Additionally, we have certified all our operations with relevant ISO standards, namely the ISO 9001 and ISO 13485. The former is applicable across the board to all organisations ensuring the ability to consistently provide products and services that meet customer regulatory requirements. The latter is specific to the provision of medical devices.

Our overriding goal is to serve people around the world with products and services hallmarked by integrity, quality and care.

Quality Policy

We have a Quality Policy that governs all our actions and procedures to guarantee the quality of our products. The policy outlines our commitment to building trust by offering products and services that match customers' expectations and comply with local and overseas regulatory and quality requirements.

Our Quality Policy requires us to:

- **Understand and fulfil our customers' requirements**
- **Provide a high standard of service to internal and external customers, with teamwork being the essence of our success**
- **Adhere to the concept of prevention by Doing It Right First Time, Every Time**
- **Continuously improve our processes, products and services**
- **Continuously engage and delight our customers and stakeholders**
- **Ensure that our suppliers are similarly committed to quality improvements**
- **Nurture a culture of excellence, resourcefulness and innovation**

In terms of GMP and ISO compliance, we test our drugs and medicines rigorously before releasing them into the market. Quarterly GMP Management Meetings are held while the findings of inspections are reported to Senior Management on a monthly basis.

Audits conducted at our subsidiaries by local and foreign regulators and ISO 9000 certification bodies in 2018 are presented below:

Duopharma (M) Sendirian Berhad

Date	Type of Audit	Audited by
14-15 May 2018	ISO 9001:2015 & ISO 13485:2016	TUV SUD
07-10 Aug 2018	GMP	NPRA
25 Sep 2018	ISO 13485:2016	DQS

Duopharma Manufacturing (Bangi) Sdn. Bhd.

Date	Type of Audit	Audited by
2 Mar 2018	ISO 9001:2015	TUV SUD (Stage 1)
9-10 Apr 2018	GMP	EU Consultant
11-13 Apr 2018	ISO 9001:2015	TUV SUD (Stage 2)
21-22 May 2018	GMP	Contract Mfrer
11-13 Jun 2018	GMP	NPRA
10-16 Aug 2018	GMP	GMP Consultant
12-14 Sep 2018	GMP	TGA
26 Oct - 1 Nov 2018	GMP	GMP Consultant

Duopharma Marketing Sdn. Bhd.

Date	Type of Audit	Audited by
22-23 Jan 2018	GDPMD	TUV SUD

Sustainability-Led Business Commitment

Certifications received by our subsidiaries

Company	Certification	Initial Date of Certification	Valid until
Duopharma Innovation Sdn. Bhd.	MS ISO/IEC 17025 General Requirements for the competence of testing and calibration laboratories	18 Jan 2010	18 Jan 2019
Duopharma (M) Sendirian Berhad	ISO 9001:2015 Quality Management System	02 May 2014	01 May 2020
	ISO 13485:2016 Quality Management System for Manufacture of Medical Device	01 Jul 2014	28 Feb 2019
Duopharma Manufacturing (Bangi) Sdn. Bhd.	ISO 9001:2015 Quality Management System	22 Apr 2015	21 Apr 2021
Duopharma Marketing Sdn. Bhd.	Good Distribution Practice for Medical Device (GDPMD)	29 Apr 2015	28 Apr 2021

As we prepare to expand our international footprint, we seek to gain more certifications relevant to target markets, such as the EU GMP applicable in Europe.

Meanwhile, we will ensure that our new facilities, ie the effervescent manufacturing plant, prefilled syringe filling line and HPAPI plant, receive all the relevant certifications. These plants were planned and designed to meet cGMP requirements.

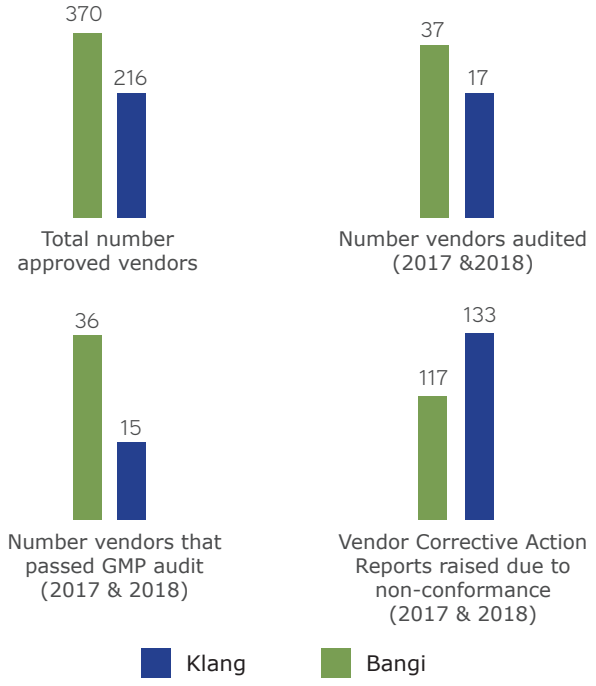
To date, the effervescent plant and prefilled syringe filling line have been inspected and successfully approved by NPRA in July 2017 and August 2018, respectively. As the plants are ready to be commercialised, process validation batches are under way to ensure quality products. Continuous operational improvements will be made.

Halal Certification

Halal certification is maintained by complying with MS2424, Halal Pharmaceuticals - General Guidelines and adopting the Halal Assurance Management System issued by the Department of Islamic Development, Malaysia (JAKIM) and Lembaga Pengkajian Pangan, Obat-obatan, dan Kosmetika Majelis Ulama Indonesia (LPPOM MUI). It includes internal halal audits, evaluation of new sources of materials, vendor audits and training. Currently, 355 out of 373 (or 95.2%) of our active products (92.5% in Bangi; and 98.3% in Klang) are halal certified. The certification process for the remaining 4.8% of our active products is ongoing.

Vendor GMP Audits

We audit our vendors/suppliers to ensure they meet GMP standards. This forms part of our vendor management programme. In 2017 and 2018, we audited 17 out of 216 vendors that supply our Klang manufacturing plant, and 37 out of 370 vendors that supply our plant in Bangi.



Vendors who do not meet GMP criteria are given the opportunity to rectify existing gaps, failing which their contracts are terminated.

Sustainability-Led Business Commitment

Halal Pharmaceutical Forum 2018

Halal Commitment

We have identified the halal market as key to our sustainable growth, given enormous opportunities that remain largely untapped. According to the State of the Global Islamic Economy Report 2017/2018, the halal pharmaceutical industry was valued at USD83 billion in 2016 and is expected to grow 8% year-on-year to USD132 billion by 2022. Malaysia as a nation aspires to become a global halal hub. Duopharma Biotech has taken up the mantle to support the government in achieving its vision by driving a vibrant halal pharmaceutical sector. Our own mission is to become the "thought and market leader in halal pharmaceuticals".

We have developed three strategies to achieve this mission:

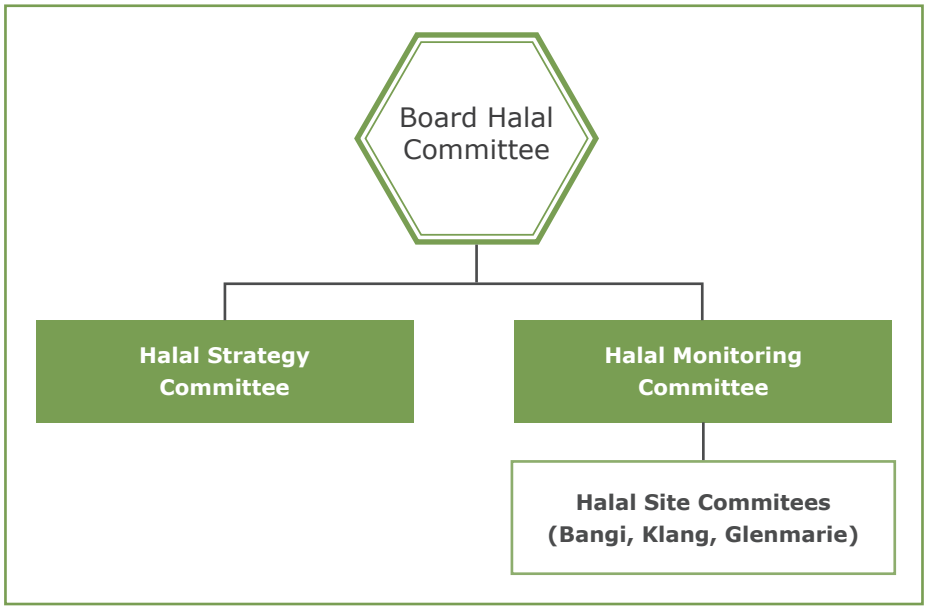
Strengthen our core organisational resources and capabilities

Leverage our halal status as a key differentiator and competitive advantage in expanding our market segments

Reinforce external stakeholder awareness through partnerships, events and training

INITIATIVES IN 2018

Establishment of Board Halal Committee



At a Special Board Meeting on 6 February 2018, the Board of Directors approved the establishment of a Halal Committee to support Duopharma Biotech's ambition to become the thought and market leader in halal pharmaceuticals. The Halal Committee comprises three Board members: Datuk Nik Moustpha bin Hj Nik Hassan (Chairman), Dato' Eisah Binti A. Rahman and Datuk Mohd Radzif Bin Mohd Yunus.

Scheduled to meet every quarter, the committee convened for the first time on 23 July 2018 and met twice subsequently before the end of the year to discuss and review halal initiatives carried out including compliance of products manufactured.

Tasked with overseeing Duopharma's Halal Pharmaceuticals Agenda, the committee is supported by the Halal Strategy Committee, Halal Monitoring Committee and Halal Site Committees.

The Halal Strategy Committee

Develops and coordinates all Duopharma Biotech's halal strategies; deliberates activities to enhance halal awareness and promote the Company's halal branding and identity in Malaysia and in markets of interest based on the advice of the Halal Committee.

The Halal Monitoring and Site Committees

Ensure all Duopharma Biotech's facilities, R&D and manufacturing processes and procedures conform with requirements prescribed by MS 2424, Halal Pharmaceuticals – General Guidelines, and Halal Certification.

Sustainability-Led Business Commitment

With the Halal Committee, we now have in place a comprehensive halal ecosystem. Working closely with relevant agencies including JAKIM, SIRIM and the Halal Industry Development Corporation (HDC), the Halal Committee also enables us to strengthen our strategic thought leadership. This, in turn, will pave the way for impactful alliances to serve a wide spectrum of stakeholders thus creating a competitive advantage for Duopharma Biotech.

