DUOPHARMA

PROVIDING SMARTER SOLUTIONS FOR A HEALTHIER LIFE

DUOPHARMA BIOTECH BERHAD
REGISTRATION NO.: 200001021664 (524271-W)

SUSTAINABILITY
REPORT
2024

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In this report, you will find progress and updates, all of which are geared towards providing clarity on our strategies and initiatives, as well as how well we have performed in terms of meeting our objectives.

Scan QR Code to read the online report.



Integrated Annual Report & Corporate Governance Report 2024









Sustainability Report 2024

Cover Rationale



Duopharma Biotech Berhad ("Duopharma Biotech" or "the Company") has come a long way since our origins as a trading company in 1978. We are, today, the leading pharmaceutical company in the country in terms of value and volume of sales; the largest generics producer; and the only Malaysian-owned manufacturer of biosimilars. Pioneers in halal pharmaceuticals, we are the first pharmaceutical company in the world to receive halal certification for an oncology product; and, in February 2025, our biosimilar became the first to receive halal certification specifically from JAKIM, marking a unique milestone for halal compliance in Malaysia.

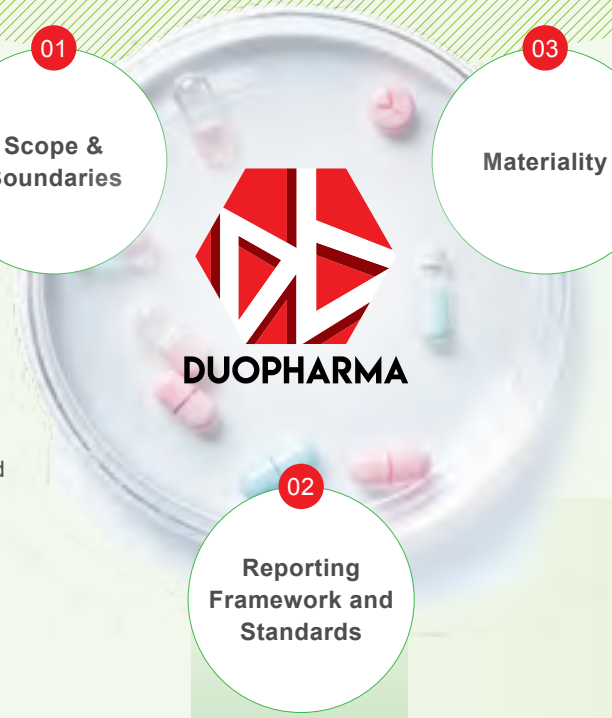
Yet, this is just the beginning. Duopharma Biotech has embarked on a path of accelerated growth locally and in the region to realise our vision of **Providing Smarter Solutions for a Healthier Life** among a larger population base. We are ensuring the right processes are in place while developing the capabilities of our people to support us in this new phase of our ongoing journey.

Our cover reflects the Company at this inflection point, with the hexagonal pattern – inspired by molecular structures – depicting our strong foundation in science, while the blind spot UV finishing introduces depth and dimension, mirroring Duopharma Biotech's continuous evolution and forward momentum. Together, these elements symbolise a company poised for progress, adaptability and long-term sustainability.

Basis of This Report

Sustainability Report 2024

This report covers the sustainability performance of Duopharma Biotech Berhad ("Duopharma Biotech" or "the Company") and its subsidiaries (collectively "the Group"). This includes our operations in Malaysia as well as in Singapore, the Philippines and Indonesia. The data presented is for the period from 1 January until 31 December 2024, consistent with our financial reporting year, unless stated otherwise. The last Sustainability Report was published in April 2024 for the period from 1 January to 31 December 2023. Where relevant, quantitative data are provided for a three-year performance duration. All monetary values are expressed in Ringgit Malaysia ("RM"), in line with the Malaysian Financial Reporting Standards.



In this report, we provide disclosures on matters that are material to our stakeholders as well as to Duopharma Biotech. A total of 17 material sustainability matters were identified using the materiality approach, of which 10 were prioritised considering the principle of Double Materiality to analyse our impact on society and the environment, as well as the impact of social and environmental factors on our financial performance.

17 material sustainability matters

Contents of this report have been developed according to Bursa Malaysia Securities Berhad ("Bursa Malaysia") Main Market Listing Requirements ("MMLR") with reference to the Global Reporting Initiative ("GRI") Standards and Bursa Malaysia's Sustainability Reporting Guide (3rd Edition). Other frameworks and guidelines taken into consideration include:

- Bursa Malaysia's Common Sustainability Matters
- International Financial Reporting Standards S2 (incorporated and built upon the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations)
- FTSE4Good Bursa Malaysia Index's Environmental, Social and Governance ("ESG") indicators
- Sustainability Accounting Standards Board ("SASB") standards
- United Nations Sustainable Development Goals ("UN SDGs")

All greenhouse gas ("GHG") emissions data disclosed are guided by and refer to:

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), World Resources Institute, 2004
- United Kingdom's Department for the Environment, Food and Rural Affairs ("DEFRA") – Greenhouse gas reporting: conversion factors 2024
- 2006 Intergovernmental Panel on Climate Change ("IPCC") Guidelines for National Greenhouse Gas Inventories, including the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- Latest emissions factors as provided by the relevant energy authority in each country: Malaysia (Suruhanjaya Tenaga); Singapore (Energy Market Authority); Indonesia (Directorate General of Electricity, Ministry of Energy and Mineral Resources); and Philippines (Department of Energy)

This year, we have restated our GHG emissions data from 2019-2023 to address updates in the emissions factor for fuel consumption and expansion of data collection for Scope 1, as well as updates to the electricity emissions factor (Scope 2).

The updated data can be found in the Climate Performance section on pages 46 - 67.

Basis of This Report

Navigation Icons

Material Sustainability Matters

Governance / Economic

- 1 Product Quality, Safety & Responsibility
- 2 Anti-Corruption
- 6 Affordability & Pricing
- 7 Accessibility of Medicines
- 8 Data Privacy & Security
- 9 Supply Chain Management
- 11 Counterfeit Medicines & Adulteration
- 12 Research & Development
- 13 Halal Commitment
- 14 Business Innovation & Model
- 17 Digitalisation

Social

- 3 Health & Safety
- 10 Labour Practices & Standards
- 15 Diversity & Inclusion
- 16 Community Outreach

Environment

- 4 Waste & Material Management
- 5 Climate Risk

Our Stakeholders

- S1 Government/Regulatory Authorities
- S2 Employees
- S3 Shareholders & Financial Community
- S4 Customers
- S5 Suppliers
- S6 Business Partners
- S7 Local Communities
- S8 Healthcare Professionals
- S9 Media

Our Capitals

- F Financial Capital
- M Manufactured Capital
- I Intellectual Capital
- S Social & Relationship Capital
- H Human Capital
- N Natural Capital

Icons In This Report

This icon tells you where to find more details in this report.

This icon allows you to find more details on our website.

Assurance

To ensure the integrity of the report and presentation of balanced, accurate and meaningful information, the data have been meticulously prepared by relevant departments while the contents have been reviewed by Duopharma Biotech's Group Management Committee ("GMC") and further deliberated for endorsement by the Halal and Sustainability Committee ("HSC") as well as final approval by the Board of Directors of the Company ("the Board").

Independent assurance has been obtained from Carbon Check (India) Private Limited, verifying that our disclosures have been prepared with reference to the selected topic-specific GRI indicators and Bursa Malaysia's Common Sustainability Indicators. The limited assurance was conducted using the International Standard on Assurance Engagements 3000 ("ISAE3000"). This report has also been reviewed and audited by Duopharma Biotech's Group Internal Audit Department which has verified that the initiatives and data disclosed are accurate and admissible.

Accessibility and Feedback

This report should be read together with our Integrated Annual Report 2024 and other publicly available resources on our corporate website. We welcome feedback and look forward to receiving your comments/ suggestions on our sustainability efforts via email to: *sustainability@duopharmabiotech.com*.

Enhancements to the Report

Various enhancements have been made to our report this year to showcase our sustainability performance and initiatives more effectively. These include:

Section	Enhancement
Our Sustainability Journey	Overview of Duopharma Biotech's milestones throughout our sustainability journey
Sustainability at Duopharma Biotech – Contribution to Sustainable Development Goals	Summary of Duopharma Biotech's progress and contribution in supporting the UN SDGs
Sustainability Performance – Climate Performance	Referencing IFRS S2 in the TCFD summary progress to demonstrate our commitment and progress towards adopting IFRS S2
Performance Data Table	Included three years' data into the Bursa Malaysia Sustainability Performance Data table

About Duopharma Biotech Berhad

Duopharma Biotech is a Malaysia-based pharmaceutical company engaged in the manufacture and distribution of pharmaceutical products, primarily in Malaysia and the region, with a reach extending to 31 countries globally. Duopharma Biotech was listed on the Main Market of Bursa Malaysia in 2002.

Vision

Providing Smarter Solutions for a Healthier Life

Mission

Leading Healthcare Group Providing Quality and Innovative Solutions

Our Core Values of PETIRR form the basis of how team operates

Passion **E**xcellence **T**eamwork **I**ntegrity **R**esponsible **R**espect

Corporate Culture

Our Corporate Culture guides all personnel in executing our business strategy and its goals

- Performance-Driven
- Innovation
- ESG Compliance
- Global Mindset

In addition to manufacturing a range of pharmaceutical and consumer healthcare products at our three plants in Malaysia, we also distribute the products of international partners. For over 45 years, we have solidified our position as Malaysia's leading generics manufacturer, driven to make quality medicines affordable and accessible to everyone

Our Business Value Chain comprises

- Research & Development
- Logistics & Distribution
- Manufacturing
- Sales & Marketing

Our Business Sectors

Classic Pharmaceutical Business
Comprises more than 300 generic drugs manufactured by the Group to treat a wide range of diseases including cardiovascular (heart related), dermatological (skin), hormonal, respiratory, sensory, nervous and musculoskeletal system diseases.

Specialty Pharmaceutical Business
Focuses on Duopharma Biotech's specialty therapy areas — Diabetes Care Franchise, Cancer Care Franchise and Renal Care Franchise.

Consumer Healthcare Business
Markets and distributes vitamins, minerals and supplements as well as over-the-counter pharmaceutical products and cosmeceuticals in Malaysia and across the region.



Workforce in 2024

Total no. of employees

1,957

(as at 31 December 2024)

About Duopharma Biotech Berhad



We have pioneered a number of firsts in Malaysia, becoming the first local pharmaceutical company to produce cancer drugs and the first to fill and finish biosimilars. Our manufacturing plants produce 100% halal products.

We employ close to 2,000 people in our corporate and manufacturing plants in Malaysia, as well as our regional offices in Singapore, the Philippines and Indonesia.

At Duopharma Biotech, we continue to push the boundaries of pharmaceutical innovation to better serve the healthcare needs of communities, both locally and globally.

2024 Financial Highlights

(as at 31 December 2024)

Market Capitalisation

RM1.20 billion

Revenue

RM813.70 million

Profit Before Tax

RM80.02 million

Our commitment to the Ten Principles of the UN Global Compact

We have integrated the Ten Principles of the UN Global Compact into our strategies and operations, with a commitment to uphold human and labour rights, protect the environment, combat corruption and contribute to the achievement of the Sustainable Development Goals (“SDGs”)

We have identified and prioritised 14 of the 17 SDGs where we believe our efforts can drive meaningful change and make a substantial impact.



Male

♂ 1,114 (57%)

Female

♀ 843 (43%)

Sustainability Performance Highlights

CLIMATE PERFORMANCE

Established **5-Year Energy Efficiency Plan** ("EEP") to further support our Net Zero Transition Plan ("NZTP")

Completed Greenhouse Gas **Scope 3 emissions** baseline for six categories

Achieved **0.6% reduction** in total Scopes 1 and 2 carbon emissions from 2023

SUSTAINABLE SUPPLY CHAIN

Conducted corruption and bribery due diligence on **293** new business associates and **857** existing vendors

Conducted ESG knowledge-sharing sessions and rolled out ESG Assessments on **12 top vendors**



ACCESS TO MEDICINE

Achieved penetration rate of **90%** in the private sector business

Erythropoietin (ERYSAA®) grew at **24%** vs 2023



Launched Metformin XR 750mg (GLUCOXIT XR), Sevelamer (CAESEVA), Sitagliptin (FORTESIA), Palbociclib (IBRELYN), Apixaban 5mg & 2.5mg (VAREXA) and Ezetimibe/ Simvastatin 10mg/20mg (VYTOCOR 10/20)

DIVERSITY & INCLUSION

Established **Labour Rights Policy** in November 2024 addressing child and forced labour, anti-discrimination and anti-harassment, and freedom of association

Employee Engagement Index: **81%** (2023: 88%)

Invested **RM1.44 million** in Learning & Development in 2024

GOVERNANCE

36% women Directors on the Board of Duopharma Biotech



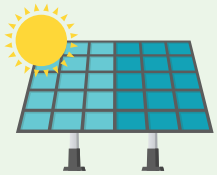
Zero incidents of corruption

100% of operations assessed for corruption risk



Sustainability Performance Highlights

1,839 tCO_2e of carbon emissions avoided through solar power generation



6.9 tonnes of biodegradable plastics used to replace single-use plastics

Diverted **17%** of non-scheduled waste from landfills

279 m^3
rainwater harvested

5,308 m^3 of water recycled within operations

On-Time In-Full performance:
Company:
95.5% (2023: 94.8%)

Warehouse:
100% (2023: 99.4%)

Implemented **48** Continuous Improvement projects, leading to **RM6.77 million savings**, exceeding RM4 million target



Reduction in Total Recordable Case Frequency:
0.22 (2023: 1.09)

Lost Time Incident:
1 (2023: 5)

Recombinant Human Insulin volume distributed by the Group **grew 30%** vs 2023



Commenced a 4-year awareness initiative for **iBreastExam** in the government sector

Successful technology transfer
for in-house production of four products launched in 2024

Total contribution to community development programmes:
RM2.97 million



Average training hours per employee:
21.0



Launched **Unconscious Bias training** for all management employees via online learning platform, MyDuopharma Learning

ISO37001:2016 Anti-Bribery Management System Surveillance certification audit completed without any Non-Conformity Report ("NCR")

Adoption of the Conflict of Interest ("COI") Framework



Sustainability Performance Highlights

Sustainability Awards and Recognition in 2024

In 2024, we showed steady improvements overall and met significant milestones in our sustainability journey due to enhanced reporting and impactful initiatives.



The Edge Malaysia ESG Awards 2024

- *Healthcare (Gold)*



MSWG National Corporate Governance & Sustainability Awards (NACGSA) 2024

- *Overall Excellence Award (Top 10) – Ranked #4 out of 50 Companies*
- *Industry Excellence Award (Healthcare)*



UN Global Compact Malaysia & Brunei Forward Faster Sustainability Awards 2024

- *Sustainability Awareness & Employee Engagement Recognition*

Sustainability Performance Highlights



Sustainability & CSR Malaysia Awards 2024

- *Company of the Year (Pharmaceutical Manufacturing) – Best in Community Development & Sustainability Reporting*



National Annual Corporate Report Awards (NACRA) 2024

- *Excellence Awards (Silver) in "Companies with less than RM2 Billion in Market Capitalisation" category*



Talentbank Graduates' Choice Award 2024

- *Graduates' Choice of Employer To Work For (Pharmaceutical – 1st Runner Up)*



Five Petal Business Ethics Institute of Malaysia ("BEIM") Award

- *Gold Ethics Award for the 3rd Consecutive Term (2024 – 2026)*

Message from Our Chairman and Group Managing Director

Dear Stakeholders,

We are delighted to present Duopharma Biotech's Sustainability Report for the year 2024, which has the distinction of being our 10th standalone report since the first was produced for the year 2015. Looking back at our previous reports, it is incredibly heartening to see how we have matured in terms of the depth and breadth of our sustainability initiatives as well as disclosure.



DATIN PADUKA KARTINI BINTI HJ ABDUL MANAF
Non-Independent, Non-Executive Chairman

LEONARD ARIFF BIN ABDUL SHATAR
Group Managing Director



This year we have updated our Sustainability Policy and introduced new policies on Nature & Biodiversity and Labour Rights, to strengthen our ESG commitments and align with stakeholders' expectations

As a pharmaceutical company, we have always been driven to serve the healthcare needs of the community by providing affordable and accessible medicines. Indeed, this continues to be one of our top sustainability priorities. Nevertheless, we recognise that we have a greater responsibility to society than this. Today, the world is grappling with numerous environmental issues that threaten the sustainability of life as we know it. Concurrently, despite economic development and increasing wealth, underserved communities continue to be left behind. At Duopharma Biotech, we intend to play our part in addressing these issues.

When we embarked on our sustainability journey, the focus was on our direct impact on society and the environment. While we continue to be diligent in this regard, we are also paying attention to the impacts of our supply chain on people and the planet. Recognising our sizeable influence, we are attempting to exert this influence for the better. In 2024, we conducted our very first ESG maturity assessment on suppliers, completing the evaluation for the top 12 suppliers. With time, we hope to expand the assessment to our other suppliers, as it sends a clear message on our commitment to sustainable operations and our desire to engage with like-minded stakeholders.

FY2024 HIGHLIGHTS

Driving Environmental Stewardship

- Installed solar panels at our plants and purchased renewable energy certificates
- Established 5-year EEP to support NZTP
- Became the first Malaysian company to sign the UNGC Forward Faster for Water Resilience

Caring for People

- Introduced Labour Rights Policy which is applicable at Duopharma Biotech and our supply chain
- Rolled out Unconscious Bias training for all management employees

Greater Access to Medicines

- Introduced five new generics manufactured overseas for breast cancer, heart and kidney patients
- Achieved Duopharma Biotech's first European Union Good Manufacturing Practice ("EU GMP") Certification for Highly Potent Active Pharmaceutical Ingredients ("HAPI") Plant

Message from Our Chairman and Group Managing Director

Driving Environmental Stewardship

Having a sustainable supply chain is critical to achieving many of our sustainability targets, and especially our net zero carbon aspiration. Almost 80% of our emissions today are from the supply chain, which poses a challenge. Nevertheless, we embrace this challenge and are making significant progress to overcome it.

In 2023, we identified six categories of Scope 3 emissions (including those from our supply chain) that are relevant to our operations. In 2024, we established the baselines for each, and are now ready to deep-dive into key emission sources so we can implement reduction initiatives and measure our achievements.

Internally, we are strengthening our decarbonisation strategy with a 5-year EEP focusing on Scopes 1 and 2, aligned with our NZTP that was established last year. We have already leveraged easy-to-implement measures such as installing solar panels on the roofs of our plants and purchasing Renewable Energy Certificates ("RECs"). Guided by the plan, we will explore other reduction pathways, for example investing in the latest energy-efficient technologies. We have appointed an energy manager who monitors energy usage across our operations and recommend areas in which we can improve our performance.

While decarbonising our operations, we are also strengthening our resilience to climate change. Based on our climate risk assessments, we recognise that water security and management is a potential emerging risk. Accordingly, we are focused on more responsible consumption and recycling while ensuring our effluents do not pollute surrounding water bodies. A milestone was achieved during the year when Duopharma Biotech became the first Malaysian company to sign the UN Global Compact ("UNGC") Forward Faster for Water Resilience, which serves as a commitment for us to drive our water management efforts.



Message from Our Chairman and Group Managing Director



Caring for People

In addition to environmental issues, there is a growing need to step up efforts to ensure social justice, both within workspaces and beyond. This includes nurturing diversity and inclusivity as well as respecting human dignity and labour rights.

Diversity is an area where we have performed well over the years, especially with regard to gender balance. We have had a woman Chairman since 2016, with women making up more than 30% of our Board from the same year. Men mainly dominate at the general worker level, where they make up 68% of the total.

Beyond ensuring gender equality, we seek to create a harmonious and just work environment. This led to our newly introduced Labour Rights Policy which is applicable at Duopharma Biotech and our supply chain. Further underlining our commitment to diversity and inclusion, this year we ran Unconscious Bias training for management employees. Awareness of unconscious prejudices is essential in creating an environment in which everyone is treated equally.

In relation to caring for our people, it was very encouraging to note a marked improvement in our safety performance, especially in our total recordable case frequency, lost time incidents, and frequency of injury. This was at least in part due to intensified safety-related training and awareness programmes together with more visible vigilance from the top.

Women representation

36%
Board

60%
Management

60%
Executives

51%
Non-executive/ technical staff

32%
General workers



Greater Access to Medicines

Underlying our commitment to making effective treatments accessible to all is to introduce more generics and biosimilars in our markets. Our approach is two-fold: to produce these drugs ourselves, with technology transfer from our partners; or to import and distribute them. While the former is ideal as it lowers costs even more, acquiring the necessary capabilities and approvals is time consuming.



As an example, while working on producing our third cancer molecule at our HAPI plant, we have introduced five new generics manufactured overseas. These include Ezetimibe/Simvastatin and Apixaban (for heart patients); Ibrelyn (for breast cancer); and Fortesia and Caeseva (for kidney patients).

In the meantime, we were very pleased when HAPI was successfully audited by the Health Products Regulatory Authority resulting in EU GMP certification, the first for Duopharma Biotech. This serves as a stamp of approval of the safety and quality standards at our plant.

With the continued collaboration and support of our substantial sphere of stakeholders, Duopharma Biotech is set to create more value for everyone.

Acknowledgements

Duopharma Biotech has achieved a great deal since we embarked on our sustainability journey, and has built on previous successes to create even more wins in 2024. For this, we would like to acknowledge the Duopharma Biotech family as well as all our external stakeholders. While the team has been diligent in embracing ESG principles and applying them in their day-to-day work as well as life, our suppliers/vendors, business partners and customers have been fully supportive of our transition into a sustainable organisation, spurring us on to achieve excellence in everything we do.

Sustainability at Duopharma Biotech

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Enhancing Sustainability for Long-Term Growth

Duopharma Biotech has established a sustainability framework that we have continuously strengthened over the years, ensuring relevance to our stakeholders and the evolving operating environment. We regularly review our sustainability strategy to drive long-term value creation.






DUOPHARMA
BIOTECH
ESG STRATEGY
KEY FOCUS AREA
DUOPHARMA
BIOTECH
ESG INITIATIVES
75 mg
Prelica
Pregabalin
75mg
Capsule
60 Capsules
lphamol
650

Sustainability Framework

Our Sustainability Framework guides the integration of sustainable practices across Duopharma Biotech, providing a structured approach to addressing ESG considerations in decision-making and business practices. Adoption of the framework enhances our business resilience, minimises risks and contributes to the well-being of society and the planet.

To balance our economic performance with positive environmental and social outcomes, we established a 5-Year ESG Strategy (2022-2026) encompassing five key focus areas that serve as the pillars of Duopharma Biotech's sustainability initiatives. Each focus area addresses identified material sustainability matters, ensuring the mitigation of risks associated with ESG factors. While meeting our internal business objectives, we also ensure alignment with the global agenda via the UN SDGs.

Our 5-Year ESG Strategy and Sustainability Policy underline Duopharma Biotech's comprehensive approach to sustainability. Implementation of the strategy and adherence to the policy are closely monitored by our comprehensive sustainability governance structure.



Sustainability Framework



Recognising the critical role of policies in driving our sustainability efforts, this year we reviewed and updated our Sustainability Policy and established new policies on Nature & Biodiversity and Labour Rights

Sustainability Policy

Duopharma Biotech's Sustainability Policy was established in 2019, focusing on three key elements:

Sustainability-Led Business Commitment

Planet Performance

Our Workforce and Community

The Sustainability Policy was reviewed to ensure comprehensive and up-to-date material sustainability topics are covered, aligning with stakeholders' expectations and our ESG Strategy. Key revisions made to the Sustainability Policy:

- Inclusion of relevant/ latest material sustainability topics e.g., water, material & waste management, biodiversity, and human rights.
- Referencing the policy to Sustainability Framework document for more in-depth details of our sustainability management approach.

Nature & Biodiversity Policy

Our Biodiversity Policy outlines Duopharma Biotech's strategic approach and key initiatives aimed at driving and supporting our nature and biodiversity efforts.

Labour Rights Policy

Our Labour Rights Policy outlines our commitment to fair and ethical labour practices, and respect for workers' rights in alignment with international standards and our ESG principles.

Our Sustainability Journey

2024

- Completed GHG Scope 3 emissions baseline for 6 categories
- Established 5-Year Energy Efficiency Plan ("EEP")
- Completed installation of solar panels at all manufacturing sites
- Established Nature & Biodiversity Policy
- First Malaysian company to sign UNGC Forward Faster for Water Resilience initiative and CEO Water Mandate
- Comprehensive review of climate-related risks and adoption of TCFD recommendations
- Performed ESG Assessment on top 12 key suppliers
- Adopted Labour Rights Policy in November 2024
- Continuous due diligence exercise on corruption and bribery on business associates

2023

- Established NZTP in 2023 to drive decarbonisation strategy
- Identified climate-related risks and incorporated TCFD recommendations
- Completed short-term 5-Year ESG Strategy

2022

- Establishment of 5-Year ESG Strategy and climate pledges, which includes:
  1. Carbon Neutrality by 2030
  2. Net Zero Carbon Emissions by 2050
  3. Replace 50% of single-use plastics with biodegradable plastics within our operations by 2026

2021

- GHG Baseline (Scope 1 & 2) established

2020

- Inclusion into FTSE4Good Bursa Malaysia Index

2019

- Establishment of Sustainability Policy
- Embedded UN SDGs into our sustainability framework

2018

- Establishment of Materiality Matrix
- Enhanced sustainability governance structure

2017

- Continuous capacity building and monitoring
- Establishment of Sustainability Management Council

2016

- Publication of Inaugural Sustainability Report in accordance with GRI and Bursa Malaysia

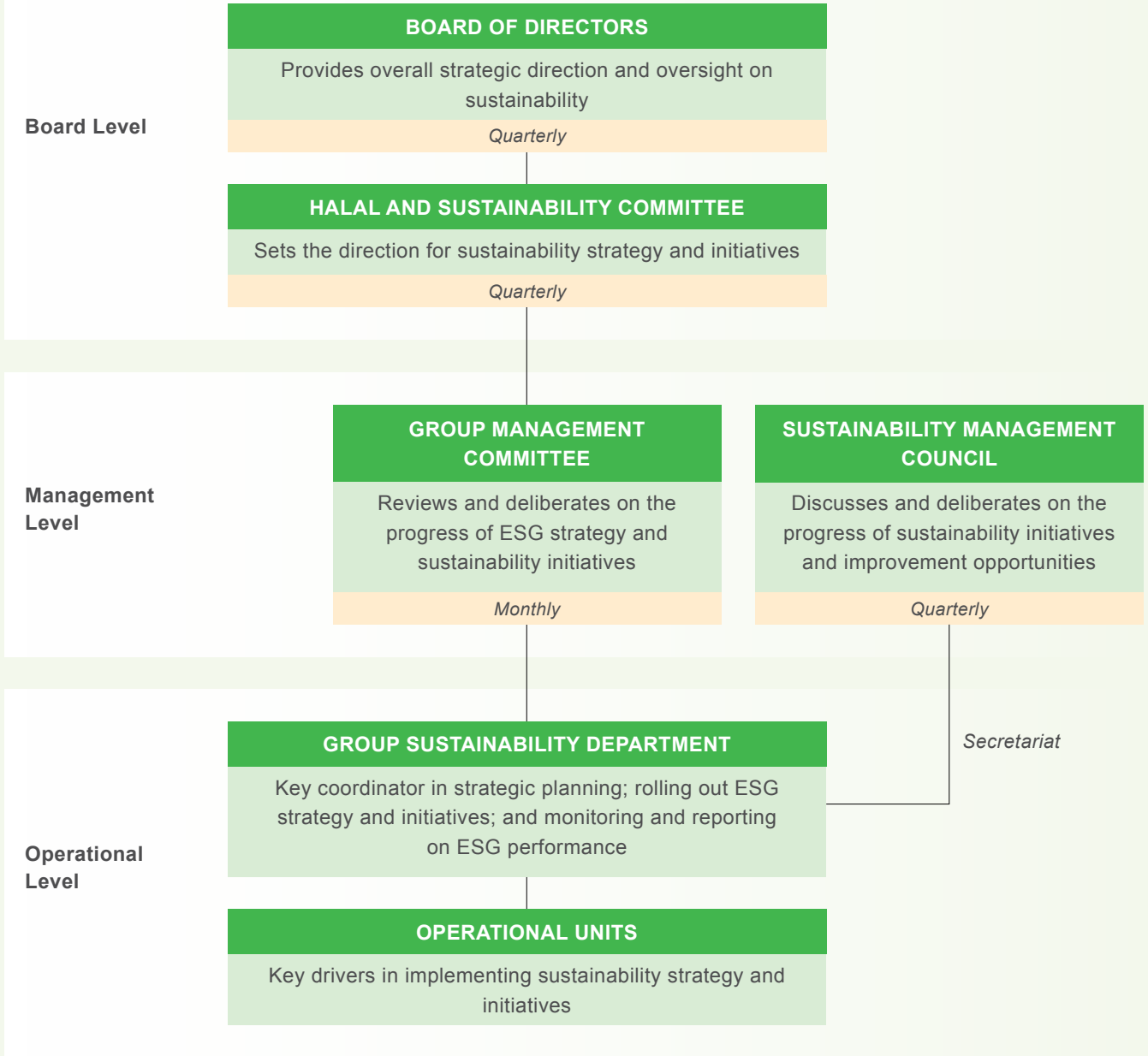
2015

- Increased sustainability awareness campaign and capacity building

Sustainability Governance

The Board of Directors of Duopharma Biotech ("the Board") plays a crucial role in integrating sustainability into the Company's strategic decisions. It also oversees our sustainability implementation and is ultimately responsible for ensuring we have the resources and capability to manage our sustainability commitments to create long-term stakeholder value. We have incorporated sustainability components into the performance evaluations and remuneration-linked Key Performance Indicators ("KPIs") of our Senior Management since 2022.