Two key programmes carried out in 2018 under our halal agenda were Celik Halal Train-the-Trainer and Halal Week.

Internal awareness and training

The Halal and Government Relations Department jointly organise internal awareness and training sessions to update all employees on Malaysia's halal ecosystem, governance structure, progress surrounding halal pharmaceuticals and developments that would impact the halal industry. At least three such sessions are conducted annually.

Celik Halal Train-the-Trainer

Three sessions were held involving more than 150 employees from Customer Relationship Management (CRM), Sales and Marketing, R&D, QA/QC, Regulatory Affairs, Project Management. These sessions received more than 80% favourable feedback.

Halal & Integrity Week 2018

More than 250 employees from all levels participated in various activities organised from 3-7 December. These included a Halal & Integrity Forum, with a talk delivered by Halal Committee Chairman Datuk Nik Moustpha bin Nik Hassan on the topic "Living with Values". An "Explorace" meanwhile challenged participants with trivia and activities related to halal and integrity.

A programme for our vendors was also held, which included a talk on the requirements of halal certification. This was attended by representatives from 18 vendors involved in logistics, retail pharmacy, medical supply, travel, trade, distribution, healthcare laboratory solutions and printing, among others.

Knowledge Sharing

Collaboration with Medical Institutions

On 29 September 2018, Duopharma Biotech together with Universiti Malaya Medical Centre (UMMC) and Halal Industry Development Corporation (HDC) organised a "Halal Pharmaceutical Forum – Towards Professional Excellence" at which the discussion touched on new guidelines released by the Ministry of Health, Malaysia on prescribing non-halal drugs to Muslim patients. It also served as a platform for other thought-provoking topics such as "Ruling on alcohol in medicines". The forum, held at Pullman Bangsar Kuala Lumpur, was attended by over 160 participants comprising healthcare practitioners, students and representatives from industry and government ministries/agencies. It recorded a public relations (PR) value of RM1,879,172.01.

halal4pharma.com

This information portal on halal pharmaceuticals was designed and developed by Duopharma Biotech as a platform through which we are able to share our knowledge on halal pharmaceuticals based on our experience leading the industry. The portal also serves as a database for information provided by various key opinion leaders and halal pharmaceutical experts.

Sustainability-Led Business Commitment

National Halal Agenda

Fully supporting the government's agenda of establishing Malaysia as a global halal hub, Duopharma Biotech was part of the Technical Committee that developed the world's first halal pharmaceutical standard, MS 2424, Halal Pharmaceuticals – General Guidelines. Other contributions to the advancement of the sector are detailed below.

Contribution to Malaysian Halal Standards

We continue to participate actively in the development of Malaysian standards on halal pharmaceuticals and medical devices as a member of the following national committees:

- Technical Committee on Halal Pharmaceuticals
- Working Group on Halal Pharmaceuticals
- Working Group on Halal Medical Devices

Contribution to International Halal Thought Leadership

Our continuous support of events and participation (as speakers or panellists) at international halal thought leadership platforms in 2018 include:

i. The 9th Halal Certification Bodies Convention 2018, organised by JAKIM on 1 & 2 April in Putrajaya
ii. World Halal Conference 2018, hosted by the Ministry of International Trade and Industry (MITI) and organised by HDC on 4 & 5 April in Kuala Lumpur
iii. The 15th Malaysia International Halal Showcase (MIHAS), hosted by MITI and organised by the Malaysia External Trade and Development Corporation (MATRADE) from 4-7 April in Kuala Lumpur
iv. The 1st International Conference on Halal Pharmaceuticals and Cosmetics, organised by Josai University and Josai International University on 6 & 7 October in Saitama, Japan
v. The 4th World Muslim Leadership Forum organised by HDC on 6 & 7 December in London, UK

Entrepreneur Development

The Duopharma Halal Pharmapreneurs programme was introduced in 2017 to equip community pharmacists with better financial, human resources, marketing and other soft skills in order to improve their business.

The programme taps into the "Skim Peningkatan Produktiviti Enterpris" grant offered by the Malaysia Productivity Corporation (MPC) to small & medium enterprises (SMEs), under the Malaysia Productivity Blueprint. Duopharma Biotech continues to engage the Centre of Entrepreneur Development and Research (CEDAR) as a training provider for the programme.

Participants undergo six months' training in the form of coaching and mentoring in the following areas:

- Marketing and branding
- Sales force management
- Muslim-centric customer service
- Pharmacy retail business operations and inventory control
- Financial management
- People management

Sustainability-Led Business Commitment

National Halal Agenda

In 2018, a total of 10 retail pharmacies signed up under the second instalment of the programme which commenced in July. Other than develop business and entrepreneurial skills, the programme creates awareness of halal pharmaceuticals and promotes our products to the local communities living in the vicinity of these pharmacies.

Collaboration with Academia

i. *Universiti Kebangsaan Malaysia (UKM)*
We undertake research on halal pharmaceuticals in collaboration with the Halal Pharmaceutical Business Initiatives Center (HPBI), hosted by the Graduate School of Business UKM (GSB-UKM). HPBI is a shared facility for faculty members from different disciplines, including the Faculty of Science and Technology, Faculty of Pharmacy, Faculty of Islamic Studies and the Graduate School of Business itself.

ii. *Universiti Malaysia Pahang (UMP)*
We collaborate with UMP on research to improve the integrity of halal supply chain management through blockchain technology. As of July 2018, we have been developing a blockchain application prototype with the objective of eventual full-scale commercial application. The research is based on best practices to ensure it is pragmatic and functional for adoption by halal players.

FURTHER IMPROVEMENTS

As part of our commitment to becoming a thought and market leader in halal pharmaceuticals, Duopharma Biotech will continue to enhance the halal competencies of our people in all relevant areas, from sourcing to manufacturing and marketing. We will also expand our area of influence from Malaysia to the region and eventually beyond, taking not only our intellectual expertise but also our halal-compliant products. In so doing, we will not only grow our business, but also contribute to the halal pharmaceutical supply chain and the national agenda, benefitting a large number of stakeholders.

CLINICAL STUDIES AND PHARMACOVIGILANCE

Manufacturers are not required to conduct clinical studies for generic pharmaceuticals since they have been developed to be the same as the innovator product with the same efficacy and safety profiles.

There are, however, requirements for the development, manufacture and marketing of biologics and specialty products. We have been developing our capabilities in clinical studies and pharmacovigilance to comply with these requirements. The year 2014 marked two milestones in our journey:

1) When we became the first local company to embark on a Phase III clinical study for a biosimilar in Malaysia; and
2) When we set up a Pharmacovigilance Team.

AWARDS

Duopharma Biotech was the proud recipient of the Frost & Sullivan Malaysia Excellence Awards – Halal Pharmaceutical Company of the Year 2018.

Sustainability-Led Business Commitment

EPO Clinical Study

In 2014, Duopharma Biotech embarked on a two-year Phase III clinical trial on an EPO biosimilar being developed by our partner, South Korea-listed PanGen Biotech. The multi-centre, multinational clinical trial, involving 228 patients in Malaysia and 70 patients in South Korea, showed the biosimilar had similar efficacy and safety as the innovator drug in treating anaemia in end-stage kidney failure patients. Code-named PDA10, the biosimilar demonstrated equivalence in terms of pharmacokinetics, pharmacodynamics and toxicity.

PDA10, PanGen's first finished biosimilar, is produced in cell culture using recombinant DNA technology. It stimulates the production of red blood cells in humans.

Completion of the trial was not only significant for Duopharma Biotech but also for the Malaysian biopharmaceutical industry, demonstrating the country has the ecosystem to conduct clinical trials for ethical drugs.

The EPO biosimilar, Erysaa, is to be launched in the second quarter of 2019.

Pharmacovigilance

Pharmacovigilance is the scientific process of monitoring, evaluating and preventing adverse side effects of medicines in normal clinical use and during clinical trials. The aim is to identify a medicine's negative effects and weigh these against its benefits. The idea is to safeguard patients against inadvertent consequences of medications by systemically developing a knowledge set available to stakeholders across the scientific and medical communities. Under a pharmacovigilance system, all instances of adverse drug reaction (ADR) are properly recorded, assessed, investigated and reported to the regulatory authority or partner companies.

In Duopharma Biotech, pharmacovigilance is managed by our Clinical Affairs/ Pharmacovigilance Department, staffed by six employees with backgrounds in pharmacy, biotechnology and biomedical sciences. The team monitors the safety performance of all medicines and medical devices for which Duopharma Biotech is the Market Authorisation Holder.

A PV System consists of the following:

Collection and management of data on product safety, including individual adverse drug reaction (ADR), which comes to the attention of a company or organisation;

Submission of product safety information eg ADR reports, Periodic Safety Update Reports (PSUR)/ Periodic Benefit-Risk Evaluation Reports (PBRER), post registration study reports and risk management plans (RMP) to the national drug authority in a timely manner;

Data evaluation and decision making with regard to safety issues;

Communication with stakeholders and the public; and

Action to protect public health (including regulatory action to make changes to the product dossier/ information leaflets/labels).

We encourage our partners – ie healthcare practitioners, hospitals and clinics dispensing our products – as well as patients themselves to report any ADR immediately to our Pharmacovigilance Team via the company's webpage or clinical-affairs@duopharmabiotech.com. These reports are then channelled to the respective local regulatory authorities such as NPRA and Singapore's Health Sciences Authority (HSA) within a set timeline, depending on the severity of the cases.

In line with Good Pharmacovigilance Practice, we comply with all applicable rules and regulations as stipulated under the Malaysian Pharmacovigilance Guidelines, Malaysian Guidelines for Good Clinical Practice (GCP) and the Safety Data Exchange Agreements (SDEA) with partner companies.

Sustainability-Led Business Commitment

To enhance our efficiency, in 2018, we migrated our pharmacovigilance system from a manual Excel database to a web-based platform. We also conducted monthly reconciliation of ADR cases with our Quality Assurance (QA) team and partner companies. As the concept of pharmacovigilance is still relatively new in Malaysia, we are continuing to invest in awareness creation among our employees. Awareness sessions were organised for all departments nationwide, complemented by poster blasts via email every month.