SUSTAINABILITY GOVERNANCE STRUCTURE



Sustainability Governance

Throughout 2024, the Board and Halal and Sustainability Committee ("HSC") each convened to discuss and deliberate the following key topics:

Key Topics	Details
5-year ESG Strategy and initiatives	Deliberated on the progress of the ESG strategy and roadmap, ensuring good governance across key focus areas
Sustainability Reporting	Reviewed the Group's Sustainability Report 2023, including the contents and the data for submission to Bursa Malaysia's ESG Reporting Platform
FTSE4Good Updates	Reviewed the FTSE4Good assessment and ESG ratings, as well as plans to improve our overall FTSE4Good score
GHG Scope 3 baseline	Reviewed progress on establishing the Group's GHG Scope 3 baseline and briefed on baseline data established
Energy Efficiency Plan	Approved Duopharma Biotech's 5-Year EEP to support our ambitions of achieving carbon neutrality by 2030 and net zero carbon emissions by 2050
Sustainability Commitments and ESG-related Compliance	Monitored overall ESG-related compliance and adherence to the Malaysian Code on Corporate Governance ("MCCG") 2021 requirements, effectively managing ESG risks and opportunities while ensuring comprehensive disclosures in the Sustainability Statement as per MMLR

BOARD TRAINING

Our Board members actively participated in specialised training programmes aimed at strengthening their understanding of sustainability and ESG principles.

Pursuant to the latest amendment to Bursa Malaysia's MMLR in relation to Sustainability Training for the Board, the Directors were required to complete Mandatory Accreditation Programme ("MAP") Part II on or before 1 August 2025. MAP Part II is an initiative under Securities Commission Malaysia's Corporate Governance Strategic Priorities 2021-2023, which aims to provide directors with the foundation knowledge and practices to address sustainability matters. The Directors satisfied this requirement in 2024.

Sustainability training programmes undertaken by the Board in 2024:



Stakeholder Engagement

KEY STAKEHOLDERS AND ENGAGEMENT

Government & Regulatory Authorities S1

Engagement Platforms

- Meetings, seminars, conferences and webinars
- Participation in trade councils
- Engagement via Industry Associations
- Communication via emails, phone, letters
- Joint working committees
- On-site inspections
- Stakeholder engagement sessions

How We Impact Each Other

By engaging with the government and regulators, we are kept informed on their ESG-related requirements and legal frameworks for companies.

Key Areas of Concern for Stakeholder Group

- Regulatory compliance & contribution to national goals
- Equitable healthcare
- ESG and climate-related risks
- Environmental management
- Labour practices and health & safety
- Governance and ethics

Our Actions

- Strict adherence to all regulatory requirements
- Ensure affordable and accessible medicines
- Support national agendas such as Net Zero Carbon Emissions
- Transparent communication and engagement with relevant bodies

Link to Material Topics

1 Product Quality, Safety & Responsibility
2 Anti-Corruption
3 Health & Safety
4 Waste & Material Management
6 Affordability & Pricing
7 Accessibility of Medicines
10 Labour Practices & Standards
5 Climate Risk

Employees S2

Engagement Platforms

- Communication via email, townhalls, intranet, MyDuopharma Learning ("MDL") portal
- Face-to-face and online training and meetings
- Yearly performance and appraisals, and salary and benefits reviews
- Employee engagement surveys, and health and well-being initiatives
- Festive celebrations, sports and Corporate Social Responsibility ("CSR") events organised by Kelab PETIRR Duopharma
- Talks by external professionals
- Engagement with Unions
- Safety-related briefings and Management walkabouts

How We Impact Each Other

Our employees drive our productivity and performance, and facilitate ESG integration into our operations. Conversely, we provide our employees with job opportunities, financial and well-being support and a safe workplace.

Key Areas of Concern for Stakeholder Group

- Financial performance and stability
- Competitive remuneration
- Performance reviews
- Capacity building and career development
- General well-being and mental health
- Safe working environment
- Data privacy and security

Our Actions

- Sound financial management and business strategy
- Benefits benchmarking
- Established Diversity, Anti-Discrimination and Anti-Harassment Policy
- Structured and customised training, including on ESG
- Career and talent management and succession planning
- Employee well-being support e.g., Employee Relief Fund
- Safety and health programme, including mental health
- Strengthen our internal data privacy and security protocols

Link to Material Topics

2 Anti-Corruption
3 Health & Safety
4 Waste & Material Management
5 Climate Risk
8 Data Privacy & Security
10 Labour Practices & Standards

Stakeholder Engagement

Shareholders & Financial Community S3

Engagement Platforms

- Investor and analyst briefings
- Integrated Annual Reports and Corporate Governance Reports
- Corporate website updates
- Meetings (including shareholder meeting), presentations and dialogue
- Assessments by shareholders and financial institutions
- Communication via phone and email

How We Impact Each Other

Financial institutions, investors and shareholders provide us with financial capital. We ensure business success to generate favourable returns.

Key Areas of Concern for Stakeholder Group

- Corporate governance and integrity
- Financial performance and stability
- Business direction and key corporate developments
- Growth prospects and returns on investment
- Strong and effective leadership
- Regulatory compliance
- ESG performance, including climate risks
- Data privacy and security

Our Actions

- Sound financial management
- Business strategy outlining growth and product innovation
- Leadership training and succession planning
- Maintain good governance, disclosures and compliance
- Execute ESG strategy and initiatives, maintaining FTSE4Good Bursa Malaysia Index
- Strengthen internal data privacy and security protocols
- Maintain Anti-Bribery Management System (ABMS) ISO 37001:2016 certification
- Established COI Framework

Link to Material Topics

1 Product Quality, Safety & Responsibility
2 Anti-Corruption
3 Health & Safety
4 Waste & Material Management
5 Climate Risk
6 Affordability & Pricing
7 Accessibility of Medicines
8 Data Privacy & Security
10 Labour Practices & Standards

Customers S4

Engagement Platforms

- Roadshows, seminars, exhibitions and events
- Continuous Medical Education ("CME") sessions
- Communication via e-mail, phone, social media and online platforms
- Face-to-face meetings
- Annual Voice of Customer surveys

How We Impact Each Other

We offer customers a range of cutting-edge products and therapies in Malaysia/ region. In return, they enjoy access to high-quality products at competitive pricing.

Key Areas of Concern for Stakeholder Group

- Safe and efficacious products
- Competitive pricing
- Portfolio expansion to treat a wider range of ailments
- Quality service (including timely delivery)
- Data privacy and security

Our Actions

- Compliance with regulations on safety and quality certifications
- Pharmacovigilance keeps track of adverse drug reactions
- Maintain affordable prices
- Research and Development ("R&D") on generics and biosimilars
- Partnerships to introduce cutting-edge therapies
- Monitor on-time in-full performance
- Strengthen data privacy and security protocols

Link to Material Topics

1 Product Quality, Safety & Responsibility
6 Affordability & Pricing
7 Accessibility of Medicines
8 Data Privacy & Security

Stakeholder Engagement

Suppliers S5

Engagement Platforms

- Periodic meetings
- Annual Vendor Performance Evaluation ("VPE")
- Briefings, seminars and conferences
- Site visits
- Communication via phone, email, letters
- Knowledge-sharing on ESG and ESG assessment on selected suppliers

How We Impact Each Other

Our suppliers provide us with raw materials and services that enable production, while we offer them sound business opportunities. Additionally, GHG emissions from suppliers impact our Scope 3 performance.

Key Areas of Concern for Stakeholder Group

- Our financial performance and stability
- Good governance; fair and transparent procurement; and ethical business practices
- Supplier development programme
- Data privacy and security
- Support in ESG management

Our Actions

- Sound financial management & business strategy
- Purchasing procedures and e-bidding system
- Good governance and regulatory compliance
- Bumiputera Vendor Development Programme, and governance-related training
- Strengthen data privacy and security protocols

Link to Material Topics

- 2 Anti-Corruption
- 5 Climate Risk
- 8 Data Privacy & Security
- 9 Supply Chain Management

Business Partners S6

Engagement Platforms

- Periodic meetings
- Knowledge-sharing and transfer of technology
- Strategic dialogues, conferences and forums

How We Impact Each Other

We extend diverse business opportunities to our business partners, fostering collaborative relationships that encompass mutually beneficial ventures to expand our product portfolio. This approach contributes to the overall sustainability and success of our business ecosystem.

Key Areas of Concern for Stakeholder Group

- Our financial performance, stability, growth prospects and returns on investment
- Technical capabilities and market reputation
- Compliance with regulatory requirements
- Good governance and ethical business practices
- Data privacy and security

Our Actions

- Sound financial management and business strategy outlining growth, and product innovation
- Capacity building and knowledge-sharing for employees, especially on technical matters
- Good governance and regulatory compliance
- Strengthen our internal data privacy and security protocols
- Established COI Framework

Link to Material Topics

- 1 Product Quality, Safety & Responsibility
- 2 Anti-Corruption
- 6 Affordability & Pricing
- 7 Accessibility of Medicines
- 8 Data Privacy & Security

Stakeholder Engagement

Local Communities S7

Engagement Platforms
- Community events
- Philanthropy and donations
- Communication via Duopharma Biotech's social media pages (Facebook, Instagram, LinkedIn)

How We Impact Each Other
Community participation and engagement are important in maintaining our social license to operate. We support communities via economic development and CSR programmes.

Key Areas of Concern for Stakeholder Group
- Economic contribution e.g., job creation
- Community development and enrichment
- Environmental and biodiversity impacts
- Safety and environmental regulatory compliance
- Safe and efficacious products and services
- Affordable and accessible products

Our Actions
- Job opportunities for local communities
- CSR programmes focusing on education, underprivileged and humanitarian relief efforts
- Manage climate change, environmental and biodiversity impacts
- Adherence to regulatory requirements and quality standards
- Develop generics and biosimilars, and maintain affordable prices

Link to Material Topics
1 Product Quality, Safety & Responsibility
4 Waste & Material Management
5 Climate Risk
6 Affordability & Pricing
7 Accessibility of Medicines

Healthcare Professionals S8

Engagement Platforms
- CME for medical fraternity
- Roadshows, seminars, exhibitions and relevant societies related events.
- Journal publications

How We Impact Each Other
Medical doctors, specialists, therapists and pharmacists decide which medications to prescribe to patients; while we supply them with cutting-edge products/ therapies in Malaysia/ region.

Key Areas of Concern for Stakeholder Group
- Product quality and safety
- Compliance
- Product pricing
- Portfolio expansion to treat a wider range of ailments

Our Actions
- Compliance with pharmaceutical regulations
- Monitor adverse drug reactions
- Reduce costs through efficiencies and competitive raw materials
- Product innovation by R&D team
- Partnerships to introduce cutting-edge therapies in Malaysia/ region
- Established a Medical and Research Committee ("MRC") which advises the Board on pharmaceutical strategy and developments in healthcare

Link to Material Topics
1 Product Quality, Safety & Responsibility
6 Affordability & Pricing
7 Accessibility of Medicines

Media S9

Engagement Platforms
- Press releases
- One-on-one interviews
- Press conferences and events

How We Impact Each Other
The media plays a vital role in disseminating corporate news, keeping stakeholders informed and engaged in our initiatives. This contributes to the visibility of our brand and fosters public confidence in the organisation.

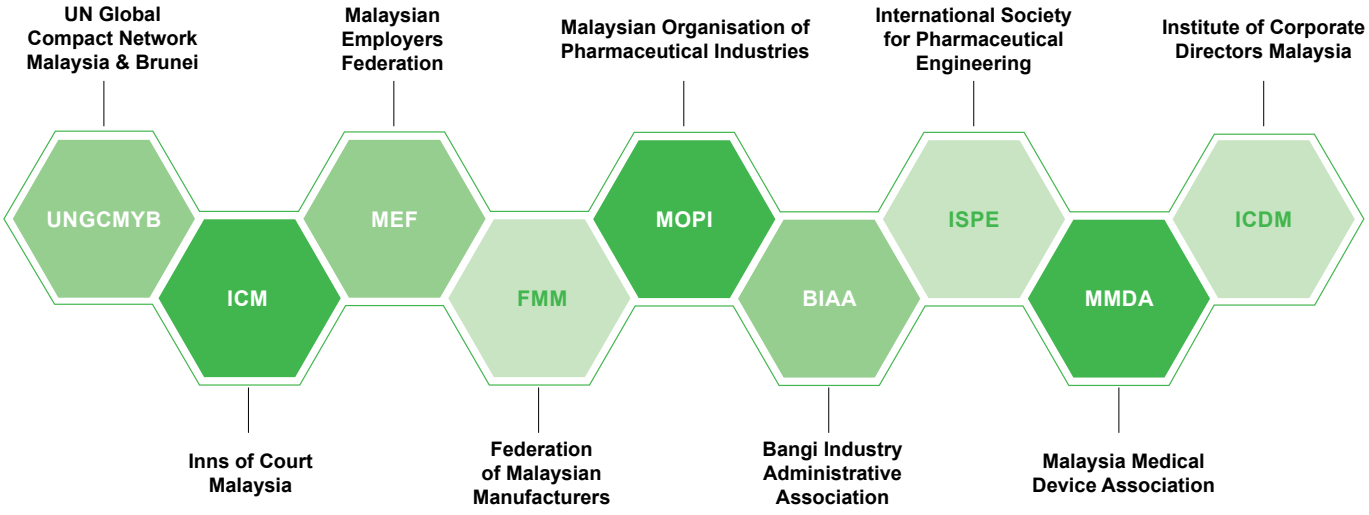
Key Areas of Concern for Stakeholder Group
- Regular updates on financial and market performance
- Transparent and timely response to enquiries
- Good governance and ethical business practices
- ESG commitments and performance

Our Actions
- Maintain close relationships with media houses
- Provide speedy response to enquiries
- Maintain good governance practices
- Execute ESG strategy and maintain transparency

Link to Material Topics
2 Anti-Corruption
5 Climate Risk

MEMBERSHIPS & ASSOCIATIONS

Duopharma Biotech is a member of various industry and sustainability-linked organisations, through which we keep in touch with best practices while also contributing our own knowledge and expertise for the betterment of the pharmaceutical ecosystem in the country and region.



EXTERNAL ENGAGEMENTS

Along with increased investment into sustainability, Duopharma Biotech is engaging more extensively in knowledge-sharing events. The objective is to build capacity through strengthened collaborative action and meaningful dialogue, and nurture partnerships that contribute to sustainable business practices across the industry.

MARCH 2024



SPAN Brown Bag Seminar 2024

Invited to Suruhanjaya Perkhidmatan Air Negara ("SPAN")'s first Brown Bag Seminar of the year, where we shared our sustainability knowledge and experience.

APRIL 2024



ESG Talk @ University of Nottingham

Invited to share our ESG journey with the School of Pharmacy students.

MAY 2024



UNGCMYB Future Leader of Water Sustainability ("FLOWS")

Sponsored UNGCMYB FLOWS and became the first company in Malaysia to sign up for the UNGC Forward Faster for Water Resilience. We also shared our water management journey, strategy and sustainable practices.

Stakeholder Engagement

JUNE 2024



3rd International Conference on Environmental Sustainability & Resource Security 2024

Sponsored 3rd International Conference on Environmental Sustainability & Resource Security 2024 organised by Universiti Teknologi Malaysia ("UTM").



2024 International Society of Pharmaceutical Engineering ("ISPE") Malaysia Conference & Exhibition

Presented on "Challenges of Aging Facilities & Infrastructure: Regulatory Compliance vs Cost" and "Empowering Pharmaceutical and Medical Devices Industries: Sustainability Strategies to Drive Success".

OCTOBER 2024



ESG in Pharma

Participated in a panel discussion on "Driving Sustainable Excellence in the Industry" at the Malaysian Pharmacist Society event.



Klang Sustainable Convention 2024

Panel speaker on topic "Strengthening Corporate Responsibility" at the event organised by Majlis Bandaraya Diraja Klang.



UNGCMYB SME ESG START Symposium 2024

Participated in a panel session titled "Climate Action: Strategies and Solutions to Building Future-proof Businesses".

Material Matters, Risks and Opportunities

Materiality assessment is important to help companies determine the most significant sustainability topics and issues and ensure a strategic focus on key areas that drive long-term value creation.

The process helps companies to develop a robust and forward-looking strategy by aligning sustainability priorities with business objectives, mitigating potential risks, and seizing emerging opportunities.

Our materiality assessment process is guided by the Bursa Malaysia Sustainability Reporting Guide (3rd edition), GRI Standards and UN SDGs. We performed a comprehensive materiality assessment in 2022, which set the strategic direction for our 5-year ESG Strategy, policies and supporting initiatives. Following this, we conducted annual internal reviews to ensure the continued relevance and alignment of our material sustainability matters with evolving business priorities, stakeholder expectations and global ESG trends. This approach enables us to adapt proactively to emerging risks and opportunities, ensuring that our sustainability efforts remain impactful and forward-looking.

Duopharma Biotech's materiality assessment process is based on a three-step approach, i.e., identification, prioritisation and validation.

Identification

- We identified a list of material issues that can impact our business, including internal and external factors:

Internal factors	External factors
• Business risks and opportunities • Pledges and commitments	• Regulatory compliance and standards requirements • Stakeholders' concern and expectations • Global ESG trends • Industry best practices

- Following the process, we identified 17 material matters that are important for us to prioritise and manage.
- In 2024, we performed a high-level internal review again to check the relevance of these material matters. Following our review, we concluded that all material matters remained relevant in 2024, with potential consideration of "Biodiversity" as an emerging material matter that we need to monitor in the future.
- We also mapped and aligned our existing material matters against Bursa Malaysia's 11 Common Sustainability Matters to ensure compliance with the requirements of Bursa Malaysia's MMLR.

Prioritisation

- During our comprehensive materiality assessment in 2022, we engaged key internal and external stakeholders via an online survey to prioritise and rank the identified 17 material matters.

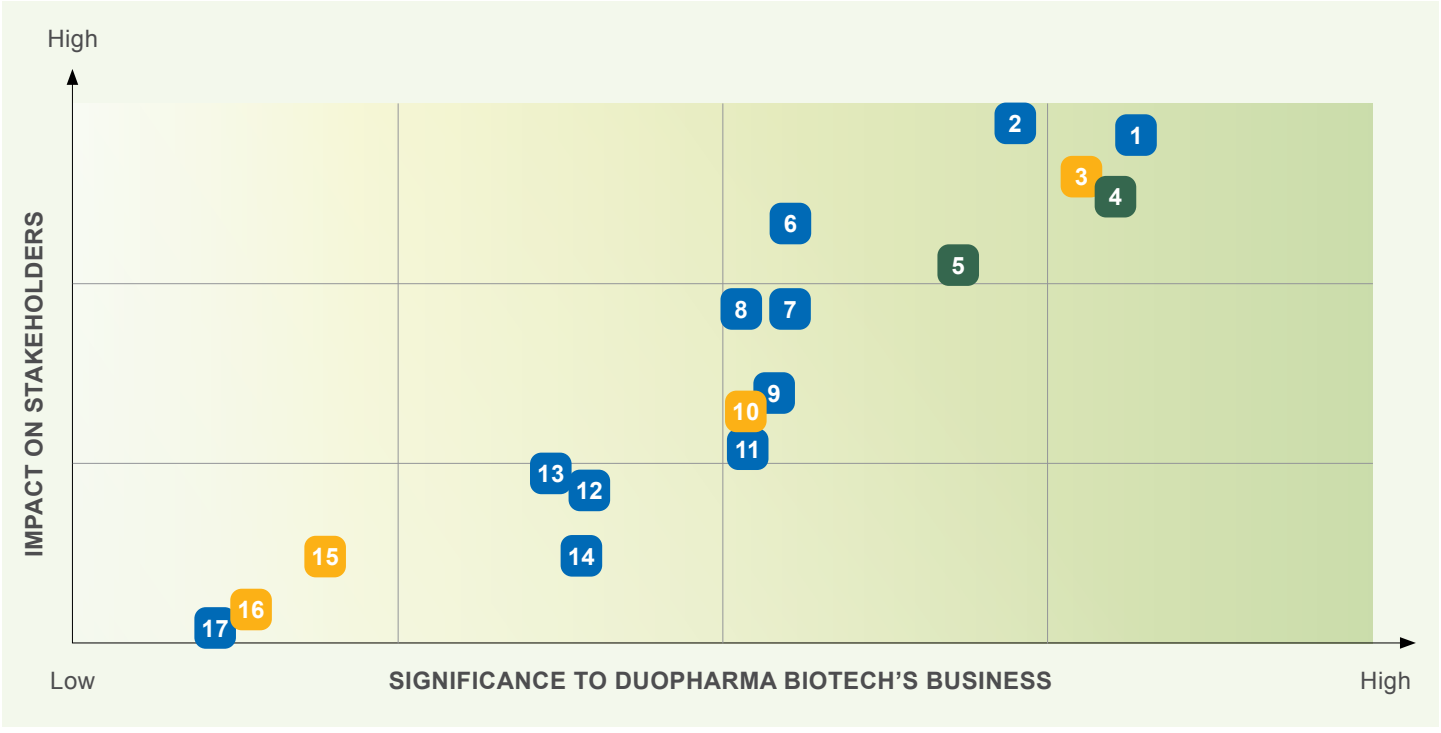
Internal stakeholders	External stakeholders	
105	**80**	
• Board of Directors • Senior Management • Employees	• Government and regulatory authorities • Customers • Suppliers • Media	• Shareholders and financial community • Healthcare professionals • Business partners • Local communities

- Responses from the survey were tabulated into a Materiality Matrix. The Materiality Matrix helps us to understand and visualise the prioritisation of material matters.
- The prioritisation was reviewed to determine if the top 10 material matters identified in 2022 remained relevant in 2024.

Validation

- During the full materiality assessment in 2022, results and findings were discussed and deliberated with our GMC and Group Managing Director ("GMD"), and final results were presented to the Board for endorsement.

Material Matters, Risks and Opportunities



Governance / Economic

1	Product Quality, Safety & Responsibility	2	Anti-Corruption
6	Affordability & Pricing	7	Accessibility of Medicines
8	Data Privacy & Security	9	Supply Chain Management
11	Counterfeit Medicines & Adulteration	12	Research & Development
13	Halal Commitment	14	Business Innovation & Model
17	Digitalisation		

Social

3	Health & Safety	10	Labour Practices & Standards
15	Diversity & Inclusion	16	Community Outreach

Enviroment

4	Waste & Material Management	5	Climate Risk

Notes:
- Governance & Economic categories
- Social category
- Environment category

TOP 10 MATERIAL ISSUES

1	Product Quality, Safety & Responsibility	2	Anti-Corruption	3	Health & Safety	4	Waste & Material Management	5	Climate Risk
6	Affordability & Pricing	7	Accessibility of Medicines	8	Data Privacy & Security	9	Supply Chain Management	10	Labour Practices & Standards

Material Matters, Risks and Opportunities

We plan to conduct a refreshed and comprehensive materiality assessment in 2025 to re-evaluate and refine our material sustainability matters in line with evolving business priorities, stakeholders' expectations, and global ESG trends. The process will take into account emerging regulatory requirements, particularly in preparation for the IFRS disclosures, ensuring our sustainability disclosures meet the business strategy direction, stakeholders' expectations and financial relevance.

Product Quality, Safety & Responsibility

Capitals:

M Manufactured Capital

Bursa Malaysia's Common Sustainability Matters:

- N/A

Impact on Duopharma Biotech

Maintaining safety, quality and efficacy standards safeguards our market reputation and increases the trust of consumers as well as customers – namely public and private healthcare providers.

Risks

- **Customer dissatisfaction and reputation damage:** Poor product quality, recalls or safety issues affecting Duopharma Biotech's reputation, customer loyalty and our future sales.
- **Legal or non-compliance consequences and financial losses:** Failure to meet required safety standards may lead to non-compliance issues, summons by the relevant authorities, legal consequences and/or significant financial losses.

Opportunities

- **Customer loyalty:** High product quality and safety builds customer trust and loyalty.
- **Innovation:** Investing in research and development for safer raw materials and production methods.
- **Compliance with standards:** Meeting or exceeding industry standards for safety and quality enhances a company's credibility.

ESG Strategy

Access to Medicine

For more details of initiatives and performance, please refer to pages 90-94

Stakeholder Groups Affected

S1 Government/Regulatory Authorities | S2 Employees | S4 Customers | S8 Healthcare Professionals

Anti-Corruption

Capitals:

S Social & Relationship Capital

Bursa Malaysia's Common Sustainability Matters:

- Anti-Corruption

Impact on Duopharma Biotech

Transparency and integrity are important in establishing and maintaining stakeholders' trust in Duopharma Biotech.

Risks

- **Legal consequences:** Involvement in corrupt practices may lead to legal actions, fines and penalties imposed by the Malaysian Anti-Corruption Commission or other relevant authorities.
- **Reputation damage:** Being associated with corruption tarnishes a company's reputation and erodes customer trust.
- **Operational disruption and loss of business opportunities:** Corruption can disrupt business operations, affecting efficiency and jeopardising business partnerships and opportunities.

Opportunities

- **Enhanced reputation:** Commitment to ethical business practices enhances a company's reputation and builds trust.
- **Attracting investment:** Ethical business practices attract investors who prioritise responsible and sustainable operations.
- **Operational efficiency:** Transparent and corruption-free operations lead to improved efficiency and a more positive work culture.

ESG Strategy

Governance

For more details of initiatives and performance, please refer to pages 127-131

Stakeholder Groups Affected

S1 Government/Regulatory Authorities | S2 Employees | S3 Shareholders & Financial Community | S5 Suppliers

Material Matters, Risks and Opportunities

Health & Safety

Capitals:

H Human Capital

Bursa Malaysia's Common Sustainability Matters:

- Health & Safety

Impact on Duopharma Biotech

It is important to keep our employees safe for their well-being, as well as to safeguard our productivity, assets and reputation.

Risks

- **Workplace accidents:** Poor health and safety practices lead to potential workplace accidents, injuries, and/or fatalities.
- **Legal consequences:** Non-compliance with health and safety regulations can result in legal actions, fines, and/or penalties.
- **Reputation damage:** Frequent accidents or safety issues can raise stakeholders' concerns, negatively impacting relationships with employees, customers and investors.
- **Operational disruption:** Work stoppages, safety incident investigations, or shutdowns can disrupt normal business operations.

Opportunities

- **Employee well-being and productivity:** Prioritising health and safety creates a safer work environment, employee well-being and increases productivity.
- **Legal compliance:** Adhering to health and safety regulations ensures legal compliance and minimises the risk of legal actions.
- **Cost savings:** Proactive health and safety measures result in cost savings by preventing accidents, injuries and unnecessary associated expenses.

ESG Strategy

Sustainable Supply Chain

For more details of initiatives and performance, please refer to pages 76-83

Stakeholder Groups Affected

S2 Employees
S3 Shareholders & Financial Community

Waste & Material Management

Capitals:

M Manufactured Capital
N Natural Capital

Bursa Malaysia's Common Sustainability Matters:

- Waste & Material Management

Impact on Duopharma Biotech

Natural resources are easily depleted, while the exponential increase in waste has led to overflowing landfills and generation of methane. Untreated effluents, meanwhile, pollute waterways potentially causing health hazards.

Risks

- **Regulatory non-compliance:** Non-compliance to waste disposal regulations can result in fines and legal consequences.
- **Environmental impact:** Poor waste management practices can lead to environmental pollution and damage.
- **Reputation damage:** Negative perceptions of a company's waste practices can harm its reputation and credibility in meeting regulatory standards.
- **Resource depletion:** Inefficient material use can contribute to resource depletion and scarcity, impacting the availability and cost of raw materials.

Opportunities

- **Circular economy and cost saving:** Embracing a circular economy approach can lead to long-term sustainability, reduced environmental impact and cost savings.
- **Innovation:** Investing in sustainable materials and recycling technologies can foster innovation and create a competitive advantage.
- **Brand enhancement:** Demonstrating commitment to responsible waste management can enhance a company's brand image and appeal to environmentally conscious stakeholders.

ESG Strategy

Climate Performance

For more details of initiatives and performance, please refer to pages 63-67

Stakeholder Groups Affected

S2 Employees
S3 Shareholders & Financial Community
S5 Suppliers
S6 Business Partners
S7 Local Communities

Material Matters, Risks and Opportunities

Climate Risk

Capitals:

- M Manufactured Capital
- N Natural Capital

Bursa Malaysia's Common Sustainability Matters:

- Emissions management
- Energy management
- Water

Impact on Duopharma Biotech

Uncontrolled carbon emissions will cause further warming of the Earth, and if the global temperature increases by 2°C relative to preindustrial times, there could be catastrophic economic and social consequences.

Risks

- **Physical risks**: Climate-related events can potentially impact a company's assets, supply chain, resources, operations, etc.
- **Regulatory risks:** Increasing climate regulations and requirements may result in compliance challenges and additional operational costs.
- **Reputation Damage:** Failure to address climate issues can lead to negative public perception, affecting brand image and stakeholders' trust.

Opportunities

- **Innovation and cost savings:** Implementing sustainable and climate-resilient practices can foster innovation and lead to manageable operating costs.
- **Market Leadership:** Demonstrating a commitment to addressing climate risks can position a company as a leader in ESG commitment.
- **Long-Term Resilience:** Proactive measures to address climate risks / effective business continuity planning can contribute to long-term business resilience against environmental changes.

ESG Strategy

Climate Performance

For more details of initiatives and performance, please refer to pages 47-63

Stakeholder Groups Affected

- S2 Employees
- S3 Shareholders & Financial Community
- S5 Suppliers
- S6 Business Partners
- S7 Local Communities

Affordability & Pricing

Capitals:

- F Financial Capital

Bursa Malaysia's Common Sustainability Matters:

- N/A

Impact on Duopharma Biotech

Costly medicines are a growing challenge for national budgets as well as for individual patients. It is vital for us to ensure patients have access to affordable medicines and that healthcare systems remain financially sustainable.

Risks

- **Competitive Pressure:** If competitors can offer similar range of products at lower prices, it may impact our market share and business sustainability.
- **Economic Downturn:** Economic uncertainties can affect consumers' purchasing power, making affordability a key consideration.
- **Supply Chain Costs:** Fluctuations in raw material costs or supply chain disruptions can impact pricing strategies.