All valid ADR cases received were reported to the regulatory authorities and partner companies within the required timeline. We are pleased to report that in 2017 and 2018, Duopharma Biotech did not receive any legal or regulatory fines in relation to our pharmacovigilance activities.

Moving forward, we seek to extend our pharmacovigilance training to external stakeholders, to contribute towards the creation of a more educated and responsible pharmaceuticals environment.

Under our partnership with Biocon, we have also conducted post-marketing surveillance studies for two Insulin products, in 2015 and 2017. Both studies were completed without issue and the results showed that our products are efficacious and safe to use.

RESEARCH & DEVELOPMENT

In an industry as intensely science-based as pharmaceuticals, research & development (R&D) is critical. Through R&D, innovator companies are able to introduce breakthrough drugs that have immense impact on patient outcomes. Through R&D, too, generics manufacturers reproduce these cutting-edge drugs, making them more affordable for the general population. R&D is also important in the design of medical devices as well as the formulation of CHC products.

Priding ourselves as an innovative, science-based pharmaceutical company, Duopharma Biotech has a strong research base, represented by Duopharma Innovation Sdn. Bhd., our R&D facility located in Glenmarie. Staffed by close to 40 pharmacists, chemists and other scientists, Duopharma Innovation churns out 10-15 ethical products, CHC, supplements and haemodialysis solutions a year.

Its current focus is on developing first-in-the-market generic ethical products to provide cost-effective alternatives to the public, in addition to innovative consumer healthcare products that further enhance quality of life.

Our R&D personnel are trained on Quality-by-Design (QbD) to increase their competency in pharmaceutical development.

Quality by Design

QbD is a systematic approach to development that begins with predefined objectives and emphasises process control based on sound science and quality risk management. It enhances the assurance of safe, effective drug supply with a promise to significantly improve manufacturing quality performance.

Having a clear target product profile encompassing its use, safety and efficacy

Knowledge-gathering about its contents and process operations

Designing a formulation that will meet the final product attributes

Designing an appropriate manufacturing process

Identifying critical process parameters and raw materials required

Establishing a control strategy for the entire process, taking into account expected changes in scale

Continually updating the process to ensure consistent quality

To ease the transfer of technology from Duopharma Innovation to our production lines, the same technology platforms are used at both sites. We are also investing in new technology such as roller compactors to improve the development process and our manufacturing capability.

In addition to R&D conducted in-house, we collaborate with various local and international universities, institutions and research organisations to enhance our research capabilities and scientific knowledge. In 2018, for example, we acquired 5.8% equity in SCM which specialises in stem cell technology, and from whom Duopharma Biotech will enhance our technical knowledge, especially on cell-based therapeutics.

OUR WORKFORCE AND COMMUNITY

> We place the highest priority on ensuring the health and safety of our employees, contractors and also visitors at all our operating sites, especially our manufacturing facilities.

Our Workforce and Community

COMMUNITY OUTREACH

Much of our outreach efforts are geared towards elevating healthcare standards and ensuring more equitable access to quality healthcare throughout the country. Given the increasing prevalence of non-communicable diseases, this year we launched a new corporate social responsibility (CSR) programme to raise medical students' awareness of these largely lifestyle-related and preventable ailments. The idea is for them to understand the risk factors, adopt healthier lifestyles and influence other Malaysians to do the same. We also support national programmes to serve the marginalised.

Our corporate social responsibility (CSR) programmes are aimed at giving back to local communities in ways that are meaningful, often by leveraging our consumer healthcare products to enhance the well-being of the underserved. A number of ongoing programmes are run in collaboration with long-term partners such as the MAA Medicare Charity Foundation and the National Autism Society of Malaysia (NASOM). Different departments organise their own CSR programmes, to complement the initiatives run by Duopharma Biotech as an organisation.

Continuing Medical Education (CME)

It is important for medical practitioners to keep updated on the latest developments in disease treatment and prevention. Pharmaceutical companies have traditionally played a role towards this end, by organising CME events at which subject matter experts share their knowledge on topical issues. This year, Duopharma Biotech organised four such events:

In April, we organised a seminar on cardiovascular and nervous ailments in Penang

This was followed by a seminar in Malacca in August on the Respiratory Gastrointestinal System

In November, a seminar on Systemic Anti-Infectives, Sensory and Musculoskeletal therapeutic areas was held in Putrajaya, which also saw the launch of the "I Pledge to Become an Antibiotic Guardian" campaign advocating proper use of antibiotics to prevent antibiotic resistance

The last CME for the year was held in December in Johor Bahru, focusing on diabetes as well as cardiovascular disease

NCD Series at University

We organised three educational events at Universiti Kebangsaan Malaysia (UKM), University Malaya and International Medical University (IMU), at which leading specialists (an endocrinologist, cardiologist and nephrologist) gave inspiring talks on how healthy lifestyles can keep high blood pressure, diabetes and high cholesterol levels at bay. These events, in October and November, attracted the participation of a total of 322 medical students. Non-communicable diseases (NCDs) are the top silent killers in Malaysia, exerting a huge toll on public health. We hope to be able to make a meaningful difference in this area by creating greater awareness of the fact that NCDs are by and large preventable.

Sponsoring Medical Exhibitions

Another platform through which we contribute to the industry, hence well-being of the nation, is through sponsorship of key healthcare related events. Throughout the year, we sponsored no less than six knowledge-sharing meetings/seminars aimed at healthcare professionals. Among these, we were gold sponsors of the 51st Malaysian Pharmaceutical Society (MPS) Seminar, the 34th Annual Congress of Malaysian Society of Nephrology (MSN) and World Pharmacists Day organised in MyTown KL by the Ministry of Health in conjunction with various other government agencies. Most of these events focused on the management of healthcare challenges such as cancer, kidney and heart disease.

CEO@ Faculty Programme

The CEO @Faculty Programme (CFP) is a Ministry of Higher Education initiative to create closer links between industry and academia. The idea is for lecturers to have a better understanding of the needs of industry and finetune their programmes so young graduates will enter the workforce with the right knowledge and skills. In the second installation of CFP, two lecturers – from University Kebangsaan Malaysia (UKM) and Universiti Sains Malaysia (USM) – are spending six months with our Group

Our Workforce and Community

Managing Director, Leonard Ariff Abdul Shatar, from 18 September 2018 to 17 March 2019 to gain first-hand experience of the pharmaceutical industry. The lecturers are: Dr Mazlina Mohd Said, Senior Lecturer, Faculty of Pharmacy and Coordinator of International Relations at UKM; and Dr Shangeetha Ganesan, Senior Lecturer, School of Chemical Sciences, USM.

PROTÉGÉ Programme (formerly Skim Latihan 1Malaysia Programme (SL1M))

We participate in this government initiated programme, run by the Entreprenuer Development Ministry, which seeks to upskill unemployed graduates to help them gain employment. Five modules in soft skills training are provided – namely Communication Skills, Grooming & Etiquette, Organisational Adaptability, Value Driven Professional, and Creative Thinking & Problem Solving – led by our Chief Manufacturing Officer, Head of Human Resources, Chief Operating Officer, Chief Legal Officer and Chief Technical Officer. In 2018, we took in 64 trainees and offered full-time employment to 20 from the group.

CSR Programmes

We organise and support a wide range of CSR programmes every year. Highlights of our contributions in 2018 are presented below.

	Description
Apr 6	We raised RM5,000 from staff and the Company via a Wear Green for Charity campaign, which was donated to MAA Medicare Charity Foundation for the Kidney Disease Awareness Month.
Apr 10	Proviton announced it would sponsor an expedition to the Everest Base Camp from 13- 30 April.
Apr 17	For the third year running, CHAMPS collaborated with NASOM to create public awareness and acceptance of autism. In addition to providing CHAMPS Vitamin C promotional packs, we also donated RM125,000 to NASOM.
Apr 25	Duopharma Biotech continued with our tradition of running the trading game among secondary school children in an interschool competition in conjunction with Minggu Saham Amanah Malaysia 2018. This year, some 32 schools around Batu Pahat participated in the contest.
May 26	The Bangi site hosted 30 orphans from Rumah Pengasih Warga Prihatin to a buka puasa dinner.
May 30	Duopharma Biotech treated 32 orphans and underprivileged children from Rumah Titian Kasih Al-Inayah, Teluk Panglima Garang, to Iftar, and gave them "duit raya".
Jun 10-11	Proviton organised a "Do More Good" campaign in Anjung Singgah, a shelter for the homeless in Kuala Lumpur; and Pusat Transit Gelandangan Kuala Lumpur. Key opinion leaders and social media influencers were roped in to help distribute Proviton Energy Kits to the homeless. Residents of the home were also given free haircuts to prepare for Hari Raya. The programme ended with Iftar on both days.
Aug 6	CHAMPS Vitamins mascot, Twinny the Rabbit, made a special appearance at the KPJ Selangor Medical Centre consultant paediatrician clinic and brought cheer to the young patients.
Nov 23	We presented two first aid kits and cash to Sekolah Kebangsaan Presint 14 (1), Putrajaya, which has almost 1,800 pupils.
Dec 6	In conjunction with Halal Integrity Week, organised by our Halal & Government Relations together with Group Internal Audit & Integrity, we donated cash and other items to current and former underprivileged employees, as well as to Pertubuhan Kebajikan Islam Peribadi Mulia, Kajang, an orphanage with more than 60 children under its care.
Dec 10	We gave away CHAMPS school bags, CHAMPS Effervescent and vouchers to primary school-going children in two homes, the House of Love and Persatuan Kebajikan Rakan Lutheran, both located in Klang. The children were also treated to lunch.
Dec 15	We organised another Back-to-School programme by sponsoring CHAMPS school bags and CHAMPS Vitamin C to 11 MAA Medicare Centres nationwide. MAA Medicare Charitable Foundation then distributed the contributions to the children of patients undergoing dialysis at MAA Medicare on Jalan Ipoh, Kuala Lumpur. A total of 150 children received the contributions.

Our Workforce and Community

OCCUPATIONAL SAFETY & HEALTH

Just as we promote health and well-being through our products, we place the highest priority on ensuring the health and safety of our employees, contractors and also visitors at all our operating sites, especially our manufacturing facilities. We believe employees have a right to a safe working environment and do everything we can to prevent any accident or incident at the workplace.

We have a robust safety framework in the form of our Safety & Health Policy. Adhering to this policy, we comply with all relevant statutory laws and regulations in Malaysia, including the Occupational Safety and Health Act (OSHA) 1994 and Factories and Machinery Act (FMA) 1967.