Opportunities

- **Market penetration:** Offering medicines at affordable prices can help the Company to penetrate new markets and attract a broader customer base.
- **Brand loyalty:** Providing value for money and affordable options may attract consumers in building brand loyalty.
- **Innovation and cost optimisation:** Innovation may create cost optimisation and affordable alternatives, whilst efficient supply chain management supports competitive pricing and profitability.

ESG Strategy

Access to Medicine

For more details of initiatives and performance, please refer to pages 87-89

Stakeholder Groups Affected

- S1 Government/Regulatory Authorities
- S7 Local Communities
- S8 Healthcare Professionals

Material Matters, Risks and Opportunities

Accessibility of Medicines

Capitals:

- M Manufactured Capital
- I Intellectual Capital

Bursa Malaysia's Common Sustainability Matters:

- N/A

Impact on Duopharma Biotech

Access to medicines is integral to the basic right to good health.

Risks

- **Ethical concerns:** Public perception of a company prioritising profits over patient well-being can lead to ethical concerns and reputational damage.
- **Public health impact:** Limited access to essential medicines can have a negative impact on public health outcomes.
- **Regulatory challenges and legal repercussions:** Navigating complex regulatory frameworks in different regions can pose challenges, and violations of accessibility regulations or pricing practices may lead to legal actions and fines.

Opportunities

- **Positive social impact:** Locally manufactured medicine ensures sustainable and supply security that contributes to positive social impact and public health.
- **Market expansion and brand reputation:** Addressing accessibility concerns can potentially increase market share and enhance a company's reputation.
- **Collaboration Opportunities:** Collaborating with governments, non-governmental organisations ("NGOs") and international organisations can create opportunities to improve access to medicine.

ESG Strategy

Access to Medicine

For more details of initiatives and performance, please refer to pages 85-87

Stakeholder Groups Affected

- S1 Government/Regulatory Authorities
- S4 Customers
- S7 Local Communities
- S8 Healthcare Professionals

Data Privacy & Security

Capitals:

- I Intellectual Capital
- S Social & Relationship Capital

Bursa Malaysia's Common Sustainability Matters:

- Data Privacy & Security

Impact on Duopharma Biotech

As we digitalise more of our operations, it is imperative to protect our data, as well as data of our customers and partners.

Risks

- **Regulatory non-compliance:** Failure to comply with data protection regulations can lead to legal action and fines.
- **Data breaches and operational disruption:** Security vulnerabilities may lead to data breaches and disruption to normal business operations, resulting in financial losses.
- **Reputation damage:** Public perception of inadequate data protection may harm company's reputation and erode stakeholder trust.

Opportunities

- **Building trust:** Implementing robust data privacy and security measures builds trust among customers and other stakeholders, and provides a competitive advantage in the market.
- **Innovation in security:** Investing in innovative security technologies and practices can enhance the overall resilience or be part of an organisation's disaster recovery plan against cybersecurity threats.
- **Global compliance:** Meeting or exceeding global data protection standards positions a company as a responsible global player.

ESG Strategy

Governance

For more details of initiatives and performance, please refer to pages 132-136

Stakeholder Groups Affected

- S1 Government/Regulatory Authorities
- S2 Employees
- S4 Customers
- S5 Suppliers
- S6 Business Partners

Material Matters, Risks and Opportunities

Supply Chain Management

Capitals:

S Social & Relationship Capital

Bursa Malaysia's Common Sustainability Matters:

- Supply chain management

Impact on Duopharma Biotech

Efficient Supply Chain Management ensures the reliability of raw materials/ ingredients supply and optimal plant operations, even during crises such as pandemics. Through responsible supplier management, we are also able to support local vendors and ensure that our vendors observe ESG principles, thus promote sustainability across our supply chain.

Risks

- **Supply chain disruptions:** Disruptions such as natural disasters, geopolitical events, etc., can significantly impact the availability of raw materials, disrupt production processes, and delivery of goods to customers.
- **Operational inefficiencies:** Poor SCM can lead to operational inefficiencies, delays and increased costs.
- **Reputational risks:** Negative events within the supply chain, such as ethical concerns or environmental issues, can harm a company's reputation.

Opportunities

- **Innovation and cost optimisation**: Adopting innovation and efficient SCM can lead to cost savings through improved processes and efficiency.
- **Sustainability:** Integrating sustainable practices into the supply chain can manage ESG-related risks.
- **Resilience:** Building a resilient supply chain that can adapt to disruptions contributes to long-term business sustainability.

ESG Strategy

Sustainable Supply Chain

For more details of initiatives and performance, please refer to pages 69-75

Stakeholder Groups Affected

S2 Employees | S5 Suppliers | S6 Business Partners

Labour Practices & Standards

Capitals:

H Human Capital | S Social & Relationship Capital

Bursa Malaysia's Common Sustainability Matters:

- Labour Practices & Standards

Impact on Duopharma Biotech

It is important to have robust Human Resources ("HR") policies and procedures to enhance our reputation as an employer of choice, and to attract the best talent.

Risks

- **Human rights violations:** Poor labour practices may lead to human rights violations, causing legal actions, fines and penalties.
- **Workforce unrest:** Unfair labour practices can result in workforce dissatisfaction, protests and disruption to business operations.
- **Reputation damage:** Negative publicity regarding unethical labour practices can harm a company's reputation and brand image.

Opportunities

- **Employee engagement:** Fair and ethical labour practices contribute to a positive work environment, fostering employee satisfaction and engagement.
- **Brand reputation:** Demonstrating commitment to high labour standards enhances a company's reputation, attracting customers and investors.
- **Talent attraction and retention:** Companies with strong labour practices are more likely to attract and retain top talent.

ESG Strategy

Diversity & Inclusion

For more details of initiatives and performance, please refer to pages 105-114

Stakeholder Groups Affected

S1 Government/Regulatory Authorities | S2 Employees | S3 Shareholders & Financial Community

Material Matters, Risks and Opportunities

Counterfeit Medicines & Adulteration

Capitals:

I Intellectual Capital
S Social & Relationship Capital

Bursa Malaysia's Common Sustainability Matters:

- N/A

Impact on Duopharma Biotech

Counterfeit drugs would impact medicine's efficacy, purity and safety.

Risks

- **Public health risk:** Counterfeit medicines and adulteration can pose serious health risks to consumers, and may lead to harm or fatalities.
- **Legal consequences:** Involvement in the production or distribution of counterfeit medicines may lead to legal actions, fines and penalties.
- **Reputation damage and loss of market share:** Discovery of counterfeit medicines can tarnish a company's reputation, erode consumers'/ stakeholders' trust, and lead to loss of market share as consumers may switch to more trusted alternatives.

Opportunities

- **Investment in security measures:** Investing in advanced technologies and security measures can help in the authentication and prevention of counterfeiting.
- **Supply chain transparency:** Implementing transparent supply chain practices can help detect and prevent the entry of counterfeit products.
- **Building trust:** Demonstrating a commitment to product authenticity and quality builds trust among consumers and strengthens brand loyalty.

ESG Strategy

Access to Medicine

For more details of initiatives and performance, please refer to pages 94-95

Stakeholder Groups Affected

S1 Government/Regulatory Authorities
S4 Customers
S7 Local Communities
S8 Healthcare Professionals

Research & Development ("R&D")

Capitals:

I Intellectual Capital

Bursa Malaysia's Common Sustainability Matters:

- N/A

Impact on Duopharma Biotech

R&D provides powerful knowledge and insights, enhances process efficiency, and reduces costs. It also allows businesses to develop new products and services to thrive in competitive markets.

Risks

- **Investment risks:** R&D projects involve substantial financial investments with uncertain outcomes, and any failure to deliver can lead to financial losses.
- **Competitive pressure:** Rapid advancements in technology and innovation require companies to keep up, otherwise they risk of losing their competitive edge.
- **Regulatory challenges:** Navigating complex regulatory frameworks for new products or technologies can pose challenges and delays.
- **Intellectual property risks:** Protecting intellectual property is crucial, as infringement or loss of proprietary information can pose significant risks.

Opportunities

- **Innovation leadership:** Successful R&D efforts lead to innovation, positioning the company as a leader in its industry.
- **Market expansion:** Launching new and innovative products can open up new markets and increase market share.
- **Long-term sustainability:** Continuous investment in R&D ensures the company's long-term sustainability by adapting to changing market demands.

ESG Strategy

Access to Medicine

For more details of initiatives and performance, please refer to pages 95-96

Stakeholder Groups Affected

S2 Employees
S8 Healthcare Professionals

Material Matters, Risks and Opportunities

Halal Commitment

Capitals:

- I Intellectual Capital
- S Social & Relationship Capital

Bursa Malaysia's Common Sustainability Matters:

- N/A

Impact on Duopharma Biotech

Halal certification provides consumers the assurance that products are safe for consumption, effective, made of high-quality ingredients, and produced in hygienic, environmentally friendly facilities adhering to Shariah principles.

Risks

- **Loss of consumer trust and reputational risks:** Failure to adhere to halal standards may result in reputational damage as consumers lose confidence and seek alternative products.
- **Market exclusion:** Non-compliance with halal requirements may lead to exclusion from markets where halal certification is a key consideration.
- **Legal consequences:** Declaration of halal without confirmed assurance from the appointed halal authorities may result in legal action, fines and/or penalties.

Opportunities

- **Specific market appeal and expansion:** Demonstrating a strong halal commitment and conformity assurance can attract diverse consumer segments in specific markets.
- **Consumer trust and loyalty:** Adhering to halal standards builds trust among consumers seeking halal products and fosters loyalty.
- **Competitive advantage and market expansion:** Being recognised for a genuine commitment to halal practices provides a competitive advantage and opens up opportunities to enter and expand in markets with a significant halal consumer base.

ESG Strategy

Access to Medicine

For more details of initiatives and performance, please refer to pages 97-100

Stakeholder Groups Affected

- S3 Shareholders & Financial Community
- S4 Customers
- S5 Suppliers
- S6 Business Partners

Business Innovation & Model

Capitals:

- I Intellectual Capital
- F Financial Capital

Bursa Malaysia's Common Sustainability Matters:

- N/A

Impact on Duopharma Biotech

Achieving organisational and economic growth through innovation is key to staying relevant in today's highly competitive world.

Risks

- **Market resistance:** Innovative changes to business models may face resistance from traditional markets or existing customer bases.
- **Financial investment:** Investing in new business models and innovations involves financial risks, especially if the returns are uncertain.
- **Adaptability challenges:** Employees and stakeholders may face challenges adapting to new business models, affecting overall organisational effectiveness.

Opportunities

- **Competitive advantage:** Successful business innovation can provide a significant competitive advantage in the market and attract customers seeking cutting-edge solutions.
- **Market expansion:** Innovations in business models can open up new markets and customer segments, driving growth.
- **Increased Efficiency:** Innovative business models often lead to increased efficiency and cost savings.

ESG Strategy

Access to Medicine

For more details of initiatives and performance, please refer to page 101

Stakeholder Groups Affected

- S2 Employees
- S3 Shareholders & Financial Community
- S6 Business Partners

Material Matters, Risks and Opportunities

Diversity & Inclusion

Capitals:

S Social & Relationship Capital
H Human Capital

Bursa Malaysia's Common Sustainability Matters:

- Diversity

Impact on Duopharma Biotech

By bringing together a diverse workforce, we are able to enhance our organisational perspective for better and more effective decision-making.

Risks

- **Reputational risks:** Lack of diversity and inclusion efforts can lead to reputational damage and non-compliance issues especially in an era of heightened social awareness.
- **Legal consequences:** Discrimination or lack of inclusion can lead to legal action, fines and/or penalties.
- **Innovation and creativity Impact:** Homogeneous environments may lack diverse perspectives, potentially hindering innovation and creativity.

Opportunities

- **Enhanced innovation:** Diverse teams bring a range of perspectives and ideas, fostering innovation and creativity.
- **Employee engagement:** Inclusive workplaces contribute to higher employee engagement, satisfaction and productivity.
- **Brand Reputation:** Inclusive organisations enjoy enhanced brand reputation and attract socially conscious consumers.

ESG Strategy

Diversity & Inclusion

For more details of initiatives and performance, please refer to pages 115-121

Stakeholder Groups Affected

S2 Employees
S3 Shareholders & Financial Community

Community Outreach

Capitals:

S Social & Relationship Capital

Bursa Malaysia's Common Sustainability Matters:

- Community / Society

Impact on Duopharma Biotech

Social inequities exist throughout the world, including here in Malaysia. It is important to bridge these gaps to nurture harmonious and just societies.

Risks

- **Reputational risks:** Inadequate community outreach or negative community impact can lead to backlash and reputational damage.
- **Lack of social license:** Communities may withhold social support or cooperation if they feel the company is not contributing positively.
- **Regulatory challenges:** Community concerns may lead to increased scrutiny or regulatory challenges for the company.

Opportunities

- **Positive reputation:** Effective community outreach builds a positive reputation, enhancing brand image and customer loyalty.
- **Stakeholder engagement:** Engaging with communities fosters positive relationships with stakeholders, including local residents and authorities.
- **Social impact**: Community initiatives can contribute to positive social impact, addressing local needs and improving quality of life.
- **Enhanced brand reputation:** Positive community engagement strengthens brand visibility, public trust and corporate image.

ESG Strategy

Diversity & Inclusion

For more details of initiatives and performance, please refer to pages 122-125

Stakeholder Groups Affected

S7 Local Communities
S9 Media

Material Matters, Risks and Opportunities

Digitalisation

Capitals:

I Intellectual Capital

Bursa Malaysia's Common Sustainability Matters:

- Data Privacy & Security

Impact on Duopharma Biotech

Digitalisation helps to improve process efficiency, key internal business functions, enhanced collaboration and product quality, while enabling greater access to our products and enhancing the customer experience.

Risks

- **Data security risks:** Inadequate digitalisation preparation and controls may expose organisations to potential data breaches, leading to data security and privacy risks.
- **Reskilling challenges:** The shift towards digitalisation may require employees to acquire required skills, posing challenges in terms of training and reskilling.
- **Job displacement:** Digitalisation may replace manual jobs, however, without appropriate justification, it may lead to job losses or role restructuring for employees.

Opportunities

- **Increased efficiency**: Digitalisation can lead to streamlined processes, automation and increased operational efficiency.
- **Improved customer experience:** Digitalisation enables better customer interaction, personalisation and overall improved customer experience.
- **Market competitiveness:** Embracing digital technologies fosters innovation and enhances an organisation's competitive advantage.

ESG Strategy

Governance

For more details of initiatives and performance, please refer to pages 102-103

Stakeholder Groups Affected

S2 Employees | S4 Customers | S6 Business Partners | S8 Healthcare Professionals

Sustainability Strategy

Based on the identified material sustainability matters, we established Duopharma Biotech's 5-Year ESG Strategy and initiatives that were set for the short (2022 – 2023), mid (2024 – 2025) and long (2026-2028) terms. By integrating material ESG factors into strategy and decision-making, companies can enhance resilience, help to build stakeholder trust and competitive advantage, and foster sustainable growth for long-term success.

The execution of the short-term strategy targets was completed in 2023. For 2024, the focus is on the roll-out of the mid-term strategy targets. Summary of progress is as below:

CLIMATE PERFORMANCE

Capitals:

N M

Stakeholder Groups Impacted:

S2 S3 S5 S6 S7

Top 10 Material Matters:

4 Waste & Material Management

5 Climate Risk

Mid-term Targets (2024 – 2025)
Execute identified emissions reduction strategies
Establish and execute strategies to measure total GHG emissions (Scopes 1, 2 and 3)

SUSTAINABLE SUPPLY CHAIN

Capitals:

H S

Stakeholder Groups Impacted:

S2 S3 S5 S6

Top 10 Material Matters:

3 Health & Safety

9 Supply Chain Management

Mid-term Targets (2024 – 2025)
Apply to be a member of Pharmaceutical Supply Chain Initiative ("PSCI")
Begin execution of supply chain ESG strategy

Our Stakeholders:

S1 Government/ Regulatory Authorities
S2 Employees
S3 Shareholders & Financial Community
S4 Customers
S5 Suppliers
S6 Business Partners
S7 Local Communities
S8 Healthcare Professionals
S9 Media

Sustainability Strategy

5-year ESG Strategy (2022 - 2026)



2024 Progress	Contribution to UN SDGs
Clean energy (solar) was successfully installed at our Klang, Bangi and Glenmarie sites.	
30% of Scope 2 emissions have been offset through the purchase of 15,000 RECs.	
Completed feasibility study for ISO 14001 certification.	
Successfully replaced 15% of single-use plastics with biodegradable alternatives.	
Optimised Asher utilisation with regards to waste management.	
Circular economy related projects are being implemented, such as e-labelling for product packaging.	
Scope 3 emissions baselines for six categories have been established.	

2024 Progress	Contribution to UN SDGs
Completed background study and review of PSCI membership participation.	
Post-implementation monitoring of Track & Trace system module is being executed.	
Performed ESG Assessment on top 12 suppliers.	
Conducted corruption and bribery due diligence on new business associates and existing vendors.	
Conducted ESG briefing for suppliers/vendors to increase ESG awareness.	

Our Capitals:

- F Financial Capital
- M Manufactured Capital
- S Social & Relationship Capital
- I Intellectual Capital
- H Human Capital
- N Natural Capital

Sustainability Strategy

ACCESS TO MEDICINE

Capitals:

F M I

Stakeholder Groups Impacted:

S1 S2 S3 S4 S7 S8

Top 10 Material Matters:

1 Product Quality, Safety & Responsibility

6 Affordability & Pricing

7 Accessibility of Medicines

Mid-term Targets (2024 – 2025)

Increase capacity in key medicines to ensure continuous supply through plant expansion and M&As

DIVERSITY & INCLUSION

Capitals:

S H

Stakeholder Groups Impacted:

S1 S2 S3

Top 10 Material Matters:

10 Labour Practices & Standards

Mid-term Targets (2024 – 2025)

Unconscious bias training to cultivate awareness of unconscious bias in daily interactions, behaviours and decision-making

Personal development and professional advancement through transformational learning and leadership opportunities

GOVERNANCE

Capitals:

I S

Stakeholder Groups Impacted:

S1 S2 S3 S4 S5 S6

Top 10 Material Matters:

2 Anti-Corruption

8 Data Privacy & Security

Mid-term Targets (2024 – 2025)

Incorporate integrated reporting and MCCG standards into sustainability and annual reports

ESG software for ESG data tracking

Feasibility studies on TCFD

Our Stakeholders:

S1 Government/ Regulatory Authorities
S2 Employees
S3 Shareholders & Financial Community
S4 Customers
S5 Suppliers
S6 Business Partners
S7 Local Communities
S8 Healthcare Professionals
S9 Media

Sustainability Strategy

2024 Progress	Contribution to UN SDGs
Successfully increased collaboration with technology partners for clinical trials, completed technology transfer for four products, and finalised product registration of key medicines.	
Successfully built Consumer Healthcare's functional food portfolio with the development of functional foods under the CHAMPS®, PROVITON® and NATURALLE® product lines, with launch planned for 2025.	
Successfully sourced agency business that complements our core operations and completed tracking of new products in the pipeline.	
Ensured availability of commercial stocks through proper inventory forecasting.	
Launched generic Metformin XR, Sitagliptin, Palbociclib and Sevelamer. Ongoing execution of APPL tender business.	
Registered second manufacturing site for selected effervescent range with Sunlife Germany.	
Extended distribution in lower trade including provision and convenient stores.	
Ensured accurate forecasting and maintained adequate safety stocks for Government Business' main tender items to ensure stock availability, consistent supply, and to avoid penalties.	
Ongoing improvement in Lebreta from 5kg to 15kg capacity.	
Increased R&D efforts on innovative medicine.	

2024 Progress	Contribution to UN SDGs
Launched 15 modules of Unconscious Bias training for all management employees via MDL platform.	
Improved personal development and professional advancement through transformational learning and leadership opportunities.	

2024 Progress	Contribution to UN SDGs
Continuous adoption of IR and MCCG standards in the Integrated Annual Report and Sustainability Report 2024.	
Performed feasibility study on potential ESG software platform.	
Completed climate risk assessment across Malaysia sites and regional offices.	
Rolled out TCFD initiatives and reporting updates in IAR and SR 2024.	

Our Capitals:

- F Financial Capital
- M Manufactured Capital
- S Social & Relationship Capital
- I Intellectual Capital
- H Human Capital
- N Natural Capital

Value Creation Business Model

Duopharma Biotech remains committed to delivering long-term value through the strategic utilisation of our six capitals, effective resource allocation, and a focus on sustainable growth. By driving innovation and upholding strong corporate governance, we are better able to manage our risks proactively and strengthen our business model to ensure resilience, operational excellence and positive stakeholder outcomes.

Capitals / Business Inputs

F Financial Capital
- RM1.38 billion of total assets
- RM432.5 million in share capital
- RM709.2 million in shareholder funds
- Debt to equity ratio of 0.73:1

M Manufactured Capital
- Manufacturing plants in Bangi, Klang and Glenmarie
- Regional offices in Singapore, the Philippines and Indonesia
- Plant utilisation: HAPI (23.8%), Klang (70%), Bangi (~70%)
- Plant efficiency: HAPI (89.46%), Klang (70%), Bangi (~70%)

N Natural Capital
- 210,862 GJ energy consumed
- 106 ML water withdrawal
- 6.9 tonnes of biodegradable plastic used in operations
- Best practices in material management

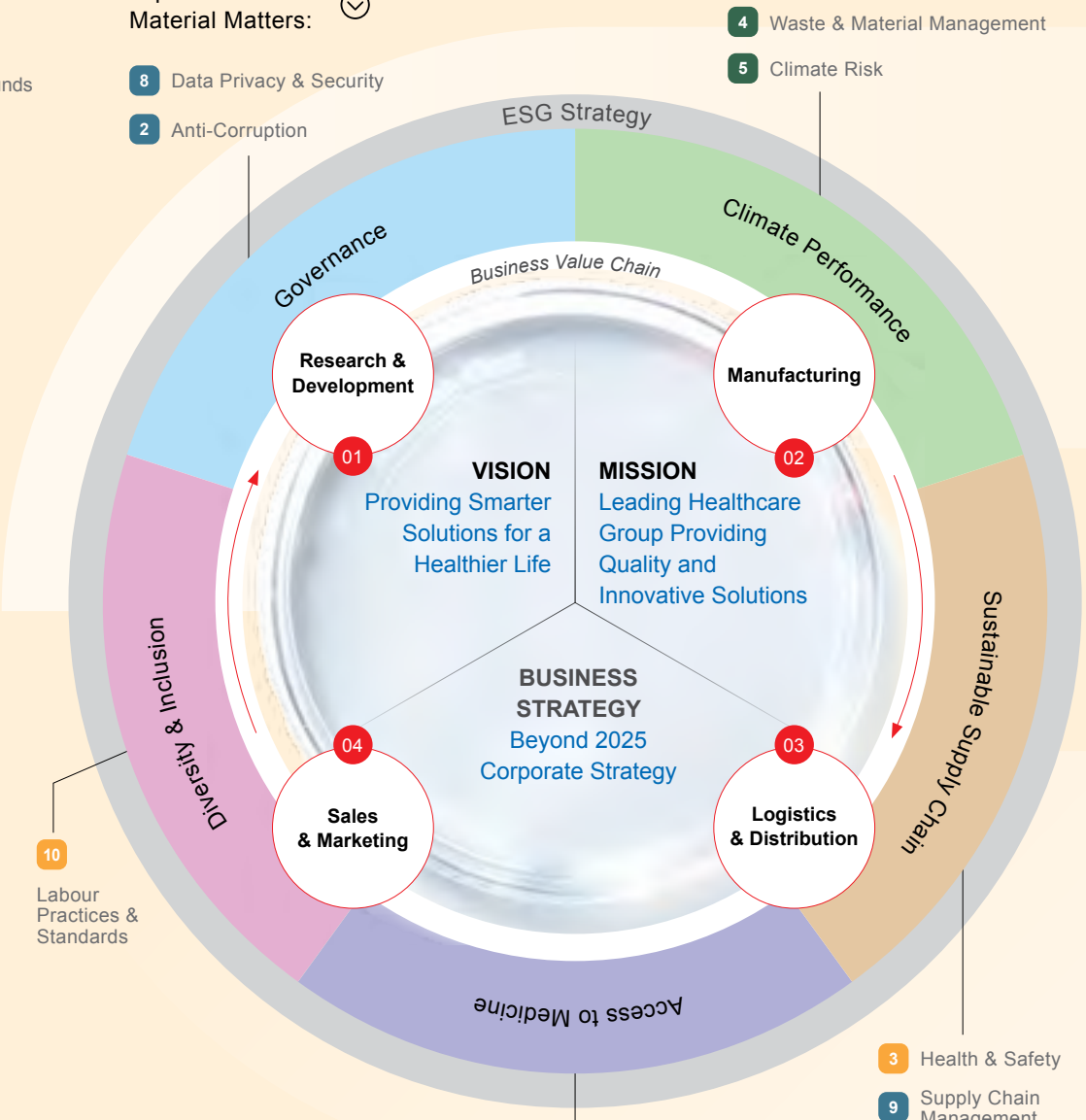
H Human Capital
- Total no. of employees: 1,957
- Total new hires: 275
- Investment in employee training and development: RM1,439,011

S Social and Relationship Capital
- Engaged 100 organisations in community programmes
- Collected customer feedback through VOC survey
- Engaged with local and global suppliers across our supply chain

I Intellectual Capital
- Total R&D expenditure (excluding manpower): RM6.1 million
- Strong and diverse pipeline across all relevant areas, supported by both in-house development and strategic collaborations
- Innovation capacity improvements
- Partnerships
- R&D facility in Glenmarie
- Innovative processes and technologies
- Strong commitment to cybersecurity and data protection

Key Drivers

Top 10 Material Matters:



- 8 Data Privacy & Security
- 2 Anti-Corruption
- 4 Waste & Material Management
- 5 Climate Risk
- 10 Labour Practices & Standards
- 3 Health & Safety
- 9 Supply Chain Management
- 1 Product Quality, Safety & Responsibility
- 6 Affordability & Pricing
- 7 Accessibility of Medicines

Value Creation Business Model

Outputs/ Outcomes	Stakeholders Impacted	Value Created
F – Profit Before Tax 2024: **RM80.02 million** – Profit After Tax 2024: **RM62.65 million** – % Growth in Revenue: **15.5% (from 2023)**	S1 S3	The implementation of ESG Strategy and initiatives across the six capitals supports our business growth and risk management by enhancing our financial resilience and profitability, optimising operational efficiency, mitigating negative environmental impacts, developing high-performance workforce, strengthening stakeholder relationships, and accelerating innovation. The value created also directly contributes to the UN SDGs.
M – **30% increase** in Lebreta production capacity at HAPI – **RM250,000 reduction** in production costs in Klang – **17% increase** in production capacity in Bangi with transfer of machinery from our Klang facility	S1 S3 S4 S5 S6	
N – **40,089 tCO_2e** carbon emissions generated – **1,839 tCO_2e carbon avoided** using solar panels – **0.6% reduction** in total carbon emissions from 2023 – **14% reduction** in carbon emissions intensity from 2023 – **145 tonnes** scheduled waste generated – **5,308 m^3** water recycled – **17%** of non-scheduled waste diverted from landfills	S1 S3 S7	
H – Employee Engagement Index: **81% score** – Average training hours per employee: **21** – **92.6% completion** of planned talent programmes – **60 PROTÉGÉs** recruited, **63 internship** placements – Turnover rate: **11.28%** – Burnout survey: **12%** no sign of burnout; **44%** little signs of burnout; **44%** high risk of burnout	S2 S7	
S – Total investment in external community: **RM2,974,127** – **70.9%** of our customers believe halal pharmaceuticals are important in healthcare, based on customer satisfaction survey – **Strengthen brand loyalty** on the supply of halal-assured medicines and healthcare products – **Support the growth** of national halal economy – Performed ESG Maturity assessment on **top 12 suppliers**	S4 S5 S6 S7	
I – IT operational uptime reliability: **99%** – **Reduced IT capital expenditure** due to cost saving from digitalisation – Cybersecurity risk of **near zero** – **Automation** of manual pack process reduced dependence on manpower	S1 S2 S6	

Contribution to Sustainable Development Goals

We are committed to driving positive impact sustainably across our business, ensuring our efforts are aligned with the UN SDGs for global relevance. Based on the targets and indicators, we have identified 11 SDGs that are relevant to us and in which we can make the most impact.

SDG & Target(s)	Our Contributions
Goal 1 – No Poverty **Target: 1.4**	• Produce affordable generics and biosimilars ensuring low-income populations can access essential medicines, reducing healthcare costs and financial burden. • Spending on local suppliers and capacity-building to support local economies, creating jobs and promoting sustainable livelihoods in underserved communities. • Provide financial aid, essential goods and healthcare services to underprivileged groups, dedicating RM54,200 in 2024 to support these communities.
Goal 3 – Good Health and Well-being **Targets: 3.4, 3.8**	• Promote medicine affordability and accessibility through generics and biosimilars. • Ensure local medicine security by focusing on availability and affordability of essential drugs through biosimilar and oncology drug manufacturing. • Partnerships with organisations for sustainable healthcare innovations, including vaccine development.
Goal 4 – Quality Education **Targets: 4.3, 4.4**	• Invest in educational awards, programmes and campaigns to empower future generations with knowledge and skills. In 2024, 98% of our CSR spend was on education. • Support graduate employment via PROTÉGÉ and ProGrad (Graduate Trainee) programmes.
Goal 5 – Gender Equality **Target: 5.5**	• Women constitute 43% of Duopharma Biotech's global workforce and 14% of managerial positions. • Anti-Discrimination and Anti-Harassment policies are in place, ensuring equity in career progression and a safe workplace for all. • Free health screenings (using iBreastExam device for female staff) and celebrating International Women's Day reflect a commitment towards women's well-being and empowerment. • Conducted Unconscious Bias training for all management employees.
Goal 6 – Clean Water and Sanitation **Targets: 6.3, 6.4**	• Became the first company in Malaysia to sign up for the UNGC Forward Faster for Water Resilience. • Harvested 279 m³ of rainwater within our operations. • Recycled 5,308 m³ of water within our operations.
Goal 7: Affordable and Clean Energy **Target: 7.3**	• Established a 5-Year EEP in 2024 to support our NZTP, focusing on minimising energy leakages, increasing system efficiency, and optimising processes. • Installed solar panels at multiple manufacturing sites with a total capacity of 2,558 kWp, generating 3,267,845 kWh of clean energy. • Achieved 0.6% Year On Year ("YoY") reduction in Scopes 1 and 2 carbon emissions.
Goal 8 – Decent Work and Economic Growth **Targets: 8.2, 8.3, 8.8**	• Vendor performance evaluations and due diligence to enhance supply chain reliability. • Employee training and initiatives to promote safety and inclusivity.