Our Safety & Health policy commits Duopharma Biotech to:

- Empower and hold line managers and immediate supervisors responsible for the safety and health of their subordinates by ensuring strict adherence to applicable procedures
- Ensure that all plants, equipment, substances and processes have relevant operating procedures for safe operations, maintenance and use
- Anticipate, recognise and evaluate safety and health risk factors that potentially affect employees and the public, and implement appropriate measures to eliminate, control or minimise such risks
- Strive for zero accidents at the workplace
- Require all employees to exercise personal responsibility for their own safety and that of others who may be affected by their acts or omissions

Minister of Human Resources Officiating SHE Week 2018

Safety and Health Committee

All sites have their respective Safety and Health Committee comprising representatives from the management and staff. These committees meet every quarter to discuss safety, health and environment (SHE) matters including:

Safety and health indicators

Safety concerns

Findings of inspections and audits

Suggestions on how to improve our workplace safety

SHE Committee Members with the Minister of Human Resources

Our Safety Culture

We believe in upholding the highest standards of safety via a combination of vigilant monitoring and continuous reinforcement of safe behaviours among our people.

Audits & Inspections

All significant processes and activities are assessed using established tools such as Hazard Identification, Risk Assessment and Risk Control (HIRARC) and Aspect Impact. For significant SHE risks, appropriate controls are implemented and their efficiency monitored and reviewed frequently.

The SHE team also conducts yearly audits at all sites, while the persons in charge (PICs) carry out regular inspections. All findings of the audits are reported to the Management Committee while outcomes of the inspections are presented to the relevant departments for further action. Meanwhile, Occupational Safety and Health indicators such as total recordable case frequency (TRCF), recordable SHE incidents and fines from authority (if any) are reported to the Senior Management monthly.

Our Workforce and Community

Our Safety Culture

Promoting Workers' Safety and Health

I. ***Briefings***. SHE staff conduct safety briefings in all departments at least twice a year. New staff, visitors and contractors are required to undergo a safety induction by a designated Safety Officer prior to entering any operational site.

II. ***SHE Week***. This is held annually to increase staff awareness of safety and health at the workplace. In 2018, the event – themed "SHE is My Responsibility" – was officiated by the Ministry of Human Resources. Activities included a healthy cooking competition, cancer screening by MAKNA, health talks, and safety and health promotion by external companies.

Promoting Workers' Safety and Health

III. ***Medical Surveillance and Check-ups***. All employees undergo a medical test prior to confirmation of employment. Production employees are required to have yearly medical check-ups subsequently. Additionally, if an employee has been exposed to any chemical listed in Schedule I or II of the Use and Standard of Exposure Chemical Hazardous to Health (USECCH) Regulations 2000, we will arrange for appropriate medical surveillance as prescribed under the law.

Feedback and Grievance

We encourage our employees to report any safety or health related concern they may observe. They can channel their feedback through:

1

Unsafe Condition and Unsafe Act (UCUACT) forms
The SHE Department immediately investigates all reports made via the UCUACT system and proposes appropriate corrective actions. It is also authorised to stop any activity that may cause immediate harm to employees' life or health.

▼

2

Meetings and briefings
All staff are encouraged to raise any issues pertaining to safety and health at meetings and briefings conducted by the SHE Department.

▼

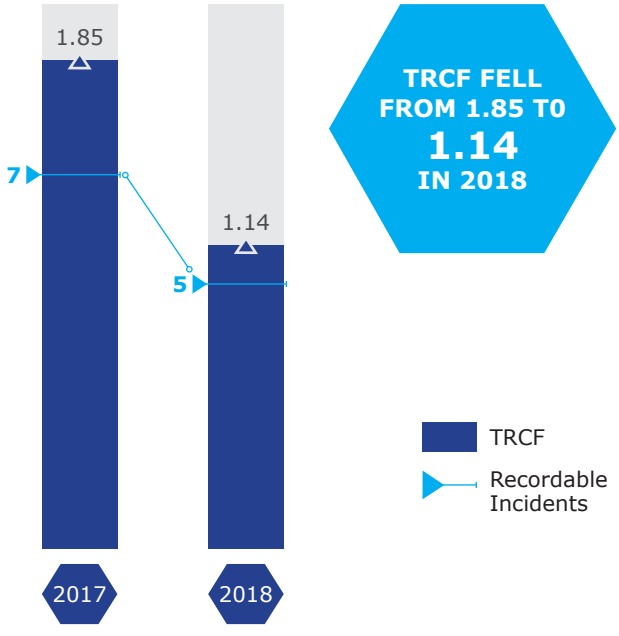
3

SHE Committee members
Feedback can also be directed to respective sites' SHE Committee members. The committee will then take further action after a thorough discussion.

Safety Performance in 2018

We use TRCF as our main occupational health and safety (OHS) Indicator. TRCF is a 12-month rolling average total recordable case frequency per million man-hours. In 2018, our TRCF fell from 1.85 to 1.14, while the total recordable incidents dropped from seven to five. Better performance in 2018 was due to a review of all high-risk operations; the installation of controls to prevent injuries; and increased awareness via training and audits. At the same time, a penalty system has been introduced to penalise safety related offences.

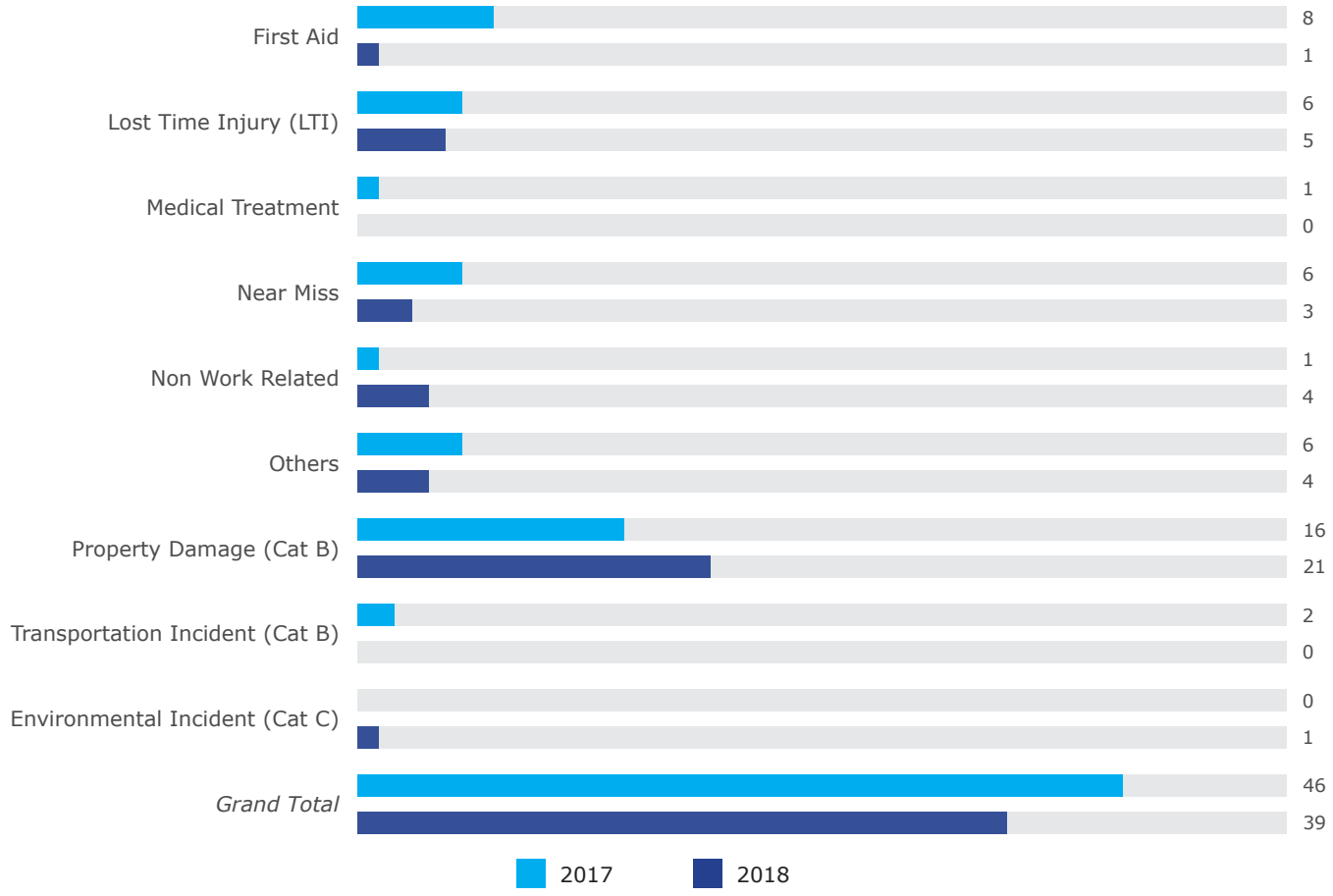
TRCF and Total Recordable Incidents from 2016-2018



Our Workforce and Community

Other indicators used to measure our safety performance include the number of first aid incidents, lost time due to injury (LTI), near misses, transport related incidents and environmental incidents. We performed better in 2018 compared to 2017 for most of these indicators, too. The only categories in which the number of incidents increased were Non-Work Related and Property Damage. Non-Work Related incidents are those that take place during employees' commute while Property Damage are those incurred by mechanical handling equipment or transporters. We have in place an informal system to track and penalise transporter offences which should reduce property damage in future.

Total SHE related incidents reported from 2017 to 2018



Compliance

There were no health or safety related fines or summonses from the authorities for any Duopharma Biotech site in the year of 2018.

TALENT RECRUITMENT & RETENTION

In view of Duopharma Biotech's continuous growth and expansion, we are always on the look-out for fresh talent while promoting internal talent wherever possible to positions of higher responsibility. During the year, a total of 103 positions were filled by external and internal talent. Among the criteria for bringing in external talent is their ability to inject new skills, competencies and ideas to enable us to expand into new business areas while improving the way we manage our existing business.

External talent are sought via advertisements on on-line portals and employee referrals. We also offer full-time employment to SL1M candidates and interns who prove their capabilities and show promise.

Duopharma Biotech is one of the most sought-after employers, as proven by the Company winning HR Asia's Award for the Best Company to Work For in Asia, for three consecutive years.