Contribution to Sustainable Development Goals

SDG & Target(s)	Our Contributions
Goal 9 – Industry, Innovation and Infrastructure **Targets: 9.5, 9.7**	• Investment in R&D, including biosimilar manufacturing. • Adoption of innovative technologies to improve efficiency and sustainability.
Goal 10 – Reduced Inequalities **Target: 10.1**	• Community outreach focuses on supporting underprivileged communities through financial aid, essential goods, pharmaceutical products, free healthcare screenings and infrastructure improvements. • Duopharma Biotech promotes inclusive hiring practices and addresses youth unemployment through apprenticeship programmes.
Goal 12 – Responsible Consumption and Production **Targets: 12.4, 12.5, 12.6**	• Diverted 17% of non-scheduled waste from landfills. • Used 6.9 tonnes of biodegradable plastics within operations to replace single-use plastics. • Conducted ESG assessments on 12 key suppliers, focusing on climate action, energy efficiency, water and waste management, and human rights.
Goal 13 – Climate Action **Targets: 13.1, 13.3**	• Developed a Climate Performance roadmap under our 5-Year ESG Strategy, addressing energy efficiency, renewable energy and emissions reduction. • Disclosed Scopes 1, 2 and 3 emissions data, with initiatives to reduce carbon footprint and measure embodied carbon in the value chain. • Avoided 1,839 tCO_2e of emissions through solar power in 2024.
Goal 14 – Life Below Water **Target: 14.1**	• Manage water consumption and discharge responsibly to prevent pollution of surrounding environments. This includes continuous monitoring and regular reporting to the Department of Environment (“DOE”).
Goal 16 – Peace, Justice and Strong Institutions **Targets: 16.3, 16.5, 16.6, 16.7**	• Governance measures include anti-corruption policies, integrity pacts with suppliers, comprehensive whistleblowing mechanisms and establishing Conflict of Interest Framework. • Regular training is conducted for employees to raise awareness of governance practices and requirements, including anti-bribery and integrity frameworks.
Goal 17 – Partnerships for the Goals **Targets: 17.6, 17.16**	• Collaborations with government, academic institutions and suppliers to promote ESG and halal pharmaceutical best practices. • Participation in global forums and initiatives to advocate sustainable healthcare solutions.

CLIMATE PERFORMANCE

4 Climate Risk 47
5 Waste and Material Management 63



Capitals

N M

Stakeholder Groups Impacted

S2 S3 S5 S6 S7

Contribution to UN SDGs

5 Climate Risk

WHY IT'S IMPORTANT

Climate risks, such as extreme weather and resource scarcity, can disrupt supply chains and manufacturing processes, directly impacting operations and product delivery. Proactively managing climate risks through energy efficiency, renewable energy adoption, and sustainable practices can reduce operational costs and improve long-term financial performance while ensuring alignment with evolving regulations and standards. In addition, integrating climate risk management into business strategies helps safeguard against potential disruptions, ensuring business continuity and growth in a climate-conscious market.

OUR APPROACH

Our climate initiatives focus on three core areas: carbon and energy management, water management, and waste and material management, all of which are recognised as top material sustainability matters for our business. Our approach and disclosure of this matter applies to the Group.

We have committed to three environmental pledges:



Carbon neutrality by 2030



Net zero carbon emissions by 2050



50% replacement of single use plastics with biodegradable plastics by 2026

Our Sustainability Policy and 5-Year ESG Strategy guide the Group in integrating sustainable practices across our operations to manage our climate risk. Our policies and framework align with local regulations and global standards such as Bursa Malaysia requirements, GRI Standards and 10 Principles of the United Nations Global Compact.

Our climate risks approach focuses on three main key areas:



1. **Managing climate-related risks**



2. **GHG and energy management**



3. **Water management**

Climate Performance

1 Managing Climate-Related Risks

- Our climate risk identification and actions are aligned with and guided by the TCFD recommendations.
- We acknowledge that TCFD recommendations have been integrated into the International Financial Reporting Standards Climate-related Disclosures ("IFRS S2"), issued by the International Sustainability Standards Board ("ISSB"). The IFRS S2 requirements are consistent with TCFD's four core pillars; hence, moving forward, we will transition towards adopting the IFRS S2 recommendations.

Adoption of IFRS S2 Standard across the four core pillars:

i. Governance:

- Sustainability at Duopharma Biotech is governed by the Board as the highest governing body, and cascaded through a top-down approach.
- The Board, supported by the HSC, has oversight of climate-related risks and opportunities through updates on our 5-year ESG Strategy, specifically under the Key Focus Area of Climate Performance. The Board and HSC meet every quarter to discuss performance and progress and provide strategic direction. Climate risk discussions are also incorporated in Board papers, and taken into consideration during strategic decision-making.
- In 2024, Board and Senior Management underwent training on sustainability and climate-related topics to enhance their understanding and knowledge. The topics included "Understanding Impact of Climate Change to Duopharma and What's Next to Look Out For?"
- At the Management level, climate performance progress and updates are reported monthly to the GMC.
- At the Group level, the Sustainability Working Group, represented by key departments, is accountable for driving ESG Strategy initiatives. The working group meets every quarter to deliberate on sustainability and climate-related efforts and initiatives.

ii. Strategy:

- In 2024, we performed in-depth assessments of climate-related risks for each of our operations in Malaysia as well as regional offices in Indonesia, the Philippines and Singapore.
- The assessment included identifying potential physical and transition climate risks that could impact each operational unit, as well as the control measures to manage and mitigate these risks.

Transition Risks

Transition that Duopharma Biotech has to navigate and adapt to due to the global shift toward a low-carbon economy.

Physical Risks

Direct impacts of climate change to Duopharma Biotech's sites and operations due to extreme weather events (acute), and long-term shifts in climate patterns (chronic).

Climate Performance

Duopharma Biotech's climate-related risks and opportunities:

TRANSITION RISKS

Risk Type and Details	Impacts & Time Horizon		Opportunities
Policy and Legal			
• Implementation of carbon tax and pricing mechanism. • Exposure to litigation. • Regulations and restrictions on import of high-carbon footprint products by some countries.	• Increased operating expenditure to meet compliance requirements and penalty due to non-compliance. • Possible exposure to litigation. • Restricted market access and expansion.	● ● ●●	• Strengthen resilience through effective compliance and adoption of good practices. • Access to new markets and customers with low-carbon products.
Technology			
• Unavailability of cost-effective technology to support carbon reduction initiatives. • Gaps in employees' technical knowledge and competency in new low-carbon technologies.	• Increased capital expenditure due to costly technology. • Higher expenditure to enhance employees' technical knowledge and competencies. • Lack of expertise and knowledge in low-carbon technologies may lead to inefficient practices, increasing energy consumption and carbon emissions.	● ● ●	• Cost saving (reduction of operating expenditure) from the implementation of renewable energy and efficient technology. • Leverage low-carbon incentives such as the Green Investment Tax Allowance ("GITA").
Market			
• Increased cost of raw materials and packaging . • Shifts in consumer preferences and demand for low-carbon products. • Loss of competitive edge vis-a-vis rivals with expertise in low-carbon technologies.	• Increased operating costs/cost overruns to meet sustainable product requirements. • Higher expenditure on R&D and innovation to meet low-carbon product demand/requirements. • Reduced demand for traditional products that are perceived as less sustainable.	● ● ●	• Adopt efficient use of materials and circular economy principles. • Development of lower emission products and services that create new revenue opportunities.
Reputation			
• Increased stakeholder concerns on climate change management. • Greenwashing or inability to achieve climate-related commitments/ goals. • Scrutiny of climate practices by media outlets / public.	• Loss of trust and access to financial capital from shareholders/ investors. • Loss of trust by customers and employees, affecting attraction and retention rates. • Shortcomings in addressing climate risks may lead to negative publicity, attracting unwanted media attention.	● ● ●	• Proactive actions and commitments on climate change to enhance reputation and attract talent. • Showcase commitment to climate action and sustainable growth to attract ESG-focused investors.

● Short term: Less than three years ● Mid term: Between three and 10 years ● Long term: More than 10 years

Climate Performance

PHYSICAL RISKS

Risk Type and Details	Impacts & Time Horizon		Opportunities
Acute			
• Increased frequency and severity of extreme weather events (i.e. floods, drought) that disrupt operations.	• Disruption to production impacting distribution timeliness, customer satisfaction and revenue. • Asset devaluation and impairment, and higher capital expenditure for repair.	● ● ●	• Implement water-saving/recycling technologies to reduce dependence on municipal water resources.
Chronic			
• Rising sea levels. • Rising mean temperatures. • Extreme changes in weather patterns.	• Depreciation and/or early decommissioning of assets in high-risk locations. • Higher operating expenditure due to higher energy consumption or asset repair/restoration.	● ●	• Integrate climate risk into business expansion and merger and acquisition assessments, to prioritise assets/ locations with low exposure to physical risks or with robust mitigation measures.

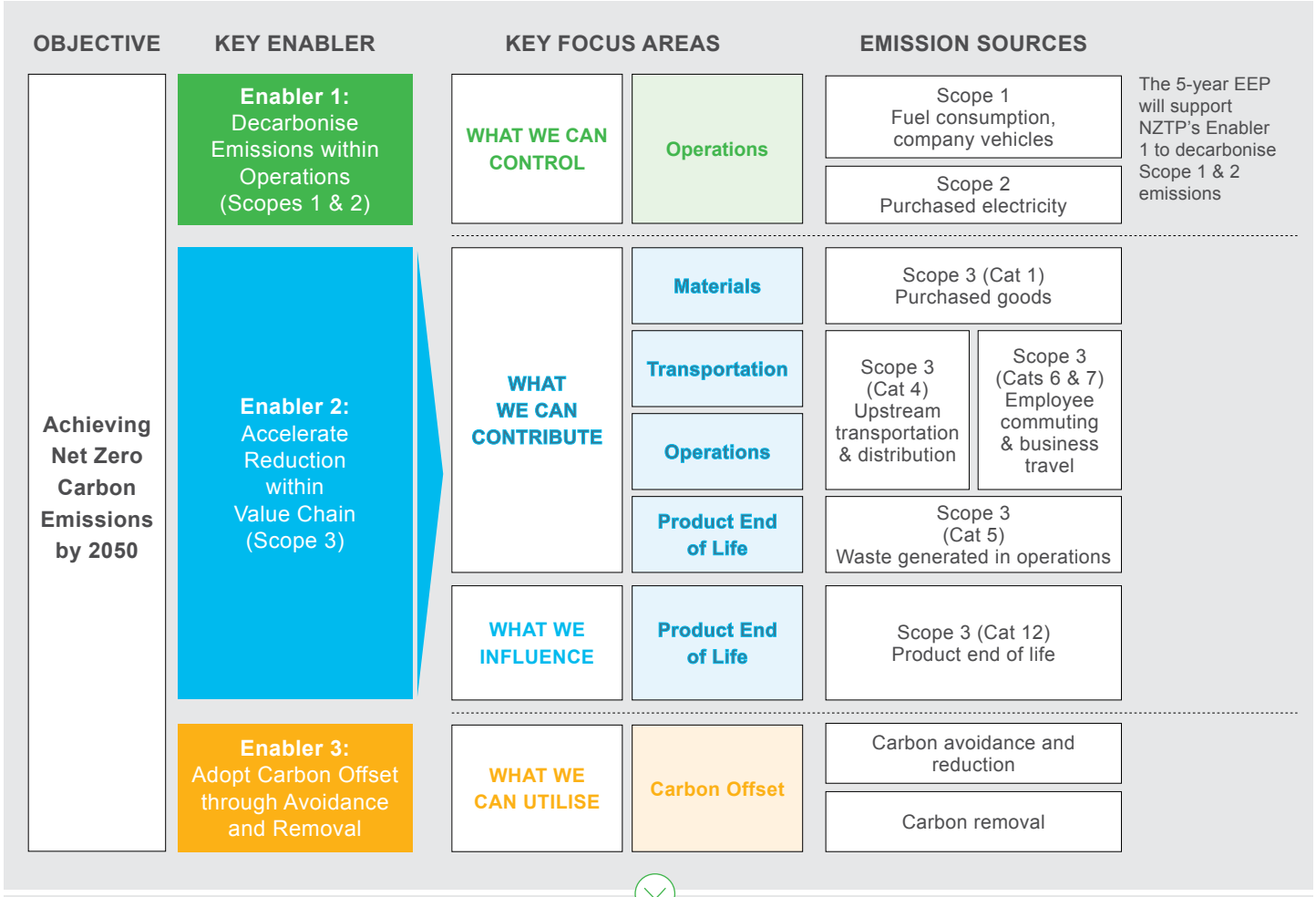
● Short term: Less than three years ● Mid term: Between three and 10 years ● Long term: More than 10 years

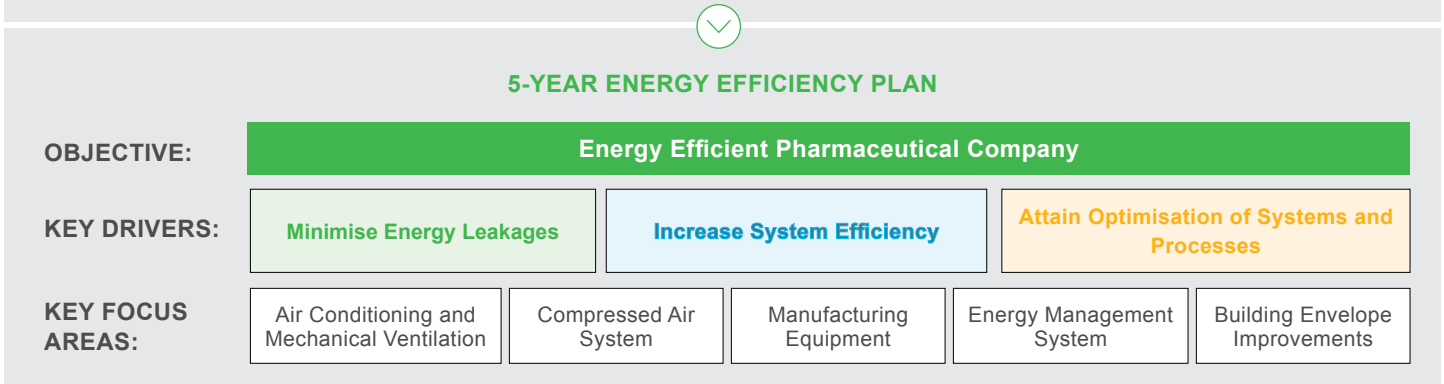
- Noting and understanding how climate risks could impact our business, our financial planning has incorporated an increased emphasis on funds towards renewable energy and energy efficiency, as well as allocating financial resources to meet regulatory compliance related to sustainability reporting and external assurance. This is to drive long-term resilience, operational efficiency, and sustainable growth while mitigating financial and reputational risks.



Our Net Zero Transition Plan

- To support our climate strategy and mitigate potential climate risks, we established an NZTP in 2023 which provides a structured roadmap to become a net zero organisation, supporting one of our environmental pledges.





- In 2024, we further strengthened our decarbonisation strategy with a 5-year EEP that will drive reduction initiatives for Scopes 1 and 2, in line with and supporting the NZTP.

Climate Performance

- The plan is designed to advance NZTP's Enabler 1: Decarbonising Emissions within Operations (Scopes 1 and 2), addressing the reduction initiatives of electricity consumption through energy efficiency projects.
- The EEP has outlined three main objectives: 1) Minimise energy leakages, 2) Increase systems efficiency, and 3) Attain optimisation of systems and processes.
- Moving forward, we will conduct a qualitative climate scenario analysis to assess climate resilience under different climate scenarios, including a 1.5°C pathway (Paris Agreement-aligned). This will include an evaluation of our climate strategies and identification of areas for improvement. We will also be adopting the IFRS S2 standards and requirements for enhanced climate risk management and disclosure.

iii. Risk Management:

- In 2024, Duopharma Biotech's Group Risk Management & Integrity and the Sustainability Departments jointly conducted comprehensive climate risk assessments at our operational manufacturing sites in Malaysia, as well as at our regional subsidiaries office in Singapore, the Philippines and Indonesia.
- The climate-related risk assessment was guided by our Enterprise Risk Management Framework ("ERMF") to ensure a structured and consistent approach to identify, analyse, evaluate and mitigate potential risks to the business.
- Detailed discussions were held with relevant stakeholders at each operational site and regional subsidiary to assess the potential physical and transition climate risks which they had experienced or could potentially face. These engagements aimed to develop tailored control measures and mitigation plans for each location and strengthen the Group's overall resilience.
- Key risks are categorised based on their potential impact on the business, considering short-term, medium-term and long-term timeframes.
- These risks are registered in a cloud-based ERM system, alongside other business risks. Control actions and mitigation plans are reviewed, updated and presented to the Risk Management Committee ("RMC") on a quarterly basis for oversight and governance, ensuring effective climate resilience and robust risk management.

iv. Metrics and Targets:

- Duopharma Biotech reviews our GHG emissions annually to assess climate-related risks and opportunities in line with our NZTP and risk management process.
- We have been monitoring our Scopes 1 and 2 data since 2019, and Scope 3 data since 2023. In 2024, we completed the establishment of a baseline for our Scope 3 emissions for six categories identified as most relevant to Duopharma Biotech.

GHG Emissions Performance from 2022 to 2024 (tCO_2e):

	2022	2023	2024
Scope 1	1,191	1,362	**1,646**
Scope 2	38,866	38,946	**38,440**
Scope 3	-	187,163	**140,789**
TOTAL GHG EMISSIONS (tCO_2e)	**40,057**	**227,471**	**180,875**
GHG EMISSIONS INTENSITY (tCO_2e/ RM million revenue)	57.49	57.26	**49.26**

For more information on our GHG emissions and energy management, please refer to the detailed discussion in the Greenhouse Gas and Energy Management section on pages 53-59.

- To ensure we stay on course, we have set specific internal targets related to GHG management, such as:

Reducing our Scopes 1 & 2 emissions by 14% by 2030, as outlined in our NZTP strategy

Reducing Scope 2 emissions by 10% annually through RECs

- We have also included ESG-related KPIs in the Group's KPIs focusing on the successful execution of our 5-year ESG Strategy and completion of GHG Scope 3 baseline data for all six categories by 2024. These KPIs are part of Senior Management's scorecards and linked to their remuneration.

2 Greenhouse Gas and Energy Management

GHG Emissions

- We continue to monitor our Scopes 1, 2 and 3 carbon emissions using best reporting practices based on DEFRA's conversion factors, IPCC guidelines and national grid emission factors provided by the energy authorities in the countries where we operate.
- Our carbon emissions were calculated in accordance with the GHG Protocol, a globally recognised corporate accounting and reporting standard.
- While we currently focus on reducing our Scopes 1 and 2 emissions, which are within our direct control, we also strive to measure our Scope 3 emissions by tracking the embodied carbon of our value chain. Recognising the role of our suppliers, tenants and customers in reducing our carbon footprint, we persist in educating and collaborating with them.
- To this end, we have disclosed our Scopes 1 and 2 emissions, and six of the 15 Scope 3 categories that are relevant to our business.

Climate Performance

Scope 1

Direct Emissions	Points of reference:
Emissions from sources owned or controlled by Duopharma Biotech • Stationary combustion • Mobile combustion (Company-owned vehicle)	1. GHG Protocol – Scopes 1 & 2 GHG Inventory Guidelines 2. DEFRA – Greenhouse gas reporting: conversion factors 2024 3. 2006 IPCC Guidelines for National Greenhouse Gas Inventories (including the 2019 Refinement)

Scope 2

Indirect Emissions	Points of reference:
Emissions from purchased electricity by Duopharma Biotech • Purchased electricity	1. GHG Protocol – Scopes 1 & 2 GHG Inventory Guidelines 2. Latest emissions factors as provided by the relevant energy authorities: Malaysia (Suruhanjaya Tenaga); Singapore (Energy Market Authority); the Philippines (Department of Energy) and Indonesia (Directorate General of Electricity, Ministry of Energy and Mineral Resources)

Scope 3

Indirect Emissions	Points of reference:
All other indirect emissions from upstream and downstream activities 1. Category 1: Purchased goods and services 2. Category 4: Upstream transportation and distribution 3. Category 5: Waste generated in operations 4. Category 6: Business travel 5. Category 7: Employee commuting 6. Category 12: End-of-Life treatment of sold products	1. GHG Protocol – Technical Guidance for Calculating Scope 3 Emissions 2. DEFRA – Greenhouse gas reporting: conversion factors 2024

- In 2024, we restated our Scopes 1, 2 and 3 emissions data from 2019 onwards to reflect enhanced data accuracy and the inclusion of additional emissions sources based on improved data collection and updated emission factors.
- Key changes made to our GHG emissions data are summarised below:

GHG Scope 1 emissions

i. Recalculation of GHG Scope 1 emissions using emissions factor from DEFRA to align with Scope 3 calculation
ii. Inclusion of new emission sources - refrigerants and carbon dioxide in the Scope 1 calculation

GHG Scope 2 emissions

i. Recalculation of GHG Scope 2 emissions using the updated grid emission factor for Malaysia (year updated: 2018 – 2022) and Singapore (year updated: 2023)
ii. Tracking of carbon emissions avoided from electricity generated via solar panels

OUR PERFORMANCE

Overall GHG emissions in 2024 (Scopes 1 & 2):

0.6% decrease compared to 2023

30% increase compared to 2019 baseline

GHG intensity in 2024 (Scopes 1 & 2):

14% decrease compared to 2023

8% decrease compared to 2019 baseline

Climate Performance

GHG Emissions Performance from 2022 to 2024 (tCO_2e):

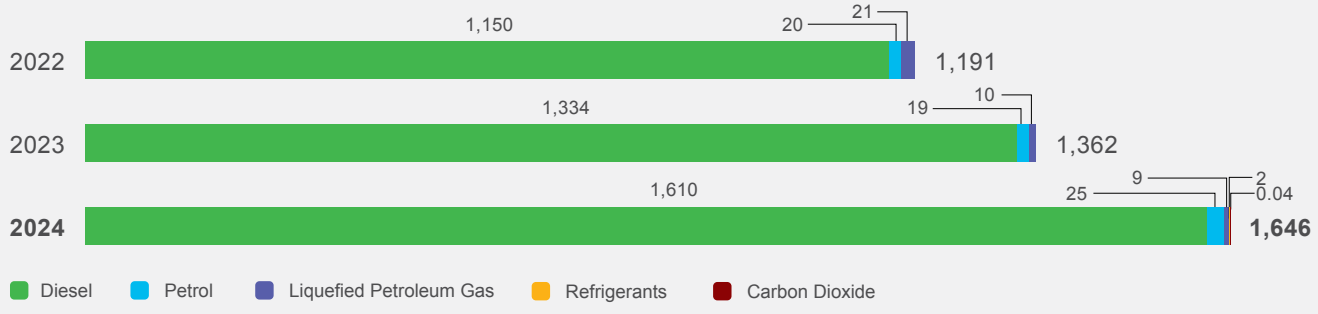
		2019	2022	2023	2024
Scope 1	**Emissions**	1,055	1,191	1,362	**1,646**
	Avoidance	-	-	-	**-**
Scope 2	**Emissions**	29,688	38,866	38,946	**38,440**
	Avoidance	-	-	-	**-**
Scope 3	**Emissions**	-	-	187,163	**140,789**
	Avoidance	-	-	182	**181**
Total carbon emissions (Scopes 1 & 2)		30,743	40,057	40,308	**40,086**
Total carbon emissions (Scopes 1, 2 & 3)		-	-	227,471	**180,875**
Remarks		Baseline year for Scopes 1 & 2		Baseline year for Scope 3	

Note: Scope 3 emissions were included in total GHG emissions from 2023 onwards

GHG Emissions Intensity (tCO_2e (Scope 1 & 2 only)/ RM million of revenue)



GHG Emissions Scope 1 by Source (tCO_2e)



Climate Performance

GHG Emissions Scope 2 (tCO_2e)



GHG Emissions Scope 3 by Category in 2024 (tCO_2e)

	Source	2023	2024
Scope 3	**Category 1 Purchased goods and services**	180,109	**58,758**
	Category 4 Upstream transportation and distribution	1,070	**65**
	Category 5 Waste generated in operations	673	**664**
	Category 6 Business travel	1,157	**978**
	Category 7 Employee commuting	2,256	**3,330**
	Category 12 End-of-life treatment of sold products	1,898	**76,995**
TOTAL		187,163	**140,789**

Energy Consumption

- Most of the energy we consume is from non-renewable sources, hence energy consumption management is prioritised to manage our carbon footprint. This includes continuous monitoring, understanding the sources of emissions and identifying opportunities for reduction.
- We will continue to improve our performance against annual targets and develop strategic plans to achieve our goals. This will include increasing the use of renewable energy ("RE") and enhancing our energy efficiency.

Two main types of energy source across our operations:

Electricity
from purchased electricity and RE (solar panels) to power all electrical systems

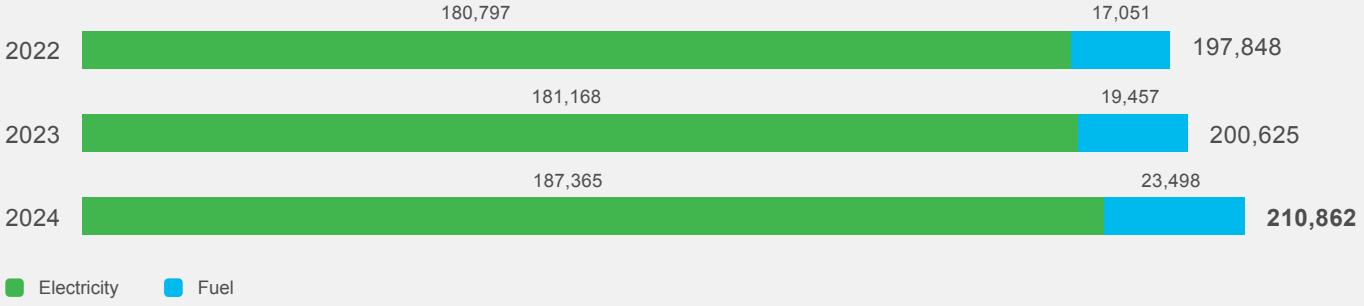
Fuel
from diesel, petrol and liquefied petroleum gas to power machinery and vehicles

Climate Performance

Overall energy consumption in 2024 increased by
5%
YoY

Energy intensity in 2024 decreased by
9%
YoY

Total Energy Consumption (Gigajoules)



Energy Intensity (Gigajoules/ RM million of revenue)



Energy Consumption Across the Group (Gigajoules)

Source	2022	2023	2024
Fuel Consumption			
Diesel	16,397	19,010	22,944
Petrol	313	288	401
Liquefied Petroleum Gas	341	159	152
Electricity Consumption			
Purchased Electricity	180,797	181,168	178,813
Renewable Energy (Solar)	-	-	8,552
TOTAL	**197,848**	**200,625**	**210,862**

Climate Performance

Carbon & Energy Reduction Initiatives

- The Climate Performance roadmap developed under our 5-Year ESG Strategy outlines various energy reduction initiatives which include exploring renewable and alternative more cleaner energy such as Solar PV System and Combined Cooling Heat & Power System (CCHP) at all potential sites. In the short term, we are looking cleaner energy source, improve the efficiency of our equipment as well as retrofit all aging equipment with new/high-efficient equipment to reduce our energy consumption.

Energy Efficiency

- We have conducted Level 1 Energy Audits at our manufacturing plants in Bangi to understand our consumption patterns as well to identify improvement opportunities.
- We have also installed dedicated split aircond unit system and dual condensing units, while shutting down the air handling unit (AHU) and dehumidifier at night when there is no production activity.
- In addition, we successfully replaced all old fluorescent tubes to light emitting diodes (LED).

Renewable Energy

- We have installed Solar Photovoltaic ("PV") System on our buildings in Klang, Bangi and Glenmarie sites to generate clean energy. These panels have a total generation capacity of 2,558 kilo watt peak ("kWp"), meaning that at peak performance they can generate an average of 3,267,845 kWh of clean energy annually.

YEAR	Installed Capacity (kWp)	Solar PV Energy Generation
	Target	MWh
2024	2,558	**2,376**

Energy Reduction Initiatives through Operational Excellence Projects

- Various Continuous Improvement and Lean Six Sigma projects focus on reducing our energy consumption, and are overseen by the Operational Excellence team. Savings achieved in 2024 are as indicated below:

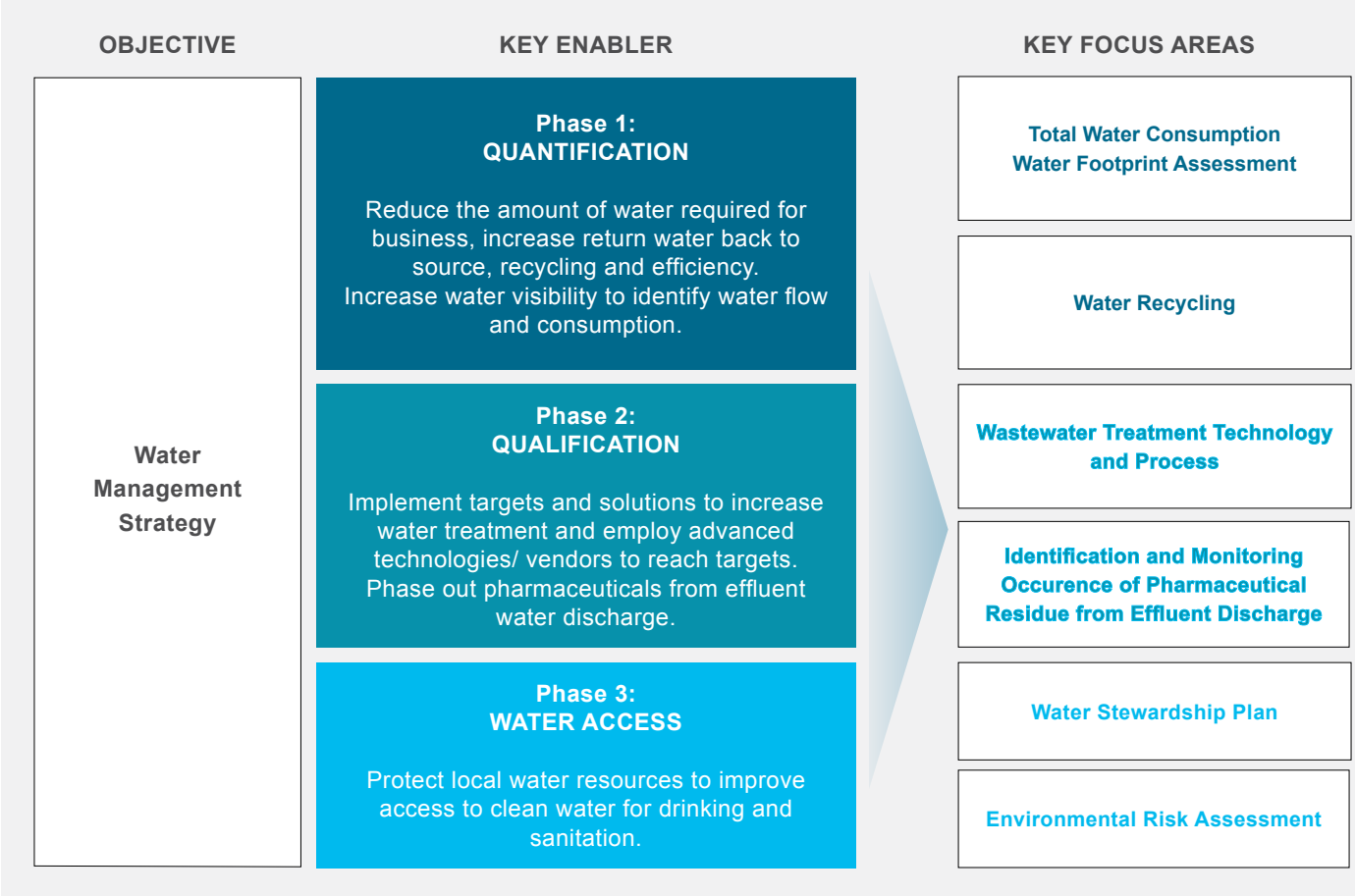
Carbon And Energy Initiatives	Electricity Saved (kWh)	Carbon Emissions Reduced (tCO_2e)	Energy Saved (GJ)	Cost Saved (RM)
Energy saving initiatives at Dry Packing B1, Bangi Manufacturing Site	632,448	489.5	2,276.8	188,680
Energy saving initiatives at K4, Klang Manufacturing Site	386,910	299.5	1,392.9	122,118
Energy Saving Iniatives at Engineering Office	328,258	254.1	1,181.7	41,525
Energy Saving Iniatives at VNA 2 HVAC B2	193,248	149.6	695.7	24,446
Upgrading Induction Motor to Electric Motor	97	0.1	0.4	715
TOTAL	**1,540,961**	**1,192.7**	**5,547.46**	**377,484**

Renewable Energy Certificates

- RECs are purchased to offset our Scope 2 emissions and help us achieve our target of 10% Scope 2 reductions annually beginning in 2022.
- In FY2024, we purchased a total of 15,000 RECs, equivalent to 15,000 MWh of electricity generated from renewable sources, meeting our cumulative Scope 2 emissions reduction target of 30% from FY2022.

3 Water Management

- Although water is a renewable natural resource, it can be depleted without proper management. We recognise the importance of managing our water consumption responsibly given that water is becoming increasingly scarce. This involves using water efficiently and ensuring we do not contaminate water bodies surrounding our operations.
- We have established a Water Management Plan comprising three phases, namely Quantification, Qualification and Water Access.



Climate Performance

4 Responsible Water Consumption

- Water supplied to our headquarters, manufacturing sites, depot offices as well as corporate offices in Malaysia, Singapore, the Philippines and Indonesia are from local suppliers and service providers.
- We rely on third-party water supply (in tankers) from private contractors when normal supply is disrupted. It is assumed that all our current water supply is from natural sources as municipal and private contractors usually withdraw surface water.
- Based on the Aquaduct Water Risk Atlas by World Research Institute, Malaysia (where all our manufacturing sites are located) and Singapore are considered low water stress regions; the Philippines (Manila) is considered a medium-high water stress region; while Indonesia (Jakarta) is a high-water stress region.
- Despite operating primarily in a low water stress region, water-related impacts have been identified as a potential climate risk by our Group Risk Management and Integrity Department. This led Duopharma Biotech to become the first Malaysian company to sign the UNGC Forward Faster for Water Resilience initiative in 2024.



Source: Aquaduct Water Risk Atlas website

refers to Duopharma Biotech Berhad's operation site

- We continuously seek to improve our water efficiency throughout our operations through the following initiatives:

Purpose:
To reuse water for toilet flushing, housekeeping and gardening

Location:
Klang and Bangi Manufacturing Sites

Water recycling
Reuse grey water from purified water system from production

5,308 m³

In 2024, we reused

Rainwater harvesting system
Installed 5,000L rainwater harvesting tanks

279 m³

- The volume of water reused from rainwater harvesting increased by 13% compared to 2023 while the volume recycled decreased by 10%.
- We plan to conduct a water audit in 2025 as per our Water Management Strategy, to help us assess water usage efficiency and establish internal water mapping, identify areas for improvement, and implement measures to enhance conservation and responsible water stewardship.

Climate Performance

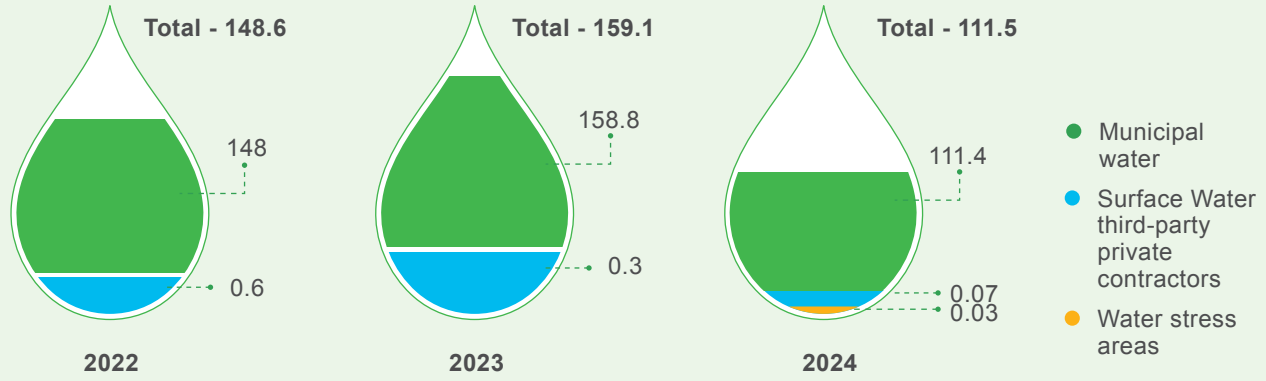
OUR PERFORMANCE

Water withdrawal decreased by **30%** YoY

Water consumption decreased by **44%** YoY

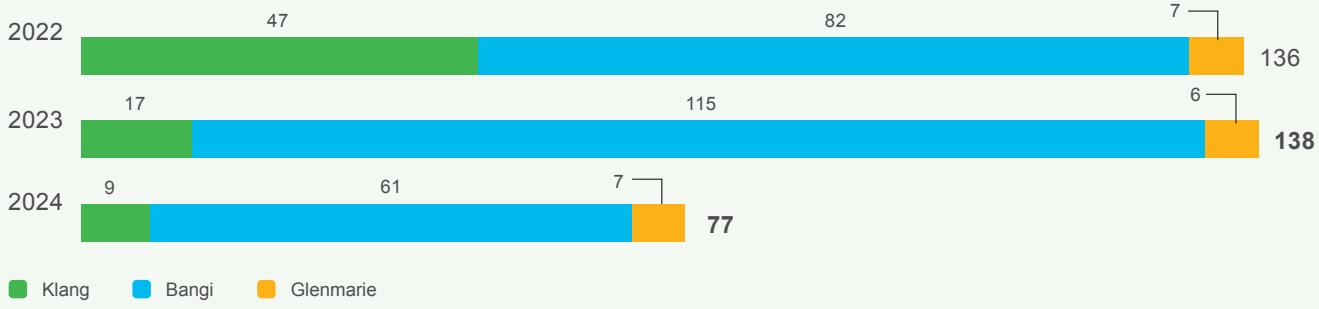
We received zero non-compliance notices related to water management under environmental laws and regulations

Water Withdrawal by Source (ML)



Note: We track our water withdrawal at all operations sites except for our HQ and Indonesia office. In 2024, we expanded this scope to include offices in the Philippines and Singapore.

Water consumption (ML)



- Water consumption is monitored mainly at our manufacturing sites in Klang, Bangi and Glenmarie, where we use the most water. This is through oversight of water discharge via our manufacturing facilities' treatment plants.
- The significant reduction achieved in FY2024 was due to decreased production of liquid products in Bangi, matching demand.

Climate Performance

5 Managing Water Effluents

- Effluents from our manufacturing processes are treated at wastewater treatment plants ("WWTP") within the facilities before being discharged into surrounding water bodies.
- Ensuring our effluents do not pose any environmental hazard, we abide by all relevant DOE rules and regulations.
- We also monitor the chemical oxygen demand ("COD"), biochemical oxygen demand ("BOD") and suspended solids ("SS"), and submit reports on these as well as other key indicators to the DOE via its website every month.
- Our plants in Bangi comply with the more stringent (Standard A) requirements of the Environmental Quality (Industrial Effluent) Regulations 2009 compared with our plants in Klang and Glenmarie as their effluents are discharged upstream of Sungai Langat, Selangor.

OUR PERFORMANCE

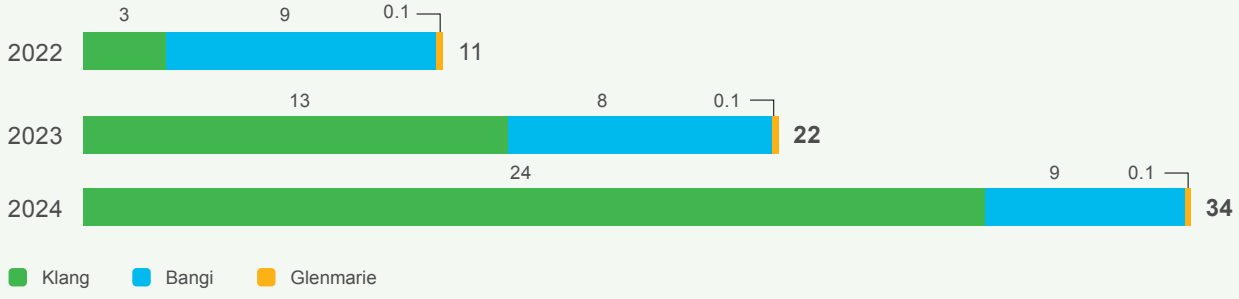
In 2024, the volume of our effluents discharged increased by

56%

YoY due to full operations at our new K3 building in Klang

Received zero non-compliance notices related to water quality or quantity permits, standards or regulations.

Total Treated Effluents Discharged (ML)



Note: Currently, we only track water discharge from our manufacturing facilities treatment plants. Figures have been rounded for simplicity. Precise values may differ slightly due to rounding adjustments.

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Increased regulatory requirements on climate disclosures	• Enhancing climate resilience through risk assessments and adaptation strategies, and strengthening compliance with IFRS S2, TCFD and other reporting frameworks
• Water-related risks such as water scarcity and flooding that may impact operations	• Investing in water recycling and rainwater harvesting systems and implementing water conservation and efficiency initiatives
• Increasing concerns on industrial water use and wastewater management	• Strengthening compliance with water regulations and identifying sustainable water management practices

OUTLOOK

- To achieve our carbon emissions reduction goals, we are enhancing energy efficiency efforts across our operations and exploring cutting-edge technologies that can further reduce our carbon footprint, in line with our NZTP and EEP.
- We will work closely with suppliers to explore ways to reduce their emissions (i.e., our Scope 3 emissions), plastic waste and improve their packaging sustainability.
- Water audits and water-risk assessments will be conducted to analyse water usage patterns, identify vulnerabilities, and proactively mitigate potential supply disruptions or impact on the surrounding environment.

4 Waste and Material Management

WHY IT'S IMPORTANT

Effective waste management is important for Duopharma Biotech, given its significant impact on the environment, our operations and the local communities where we operate. With proper waste management, we are able to reduce pollution and minimise our ecological footprint while promoting sustainability and ensuring regulatory compliance. In addition, optimising our waste management streamlines our operations, strengthens our reputation and contributes to the overall sustainability and success of Duopharma Biotech.

OUR APPROACH

Waste and material management at Duopharma Biotech is guided by laws and regulations. Our manufacturing sites in Malaysia are governed by the DOE, while our operations in other regions are guided by the relevant regulatory bodies in the respective countries.

Our waste and material management covers the Group in Malaysia and regional offices. The aim is to reduce our waste as much as possible via responsible material usage and the adoption of recycling/repurposing initiatives.

1 Waste Management

- A key focus area is to ensure our manufacturing sites in Malaysia comply with DOE requirements. Accordingly, the volume of scheduled and non-scheduled waste disposed is monitored, recorded monthly at our sites in Klang, Bangi and Glenmarie, and consolidated at the Group level.
- The data are reported to our GMC monthly, and to the HSC and the Board every quarter.
- Any potential waste-related impacts will be highlighted and addressed accordingly.

Scheduled Waste

- 11 types of scheduled waste are generated, which are managed according to Environmental Quality (Scheduled Wastes) Regulations 2005.
- All scheduled waste from our plants is collected by government-approved private contractors.
- The scheduled waste generated and disposed of is tracked by our Safety, Health and Environment ("SHE") team according to DOE's Guided Self-Regulation ("GSR").

Climate Performance

- All the data and information are updated onto our internal template before submission to DOE, where it is publicly accessible on DOE's website.
- Since 2022, we have been using a waste-thermal reduction system to facilitate on-site thermal decomposition of scheduled waste. We have reduced the volume of scheduled waste from Bangi sent to landfills by 93%, thereby also reducing our Scope 3 carbon emissions (Category 5 - Waste generated in operations).
- We recycle six types of scheduled waste ("SW") generated in Glenmarie: SW204, SW322, SW323, SW405, SW409, SW410. Approved vendors collect our scheduled waste for recycling into new materials such as recovered solvents, alternative fuels and spill absorbents.

In 2024, we recycled a total of 6.6 tonnes of scheduled waste.

Non-scheduled Waste

- Our goal is to reduce the use of non-scheduled waste such as paper, plastics, glass, tins/cans, etc, as well as to increase our recycling rate to reduce the volume sent to landfills.
- We have Standard Operating Procedures ("SOPs") for recycling at our manufacturing sites in Klang and Bangi.
- Disposal of non-scheduled waste is tracked via dumping receipts issued by our transporters and the landfill owners, with the data tracked and reported monthly for close monitoring.
- The bulk of our non-scheduled waste is generated from our offices and comprise paper, plastics and aluminium.
- We strive to increase awareness of non-scheduled waste management via quarterly ESG training for employees.

OUR PERFORMANCE

40%
reduction in scheduled waste in 2024 (Target: 3% annually)

Overall total waste generated decreased by **2%**

Non-scheduled waste generated increased by **6%**

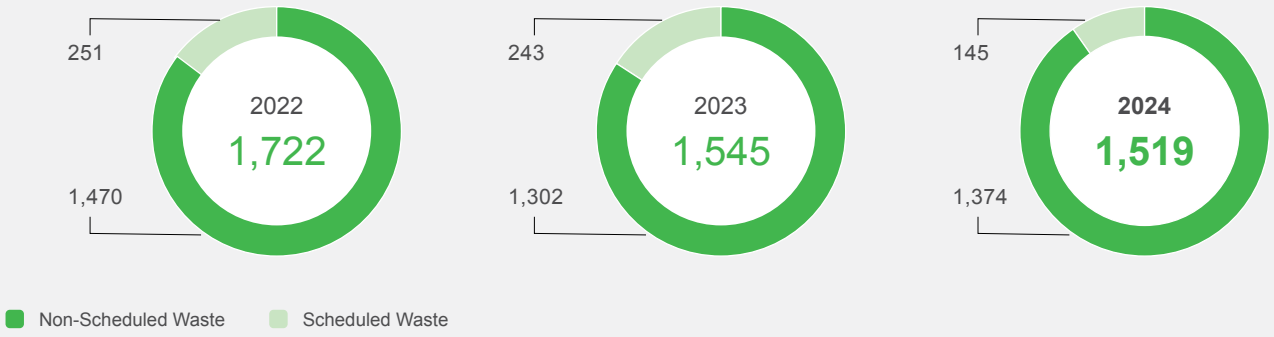
17%
(234 tonnes) of non-scheduled waste diverted from landfill

181 tCO_2e
carbon emissions avoided through recycling and recovery

Zero
non-compliance notices related to waste management under environmental laws and regulations in 2024

Climate Performance

Total Weight of Waste Generated (tonnes)



Waste Disposed and Diverted in 2024 (tonnes)

Method	Hazardous Waste	Non-hazardous waste	TOTAL
Waste Disposed			
Incineration	122	-	**122**
Landfill	13	1,140	**1,153**
Physical and Chemical Treatment	0.1	-	**0.1**
Waste Diverted			
Recycling	-	234	**234**
Recovery	10	-	**10**
TOTAL	**145.1**	**1,374**	**1,519**

2 Material Management

- We seek to reduce our overall material consumption and wastage, as well as to transition from hard-to-dispose-of materials such as plastic to more environmentally-friendly alternatives.
- In March 2022, we pledged to replace 50% of our single-use plastics with biodegradable plastics by the year 2026.

E-Labelling

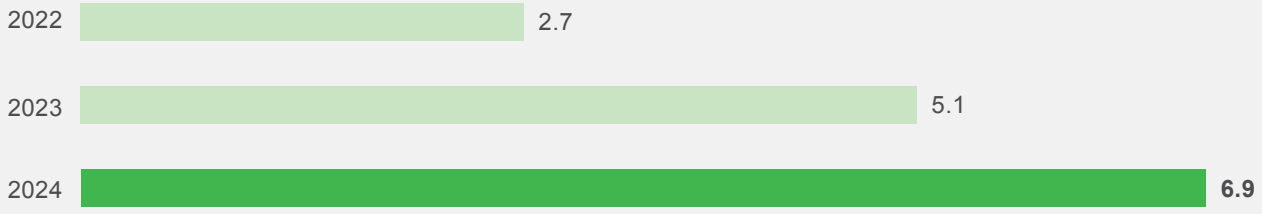
- In compliance with National Pharmaceutical Regulatory Agency (“NPRA”) directives, we are replacing physical product leaflets with QR codes. To date, the codes for 19 products from Klang have been approved, and the programme will be extended into 2025 and 2026.
- The initiative supports our green goals by reducing paper usage and carbon emissions. It also enhances process efficiency by saving man-hours spent on inserting leaflets, freeing up packing capacity, optimising resources to lower costs and environmental impact.
- The target is to convert at least 30% of all products as per Duopharma Biotech’s Product Registration Master List manufactured in Klang to e-labelling. Klang manufactures 54 out of an estimated 126 products (200 SKUs), covering both sterile and general product categories.
- A pilot project was implemented in 2024 for three products in Klang, in three phases. Phase I will continue until Quarter 1 of 2025, and Phase II will be implemented until Quarter 4 of 2025. Phase III is targeted to be completed by Quarter 2 of 2026.
- The initiative has resulted in savings of approximately 4,954.9kg of paper, 5,769.44 tCO_2e and RM33,689.04.

Climate Performance

Biodegradable Plastics

- In line with our commitment to replace 50% single-use plastics with biodegradable plastics by 2026, we have been converting single-use plastics in our operation since 2022, specifically plastics which are not in direct contact with our products.
- We have also obtained the commitment of relevant departments to consolidate the purchase of biodegradable plastics from appointed vendors, facilitating efforts to quantify the volume that has been replaced. This will also contribute to security of supply at more affordable prices.

Total Weight of Biodegradable Plastics Used (tonnes)



Reduction Initiatives

- We leverage our Operational Excellence project to drive material reduction initiatives.

No.	Initiatives	Type of Initiative	Cost Savings Achieved (RM)
1	Reduce chemical usage (Acetonitrile) for Perinace Table 4mg & 8mg Testing	Reduce chemical usage	11,280
2	Reduce the frequency of water sampling and testing for Bangi 1 and Bangi 2	Reduce material use for chemical testing	249
3	Reduce IPQC assay testing frequency	Reduce chemical usage	243
4	Digitalisation of Quality Control (QC) Request Form	Reduce paper usage	206
5	Reduce Sampling Plan For Raw Material (Excipient)	Reduce raw material usage	170
6	Reduce the frequency of environmental monitoring tests in the Production Room, Bangi 2	Reduce material use for chemical testing	109
		Total	**12,256**

Consumption intensity of paper (reams per employee)



Climate Performance

- In 2024, our Technical Compliance department organised an internal ESG Competition to foster ESG awareness and catalyse ESG-related projects among the team. Some of the projects related to material and waste reduction.

Project	Outcome
• Reduction in the size of testing samples of controlled items	• Reduction in pharmaceutical (scheduled) waste • Cost saving from lower volume of scheduled waste disposal, and revenue generation since the reduced sample size leads to a higher volume of the product for sales
• Recycling of packaging materials used for test samples and expired retained samples • Removal of tertiary packaging for QC sampling and inspection	• Reduced waste, increased recyclability rate and efficient use of resources (packaging material) • Successfully recycled 807.34kg of packaging materials and reused 640 tertiary packaging pieces
Prolong and maximise usage of prepared solvents (with acceptable justification) used in liquid chromatography	Successfully reduced 35,000ml of chemical waste and minimised employees' chemical exposure by 35 hours

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Low employee awareness of circular economy initiatives such as recycling	• Continuous awareness training and engagement to build commitment and support
• High costs of waste treatment and landfill use	• Installation of waste-thermal reduction system to facilitate on-site thermal decomposition of waste
• Rising costs of eco-friendly materials	• Partner with suppliers for long-term contracts and bulk purchase to secure better pricing

OUTLOOK

- We will enhance our waste reduction efforts by working collaboratively across departments to strengthen waste segregation practices and improve recyclability to support a low-carbon transition, in line with our NZTP.
- We also seek to improve our operational processes to minimise material consumption and waste generation to ensure long-term resource availability.

Sustainable Supply Chain

SUSTAINABLE SUPPLY CHAIN

9 Supply Chain Management 69
3 Health & Safety 76



Capitals

H S

Stakeholder Groups Impacted

S2 S3 S5 S6

Contribution to UN SDGs

9 SUPPLY CHAIN MANAGEMENT

WHY IT'S IMPORTANT

Our supply chain is central to our operations hence it is important to manage it effectively in order to derive the best possible results. This includes securing our raw materials at the most competitive prices; ensuring our suppliers/vendors are responsible and reliable; optimising efficiencies in our manufacturing facilities and warehouses; and ensuring we meet our customer service deliverables. The management of our supply chain applies across the Group.

OUR APPROACH

1 Procurement Practices and Vendor Management

Internal Policy and Control

- We have established policies and procedures to ensure good supplier management.



Purchasing Control Procedure - assures effective and efficient procurement operations, attaining competitive prices through comparison of quotations, e-bidding or direct negotiation.



New Source Evaluation ("NSE")- obtained approvals for an 91 additional raw and packaging materials



Integrity Pact Agreement - new suppliers are required to sign the Integrity Pact during vendor registration process



Vendor Performance Evaluation - to ensure quality technical agreements are met

- We maintain alternative approved sources for important items to ensure supply reliability. For critical materials, our sources are from different countries to mitigate our geographical risk.
- To drive optimum cost efficiencies in procurement, in 2024 we leveraged market intelligence to check market prices, and Tableau (a data visualisation and business intelligence ("BI") tool for cost-saving reports.

Vendor Selection and Due Diligence

- We perform due diligence using the Handshakes System on all new suppliers/vendors. New vendors are also required to sign an Integrity Pact if the purchase transactions exceed RM10,000. In 2024, we conducted due diligence on:

293 new business associates/ vendors

857 existing vendors with transactions exceeding RM10,000

- Our Finance department also conducted the Credit Tip-Off Service ("CTOS") assessment for existing suppliers prior to purchase.
- Supporting local suppliers and economy, we appointed a Bumiputera Original Equipment Manufacturer ("OEM") company for technology transfer of our DERMOPLEX® Antifungal, Antiseptic, Bite and Sting, and Burn Aid lines.

Sustainable Supply Chain

Vendor Engagement and Capacity Building

- One of the 2024 ESG Strategy targets under Sustainable Supply Chain was to assess the ESG maturity of our key suppliers. Accordingly, we initiated our first ESG assessment of our top 12 suppliers for raw and packaging materials, exceeding the target of 10 suppliers.
- The suppliers were briefed via a webinar in October, during which we also shared our ESG Strategy and Sustainable Supply Chain commitments, as well as ESG knowledge sharing on the topic "The Climate Agenda in the Pharmaceutical Industry: The Role of the Supply Chain".
- The ESG assessments were performed via the UNGCMYB's ESG START Assessment Tool, a digital assessment tool that measures ESG maturity level. Suppliers were assessed on their maturity in the following areas:

Environmental
Climate Action, Energy Efficiency, Water & Waste

Social
Human & Labour Rights, Living Wages, Gender Equality

Governance
Anti-Corruption

Vendor Audit

- For raw material and packaging suppliers, audits are carried out by the Quality Assurance team.
- We sign Quality Technical Agreements with our vendors; and those who do not meet the Good Manufacturing Practice ("GMP") criteria are required to step up their performance, failing which their contracts are terminated.
- In 2024, we audited 101 vendors that were supplying Active Pharmaceutical Ingredients ("APIs") and excipients to our main manufacturing plants.

Vendor Performance Evaluation

- Vendor Performance Evaluation is done based on selected vendors who account for at least 85% of the total spent on raw materials and packaging materials in the preceding year.
- Vendors are evaluated based on product quality, on-time delivery, documentation accuracy, technical support, product traceability, supplier responsiveness, anti-bribery initiatives and awareness, and price.
- The following actions are taken to ensure reliable and uninterrupted supply from vendors/suppliers:

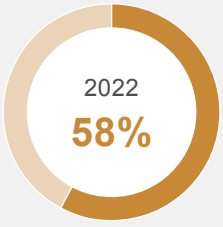
- Strengthening of supplier relationships
- Supplier diversification, especially for critical items
- Long-term supply agreements (for Letrozole and Imatinib)
- Bulk purchasing
- Aggressive approach towards New Source Evaluation
- Pre-ordering materials and keeping buffer stocks, especially for critical items
- Establishing preventive maintenance programmes and securing spares for critical parts

Sustainable Supply Chain

OUR PERFORMANCE

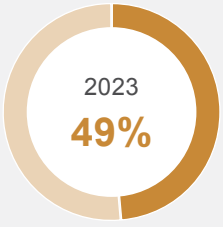
Percentage of spending on local suppliers

Total spent (RM):
488,850,819



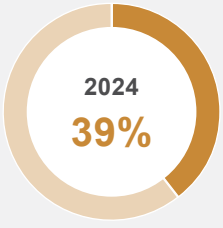
283,515,922

Total spent (RM):
433,613,599



211,439,528

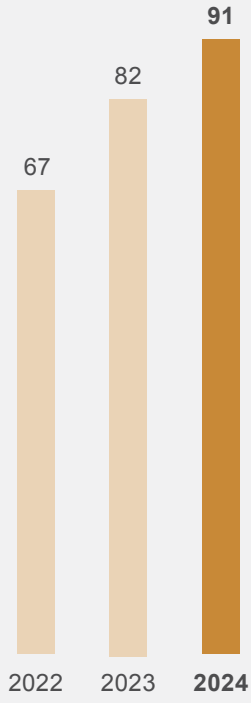
Total spent (RM):
545,827,964



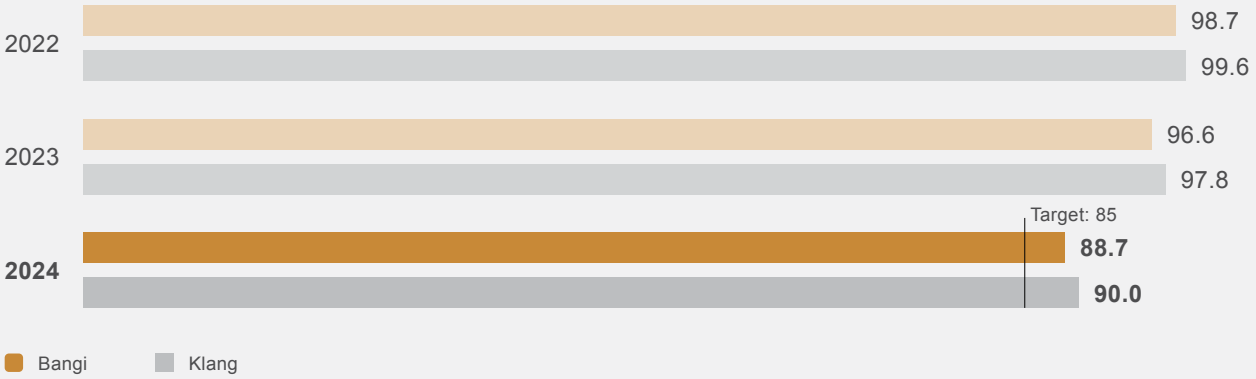
215,956,218

Supply chain budget spent on local suppliers (RM)

Number of alternate sources approved



Vendor Performance Evaluation scores



Sustainable Supply Chain

2 Building Resilient Operations

- We have a Business Continuity Management ("BCM") framework which is tested annually to help our business units to recover prioritised activities in the event of disruptions. Prior to the test in 2024, all identified business units conducted a Business Impact Analysis ("BIA"), based on which Business Continuity plans and solutions were formulated for each prioritised activity, process or product.
- By end 2024, each site and regional office in the Group had completed its updated BCM framework, except for our new office in Indonesia, where it is in the final stages of completion.