Our Workforce and Community

EMPLOYEE ENGAGEMENT

Management approach

Keeping our employees engaged with the company and encouraging them to stay connected with their colleagues and communities are essential components of Duopharma Biotech's people strategy.

Our annual employee engagement survey is a key element in gauging how employees feel connected and motivated. It is also a method to ensure we deliver our promises so that all employees can perform to the best of their abilities.

Initiatives & results

The Employee Engagement Pulse Survey specifically focus on employee engagement topics. The participation rate for our latest survey was 99%, which demonstrates our employees' willingness to share their opinions with us.

Apart from the survey, the Company also conducted employee engagement activities throughout the year.

Type of Engagement Activities 2018

Type of Engagement	Activities in 2018
Festive Decorations	Duopharma Biotech conducted Festival Decoration contests for Hari Raya, Chinese New Year, Deepavali and Christmas at all sites. Participating departments or teams decorated their preferred area or sites
Hari Raya Open House	Duopharma Biotech celebrated Hari Raya Open House with our Board of Directors to encourage interaction and engagement among Management and staff. The event was held on 9 July at the Grand Bluewave Hotel Shah Alam
Annual Dinner	Duopharma Biotech employees participated in the Group Kelab Sukan Annual Dinner held on 8 December with the theme "The Oscars" at the Grand Dorsett Subang
Quarterly Townhalls	Duopharma Biotech conducted quarterly Townhall sessions at all our sites. The sessions act as communication platforms between the Management and employees. The first townhall post-demerge was held on 8 January at Setia City Convention Centre
Merdeka Appreciation & Celebration	Duopharma Biotech organised a Merdeka Short Video Contest & Merdeka Decoration Contest for all the staff
Healthy Food Fair	Duopharma Biotech initiated a Healthy Food Fair at which a talk on "Eating Healthy Food" was delivered by the Malaysian Dietition Association. Healthy food booths were set up including those promoting Vitagen, Yakult, Fruit Addicts (juices & fruits) and Dietmonsta (healthy food)
Beauty Technique Class	Make Up techniques & Grooming Class by Mary Kay was conducted at all sites.

Target and plans for improvement

The Company will continue with the survey and conduct more engagement activities in 2019.

Our Workforce and Community

LONG SERVICE AWARDS

The Long Service Awards is held annually in appreciation of the loyalty and long-term contributions to the company of employees. The awards recognise and acknowledge employees who have worked for 10, 15, 20, 30, 35 and 40 years, as well as our retirees.

In 2018, a total of 106 Duopharma Biotech employees received Long Service Awards at an event held on 30 November at Pullman Putrajaya Lakeside. Five employees also received the Gold Medallion award in recognition of their dedication and loyalty to the company.

Our Workforce and Community

FAIR EMPLOYMENT PRACTICES

As a responsible employer, we adhere to all relevant laws and regulations regarding employment practices. Indeed, we seek not just to meet, but often exceed, labour policies on areas such as wages, benefits and the right to freedom of association, among others. We believe strongly that by treating our people right we are able to attract and keep the right people.

Wages & Benefits

Salaries are a key component of employee satisfaction, and we benchmark our salary packages with those of leading local companies. Salaries are commensurate with an employee's level of responsibility within the organisation, irrespective of gender. For those working on the floor in our manufacturing facilities, we implemented the minimum wage of RM1,100 on 1 December 2018. Together with benefits, we believe our compensation packages are among the most attractive in the marketplace.

Key benefits offered to employees:

- **Higher than compulsory employer contribution to the Employees Provident Fund (EPF)**
- **Subsidies to help pay car and housing loans**
- **Meal subsidies at site canteens**
- **Attractive and great promotions for staff to purchase company products provided by the Event and Promotion team**
- **Highly attractive medical and hospitalisation benefits**
- **Group term life insurance**
- **Hostel and company transport**
- **Encashment of annual leave(s)**

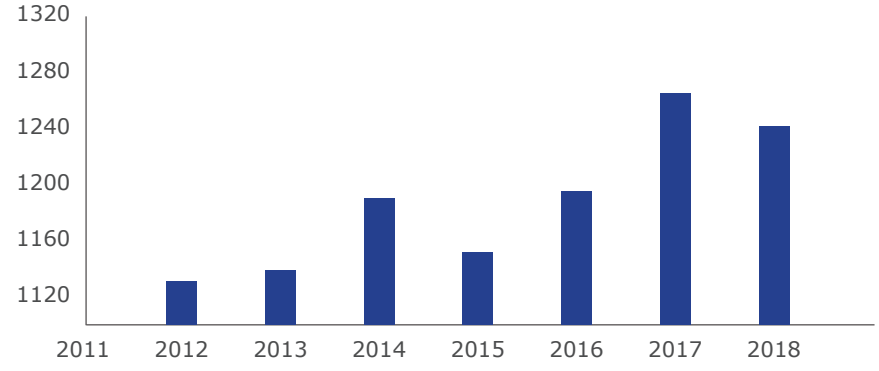
Freedom of Association

We fully support employees' right to bargain collectively and allow them to join a union of their choice. In line with that, we collaborate closely with the National Union of Petroleum and Chemical Industry Workers Peninsular Malaysia (NUPCIW). We have a good working relationship with the union, through which employees are able to voice their opinions on work-related matters that are important to them and get involved in decision-making processes. This approach provides a greater sense of ownership and encourages transparency in the workplace.

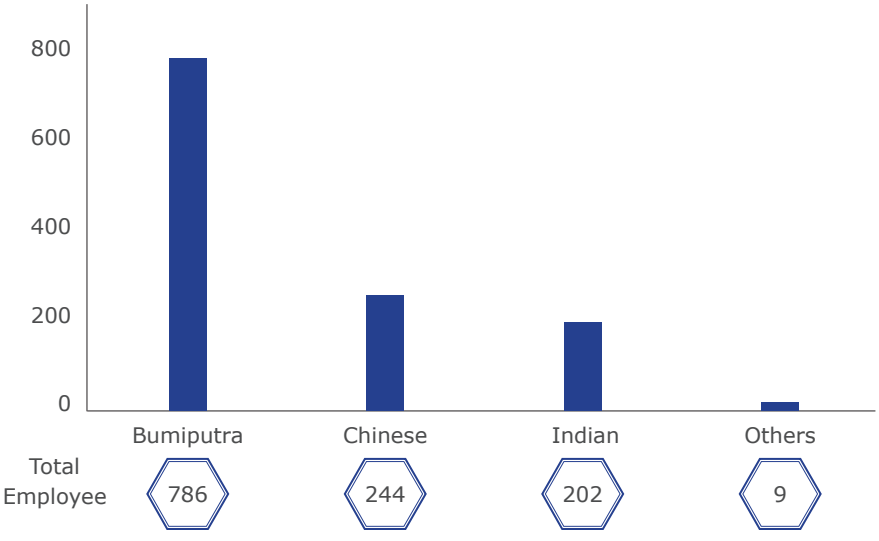
Diversity & Inclusivity

We seek as far as possible to bring together a diverse workforce, with a good mix of ethnic backgrounds and ages as well as a good balance of the two genders. We believe that diversity enriches our collective skills, knowledge and creativity, while providing a broader-based perspective for more informed and effective decision-making. All races and age groups are well represented at Duopharma Biotech, and all employees are treated the same, irrespective of their cultural beliefs or background. In order to create an inclusive work environment, we do not tolerate any racial or gender discrimination at work.

Total Employees by year



Breakdown by Ethnicity



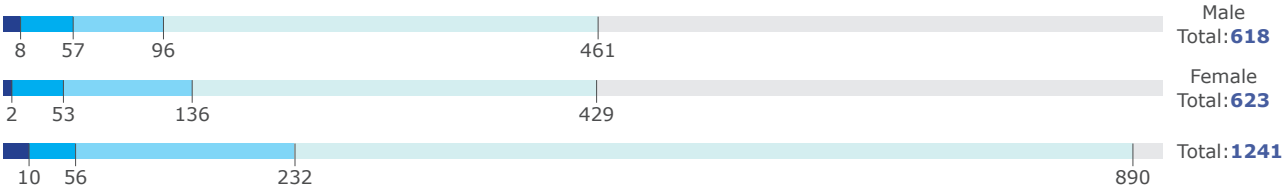
Our Workforce and Community

Gender Equity

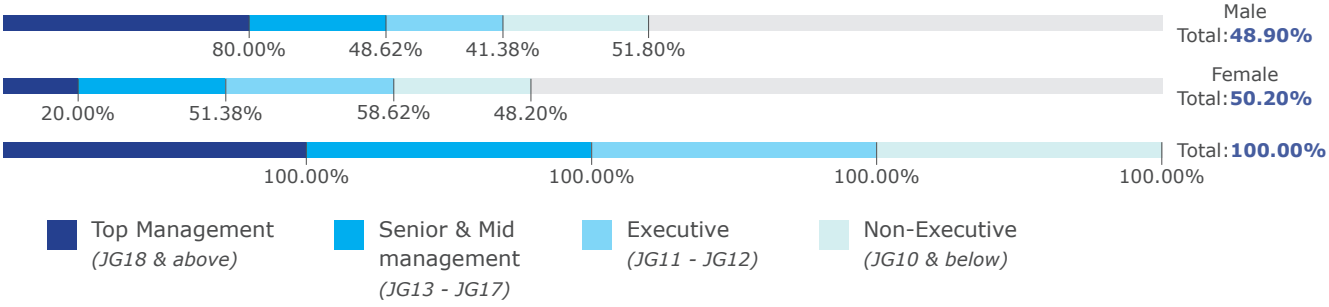
We are strong advocates of gender equity in the workplace, believing it is not only right to offer equal job opportunities and career progression opportunities to men and women, but also that it makes business sense given that women make up half the potential labour pool and provide value in their diverse business perspectives. In recruiting, we judge a candidate's potential by his/her individual merits and not gender. The same applies to promotions within the organisation. We are pleased to have women make up roughly half of our workforce at all levels up to senior management, and encourage more women to take on top positions. We recognise the need to accommodate the needs of women with young families and provide Mother's Rooms in our Klang and Bangi sites and plan to introduce the facility in Glenmarie too.