3 Enhancing Manufacturing Efficiencies

- We seek to maintain high levels of manufacturing efficiency to reduce our costs, increase productivity and improve product quality. We stay competitive by offering lower prices, responding quickly to market demand, and using resources sustainably. It also boosts employee engagement by creating clearer workflows, leading to higher profitability and long-term business success.
- We emphasise Operational Excellence ("OE") to drive continuous improvement in our manufacturing processes, optimising efficiency, quality and productivity. Adopting OE principles, we are able to reduce waste, streamline workflows and enhance overall performance.
- Programmes implemented by the OE team in 2024 to drive manufacturing efficiencies:
  - OE Steering Committee ("STECO") Programme
  - Lean Six Sigma ("LSS") Black Belt Programme
  - Total Productive Maintenance ("TPM") Programme
  - Lean Manufacturing Awareness Training
- 48 projects were presented at the OE STECO 2024, classified as below:

Cost reduction:	ESG:	Productivity:	Safety:
24	5	18	1

- Shop floor employees are involved in identifying inefficiencies and implementing solutions. To promote employee involvement, the OE team introduced the Lean Manufacturing Programme for Green Book employees underlining the importance of continuous improvement ("CI") and how to identify inefficiencies.
- Initiatives to drive more employees to participate in CI projects:
  - Lean Manufacturing Training for Green Book
  - Broadened OE STECO scope to include the Technical Compliance Department. With the Chief Compliance Officer's support, 33% of the total OE STECO programme projects in 2024 were from this department.

Targeted Savings:
RM4 million

Actual Savings:
RM6,037,039

CI Projects completed:
48

LSS Projects completed:
16

4 Delivering Customer Satisfaction

- Managing customer satisfaction is a strategic imperative that can enhance our reputation, drive growth, ensure compliance and strengthen our competitive edge, ultimately leading to better financial performance and long-term success.

- To drive customer satisfaction, we are governed by the Quality Policy which sets the objective to achieve Total Customer Satisfaction and be recognised as a preferred supplier of innovative and quality products and services that are sustainable and continue to meet our customers' evolving needs, whilst meeting all regulatory requirements.

Secured and Sufficient Stocks

- The following initiatives ensure uninterrupted product delivery to customers:

  - Daily monitoring of inventory stocks in pre-approval stage, and completing orders in the system.
  - Weekly cycle counts to ensure minimum variance in the inventory.
  - Enhancement of Systems, Applications and Products ("SAP") in depot data processing for more accurate data to ensure weekly replenishments meet the quantities needed.

Delivery Timeliness

- We ensure delivery timeliness and the smooth distribution of products to customers.

Target
Delivery within 24 hours for local areas, and 48 to 72 hours to outstation customers except "out of delivery area" customers.

Initiatives
- Daily monitoring of reports from transporters to check delivery completion percentage.
- Engage additional courier service providers for business continuity in emergencies.
- Service performance reviews with all vendors on a regular basis.

Improving Customer Satisfaction

- We strengthen our customer relationship and enhance customers' satisfaction via:

  - Complaint ticketing system C4C Hybris for Telehealth customers, which is to be extended to other private customers.
  - Proof of delivery images in Hybris for local deliveries, to be extended to newly appointed transport service providers.
  - Integration of customer interaction channels (voice call, WhatsApp and emails) for enhanced efficiency.
  - Integration of Customer Relationship Management ("CRM") system for real-time data visibility (stocks, customer credit status, communication history, historical product sales, other sales activities) for speedy customer communication and enhanced productivity.
  - Detailed analytics in reporting system for faster and better decision-making.

Minimising Customer Returns

- Creation of SOPs for CHC team to ensure compliance.

- Sharing total customer returns value at Sales and Operation meetings to raise awareness if returns exceed the target.

- Monitor short expiry stock consistently for all Retail Partner Scheme customers such as independent retail outlets and high-traffic outlets and execute the stock clearance plan to minimise returns.

Sustainable Supply Chain

Voice of Customer ("VOC")

- CRM assists to create the VOC survey using Survey Monkey platform, subsequently analysing and summarising the data for Sales & Marketing and Quality Assurance's action.
- Following the survey, the team brainstorms initiatives if improvements are needed. For the warehouse, we look into feedback on delivery standards and identify gaps for improvement.
- Additional service providers (other than Survey Monkey platform) were included in 2024 to ensure a backup system if needed.

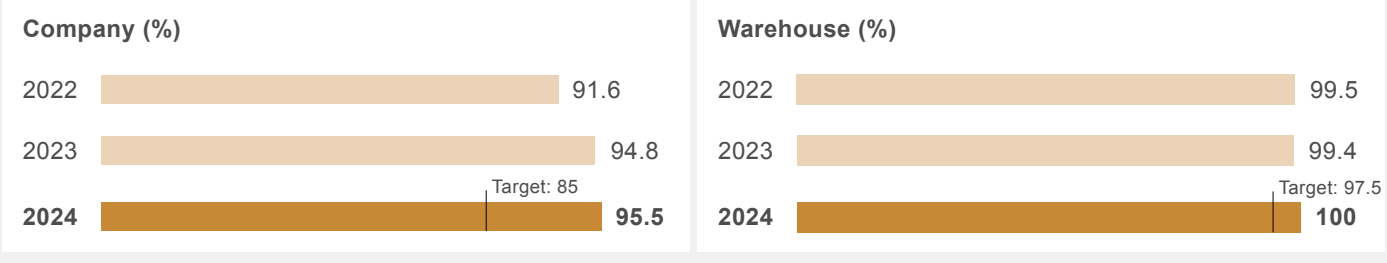
	Challenges	How We Responded
Vendor Management	For raw materials, the main challenges relate to minimum order quantity ("MOQ") issues.	Identify alternative sources for lower MOQ, and communicate with commercial team after negotiations before orders are placed.
Business Continuity	Changes in requirements for Business Continuity ("BC") to accommodate the inclusion of Climate Change in the evaluation.	Conducted climate risk assessment at all sites.
Manufacturing Efficiencies	• Resistance to change from staff due to cultural change. • High initial cost of implementing new technologies. • Potential disruptions during the transition to more efficient processes. • Lack of resources to implement operational excellence.	• OE focus on more critical projects that directly contribute to company goals with emphasis on expenditure savings. • Develop more awareness programmes to achieve culture change.
Customer Satisfaction	• Managing logistics, including shipping costs, routes and modes of transport, especially for global supply chains. • Running out of stocks, hence inability to meet our delivery commitments.	• Creating a diverse vendor base and flexible logistics routes to mitigate risks and enhance resilience. • Regular internal meetings with operational teams to prioritise supply according to market demand.

OUR PERFORMANCE

Improvement in Delivery Lead Time ("DLT") (post switching to courier partner):

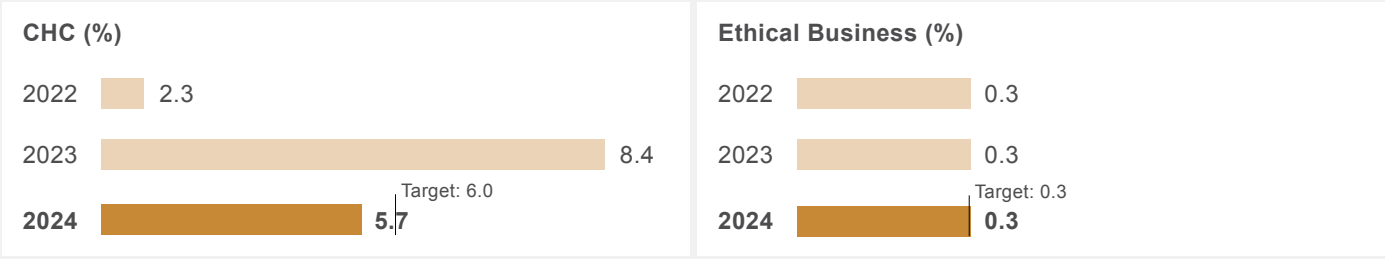
99% (August to December) vs 93% (January to July)

On-Time In-Full Performance



Sustainable Supply Chain

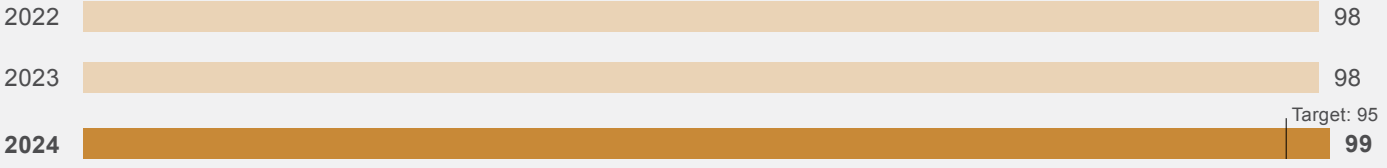
Return Value against Sales



Number of respondents in Voice of Customer Survey

YEAR	2022		2023		2024	
Channel	Target	Actual	Target	Actual	Target	Actual
Ethical	2,000	2,074	2,000	2,125	**2,000**	**2,069**
CHC	160	163	550	620	**550**	**575**
Government	530	556	400	404	**400**	**348**
Specialty	350	378	250	251	**250**	**255**
Private Hospital	225	244	160	169	**160**	**160**
Export	20	20	20	17	**20**	**20**
TOTAL	3,285	3,435	3,380	3,586	**3,380**	**3,427**

Customer Satisfaction Index (%)



OUTLOOK

- **Vendor Management:**
  - Continue to work with vendors and internal stakeholders to drive more savings without compromising on quality.
- **Business Continuity:**
  - Continual review of existing BC to maintain applicability for all sites.
- **Manufacturing Efficiencies:**
  - Target OE savings of RM5 million.
  - Initiate more critical projects to achieve hard savings.
  - Initiate Overall Equipment Effectiveness (“OEE”) System for selected critical lines on shop floor for live productivity monitoring.
- **Customer Satisfaction:**
  - Win with customers: Improve OTIF, delivery lead time and delivery service excellence.
  - Deliver financial commitment: Continuous improvement initiatives/projects that help to shape better operating expenses profiles, generate cost savings/avoidance and increase productivity and efficiency.
  - Strengthen compliance culture vis-a-vis Good Distribution Practice (“GDP”), GMP, Good Distribution Practice for Medical Devices (“GDPMD”), Halal certification, ISO and SHE.

3 Health & Safety

WHY IT'S IMPORTANT

Safeguarding the health and safety of our employees is central to maintaining the highest level of employee well-being and operational efficiency. We focus on stringent compliance with safety regulations, proactive risk management, and ongoing enhancement of safety measures. Workplace risks are addressed through regular assessments and updates to our protocols, ensuring they remain effective in protecting our people and assets. Our employees play an active role in shaping a safety-first culture, where collaboration and accountability are encouraged at every level. Emergency readiness is supported by rigorous training and open communication channels that equip our workforce with the tools they need to handle challenges confidently. The management of health and safety for Duopharma Biotech applies across the Group.

OUR APPROACH

1 Health and Safety Governance & Strategy

Internal policies

- **Policy:** As per recent regulatory changes, all Duopharma Biotech workplaces/offices will have a Safety and Health Policy as a general policy statement outlining our overall occupational safety and health philosophy and intent. The policies are applicable to staff, visitors and vendors at all our sites.
- **Procedures/ SOPs:** We have general SOPs on managing incidents and the overall safety and health requirements for all our workplaces; and SOPs for specific health and safety procedures such as safe operating of equipment and machinery.

Safety Governance

- The HSC oversees SHE matters, with its chair having Board-level responsibility.
- As per the Occupational Safety and Health (Amendment) Act 2022, a formal Health and Safety Committee has been established, which is chaired by the Chief Manufacturing and Sustainability Officer ("CMSO") and includes representatives from both the employer and employees.



- The Safety and Health Committee meets every quarter and has the following responsibilities:
  - Identify and assess safety and health hazards in the workplace
  - Recommend preventive and corrective actions to mitigate risks
  - Ensure compliance with safety regulations and standards
  - Review incident reports and ensure proper investigations are conducted
  - Promote awareness and training on workplace safety
- Key topics discussed in 2024 includes monthly workplace inspections, preventive and corrective actions to mitigate risk, coordination of safety and health programmes.

Strategy and Plan

- Our SHE Plan establishes a clear framework for managing workplace safety through robust systems, policies and regular monitoring. A key objective is to achieve a measurable reduction in workplace incidents and to improve safety performance across all facilities.
- The plan consists of five major pillars:

  - Enhancing safety management system
  - Hazard identification and elimination
  - Continual increase of awareness
  - Legal compliance
  - Consequence management.

- A comprehensive safety strategy is set to be launched in Quarter 1 of 2025.

KPIs and monitoring

- We employ a comprehensive approach to assess the effectiveness of our health and safety policies and initiatives. This includes monitoring KPIs like incident rates and lost time injuries, conducting thorough audits and inspections, and implementing continuous reviews across all organisational levels.
- Site safety committees, top Management, GMC and Board Committees actively participate in these evaluations, fostering a culture of ongoing improvement. Challenges or gaps identified are promptly addressed, ensuring robust safety practices. Reviews at the HSC further align health and safety efforts with our strategic objectives.

2 Enhancing Safety Management System

- All activities and site processes controlled by Duopharma Biotech are covered under the existing Occupational Health management system.
- In 2024, we established an Electrical Cord Policy to ensure the safe use, maintenance and management of electrical cords in the workplace. This minimises electrical hazards, preventing accidents and complying with safety standards.

Emergency Response Plan

- All sites have Incident Manuals describing the who, what and how during emergencies. As per the manual, site Emergency Response Team (“ERT”) leaders will escalate an incident if needed. We also have an Incident and Crisis Management Plan describing our approach in managing incidents.
- In 2024, we conducted our annual fire drill and ERT training at all sites to reinforce the Group’s emergency preparedness.



Sustainable Supply Chain

3 Hazard Identification and Elimination

- Our SHE department conducts SHE risk assessments on existing and new processes and projects. All identified hazards are analysed and the related control mechanisms evaluated. Additional controls are implemented if the existing controls are inadequate. Inputs are also gathered via reporting channels on any safety and health concerns. All reported incidents are investigated and corrective actions implemented if needed.

- Hazards and occupational health and safety risks are managed via:

  - Occupational Safety and Health risk assessments, workplace inspections, staff input and incident investigation
  - Incidents reporting within 24 hours, followed by SHE investigations and published findings

- Conducting and analysing Health, Safety and Environment risk is a requirement for all new and existing operations and projects.

- We assess our chemical health risk, noise risk and ergonomics risk as per regulatory requirements, and evaluate the adequacy of existing controls. Additional controls will be implemented if needed. This risk analysis is conducted periodically and if there are changes to processes or products.

Key Highlight: Management Walkabouts



- Management representatives visit workplace areas every quarter to observe operations, engage with employees, and reinforce safety, productivity and well-being. We conducted four GMC walkabouts in 2024.

Incident Reporting

- All incidents must be reported to the site Safety and Health Officer within 24 hours. Once an incident is reported, an Initial Incident Report is raised, documented, categorised and tracked. Additionally, as a proactive measure to mitigate safety and health risks, employees are encouraged to report any concerns or incidents through our dedicated platform, UCUACT, or via direct communication with safety officers. In 2024, we received 43 UCUACT reports and worked closely to address the issues raised.

4 Training & Awareness

- General and specialised training sessions are conducted covering all employees. Key training conducted in 2024:

Fire Drill



Objective:
To ensure the preparedness and safety of employees in the event of fire.

Safety Bootcamp 2024



Objective:
To promote a safety culture, appoint safety committees and provide the knowledge and skills necessary to adhere to safety procedures and prevent workplace accidents.

International Fire Conference & Exhibition Malaysia ("IFCEM") 2024

Objective:
This event is organised by the Fire and Rescue Department of Malaysia ("FRDM") in collaboration with the Malaysian Fire Protection Association ("MFPA"), the Institution of Fire Engineers (UK) Malaysia Branch ("IFE"), the Society of Fire Protection Engineers ("SFPE"), and the Confederation of Fire Protection Associations International ("CFPA-I").

Forklift Training

Objective:
To authorise and certify 20 personnel in safe forklift operations.

Permit to Work Training

Objective:
To ensure employees and contractors understand and adhere to a formalised system for managing high-risk tasks in the workplace. The training focuses on controlling potential hazards and ensuring safe operations through a structured permit process.

Sustainable Supply Chain

Defensive Driving Training



Objective:
To equip drivers with the skills and knowledge to anticipate potential hazards, adapt to various road conditions, and avoid accidents.

Fire Safety Campaign and 1RAPi Programme



Objective:
To educate the public on fire prevention and the importance of having fire extinguishers, as well as hands-on training on the proper use of fire extinguishers.

- Other awareness initiatives conducted in 2024:

  - Senior Management participation in Toolbox meetings
  - Sharing of SHE initiatives and results in Safety Townhall Briefings
  - SHE Monthly Bulletins/ Safety Alerts focusing on topics related to safety, health and environment.

SHE Monthly Bulletins/ Safety Alerts



5 Legal Compliance

- Our commitment to compliance with laws and regulations related to Safety & Health is underlined by:

  - Fire Certificate Renewal
  - Environmental monitoring
  - Personal Protective Equipment ("PPE") and Permit-To-Work Training
  - Fire drills at all manufacturing sites
  - Department of Safety and Health ("DOSH") Inspection for Machineries





6 Consequence Management ("CM")

- The CM framework was launched in July 2023 to manage any SHE violations by employees and provide a guided framework to maintain consistency, fairness and transparency with regard to such violations.

- The framework has been fully implemented across all sites and departments with structured communication sessions conducted to ensure all employees understand its objectives and principles. A total of five incidents (deviations from SOPs) were investigated and subsequently closed.

5
CM INVESTIGATIONS CONDUCTED

ACTION TAKEN

- **1** Reminder Letter
- **1** Warning Letter
- **1** Notification Letter
- **2** No Further Action

- Reviewed CM Standard Operating Procedure with the HR department
- Continuous awareness on CM via Employee Engagement Sessions

Sustainable Supply Chain

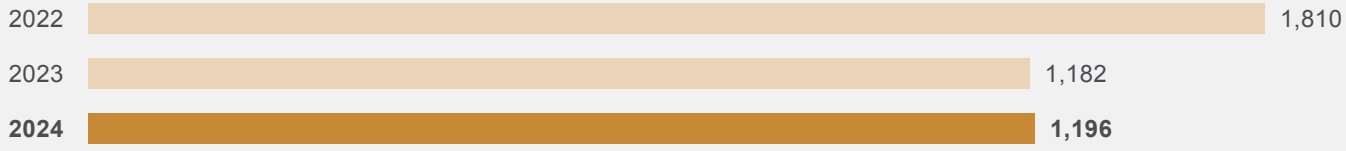
OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• **Adapting to New Regulations:** The evolving regulatory landscape and amendments to OSHA laws require swift adaptation. This poses a challenge, especially in integrating the new protocols into our existing safety framework.	• Established a regulatory tracking system to track regulation changes and trained staff to follow updated OSHA rules.
• **Employee Engagement:** Maintaining high levels of employee engagement in safety initiatives and ensuring consistent adherence to safety practices across all levels remain a challenge.	• Enhanced safety communication and digitalise our safety management (e.g. permit to work, PPE requests), while increasing training and awareness for all employees.
• **Managing Operational Risks:** As our operations have expanded and evolved, new and unforeseen risks have emerged, requiring continuous assessments and quick response strategies.	• Implemented risk assessments to proactively identify emerging risks.

OUR PERFORMANCE

- In 2024, we successfully organised the Safety Bootcamp and launched targeted training programs, including Permit to Work and Defensive Driving. Additionally, we established the Electrical Cord Safety Guidelines to enhance workplace safety and promote responsible resource management
- Top Management's active involvement in safety initiatives, combined with regular workplace inspections and SHE Department site visits to depots in Johor Bahru, Kota Bharu and Penang, strengthened the Company's safety culture.
- Emergency preparedness was bolstered through fire drills and engagement activities, while monthly bulletins and campaigns fostered continuous employee awareness.

Number of employees trained on health and safety standards:



Safety Performance:

YEAR	Total Recordable Case Frequency ("TRCF")	Lost Time Incident ("LTI")	Frequency of injury (injuries per hour)	No. of work-related employee fatalities	No. of work-related contractor fatalities
2022	2.10	9	2.79	0	0
2023	1.09	5	2.61	0	0
2024	**0.22**	**1**	**1.67**	**0**	**0**

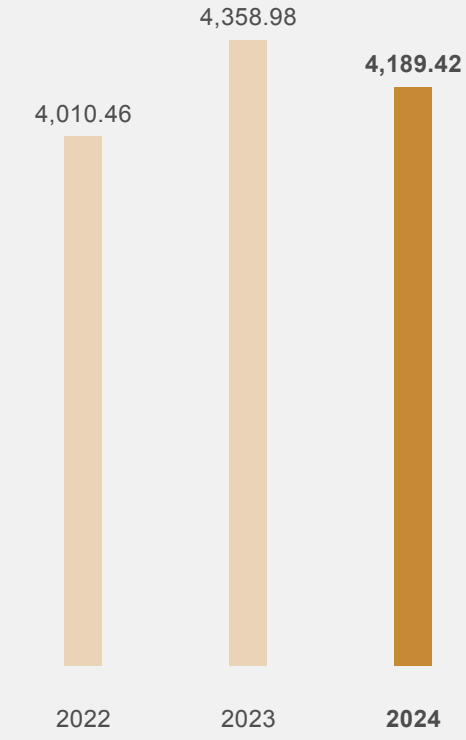
Note:
LTI refers to work-related injuries or illnesses that prevent an employee from performing his/her duties for more than one full workday after the incident. It includes all employees, contractors and temporary workers. The LTI rate is typically expressed per million hours worked, calculated by dividing the total number of LTIs by total hours worked and multiplying by one million.

Sustainable Supply Chain

Total Recordable Case Frequency (incidents per million man-hours)



Recordable cases and man-hours ('000)



OUTLOOK

In 2025, we will maintain an unwavering commitment to Goal Zero by further strengthening our safety culture with more specialised training programmes and advanced safety control measures. Our initiatives will include expanding our safety awareness campaigns, further promoting the use of the safety complaint channel UCUACT, ensuring ongoing legal compliance, and conducting safety boot camps to reinforce the commitment from the top. We are also introducing safety passports for manufacturing and vendor partners while solidifying our emergency response plan and team training.

Access to Medicine

ACCESS TO MEDICINE

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Capitals

F M I

Stakeholder Groups Impacted

S1 S2 S4 S7 S8

Contribution to UN SDGs

7 Accessibility of Medicines

WHY IT'S IMPORTANT

Access to medicines continues to be an issue in certain countries due to factors such as lack of technical know-how or financial resources to produce drugs; supply chain disruptions curtailing the delivery of essential raw materials; and, in the case of imported drugs, macro dynamics that impede the flow of drugs to countries where they are needed. Dependence on external sources places a nation at the mercy of global fluctuations in price and availability, potentially jeopardising people's health and well-being. Medicine security needs to be addressed as availability may be an issue during any future global health crises.

OUR APPROACH

1 Enabling Local Medicine Security

- Duopharma Biotech places the utmost priority on local medicine security, which refers to ensuring the availability, safety, quality and accessibility of medical products and services within a region or community. This involves measures and strategies to safeguard the supply chain, protect public health, and respond to local health needs effectively.

Duopharma Biotech's Contribution to Local Medicine Security

- **Sustainable supply chain –** Largest pharmaceutical manufacturer in Malaysia with capabilities in managing erythropoietin and vaccine fill & finish as well as cold chain management of biologics.
- **Leading innovation –** Duopharma Biotech set up a fill & finish facility for biosimilars prior to pandemic.
- **Leading local clinical trials –** The first Malaysian company to conduct full-scale Phase III clinical trials in accordance with European Medicines Agency ("EMA") Biosimilar Guidelines.
- **Regulatory Support –** NPRA initiated incentives for products with clinical studies where 10% of study subjects were Malaysians to fast-track approval, creating a new pathway for biologics registration.
- **1st unique Hybrid Facility in Malaysia –** Project to upstream the capacity of manufacturing and production of biosimilars.
- **Large local and international distribution network with strong sales force**
- **Member and stakeholder of the Vaccine Collaboration Network ("VCN") in Malaysia**, a sub-committee of the Malaysia Vaccine Sectoral Working Group in charge of executing the National Vaccine Development Plan.

Key Highlights

- Duopharma Biotech participated in the 11th Trilateral Symposium on "Strengthening Manufacturing Capacities to Respond to the Non-Communicable Diseases (NCDs) Burden", hosted by World Health Organization ("WHO"), World Intellectual Property Organization ("WIPO") and World Trade Organization ("WTO") in Geneva.
- Ms Priya Darshini, our Chief Innovation Officer, represented Duopharma Biotech in a session focused on Promoting Innovation and Access to Healthcare Technologies for NCDs, discussing advancements in detection and treatment while exploring how local and regional manufacturing can enhance global response to NCDs.
- This participation provided an opportunity to engage with global stakeholders, contribute to increasing access to innovative products and technologies in low-and middle-income countries ("LMICs").

Access to Medicine

2 Beyond 2025 Corporate Strategy

- Our Beyond 2025 Corporate Strategy (2024-2033), also known as our 10-Year Corporate Strategy, is designed to enhance our contributions to medicine accessibility through:
  - Lower product prices achieved via operational efficiencies and other measures to optimise costs
  - A continuously expanded product portfolio as we accelerate the introduction of generics and biosimilar alternatives while developing new therapeutic areas including functional foods, cosmeceuticals, autoimmune treatments and brain health solutions
  - Bulk manufacture of biosimilars and complex molecules at K5 facility
  - International market expansion through partnerships
- Our 10-Year Corporate Strategy aims to drive:

Self-Sufficiency
- Expansion of our oncology and biologics portfolios - increasing access to newer and more effective drugs
- Expansion of HAPI facility capabilities and achievement of EU GMP certification for the HAPI facility
- Construction of biosimilars facility for bulk manufacturing with potential for vaccine production - ensuring medicine security and self-sufficiency

Medicine Security & Affordability
- By encouraging and supporting local production of critical drugs, we can ensure at least one local supplier exists for each essential medication

For more information, please refer to the next section under *"Affordability and Pricing"*

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Stringent NPRA registration requirements and patent considerations serve to curtail the production of specialised medications, particularly in oncology and rare diseases.	• Rigorous due diligence on products selected for development.
• Limited government funding for high-capital projects, such as our K5 facility for biosimilars, along with regulatory restrictions, can delay our entry into new therapeutic areas.	• Our Regulatory team continuously improves their knowledge and technical knowhow to better understand regulatory requirements while our Legal team builds their competency on Intellectual Property.

OUR PERFORMANCE

Exclusive marketing and distribution agreement concluded with a Chinese company for a vaccine product.

Submission of over 50 new product registrations for local and overseas markets.

Engaging in strategic partnerships to explore alternative dosage forms such as metered dose inhalers.

Engagement with international companies to bring forward trading and fill & finish opportunities for various products including biosimilars, biologics, vaccines, insulin and functional foods.

Launch of CHAMPS® Nutribar in August 2024 for Kempen Pemakanan Seimbang with Sin Chew Media Corporation and National Union of School Heads Malaysia.

OUTLOOK

Going forward, we will continue to focus on expanding our portfolio of generics and biosimilars to treat common diseases in the region, further enhancing access of critical treatments to more patients. We are always on the lookout for partners with whom we can develop our pipeline for biosimilars, oncology products and generic drugs strategically. Key focus areas in 2025 will be on fitting out our K5 facility for bulk biosimilars manufacturing and advancing our collaboration with identified partners on vaccines, oncology and regenerative medicine.

6 Affordability and Pricing

WHY IT'S IMPORTANT

Good health is a basic human right. In order to protect this right, it is important to ensure that medicines are not only readily accessible but also affordable by all patients. This elevates overall public healthcare while also saving countless lives. The manufacture of generics and biosimilars is key in this regard as these essential medicines are cost effective and ensure consumer affordability. Close engagement with government agencies is essential to ensure affordable pricing.

OUR APPROACH

The Government's pro-generics stance to reduce the cost of medication supports our focus on manufacturing generics and biosimilars, with about 52% of our sales channeled towards the Government sector. Our key products address common health issues in Malaysia such as the triad of interconnected diseases – diabetes, hypertension and heart disease – as well as breast cancer.

Our R&D team drives innovation through first-generic-to-market strategies and drug repurposing collaborations with international partners. Guided by our Beyond 2025 Corporate Strategy, we will also focus on making affordable medicines accessible in developing countries.

1 Beyond 2025 Corporate Strategy

- We manage cost pressures through operational efficiencies, strategic sourcing of active pharmaceutical ingredients, and exploration of contract manufacturing options for our manufacturing processes.
- New product launches while developing new therapeutic areas (functional foods, autoimmune treatments, brain health, cosmeceuticals).
- Vaccine development through strategic partnerships and bulk manufacturing of biosimilars and complex molecules locally. Through our planned K5 facility, we aim to achieve economies of scale in biosimilar production, potentially extending to vaccine manufacturing.

2 Collaborating With Regulators

Local Generics-First Policy and National Essentials Medicines List ("NEML")

- 59% of our registered medicines are in the NEML, which is a list of basic medicines that satisfy the healthcare needs of a majority of the population.
- Together with MOPI, we advocate Strategic Investment for Medicine Security ("SIMS"), outlining a strategic approach to bolster self-reliance in pharmaceutical manufacturing and reduce the country's dependence on imported drugs.

Access to Medicine

3 Collaborations and Partnerships

- We engaged in various collaborations and strategic partnerships to enhance the accessibility of pharmaceutical products, ensuring competitive pricing and improved healthcare outcomes.

Partner	Objective	Activities	Outcome
Owen Mumford	Pen needles for insulin treatment	Sales, marketing, warehousing and distribution of Owen Mumford products	Achieved RM1.18 million revenue from Owen Mumford pen needles and lancets in 2024
Biocon	Better access of Recombinant Human Insulin ("RHI") for Malaysian diabetes patients	Distribution of RHI under government procurement schemes since December 2016	Supplied more than 91 million RHI cartridges to patients
PanGen	Better access of epoetin alfa for dialysis patients	Supply ERYSAA® to to public and private sectors	37% market share (IQVIA Mastering Marketing Authorization Transfers data for Quarter 3 of 2024) benefitting thousands of patients
The Live Green Co	Develop a range of functional foods tailored to fit CHC brands	Entered into a Master Collaboration agreement and Project Supplementary agreement with The Live Green Co ("TLGC") in April 2024 for the development of functional food bars under the CHAMPS® and PROVITON® product lines	CHAMPS® Nutribar were pre-launched in August 2024 through school programmes, while the official launch is expected to be in Quarter 1 of 2025, when PROVITON® STR energy bars will also be launched.

4 New Product Launches

- Through our collaborations and strategic initiatives, we successfully launched the following pharmaceutical products in 2024, reinforcing our commitment to innovation and accessible healthcare.

Cardiovascular

- Ezetimibe/Simvastatin 10mg/20mg (December 2024)
- Apixaban 5mg & 2.5mg (December 2024)

Diabetes:

- Fortesia (Sitagliptin), used to lower blood sugar levels in adults with type 2 diabetes (July 2024)

Oncology:

- Ibrelyn (Palbociclib), a trading product with Natco used to treat hormone receptor ("HR")-positive, HER-2 negative advanced or metastatic breast cancer (December 2024)

Renal:

- Caeseva (Sevelamer), a trading product with Synthon, used to control high levels of phosphorus in people with chronic kidney disease who are on dialysis (February 2024)

Access to Medicine

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Ratification of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ("CPTPP") presents a potential challenge as policies favouring local manufacturers will be phased out, potentially impacting our local economic multiplier effects. Nevertheless, it also opens doors for us to venture into other CPTPP member countries.	• Continuously enhance efficiencies to minimise our costs and keep prices competitive and continuously explore accessing new international markets.
• Regulatory and policy hurdles, such as complexity of the medical device procurement pathway in the government sector, create significant barriers to entry for iBreastExam; while the absence of clear regulatory guidelines for stem cell-based products is hindering projects.	• Close engagement with NPRA and relevant stakeholders

OUR PERFORMANCE

- Recombinant Human Insulin volume grew
- ERYSAA® grew 24% vs 2023, capturing 37% market share (IQVIA MAT Q3 2024)
- Achieved 90% penetration in our private sector Classic Pharmaceutical Business
- ERYSAA® became the first halal-certified erythropoiesis-stimulating agent ("ESA") product
- Concluded a trading agreement with an Indian company in Quarter 2 of 2024 for an oncology product
- Launched small molecule, Palbociclib, in Quarter 4 of 2024
- The first company in Malaysia to fill and finish biosimilars locally, demonstrating our commitment to innovation and cost reduction

OUTLOOK

Going forward, we will continue to keep the price of medicines affordable and cost-effective, while widening our product portfolio with new product launches. To enhance our contributions in the public health sector, we aspire to win more key contracts or tenders for drugs that are in high demand such as human insulin, Imatinib, Insulin Glargine and Insulin Aspart. We also hope to make these affordable drugs more widely available in the private sector and export market, for the benefit of more patients.

Access to Medicine

1 Product Quality, Safety and Responsibility

WHY IT'S IMPORTANT

Product quality and safety are critical in our industry given the health risks associated with substandard pharmaceuticals. All pharmaceutical products have to be manufactured in facilities that comply with the PIC/s GMP standards, ISO13485:2016 Standard, ISO 9001, ISO17025 and Good Distribution Practice, as per the Ministry of Health ("MOH") requirements. Failure to do so would be damaging to brand reputation and stakeholders' trust. In the halal pharmaceutical market, the requirements are even more stringent as manufacturers need to satisfy Shariah principles as prescribed in MS:2424: Halal Pharmaceuticals standard and the Malaysian Halal Certification.

OUR APPROACH

1 Internal Policy, Control And Guidelines

- We established our Quality Policy to achieve total customer satisfaction, striving to be recognised as a preferred supplier of innovative, high-quality and sustainable products and services that meet customer needs, current Good Manufacturing Practice and regulatory requirements. To ensure excellence, we have implemented procedures and SOPs that drive continuous improvement in our processes and services. This is fully aligned with our commitment to "Doing it right the first time, every time".

- In 2024, we reviewed our quality objectives in Klang and Bangi sites to ensure alignment with the Company's Quality Policy. This annual review is vital to ensure that quality management system are updated and embraces latest principle such as risk-based and ESG.

Details of activities

- **Pre-Review Preparation:** Remapping the quality objectives for all departments against the Quality Policy. Data collection and review to assess any improvements, challenges or areas that require attention.
- **Kick-off Meeting:** Provide a roadmap for the review process, including timelines, key focus areas and expected outcomes.
- **Departmental Updates and Feedback:** Department's representative to present current status on department achieving its quality objectives and the challenges faced.
- **Brainstorming & Solutions Development:** Team members to brainstorm and get feedback from their departments.
- **Finalisation of the Quality Objective:** Prepare detailed final report summarising the revised quality objective for the department and get stakeholders' endorsement.
- **Key performance indicators (KPI) setting:** The KPI will be monitored and reviewed accordingly to ensure timely execution and achievement.

Duopharma Biotech QMS certification compliance:

MANUFACTURING						NON-MANUFACTURING				
										
Duopharma (M) Sdn. Bhd.		Duopharma HAPI Sdn. Bhd.		Duopharma Manufacturing (Bangi) Sdn. Bhd.		Duopharma Marketing Sdn. Bhd.		Duopharma Distribution Sdn. Bhd.*		Duopharma Innovation Sdn. Bhd.
Pharma	Non-Pharma	Pharma	Non-Pharma	Pharma	Non-Pharma	Pharma	Non-Pharma	Pharma	Non-Pharma	Non-Pharma
GMP GDP	ISO 9001 ISO 13485 ISO 17025 GDPMD	GMP GDP EU GMP	No medical device for now	GMP GDP TGA	ISO 9001 ISO 17025	GDP	GDPMD	GDP	GDPMD	ISO 17025

**Formerly known as Duopharma Consumer Healthcare Sdn. Bhd.*

2 Manufacturing Practices

- The production team is responsible for implementing and ensures full adherence to GMP requirements, which ensure consistency in production and product quality. This includes maintaining proper documentation, equipment calibration, and following SOPs to prevent deviations that could compromise product quality. We perpetually analyse production data, identify trends, and implement corrective actions when deviations occur. By fostering a culture of continuous improvement, the team contributes to overall quality assurance and effectiveness of pharmaceutical products.

- Product quality and safety are further assured via:

  - Internal audits and cross audits: To ensure all compliance gaps are resolved
  - Training: To develop competencies to better manage GMP aspects on the shop floor
  - Gemba Walk: Routine walkabouts and enforcement of GMP in manufacturing processes
  - Quality Management System ("QMS") Clinic at HAPI: Weekly review of QMS documentation status and progress through to closure

- The production of safe and effective pharmaceutical products also relies on the delivery of high-quality raw materials and components. In this regard, we ensure our suppliers meet regulatory standards, enabling us to maintain consistent product quality in compliance with local and international health regulations.

Key Highlights

- Our wholly-owned subsidiary, Duopharma HAPI Sdn. Bhd. ("DHAPI") was granted EU GMP certification by the Health Products Regulatory Authority, Ireland, effective 6 February 2025.
- This accomplishment signifies a pivotal step in our commitment to delivering high-quality pharmaceutical solutions.
- The audit concluded with zero critical or major citations—a testament to the diligent efforts of the DHAPI team and our unwavering adherence to stringent quality and safety standards.
- With this accreditation, we are poised to expand our presence in global markets, leveraging the plant's capabilities to produce critical medications, including treatments for cancer and other specialised therapeutic areas.



Access to Medicine

3 Bioequivalence Studies & Pharmacovigilance

- Duopharma Biotech conducts bioequivalence studies to demonstrate the bioequivalence between generic medications and their reference products for the purpose of regulatory registration and approval.
- We also have a dedicated Pharmacovigilance Department that monitors the safety of all our medicinal products and devices in compliance with the Malaysian Good Pharmacovigilance Practices ("GVP") for Product Registration Holders 2021. Pharmacovigilance extends the safety and efficacy assurance beyond the manufacturing site and into the market. It involves reporting any adverse reactions ("ADRs") to a product to NPRA.
- In 2024, we completed a BE study proving the bioequivalence of a generic formulation to its reference product. The results have been submitted to the NPRA for evaluation. Several other BE studies have been planned for 2025.

4 Pharmacovigilance

- Our Pharmacovigilance ("PV") Department continues to enhance pharmacovigilance awareness and practices by organising and participating in various activities aimed at promoting drug safety reporting and ensuring compliance with regulatory standards.

Key Highlights

- On 16 August 2024, Duopharma Biotech participated in the Malaysia PV Community Inspection Readiness Networking Session at Monash University Malaysia. During the session, Dr Shahnun Ahmad, Senior Manager of Medical Affairs, Clinical Affairs/Pharmacovigilance, shared his experiences and insights from Duopharma Biotech's Voluntary GVP inspection in 2023. His contributions offered a deeper understanding of the challenges and best practices involved in maintaining a compliant pharmacovigilance system.
- Internally, the Clinical Affairs/Pharmacovigilance department initiated awareness programmes while fostering continuous learning about disease trends within the Group. PV Monthly Posters were shared through the MDL system and the Company intranet. More than 460 employees completed the MDL Poster Training each month.
- The department also organised a PV Crossword Puzzle 2024 during Med Safety Week, highlighting the importance of PV while contributing to a more engaging and cohesive learning environment within the Group.



OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Supply chain disruptions have impacted the availability and quality of raw materials. • Managing and monitoring adverse drug reactions and product complaints.	• Building a more resilient supply chain by diversifying suppliers, conducting more stringent audits, and working with suppliers to ensure consistent quality. • Invest in enhanced reporting systems to allow healthcare professionals and patients to report potential ADRs more efficiently, enabling quicker response time. • Volunteered in PV audit programme with NPRA.
• Rising operational costs due to high electricity tariffs, new Collective Agreements, revised overtime rates, elevated interest rates, and inflationary pressures, etc. • Supply chain disruptions due to global supply chain challenges continue to affect the availability and pricing of raw materials, as well as technical support from machine manufacturers.	• Execution of LSS projects in-house that resulted in hard savings. • Frequent engagement with vendors and establishing second-source suppliers.

OUR PERFORMANCE

Obtained EU GMP certification for HAPI on 6 February 2025

Zero
non-conformance with ISO13485, ISO 9001 and GDPMD certification for Duopharma (M) Sendirian Berhad and Duopharma Manufacturing (Bangi) Sdn. Bhd. (wholly owned subsidiary companies of Duopharma Biotech)

Zero
legal or regulatory fines or settlements associated with clinical trials

Zero
non-compliance with health/safety regulations/codes for products and services

Zero
non-compliance on product health/ safety resulting in a fine

Zero
incidents of non-compliance with regulations/ voluntary codes concerning product and service information and labelling, or health and safety impacts of products and services

Zero
non-compliance with regulations/voluntary codes concerning marketing communications, including advertising, promotion and sponsorship

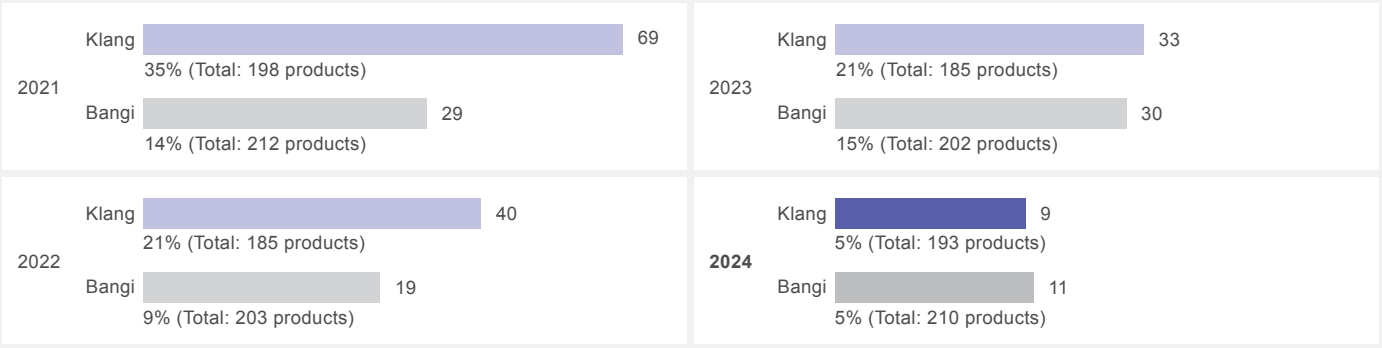
Number of recalls issued and total units recalled for health and safety reasons.

YEAR	No. of recalls due to health and safety reasons	Total no. of recalls	Remarks
2022	0	5	
2023	0	4	
2024	1	2	Directive Recall by NPRA due to safety concern regarding product containing 17-hydroxyprogesterone caproate (“17-OHPC”), which is recently suspected to be carcinogenic

Access to Medicine

Number and percentage of selected products assessed by NPRA for compliance with product/ service information and labelling (post-market surveillance for selected products)

Note: The data refers to products selected by NPRA for post-market surveillance (NPRA performs post-market surveillance on selected products every five years). However, internally we have guidelines to ensure all our products comply with relevant product information and labelling requirements.



OUTLOOK

- We will continue to improve our Quality Management System via enhanced consistency, traceability and efficiency of quality assurance processes. Periodic assessments and management reviews are conducted to ensure the overall Quality Management Systems remain relevant, efficient and effective.
- We seek to further diversify our product pipeline in collaboration with other manufacturers and organisations as we remain guided by market needs. To accelerate our product development, we will explore capabilities in innovative pathways as well as advanced development technologies and digital tools.
- With regards to manufacturing practices, we strive to maintain zero critical deficiencies in all GMP inspections and practices.

11 Counterfeit Medicines & Adulteration

WHY IT'S IMPORTANT

Counterfeit medicines and adulteration pose serious threats to global health, safety and trust in healthcare systems. These illicit practices compromise the quality, efficacy and safety of medications, often leading to ineffective treatment, prolonged illnesses, and even fatalities. Counterfeit drugs may contain incorrect or harmful ingredients, while adulteration can introduce toxic substances into otherwise genuine medicines.

OUR APPROACH

- We work closely with organisations such as MOPI to protect consumers from counterfeit products and adulteration. A standard operating procedure is established to handle substandard, counterfeit, adulterated, unwholesome or tampered pharmaceutical products/medical devices and parallel imports.

- We have established a dedicated channel for customers/stakeholders to report suspected counterfeit products:

Email	Telephone	Fax
• med-affairs@duopharmabiotech.com	• General Line Duopharma Biotech	• General Line Duopharma Biotech

- All complaints relevant to counterfeits will be reported to related authorities, and thoroughly investigated by Duopharma Biotech involving root cause analysis, quality control reviews and other relevant aspects, all of which will be documented. Subsequently, corrective and preventive action will be implemented.

OUR PERFORMANCE

No counterfeit medicine or adulteration was reported on Duopharma Biotech products in 2024.

OUTLOOK

- We will continue to manufacture genuine high-quality drugs for the public.

12 Research & Development

WHY IT'S IMPORTANT

Research and innovation are critical to our growth strategy by supporting the expansion and diversification of our product portfolio as well as keeping our products affordable. Our R&D team plays an important role in the transfer of technology for new drugs; and provides us with the insights needed to circumvent patents in developing generics. With regard to affordability, the team conducts extensive market research to identity the most cost-effective ingredients, processes and batch sizes for our needs.

OUR APPROACH

- We leverage our R&D capabilities to enhance Duopharma Biotech's cost and operational efficiencies to maintain affordable and competitively priced products as well as greater choice for everyone.
- R&D develops the most cost-effective manufacturing methods taking into consideration current technology. Concurrently, alternative critical materials are evaluated to ensure consistent product quality and affordability.
- Guided by our Beyond 2025 Corporate Strategy, the team promotes access to medicine via different drug development pathways (in-house, in-license or with contract research organisations).
- We also invest in R&D on high-quality yet cost-effective products, and are collaborating with the Centre for Affordable Diagnostics and Therapeutics on repurposing Oral Artesunate for other uses such as the treatment of malaria, dengue and cancer.

Access to Medicine

In 2024, R&D helped to reduce our cost of materials and process time via process validation projects that involved:

- **Direct negotiation with agents**
- **Direct purchase from manufacturers**
- **Tax optimisation under R&D**

- While improving our PV materials procurement process, we also achieved RM192,000 in total savings.

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Pharmaceutical manufacturing is highly controlled by regulatory authorities, hence any change in materials or manufacturing processes are subjected to regulatory control and approval, where it would take time.	• R&D sets tolerance ranges for materials and processes during product development, to help speed up regulatory approval if changes stay within those limits.
• High cost and resources involved in new source evaluation (to repeat development work and testing).	• Multiple sources are evaluated simultaneously in new project development. The simultaneous evaluation optimises cost and resources involved.
• Limited access to partner pool in other countries.	• As Duopharma Biotech increases its export footprint, the access to partner pool in other countries can be more actively explored.

OUR PERFORMANCE



Successful technology transfers for in-house manufacture of four products launched in 2024.



One food product (energy gel) developed with contract manufacturing partner.



Two alternative new source evaluations were completed.

OUTLOOK

We will be finalising the technology transfer for ERYSAA® from Pangen Biotech Inc. in 2025. At the same time, we will be building our product pipeline in collaboration with other manufacturers and organisations, prioritising products according to need as we explore capabilities in accelerated pathways and advance development technologies and digital tools.

13 Halal Commitment

WHY IT'S IMPORTANT

The process of certifying medicines as halal is rigorous, exceeding conventional quality standards. Halal-certified medicines are therefore guaranteed to be safe, efficacious, high-quality and produced in the most hygienic manner, not only meeting the requirements of Muslim consumers, but providing the highest quality assurance to everyone.

OUR APPROACH

1 Commitment Through Policy

We have a well-established Halal Policy, which was approved in March 2019. The policy states our commitment to upholding the integrity of our halal supply chain through the concept of "Halal Built-in, Not Tested For", developing and manufacturing halal pharmaceuticals and medical devices in premises with high safety standards, efficacy, quality and hygiene.

Under this policy, all medicines produced by Duopharma Biotech are compliant with the Malaysian Standard for halal pharmaceuticals, MS 2424:2019, and relevant halal certification bodies. For traded products, they are screened to verify their halal status in alignment with MS 2424.

Our halal compliance commitment is also integrated with the ISO Quality Management System standards, Good Manufacturing and Distribution Practice Guidelines, as well as other relevant requirements on the manufacturing, warehousing and logistics of halal pharmaceuticals and medical devices.

2 Driving Halal Strategy

In 2021, Duopharma Biotech Halal Strategy (2022–2032) was established to promote accessibility of high-quality halal certified medicines. The strategy is built on four key pillars, i.e., Thought Leadership, Defend & Grow, Leadership in Halal Compliance, and People & Talent.

These pillars enable us to:

- Strengthen our leadership in halal certification while ensuring our products meet stringent quality and safety standards.
- Expand the range of halal-certified products (therapeutic classes).
- Broaden our international reach, making halal-certified medicines accessible beyond Malaysia.

Access to Medicine

3 Continuous Awareness & Engagement

We organise and participate in events and training programmes geared at enhancing awareness of halal pharmaceuticals as well as increasing industry capacity and capabilities to support access to halal medicine. Initiatives implemented in 2024 are outlined below:

Initiatives/Programmes

Internal

Celik Halal Train the Trainer

Keeps our workforce updated on Malaysia's halal pharmaceutical ecosystem, and enables effective communication about the Company's halal initiatives. Three sessions were held attracting 191 participants.

Duo4wareness 2024

Company-wide event to raise awareness and understanding as well as appreciation among all staff regarding Company's commitment to Halal, Integrity, Sustainability and Risk Management attracted a total of 806 employees.

Directors and Senior Management Training on "Trends in Consumer Behaviour on Halal Pharmaceuticals"

Explored the factors influencing consumer decisions in purchasing halal-certified pharmaceuticals, using the 36-Item Short Form Health Survey ("SF-36") to evaluate the value of halal pharmaceuticals from a quality-of-life perspective.

Halal Awareness Training

Fulfils the Malaysia Halal Certification requirement for staff to be trained in halal awareness every three years. A total of 987 participants took part, with 95.9% satisfying the competency test.

Halal Awareness Training

MPPHM 2020 compliance requirement to maintain halal competencies, particularly among internal halal committee members. The training was attended by 27 participants.

Note: 24 staff from various departments are qualified as Halal Executives and Halal Internal Auditors by the Halal Professional Board, JAKIM (Department of Islamic Development, Malaysia).

External

Halal initiatives with academic institutions

- Educational visits by:
  - College University of Majlis Agama Islam Wilayah Persekutuan International
  - Kolej Profesional MARA Bandar Melaka
  - University of St. Gallen, Singapore
  - International Institute for Halal Research and Training, International Islamic University Islam Malaysia



External

Halal Initiatives with government

- Knowledge sharing with delegation from Saudi Arabia Food and Drug Authority
- Speaker at MOPI Halal Development Corporation Berhad ("HDC") Webinar on Insights and Opportunities in the Halal Pharmaceutical Sector
- Panel speaker at *Kursus Kompetensi Juruaudit bagi Skim Farmaseutikal Pensijilan Halal Malaysia*

Halal initiatives with healthcare providers and practitioners

- Organised the Halal Pharmaceutical Symposium 2024 in collaboration with Universiti Kebangsaan Malaysia
- Halal Awareness Talk with Klinik Aurora, Hospital Kajang and at the 3rd Asean Conference on Health Ageing 2024



Halal initiatives for public outreach

Public Campaigns/Forum
- Halal Awareness Public Digital Campaign 2024
- *"Halalkah Ubat Anda?"* Facebook live in collaboration with Caring Pharmacy

Thought Leadership
- Guest at IKIMfm "Halal Profesional" on Halal Pharmaceutical Best Practices at Duopharma Biotech
- Halal Pharmaceutical Awareness Sessions with HDC during National Training Week
- Speaker at 7th World Conference on Islamic Thought & Civilisation in Ipoh



International

- Collaborated with Malaysian Embassy in Qatar to organise a Roundtable on Halal Healthcare Innovations and Opportunities
- Participated at 9th Philippine Halal Trade and Tourism Expo
- Part of the Malaysian delegation for the Halal Roundtable Session: Making Halal a New Source of Economic Growth in Timor-Leste
- Participated in Islamic Medical Association of the Philippines (IMAN) 2024 Annual General Meeting: Doctor in Dawah



Access to Medicine

OUR CHALLENGES AND RESPONSE

Challenge	How We Responded
• Perception of halal as a religious concept rather than a universal value limits its acceptance in the market.	• Our awareness programmes highlight the benefits of halal pharmaceuticals emphasising their elevated value proposition in terms of safety, quality, efficacy and hygiene, which are applicable to all, regardless of cultural or religious background. • As an example, we collaborated with Pusat IDEA and the Faculty of Pharmacy, Universiti Kebangsaan Malaysia to organise the Halal Pharmaceutical Symposium 2024 themed "Bridging Halal to Health: Fostering Inclusivity, Innovation, and Healthcare Excellence".

OUR PERFORMANCE

PRODUCT HALAL CERTIFICATION

KLANG



DUOPHARMA (M) SENDIRIAN BERHAD

Sterile
147 halal certified products out of 148 active products manufactured on-site
99.3%

Non-Sterile
64 halal certified products out of 65 active products manufactured on-site
98.5%

BANGI



DUOPHARMA MANUFACTURING (BANGI) SDN BHD

179 halal certified products out of 184 active products manufactured on-site
97.3%

DUOPHARMA MARKETING SDN BHD

54 halal certified products out of 54 active products manufactured on-site
100%

GLENMARIE



DUOPHARMA HAPI SDN BHD

3 halal certified products out of 3 active products manufactured on-site
100%

Note: The remaining percentage of products are undergoing the process of halal certification renewal or new application to ensure full compliance with halal standards.

- Received the Technology and Innovation Excellence Award (Limited Liability Company and Mulnational Corporation category) at the World Halal Excellence Awards 2023 held on 29 October 2024, organised by HDC, the Ministry of Investment, Trade and Industry ("MITI") and Melaka State Government.

OUTLOOK

We will ensure our competencies remain aligned with ongoing halal developments while expanding our regional and international market presence in thought leadership, tactical awareness and halal value proposition programmes and campaigns. Among our priorities will be to explore local and international media platforms to raise awareness of our halal-certified pharmaceuticals which adhere to meticulous standards of safety, efficacy, high quality and hygiene. At the same time, we will continue to support the National Halal Agenda to influence and strengthen the halal pharmaceutical supply chain and uptake of our halal products. A review of our Halal Strategy Roadmap will be conducted to grow through innovation and product development as well as enhance domestic and international halal stakeholder relationships.

14 Business Innovation & Model

WHY IT'S IMPORTANT

Business innovation and model development are vital in the pharmaceutical industry to address challenges such as high R&D costs, patent expirations and regulatory pressures. Innovative approaches such as adopting Artificial Intelligence ("AI") in drug discovery and digital transformation enhance efficiency and competitiveness. These models adapt to market demands while fostering sustainability and expanding access in emerging markets. By embracing innovation, Duopharma Biotech can accelerate our growth, optimise our operations, and deliver greater value to stakeholders.

OUR APPROACH

Through our business innovation and model, we are venturing into emerging fields like functional foods and digital health solutions, positioning the company as a leader in preventative healthcare. This serves to enhance our market reputation and growth potential.

FUNCTIONAL FOODS

- Functional foods are designed to provide specific health benefits beyond basic nutrition. With innovation, we can further develop their positive attributes.

DIGITAL HEALTH SOLUTIONS

- For digital health solutions, innovation can take the form of platform-based business models leveraging technology to connect users, healthcare providers and data insights, and to meet growing demand for personalised healthcare.
- We are currently working on RenalGenie (for more details, please refer to the section on "Digitalisation" below).

OUR PERFORMANCE

Launch of CHAMPS® Nutribar in August 2024 for *Kempen Pemakanan Seimbang* in collaboration with Sin Chew Media Corporation and the National Union of School Heads Malaysia

The RenalGenie Dialysis Electronic Health Record ("EHR") Software is in use at several dialysis centres. We look forward to benefitting more dialysis centres with the addition of an inventory module by RenalGenie and its direct link to the Electronic National Renal Registry Application ("eNRR") by 2025.

OUTLOOK

- To entrench our sustainable growth, we will continue to leverage digital/e-commerce platforms for enhanced sales and marketing, opening a cost-effective distribution channel for both domestic and international markets. Digital technologies are expected to provide synergistic growth opportunities that can benefit the whole Group. At the same time, we will fully explore the increasingly discernible trend towards healthier foods, ingredients and lifestyle choices among younger consumers with products that meet their expectations and needs.

12 Digitalisation

WHY IT'S IMPORTANT

Through the adoption of advanced technologies like AI, blockchain and big data analytics, the pharmaceutical sector is improving the process and speed of drug discovery, manufacturing and distribution. Digital solutions are empowering pharmaceutical players not only to enhance operational efficiencies but also to advance healthcare delivery, ultimately improving patient outcomes and accessibility to medicines.

OUR APPROACH

1 Halal Initiatives

- The MyHalalGig system, developed by Holistics Lab Sdn Bhd (UTM) and adopted in 2023 by the Halal Compliance Department, enables digital management of the Halal Assurance System. Key advantages include:

  - **Supplier Management:** Storing essential supplier details
  - **Raw Material Documentation:** Maintaining halal certificates and supporting documents
  - **Product Information:** Storing product formulations and halal certificates.
  - **Document Management:** Digital storage of the Halal Assurance System manual and related files
  - **Notification Features:** Reminders for renewing and updating halal certificates and SOPs to ensure ongoing compliance

- These features allow Duopharma Biotech's Halal Compliance team to manage the preparation and submission of required documents for halal certification and renewals more efficiently, ensuring timely updates and easy retrieval of important documents for audits and compliance checks.

2 Digital Healthcare Solutions

- Partnerships with UE LifeSciences Sdn. Bhd. for iBreastExam and RenalWorks Malaysia for dialysis management, extending our reach beyond traditional pharmaceutical products. These capabilities, combined with our robust quality management systems and compliance frameworks, enable us to consistently deliver accessible, affordable and quality medicines and services to our diverse stakeholder base.

- In 2024, we explored opportunities to secure the distribution rights for iBreastExam beyond the private sector in Malaysia. Duopharma Biotech's Government Business team has commenced a four-year awareness initiative for screening in Klinik Kesihatan Malaysia across eight states, starting on 15 October in Kuala Lumpur. The team is also evaluating proposals to conduct a pharmacoeconomics study on iBreastExam.

3 Product Labelling

We have embarked on an e-labelling initiative to replace traditional leaflets used as part of secondary packaging with e-labels that use Quick-Response ("QR") codes to house all the leaflet information. This would remove one step from the production process while reducing our use of paper, and contribute towards Duopharma Biotech's sustainability goals.

In 2024, we obtained NPRA approval to replace the paper leaflets for two waves of products from Bangi and Klang. Currently, e-labelling is being implemented in phases.

4 Automation Strategy And Equipment Investment

In 2024, the Group's Manufacturing team developed a comprehensive automation strategy to enhance operational efficiencies and reduce reliance on manual processes at the Bangi and Klang sites. This strategy will be implemented in phases, with the primary goal of automating labour-intensive activities.

An investment of RM1.5 million to purchase an automated cartoner will significantly improve packing efficiency, consistency and throughput while reducing the potential for human error.

5 Operational Efficiency

The Group's Quality Assurance team has embarked on digitalisation of our QMS, which would address various drawbacks in the current paper-based QMS documentation.