SUSTAINABILITY 4 - BREAKDOWN BY GENDER

Employees Demographic by Gender : EXCLUDING TEMPORARY



Employees Demographic by Gender: EXCLUDING TEMPORARY (%)



EMPLOYEE LEARNING & DEVELOPMENT

In order to maintain a high-performance culture, we ensure all our employees are given the opportunity to keep enhancing their knowledge, skills and competencies. We have in place a Learning and Development Framework which encompasses compulsory training for each employee category, supplemented by opportunities to attend other soft and technical training based on each individual's development plans. Development plans are discussed with employees by their superiors during the annual appraisal.

Some training programmes are organised and held in-house while others are public programmes conducted by third parties. In certain cases, employees are also given the opportunity to attend training overseas.

The Training department at Duopharma Biotech has been tasked with achieving the following training hour targets:

	Description	Average Training Hours Per Employee Per Year
Blue Book	From senior executives to top management	32
Red Book	Supervisors, technicians and executives	16
Green Book	Clerical and manufacturing employees	8

Our Workforce and Community

As part of our training culture, we prepare an Annual Training Calendar at the beginning of each year, which is shared with all employees via email. Superiors are requested to submit nominations for each training programme conducted in-house. HR also sources for relevant public training programmes based on our employees' development/competency needs. Employee attendance of all training programmes is recorded and closely monitored to ensure all employees have the opportunity to attend training.

Synergy In Teams Training Session for the Sales & Marketing Team

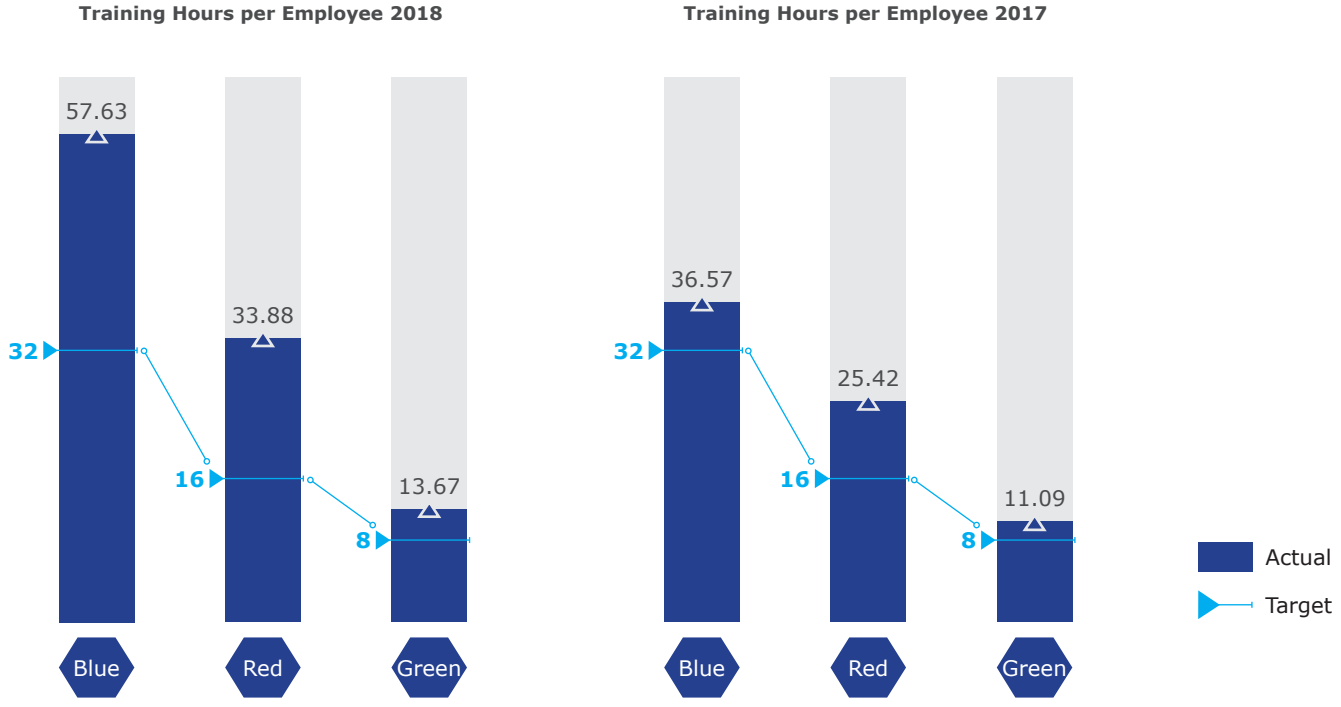
Training & Development in 2018

In 2018, 95.74% of our Training budget was utilised, with a total expenditure of RM941,145. The average expenditure per employee was RM786. As highlighted in the tables below, the total number of training hours in 2018 increased 59.5%, while the total number of training hours per employee increased by 47.5%.

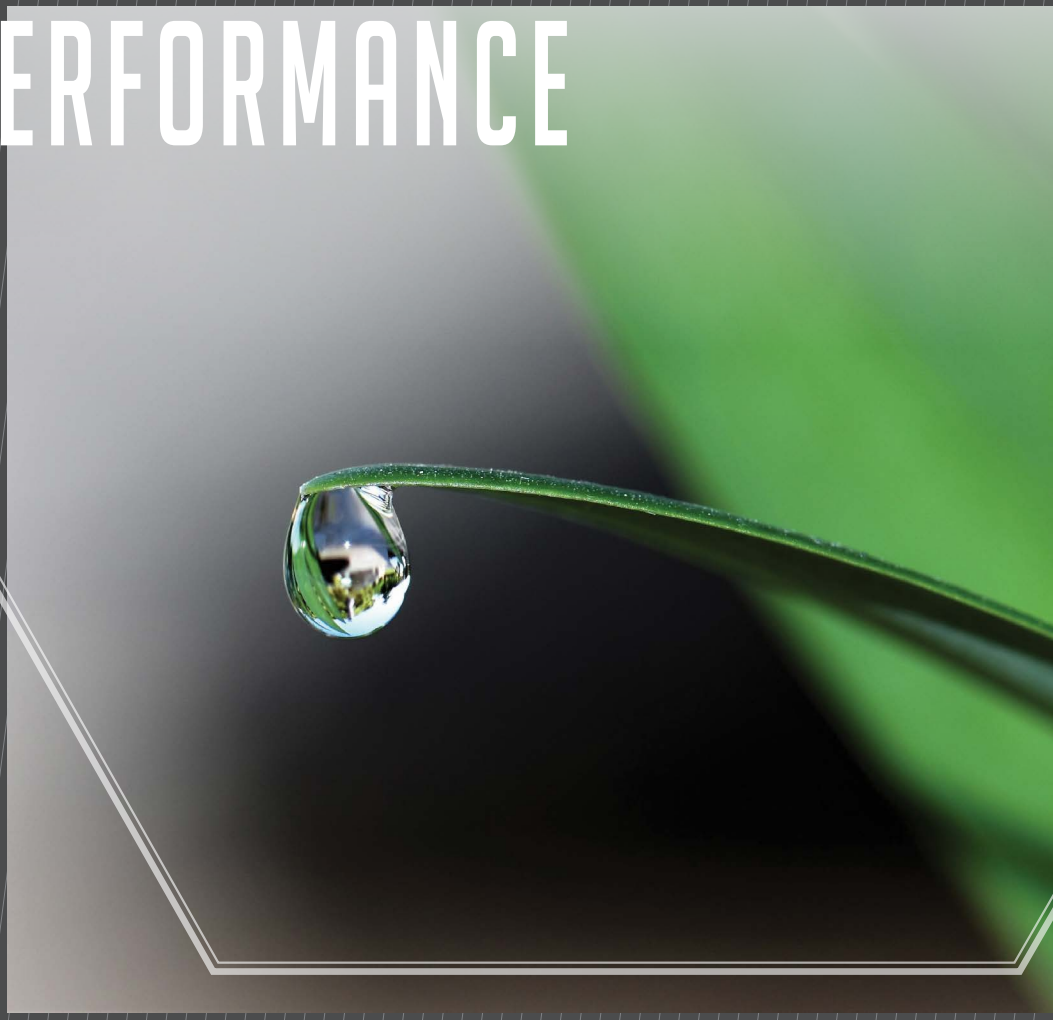
Training Hours by Employee Category, 2017 & 2018:

Category	Number of employees		Total Training Hours		Total Training Hours per Employee		Target Training Hours per Employee	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
Blue	**228**	173	**13,140.25**	6,326.5	**57.63**	36.57	**32**	32
Red	**345**	295	**11,690.25**	7,499.45	**33.88**	25.42	**16**	16
Green	**625**	640	**8,545.5**	7,096.85	**13.67**	11.09	**8**	8
Total	**1,198**	1,108	**33,376**	20,922.8	**27.86**	18.89		

TRAINING STATISTICS as at 31 December 2018 and 2017



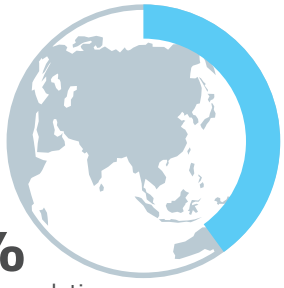
PLANET PERFORMANCE



“Water is essential in almost every facet of life, yet is a finite resource and becoming increasingly scarce.”

Planet Performance

Despite high rainfall, Malaysia is not spared. Water shortages are becoming more and more common as the level of water in our dams keeps falling while the level of pollution in rivers keeps increasing.



40%
of the world's population are affected by water scarcity, according to WHO

WATER SCARCITY

Water is essential in almost every facet of life, yet is a finite resource and becoming increasingly scarce. The water tables in countries supporting the largest populations – India, China and the United States included – is falling as the rate of consumption exceeds the natural rate of replenishment. According to the World Health Organization (WHO), water scarcity affects 40% of the world's population. Though water can be recycled, UNESCO states that 80% of wastewater flows back into the ecosystem without being treated or reused[1]. The World Wildlife Fund (WWF) cautions that by 2025, water shortages will affect about two-thirds of the world's population[2].

Duopharma Biotech fully appreciates the consequences of water scarcity and takes seriously our responsibility to better manage our consumption so as not to waste any of this precious resource, and to treat our effluents so as not to pollute the water bodies surrounding our operations.

We abide by all Department of Environment (DoE) rules and regulations regarding the treatment of effluents. We monitor the chemical oxygen demand (COD) of treated effluent before it is released into the environment, and submit reports on this as well as other key indicators to the DoE every month. The COD is a measure of the amount of oxygen required to oxidise organic matter in a water body. The higher the figure, the higher the oxygen-stripping capacity of the effluent and the greater the likely damage to biological life in those waters.

Between 2017 and 2018, our average COD decreased by a substantial 85.1%. This was due to upgrades to the Industrial Effluent Treatment System (IETS) in Bangi and hiring of full-time staff (as opposed to part-timers previously) to ensure all policies are met. We have also established testing labs in all our plants to monitor our effluents daily. At the same time, our water consumption dropped by 34.9%. This was the result of the installation of more efficient equipment, improved cleaning techniques and generally heightened awareness of the need to conserve water among our people following effective campaigns.

As part of our water management policy, we educate our employees to be responsible stewards of reduced water consumption. Messages are shared regularly via internal communication channels on ways to reduce water waste both at work and at home.

Key Water Management Indicators

Water consumption (m^3)
2017: 141,276.00
2018: 98,917.00
V 30.0%

Discharged volume (m^3)
2017: 16,392.00
2018: 18,601.20
Λ 13.5%

Average COD level (PPM – mg/l)
2017: 226.75
2018: 33.89
V 85.1%

1 http://www.un.org/en/sections/issues-depth/water/index.html
2 https://www.firstcarbonsolutions.com/resources/newsletters/july-2015-top-environmental-problems-and-their-impact-on-global-business/top-environmental-problems-and-their-impact-on-global-business/

Planet Performance

WASTE REDUCTION & MANAGEMENT

All manufacturers generate significant amounts of waste, some of which is potentially hazardous to public health and the environment. Our mission, as a responsible organisation, is to reduce the amount of waste we generate as far as possible and ensure all waste generated is managed properly with minimal negative impact on surrounding communities.

Scheduled Waste

We use a range of chemicals in our manufacturing processes, some of which ends up being discarded as scheduled (or hazardous) waste. We abide by all relevant regulations on the treatment of hazardous waste, such as the Environmental Quality (Scheduled Wastes) Regulations 2005.

We treat as much waste as we can so it is harmless, and engage third party contractors to manage scheduled waste that we are unable to treat. All our contractors are licensed by the DoE.

In our manufacturing plants, management encourages all staff to take part in Six Sigma programmes with the aim of decreasing rejected products hence reducing waste. Each subsidiary undertakes its own waste management initiatives. At Biopharma, for example, the team is working with Universiti Teknologi Malaysia (UTM) to develop a waste deactivation method focused on high potency drugs that is fast, safe and environment-friendly.

Total volume of scheduled waste generated (tonnes)

2017: 130.52

2018: 309.00

▲ 136.7%

The volume of scheduled waste generated in 2018 increased 136.7% compared to 2017. This was due to disposal of a large volume of expired stock that had accumulated over the years.

Non-Scheduled Waste

Non-scheduled (ie non-hazardous) waste such as paper, metal, glass and plastic are managed using the 3R principle of Reuse, Reduce, Recycle throughout Duopharma Biotech. Recyclable materials are segregated and sent to a recycler or returned to suppliers. Only unusable waste is disposed of in sanitary landfills.

Recycling is actively encouraged throughout our premises. In 2018, recycling bins were installed in our offices in Klang. In 2019, we will expand the initiative to include all our sites.

Paper Usage (reams)

2017: 7,366

2018: 7,509

▲ 1.9%

Paper is used in the packaging of our products, and consumption increased along with an increase in production volume.

The use of polystyrene food containers is strictly prohibited and employees are encouraged to bring their own reusable food containers if they seek to take away food from our cafeterias.

CARBON FOOTPRINT

Because of climate change, which has been attributed to man-made carbon emissions, governments the world over have agreed to reduce their carbon footprint with the goal of capping global warming to less than 2°C from pre-industrial times. Malaysia itself has committed to decreasing the country's carbon emissions intensity by 45% (as measured against GDP) by year 2030 from a 2005 baseline.

As a manufacturer, Duopharma Biotech believes we have a duty to current and future populations to minimise as far as possible our carbon footprint. This is achieved primarily through more energy efficient operations at our plants, where most of our carbon emissions are generated, supported by environment-friendly initiatives in our offices.

We have Environmental Performance Monitoring Committees at all our manufacturing plants comprising environmental competent persons and representatives from business units, chaired by the SHE/Sustainability Manager. These committees convene regularly to review their CO_2 emissions and waste management performance.

At our plants, purchased electricity is by far the biggest source of power.

Type of energy(Unit)

Electricity (MWh)

2017: 34,678.43

2018: 38,392.89

▲ 10.4%

Diesel Oil (Litres)

2017: 327,600

2018: 412,889

▲ 26.0%

Reducing our Carbon Footprint

Within our buildings, all fluorescent-type lights are being replaced with energy-efficient LED fixtures or energy-saving bulbs. To ensure all our equipment employ green technologies, we have incorporated energy-saving criteria into procurement guidelines for our plants.

Atmospheric Emissions (CO_2 Equivalent) Tonnes

2017: 21.8

2018: 24.1

▲ 14.2%

Our CO_2 emissions increased from 21.8 tonnes in 2017 to 24.1 tonnes. This was due to increased production, as new facilities have come onstream.

In 2019, we aim to reduce our atmospheric CO_2 equivalent emissions by 5%. In order to achieve this, we are supplementing greener operations with greater awareness among employees throughout Duopharma Biotech of the importance of managing our energy consumption. Our SHE Department plays a key role by promoting energy-saving behaviours via various channels including online newsletters.

GRI Content Index

This disclosure index ("GRI Index") identifies the location of the general and specific standard disclosures required by the Sustainability Reporting Standards developed by the Global Reporting Initiative ("GRI Standards"), although all may not be entirely in accordance with the GRI Standards. The 2018 Sustainable Report is aligned with the core "in accordance" option of the GRI Standards.

The references included in this GRI Index refer mainly to sections of the Company's 2018 Annual Report and the 2018 Sustainable Report in respect of the financial year ended 31 December 2018, both published on the Company's website at www.duopharmabiotech.com.

GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
GRI 102: GENERAL DISCLOSURES			
ORGANISATIONAL PROFILE			
102-1 to 102-7	Name; activities, brands, products and services; location of headquarters; location of operations; ownership and legal form; markets served; scale of the organisation	Annual Report: • At a Glance • Who we are - Corporate Information	 P. 2 P. 7
102-8	Information on employees and other workers	Sustainability Report: • Our Workforce and Community	 P. 37-46
102-9	A description of the organisation's supply chain, including its main elements as they relate to the organisation's activities, primary brands, products, and services	Annual Report: • Who we are Sustainability Report: • What we do	 P. 4-6 P. 6
102-10	Significant changes to the organisation and its supply chain	Annual Report: • Chairman's Statement • Group Managing Director's Management Discussion and Analysis Sustainability Report: • Message from Chairman and Group Managing Director	 P. 15-18 P. 19-28 P. 4
102-12	External initiatives	Annual Report: • Statement on Risk Management and Internal Control	 P. 77-82
102-13	Membership of associations	-	Not reported
STRATEGY			
102-14	Statement from senior decision-maker	Annual Report: • Chairman's Statement • Group Managing Director's Management Discussion and Analysis Sustainability Report: • Message from Chairman and Group Managing Director	 P. 15-18 P. 19-28 P. 4
102-15	Description of key impacts, risks and opportunities	Annual Report: • Strategy • Group Managing Director's Management Discussion and Analysis • Statement on Risk Management and Internal Control Sustainability Report: • Managing our Material Issues	 P. 29 P. 19-28 P. 77-82 P. 17

GRI Content Index

GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
GRI 102: GENERAL DISCLOSURES (CONTINUED)			
ETHICS AND INTEGRITY			
102-16	Values, principles, standards and norms of behaviour	Annual Report: • Vision/Mission • Core Values • Corporate Governance Overview Statement Sustainability Report: • Our Commitment to Sustainability • Sustainability-Led business commitment	 Inner front cover Inner front cover P. 52-76 P. 8 P. 19-35
102-17	Mechanisms for advice and concerns about ethics	Annual Report: • Corporate Governance Overview Statement Sustainability Report: • Sustainability-Led business commitment	 P. 52-76 P. 19-35
GOVERNANCE			
102-18 to 102-25	Governance structure of the organisation, including any committees responsible for decisions on economic, environmental and social impacts; process for delegating authority for economic, environmental and social topics; executive-level person responsible for economic, environmental and social topics; process for consultation between stakeholders and highest governing body on economic, environmental and social topics; composition of highest governance body and its committees; Chairman of the highest governance body; nomination and selection process for highest governance body; processes of highest governance body for management of con icts of interest	Annual Report: • Corporate Governance Overview Statement Sustainability Report: • Our Sustainability Governance	P. 52-76 P. 12
102-26	Highest governance body's and senior executives' role in the development, approval, and updating of the organisation's purpose, value or mission statements, strategies, policies and goals related to economic, environmental and social topics	Sustainability Report: • Our Sustainability Governance	P. 12
102-27 to 102-28	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics; processes for evaluating highest governance body's own performance, particularly with regard to economic, environmental and social topics	Annual Report: • Corporate Governance Overview Statement	P. 52-76
102-29, 102-30, 102-31	Highest governance body's role in identification and management of economic, environmental and social impacts, risks and opportunities; review of the ectiveness of the organisation's risk management processes; frequency of review of impacts, risks and opportunities	Annual Report: • Risk Management and Sustainability Committee Report	P. 72-74

GRI Content Index

GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
GRI 102: GENERAL DISCLOSURES (CONTINUED)			
GOVERNANCE (CONTINUED)			
102-32	Highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material topics are covered	Annual Report: • Risk Management and Sustainability Committee	P. 54, P. 72-74
102-33, 102-34	Process for communicating critical concerns and nature and total number of critical concerns communicated to the highest governing body	-	Not reported
102-35 to 102-39	Remuneration policies and linkage between performance criteria in remuneration policies and highest governance body's and senior executives' economic, environmental and social topics; process for determining remuneration; how stakeholders' views are sought and taken into account regarding remuneration, including the results on the voting on remuneration policies; ratio of annual total compensation of highest paid individual to the median annual total compensation for all employees per country	Annual Report: • Corporate Governance Overview Statement	P. 52-76
STAKEHOLDER ENGAGEMENT			
102-40, 102-42, 102-43, 102-44	List of stakeholder groups engaged by organisation; basis for identi cation and selection of stakeholders with whom to engage; approaches to stakeholder engagement; key topics and concerns that have been raised through stakeholder engagement and how organisation responded	Sustainability Report: • Valuing our Stakeholders	P. 14-15
102-41	Collective bargaining agreements	Sustainability Report: • Our Workforce and Community	P. 44
REPORTING PRACTICE			
102-45 to 102-56	Entities included in the consolidated financial statements; Defining report content and topic Boundaries; List of material topics; Restatements of information; Changes in reporting; Reporting period; Date of most recent report; Reporting cycle; Contact point for questions regarding the report; GRI content index; External assurance	Annual Report: • About this Report Sustainability Report: • About This Report • Managing our Material Issues	P. 3 P. 2 P. 17
GRI 103: MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Report: • Managing Our Material Issues	P. 17
103-2	The management approach and its components	Annual Report: • Corporate Governance Overview Statement Sustainability Report: • Managing Our Material Issues	P. 52-76 P. 17
103-3	Evaluation of the management approach	Sustainability Report: • Sustainability Governance	P. 12

GRI Content Index

GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
MATERIAL SPECIFIC STANDARD DISCLOSURES			
MATERIAL ISSUE 1: DEVELOPING AN ENGAGED AND PRODUCTIVE WORKFORCE			
ASPECT: OCCUPATIONAL HEALTH AND SAFETY			
403-2	Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work- related fatalities by region and by gender	Sustainability Report: • Our Workforce and Community	P. 39-41
ASPECT: EMPLOYMENT			
401-1	Total number and rate of new employee hires and terminations, and employee turnover by age group, gender and region	Sustainability Report: • Our Workforce and Community	P. 44-45
ASPECT: TRAINING AND EDUCATION			
404-2	Type and scope of programmes implemented and assistance provided to upgrade employee skills, and transition assistance programmes provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment	Sustainability Report: • Our Workforce and Community	P. 37-38, 41-42
MATERIAL ISSUE 2: MINIMISING OUR ENVIRONMENTAL IMPACTS			
ASPECT: ENERGY			
302-1, 302-3, 302-4	Energy consumption within the organisation; energy intensity; reduction of energy consumption	Sustainability Report: • Planet Performance	P. 49
ASPECT: EMISSIONS			
305-1, 305-2, 305-3	Direct greenhouse gas (GHG) emissions (scope 1); indirect GHG emissions (scope 2); other indirect GHG emissions (scope 3)	Sustainability Report: • Planet Performance	P. 49
ASPECT: COMPLIANCE			
307-1	Monetary value of fines and number of non-monetary sanctions for non- compliance with environmental laws and regulations	-	Not Reported

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GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
MATERIAL SPECIFIC STANDARD DISCLOSURES (CONTINUED)			
MATERIAL ISSUE 3: BEING AN ETHICAL AND RESPONSIBLE CORPORATE CITIZEN			
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity	Sustainability Report: • Our Workforce and Community	P. 44
ASPECT: NON-DISCRIMINATION			
406-1	Incidents of discrimination and corrective actions taken	-	Not Reported
ASPECT: LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programmes	Sustainability Report: • Our Workforce and Community	P. 14 P. 38
ASPECT: ANTI-CORRUPTION			
205-3	Confirmed incidents of corruption and actions taken	-	Not Reported
ASPECT: ANTI-COMPETITIVE BEHAVIOUR			
206-1	Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices	-	Not Reported
ASPECT: SOCIO-ECONOMIC COMPLIANCE			
419-1	Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area	-	Not Reported

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GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
OTHER SPECIFIC STANDARD DISCLOSURES			
CATEGORY: ECONOMIC			
ASPECT: ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed	Annual Report: • At A Glance • Strategy	 P. 2 P. 29
201-2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	-	Not Reported
201-3	Coverage of the organisation's defined benefit plan obligations and other retirement plans	-	Not Reported
201-4	Financial assistance received from government	-	Not Reported
ASPECT: MARKET PRESENCE			
202-1	Ratios of standard entry-level wage by gender compared to local minimum wage at locations of signicant operation	Sustainability Report: • Our Workforce and Community	P. 44
202-2	Proportion of senior management hired from the local community at locations of significant operation	-	Not Reported
ASPECT: INDIRECT ECONOMIC IMPACTS			
203-1	Infrastructure investments and services supported	Annual Report: • Chairman's Statement • Group Managing Director's Management Discussion and Analysis Sustainability Report: • Valuing our Stakeholders (Community) • Sustainability-Led Business Commitment	 P. 15-18 P. 19-28 P. 14 P. 18-35
203-2	Significant indirect economic impacts, including the extent of impacts	Sustainability Report: • Sustainability-Led Business Commitment	 P. 18-35
PROCUREMENT PRACTICES			
204-1	Proportion of spending on local suppliers at significant locations of operation	-	Not Reported

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GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
OTHER SPECIFIC STANDARD DISCLOSURES (CONTINUED)			
CATEGORY: ENVIRONMENTAL			
ASPECT: MATERIALS			
301-1, 301-2	Materials used by weight or volume; Recycled input materials used	-	Not Reported
ASPECT: ENERGY			
302-2, 302-5	Energy consumption outside the Organisation; Reductions in energy requirements of products and services	-	Not Reported
ASPECT: WATER			
303-1, 303-2, 303-3	Total water withdrawal by source; Water sources significantly affected by withdrawal of water; Percentage and total volume of water recycled and reused	Sustainability Report: • Planet Performance	P. 48-49
ASPECT: EMISSIONS			
305-4, 305-5, 305-6, 305-7	GHG emissions intensity; Reduction of GHG emissions; Emissions of ozone- depleting substances (ODS); NOx, SOx and other significant air emissions	Sustainability Report: • Planet Performance	P. 49
ASPECT: EFFLUENTS AND WASTE			
306-1, 306-2, 306-3, 306-4, 306-5	Total water discharge by quality and destination; Waste by type and disposal method; Significant spills; Transport of hazardous waste; Water bodies affected by water discharges and/or runo	Sustainability Report: • Planet Performance	P. 49
ASPECT: MATERIALS			
301-3	Percentage of products sold and their packaging materials reclaimed	Not applicable	-
ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT			
308-1, 308-2	New suppliers that were screened using environmental criteria; Negative environmental impacts in the supply chain and actions taken	-	Not Reported

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GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
OTHER SPECIFIC STANDARD DISCLOSURES (CONTINUED)			
CATEGORY: SOCIAL (LABOUR PRACTICES AND DECENT WORK)			
ASPECT: EMPLOYMENT			
401-2	Benefits provided to full-time employees, that are not provided to temporary or part-time employees, by major operations	Sustainability Report: • Our Workforce and Community	P. 44
401-3	Return to work retention rates after parental leave	-	Not Reported
ASPECT: LABOUR/MANAGEMENT RELATIONS			
402-1	Minimum notice period(s) regarding operational changes	-	Not Reported
ASPECT: OCCUPATIONAL HEALTH AND SAFETY			
403-1, 403-3, 403-4	Workers presentation in formal joint management-worker health and safety committees; Workers with high incidence or high risk of diseases related to their occupation; Health and safety topics covered in formal agreements with trade unions	Sustainability Report: • Our Workforce and Community	P. 39-41
ASPECT: TRAINING AND EDUCATION			
404-1, 404-3	Average hours of training per year per employee and percentage of employees receiving regular performance and career development reviews	Sustainability Report: • Our Workforce and Community	P. 46
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY			
405-2	Ratio of basic salary and remuneration of men to women by employee category	-	Not Reported
ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
407-1	Operations and suppliers in which the right to exercise freedom of association and collective bargaining may be at risk	Sustainability Report: • Our Workforce and Community	P. 44

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GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
OTHER SPECIFIC STANDARD DISCLOSURES (CONTINUED)			
CATEGORY: SOCIAL (HUMAN RIGHTS)			
ASPECT: INVESTMENT			
412-3	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening	-	Not Reported
412-2	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	-	Not Reported
ASPECT: CHILD LABOUR AND FORCED/COMPULSORY LABOUR			
408-1, 409-1	Operations and suppliers at significant risk for incidents of child labour; Operations and suppliers at significant risk for incidents of forced or compulsory labour	-	Not Reported
ASPECT: SECURITY PRACTICES			
410-1	Security personnel trained in human rights policies or procedures	Not applicable	-
ASPECT: RIGHTS OF INDIGENOUS PEOPLE			
411-1	Incidents of violations involving rights of indigenous people	Not applicable	-
ASPECT: HUMAN RIGHTS ASSESSMENT			
412-1, 412-2	Operations that have been subject to human rights reviews or impact assessments; Employee training on human rights policies or procedures	-	Not Reported
ASPECT: CUSTOMER PRIVACY			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	Not Reported

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GRI STANDARD DISCLOSURE REFERENCE	DESCRIPTION	SECTION OF REPORT	PAGE REFERENCE
OTHER SPECIFIC STANDARD DISCLOSURES (CONTINUED)			
CATEGORY: SOCIAL (SOCIETY)			
ASPECT: LOCAL COMMUNITIES			
413-2	Operations with significant potential or actual negative impact on local communities	Not applicable	-
ASPECT: ANTI-CORRUPTION			
205-1, 205-2	Operations assessed for risks related to corruption; Communication and training about anti-corruption policies	-	Not Reported
ASPECT: PUBLIC POLICY			
415-1	Political contributions	-	Not Reported
ASPECT: SUPPLIER SOCIAL ASSESSMENT			
414-1	Percentage of new suppliers screened using social criteria	-	Not Reported
414-2	Negative social impacts in the supply chain and actions taken	-	Not Reported
ASPECT: SOCIO-ECONOMIC COMPLIANCE			
419-1	Ratio of basic salary and remuneration of men to women by employee category	-	Not Reported
CATEGORY: SOCIAL (PRODUCT RESPONSIBILITY)			
ASPECT: CUSTOMER HEALTH AND SAFETY			
416-1, 416-2	Assessment of the health and safety impacts of product and service categories	Annual Report: • Group Managing Director's Management Discussion and Analysis	P. 19-28
		Sustainability Report: • Sustainability-Led Business Commitment	P. 19-35
	Incidents of non-compliance concerning health and safety impacts of products and services	-	Not Reported
ASPECT: MARKETING AND LABELLING			
417-1, 417-2, 417-3	Requirements for product and service information and labelling; Incidents of non-compliance concerning product service information and labelling; Incidents of non-compliance concerning marketing communications	Not applicable	-

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