Project Goals:
i) Reduce paper utilisation across the Group
ii) Improve the traceability of documents
iii) Reduce the time for distribution of documents for review and approval

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• **RenalGenie:** Digitalisation in dialysis centres is still at its infancy, requiring more time and awareness for market readiness and investment in the transformation. Cost is also a challenge as users have limited funding for the implementation of software. • **High Initial Investment Cost –** Upfront capital investment in automated equipment, robotics and software (e.g., Manufacturing Execution System ("MES"), Supervisory Control and Data Acquisition ("SCADA:) can be substantial with returns taking years, making it difficult to justify automation. • **Workforce Resistance & Skill Gaps -** Skilled personnel are needed to operate, maintain and troubleshoot automation systems. Training and upskilling programmes are required but can be costly and time-consuming. • **Integration with Existing Systems -** Legacy equipment in older facilities such as B1 facility may not be compatible with modern automation solutions. Retrofitting and integrating automation with Enterprise Resource Planning ("ERP"), MES and SCADA systems require expertise.	• We remain dedicated to overcoming these barriers through strategic investments, upskilling initiatives, and collaborations with technology partners. We seek to ensure that automation not only enhances productivity but also supports long-term environmental and economic sustainability.

OUR PERFORMANCE

Digitalisation of e-QMS has improved Duopharma Biotech's compliance and facilitated documentation traceability.

We look to further enhance the benefits of the RenalGenie Dialysis EHR Software with a new inventory module and a direct link to the eNRR by 2025.

OUTLOOK

- To adopt digitalisation throughout the entire supply chain whenever necessary

Diversity & Inclusion

DIVERSITY & INCLUSION

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Capitals

H S

Stakeholder Groups Impacted

S2

Contribution to UN SDGs



10 Labour Practices and Standards

WHY IT'S IMPORTANT

As a company undergoing continued growth, we depend on having a quality workforce to deliver on our goals and objectives. To attract and retain the right talent, we recognise the need to create a conducive work environment in which our employees are taken care of in a holistic manner. In this regard, we go beyond compliance with legal requirements to uphold our reputation as an employer of choice.

OUR APPROACH

1 Compliance and Policies

International guidelines:



International Labour Organization's Conventions



Ten Principles of the UN Global Compact

Local guidelines:



Employment Act, 1955 ("Employment Act")

- Through our Code of Conduct ("CoC"), we maintain a fair, ethical and respectful work environment. The CoC is shared with our employees as well as our suppliers, business partners, consumers and local communities in the relevant local language. Any concerns regarding infringements of the CoC can be raised via our whistleblowing channels.

- In 2024, we established a Labour Rights Policy to ensure labour practices and standards are adhered to internally and by our business associates. The policy was approved by the Board in November and was shared with all employees in December. Initially available in English, the policy is being translated into Bahasa Malaysia and will be communicated to our suppliers. We will assess its effectiveness periodically. The CoC will be updated in line with the policy.

2 Ethical Labour Practices

Human Rights

- In line with our Labour Rights Policy, forced or child labour will not employed. In 2023, we also obtained approval from Jabatan Tenaga Kerja on a limit to overtime, which has been implemented and is being monitored.

Fair Wages

- We comply with the minimum salary requirement and have a salary scale where salaries correspond with the job grade for both unionised and non-unionised employees. We generally implement the minimum wage as announced by the Government earlier than the enforcement date. Under the Minimum Wages Order 2024, a new base salary of RM1,700 per month was to be effective from 1 February 2025. However, we implemented it as of 1 January 2025. Salary benchmarking is conducted for the different job functions, and salaries are paid non-discriminately in accordance with our Diversity, Anti-Discrimination & Anti-Harassment Policy.

Diversity & Inclusion

Freedom of Association and Collective Bargaining

- Freedom of Association is a core tenet of our Labour Rights Policy. Adhering to the Industrial Relations Act 1967, all Green Book employees are represented by the National Union of Petroleum & Chemical Industry Workers Peninsular Malaysia ("NUPCIW") with separate unions for Bangi and Klang.

- Collective Agreements ("CAs") with the respective unions are revised every three years, based on negotiations between HR and the union committees. The notice period and provisions for consultation and negotiation are specified in the CAs. Union members are also invited to our quarterly Townhall meetings at which they are able to raise questions directly to our Group Managing Director and/or the Chief Executive Officer. We also have an open-door policy for discussions between union members and HR where this practice has been observed since the Group's first Collective Agreement in 1992.

- Among the issues discussed in 2024 were:

Discipline Management Process
The union members requested the presence of a representative during any domestic inquiry, which was allowed.

Performance Management Process
The union enquired on the process for Performance Management System ("PMS"), which was subsequently explained.

Relationship

- Through multiple engagement initiatives, we have fostered mutual understanding between the Company and Worksite Area Committees ensuring workplace harmony.

Grievance Mechanism

- An internal Grievance Procedure and Whistleblowing Policy exist for employees to raise issues or concerns regarding infringements of the Code, including discrimination and/or harassment. All complaints are treated confidentially, seriously and sympathetically. No employee will be penalised or disadvantaged for raising genuine concerns or complaints.

3 Talent Acquisition and Growth

Employee Recruitment

- Recruitment is based on merit, supported by policies on inclusivity and non-discrimination. Priority is given to local hires to promote the local economies. Due to insufficient local supply, foreign workers were brought in for our manufacturing plants, primarily from Nepal. All our foreign workers were treated fairly and respectfully, providing comfortable accommodation as well as travel arrangements, among others. In 2024, there were no hiring of any new foreign workers while returning foreign workers were replaced with locals. We also support youth employment initiatives, which are discussed further under the "Diversity and Inclusion" section on page 115.



Learning & Development

- Learning and development opportunities are provided to our employees for them to realise their full potential. Our Learning & Development ("L&D") framework looks into their development from their first day at Duopharma Biotech.

- **On-Boarding**
  Training for new recruits which introduces them to our culture, values and way of working.
- **Core Learning**
  Soft skills training to help all employees work effectively and harmoniously.
- **Professional Learning**
  Functional and technical courses that enable employees to carry out their roles effectively.
- **Leadership Learning**
  Management and leadership skills for supervisors onwards.
- **Talent Development**
  To develop identified talents for higher roles.

- Compulsory training, knowledge sharing and other learning content are available on MDL, our online learning platform.
- A transition assistance programme facilitates continued employability and the management of career ending as a result of retirement or termination of employment. In June and August 2024, full-day sessions with Employees Provident Fund ("EPF") were organised on retirement planning.

Talent Management & Succession Planning

- Leadership continuity is assured by succession planning for all critical positions, including the Board. Every year, the Heads of Department and respective Key Senior Management nominate high-potential employees for entry into Duopharma Biotech's talent pool. These talents engage in one-on-one sessions with their superiors to identify their development needs and the required interventions. In 2024, there were a total of 78 talents and 92.6% of their development plans were closed.

4 Employee Benefits and Recognition

Employee Benefits

- A number of benefits are offered to full-time employees to ensure their well-being.

Benefit	Description
Leave	Casual, paternal, compassionate
Medical/Health benefits	Outpatient treatment, dental and optical treatment, annual medical check-ups, specialist treatment
Insurance coverage	Term life, accidents, hospitalisation and surgery
Maternity assistance	One-off maternity assistance payment
Loans subsidy	For housing and cars
Communication	Electronic devices & mobile phone bills
Flexible work arrangement	To be applied by employee, approved by superiors and HR
Travel	Claims for business-related travel
Transition assistance	Facilitates job transition and transition to retirement

- Additionally, annual salary increments and bonuses are given, based on the Board's discretion.

Diversity & Inclusion

- In 2024, we enhanced our benefits in the following areas:

Annual Leave, Calamity Leave and Hospitalisation of Family

Revision of Prolonged Illness Leave

Implementation of the Medical Board Out Scheme

Employee Recognition

Long Service Award

10 years
54 recipients

15 years
29 recipients

20 years
16 recipients

25 years
14 recipients

30 years
9 recipients

35 years
6 recipients

Gold Medallion (Retirees)
7 recipients

Duopharma Biotech Excellence Awards

This is given to employees' children who attain excellence in academics and co-curricular activities. In 2024, it was awarded to 15 children.

5 Protecting Employees' Safety

- We maintain safe working conditions through appropriate training, infrastructure investments, and incident response protocols. For a detailed discussion, please refer to the "Sustainable Supply Chain" section on pages 76-83.

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• High expectation / demand from unions during collective bargaining	• Negotiate and explain Management's challenges and come to a mutual agreement
• Employees tend to overlook safety guidelines once they are comfortable with the task	• Continuous staff training and reminders
• Lack of awareness of HR policies (e.g. misconduct, Diversity, Equity and Inclusion ("DEI") policy, Prevention and Eradication of Drug, Alcohol and Substance Abuse ("PEDAS") policy)	• Engage with people managers via road-shows, briefings and refreshers, equipping them with proper knowledge to be cascaded to the rest of the team via toolbox meetings, corridor talks, etc.

OUR PERFORMANCE

Labour Rights Policy approved
by the Board of Directors in November 2024

Zero
substantiated complaints on human rights violations

Zero
incidents of non-compliance with labour standards and regulations

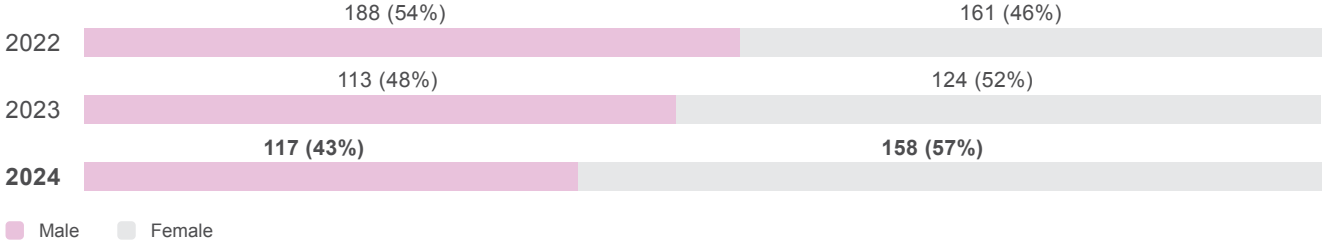
Employee Recruitment

Number of Directors by age and gender

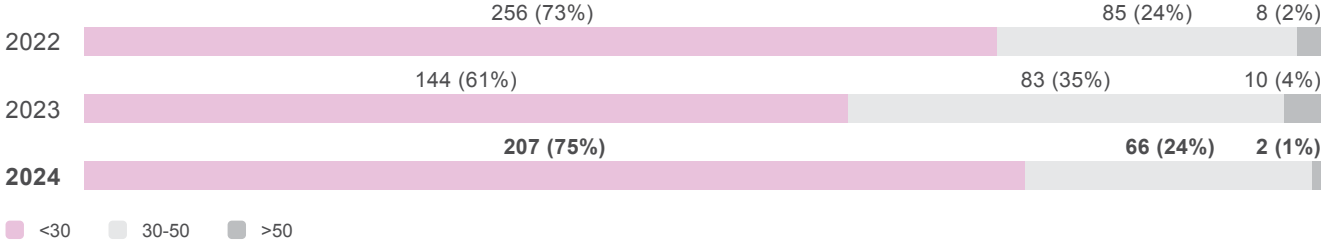
YEAR	Number of Directors				
	Gender		Age Group		
	Male	Female	<30	30-50	>50
2022	6	4	0	0	9
Percentage (%):	60%	40%	0%	0%	100%
2023	5	5	0	1	10
Percentage (%):	50%	50%	0%	9%	91%
2024	**7**	**4**	**0**	**1**	**10**
Percentage (%):	**64%**	**36%**	**0%**	**9%**	**91%**

Total number of employee hires according to age, gender and employee category

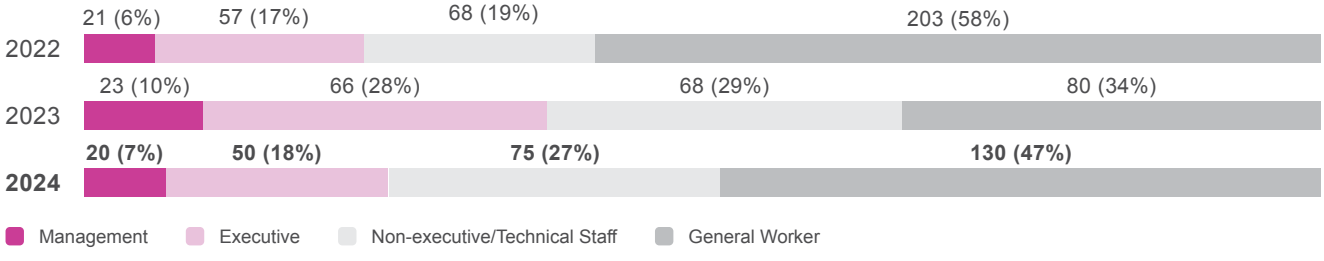
Number of employees hired by gender



Number of employees hired by age group



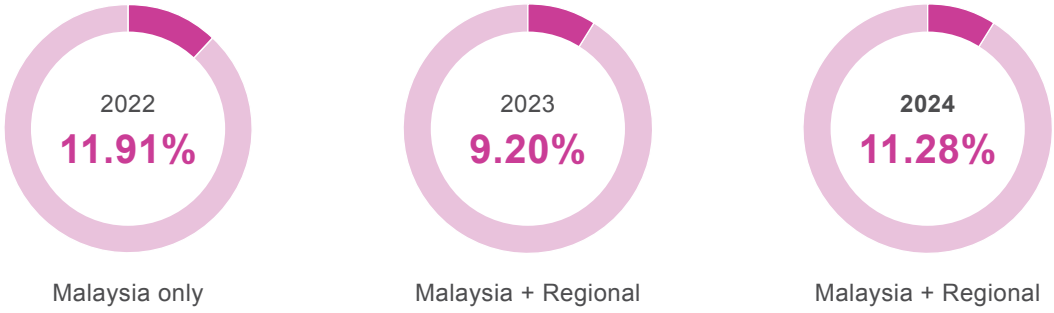
Number of employees hired by category



Diversity & Inclusion

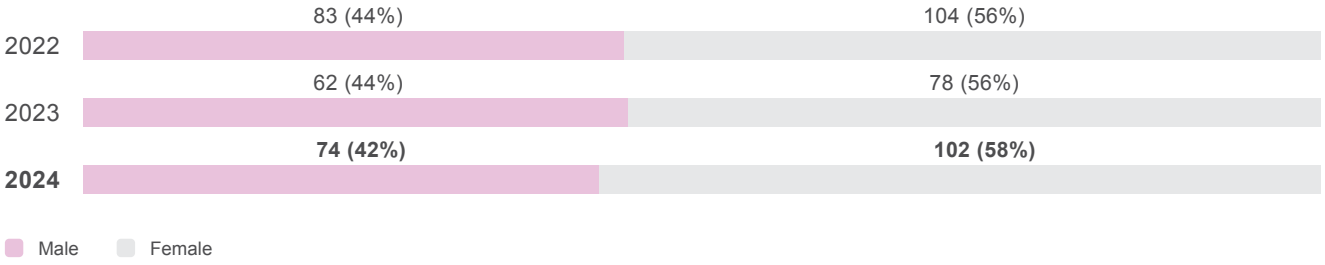
Total employee turnover and turnover rate by age, gender and employee category

Employee turnover rate

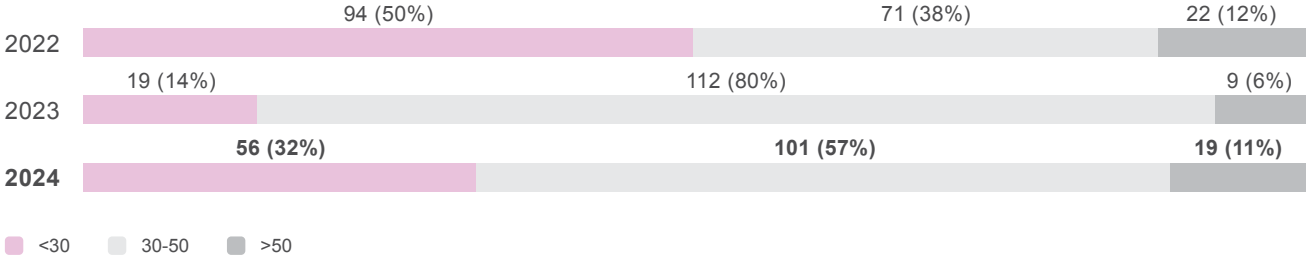


Note: data provided is for the country operations as stated

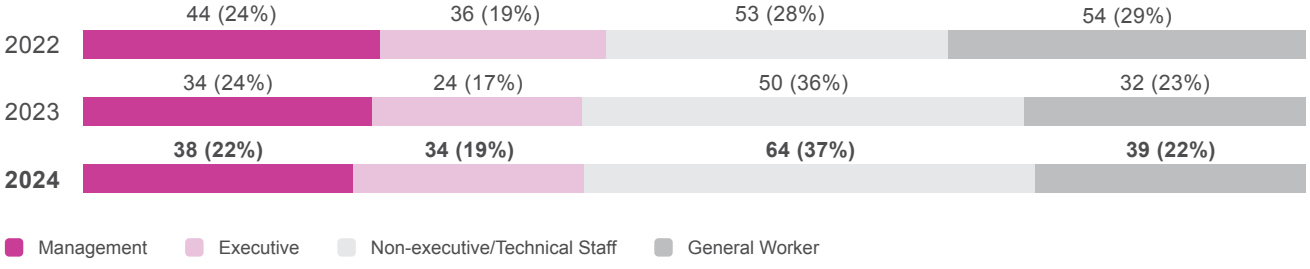
Employee turnover by gender



Employee turnover by age group



Employee turnover by category

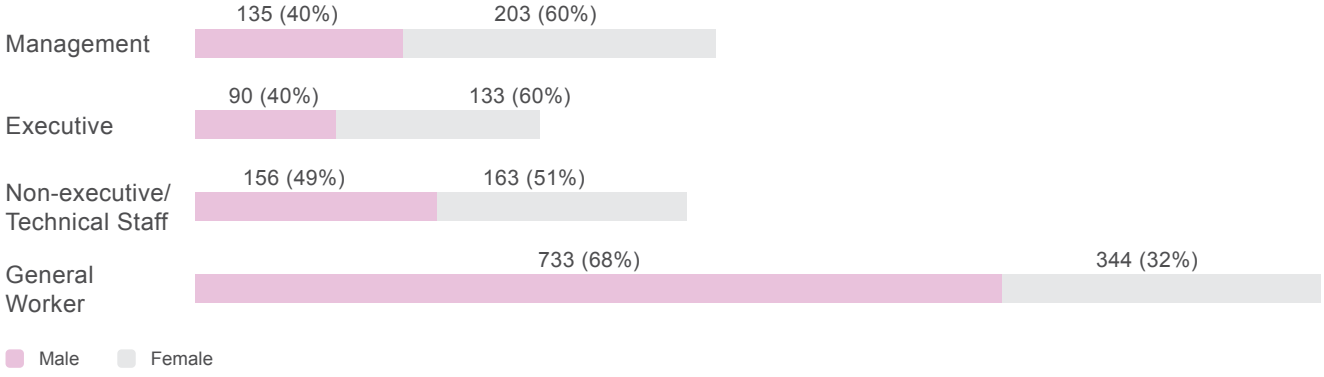


Percentage of employees who are contractors/temporary for the current year

YEAR	No. of contract / temporary staff	No. of permanent employees	Total no. of employees
2022	205	1,489	1,694
Percentage (%):	12%	88%	
2023	388	1,552	1,940
Percentage (%):	20%	80%	
2024	**333**	**1,624**	**1,957**
Percentage (%):	**17%**	**83%**	

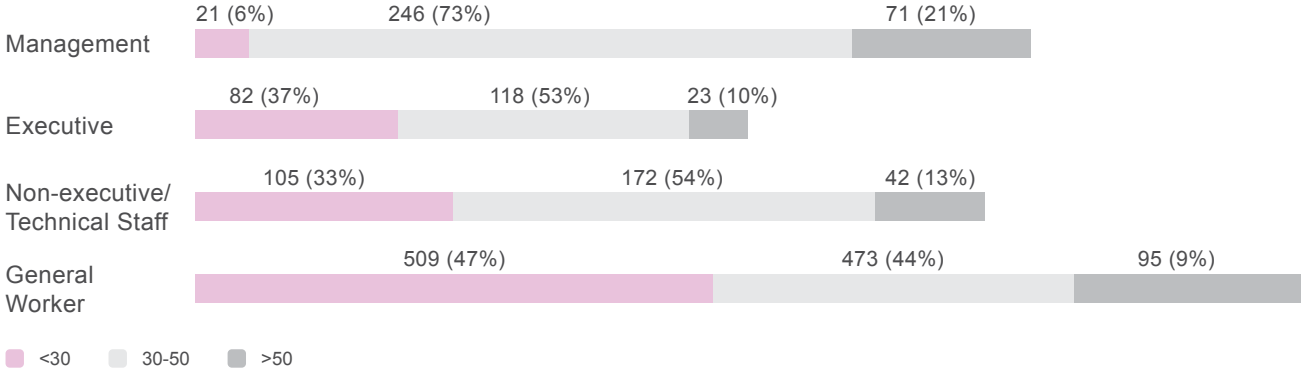
Percentage of employees in 2024 by gender and age group for each employee category

Number of employees by gender in each category



Note:
- *The percentage breakdown are calculated against the total numbers for each employee category*

Number of employees by age group in each employee category



Note:
- *Data include permanent (confirmed, probation), contract, temporary and foreign workers*
- *For 2024, general workers include 193 foreign workers*

Diversity & Inclusion

Employee Training and Development

The performance data/breakdown for 2022 cover our Malaysian sites only. For years 2023 and 2024, we have included all data from our operations in Malaysia (excluding foreign and contract workers less than two years), Singapore, the Philippines and Indonesia.

Average training hours and training days per employee by gender

INDICATOR	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Total no. of employees	779	673	841	728	**815**	**696**
Total no. of training hours	16,371	19,073	14,976	19,474	**15,060**	**16,918**
Average training hours per employee	21.0	28.0	17.8	26.7	**18.5**	**24.3**
Average training days per employee	2.6	3.5	2.2	3.4	**2.3**	**3.0**

Total training hours and average training hours per employee

EMPLOYEE CATEGORY	2022		2023		2024	
	Total No. of Training Hours	Average Training Hours Per Employee	Total No. of Training Hours	Average Training Hours Per Employee	Total No. of Training Hours	Average Training Hours Per Employee
Management	13,123	46.9	15,759	52.3	**14,011**	**44.6**
Executive	9,602	32.2	5,146	23.2	**5,963**	**29.1**
Non-executive/ Technical Staff	5,865	32.2	7,206	24.1	**6,035**	**20.4**
General Worker	6,854	9.9	6,339	8.9	**5,969**	**8.6**

Overall total training hours, average training hours per employee and average training days per employee

INDICATOR	2022	2023	2024
Total training hours	35,444	34,450	**31,977**
Average training hours per employee	24.0	22.0	**21.0**
Average training days per employee	3.0	2.7	**2.6**

Note: One training day is equal to eight training hours

Training in MDL

INDICATOR	2024
No. of active users in MDL	2,048
Total training hours via MDL	23,774
Avg training hours per user	11.6
Avg training days per user	1.5

Performance Review and Appraisal

Number and percentage of employees who received regular performance and career development reviews

YEAR	No. of employees who received regular performance and career development reviews					
	Gender		Employee Category			
	Male	Female	Management	Executive	Non-Exec/ Technical Staff	General Worker
2022	748	672	288	157	323	706
Percentage (%):	53%	47%	20%	11%	21%	48%
2023	807	701	302	193	309	704
Percentage (%):	54%	46%	20%	13%	20%	47%
2024	**844**	**721**	**329**	**219**	**323**	**706**
Percentage (%):	**54%**	**46%**	**21%**	**14%**	**20%**	**45%**

Employee Benefits

Number of employees who were entitled to parental leave, took parental leave and returned to work after parental leave, by gender

YEAR	No. entitled to parental leave		No. who took parental leave		No. who returned to work after parental leave	
	Male	Female	Male	Female	Male	Female
2022	536	480	19	39	19	39
2023	541	469	17	26	17	26
2024	**551**	**466**	**26**	**29**	**26**	**26***

*Note: *3 staff are still away on maternity leave*

The performance data/breakdown on parental leave covers our Malaysian sites only. Moving forward, we will enhance our tracking and disclosure to include data from the other countries where we operate i.e., Singapore, Indonesia and the Philippines.

Diversity & Inclusion

Number of employees who returned to work after parental leave and were still employed 12 months after their return

YEAR	No. of returning employees who were still employed after 12 months	
	Male	Female
2022	19	39
2023	17	26
2024	**26**	**22**

Return to work rate, retention rate and turnover rate after parental leave

YEAR	Return to work	Retention	Turnover
2022	100%	100%	0%
2023	100%	100%	0%
2024	**100%**	**100%**	**0%**

OUTLOOK

The new minimum salary of RM1,700 was implemented by the Group from 1 January 2025 onwards, earlier than the mandated date by the Government. We will conduct basic awareness briefings for our employees and share our expectations with our business partners. Complementing the increase in salary, we have enhanced some of our benefits following a review undertaken in January 2025.

Malaysia is gearing up towards enhanced labour standards with amendments to certain legislations encompassing the Employment Act 1955, Occupational Health Safety Act 1994 and Industrial Relations Act 1967. Committed to fair labour practices, Duopharma Biotech will adhere to all policy changes encapsulating the spirit of “HR Cares”.

15 Diversity and Inclusion

WHY IT'S IMPORTANT

We fully embrace diversity and inclusion at Duopharma Biotech, recognising the benefits this brings in the form of a broader range of perspectives, experiences and ideas which, in turn, leads to increased creativity, problem-solving and decision-making. A diverse and inclusive workplace also promotes employee engagement and a sense of belonging. It would, further, enhance our reputation in the market, and help to attract the best talent.

OUR APPROACH

1 Inclusive and Diverse Workplace

- Duopharma Biotech is committed to providing a workplace free from any form of discrimination or harassment as we satisfy all related legislative obligations.
- We established a Diversity, Anti-Discrimination & Anti-Harassment Policy in 2023, which has been communicated to employees Group-wide. The policy encompasses:

Diversity, Equity and Inclusion
Promotion of diversity, justice, impartiality and fairness in everything we do, ensuring equal opportunity and a sense of belonging

Anti-Discrimination
All employees are treated with dignity and respect by the Company and by each other as we live the Company's Core Values

Anti-Harassment
Zero tolerance for any form of harassment

- We adopt inclusive hiring practices and equity in career progression through gender-neutrality in hiring, training, career progression and salaries
- In addressing youth unemployment, we have implemented the following programmes:

Professional Training and Education for Growing Entrepreneurs (PROTÉGÉ)
Government initiative to support graduate employment by providing work experience and exposure. We took in 60 PROTÉGÉs and offered permanent placements to 24 PROTÉGÉs in 2024.

Graduate Training Programme (ProGrad)
Recruitment of high-calibre graduates who are provided 24-month training and rotation to various departments. We welcomed five ProGrads and offered permanent placements to four ProGrads in 2024.

- Unconscious Bias training was rolled out to all Bluebook employees in 2024, sharing all 15 modules via MDL since February 2024 with an achievement of 82% completion rate.

Diversity & Inclusion

2 Employee Engagement & Well-Being

Engagement Programmes

- In 2024, key topics covered during employee engagement were financial planning, retirement planning and mental health.

Programmes

Financial Planning Day



Whole-day activities with Permodalan Nasional Berhad, banks, *Agensi Kaunseling & Pengurusan Kredit ("AKPK")* on financial planning

Ability to better manage personal finances

A Day with Employees Provident Fund ("EPF") and Social Security Organization ("SOCSO")



Whole-day activities with EPF and SOCSO on retirement planning

Knowledge on ensuring comfortable retirement

Mental Health Month in October

Month-long activities such as talks, exercise, crosswords, puzzles related to mental health

Greater awareness of mental health issues, and how to cope

Biskut Raya Project



Annual project during Raya at which selected employees bake cookies on behalf of the Company

Enhanced spirit of caring and volunteerism

Wellness Day



Whole-day programme including health screening, talks, face-to-face discussions

Increased health awareness among employees

Programmes

Physical Festival Deco Contest







Decoration contests during festive seasons

Enhanced spirit of cooperation between employees

Prostate Cancer Screening

Free prostate cancer screening for male employees

Greater personal health awareness

International Women's Day Celebration



Employees marked the occasion by wearing purple to work, expressing appreciation through thank-you notes to female colleagues

Creating awareness and appreciating women's role in society

Diversity, Anti-Discrimination & Anti-Harassment Policy Awareness Briefing



Two-hour briefing session on the Diversity, Anti-Discrimination & Anti-Harassment Policy

Increased awareness on importance of diversity and inclusivity

Free iBreastExam Screening





Free breast screening for female employees

Greater personal health awareness

Diversity & Inclusion

Employee Engagement Survey

The response rate for the annual Pulse Survey in 2024 was 85.5%, with an overall engagement result of 81%. The eight departments with the lowest scores will undertake focus group discussions to understand the disconnect, following which remedial plans will be outlined.

Kelab PETIRR Duopharma

- Kelab PETIRR Duopharma organised 36 activities and competitions, including 19 sports-related events and sustainability initiatives. Highlights included a Sustainable Sports Carnival at which we collected and recycled 280 pieces of pre-loved clothing.

June 2024
- Fishing Competitions



July 2024
- Indoor Games Part 1 (Sudoku, Carrom, Scrabble, Darts)



December 2024
- DP Sihat 2024



August 2024
- Indoor Games Part 2 (Chess, E-games (Tekken 8, FIFA, Mobile Legends), Ping Pong)
- MasterChef

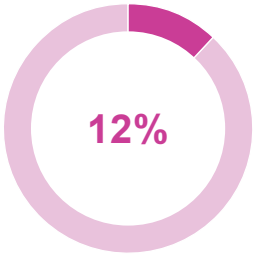
September 2024
- Kayak
- Badminton

October 2024
- Snooker Excellence Awards
- Bowling

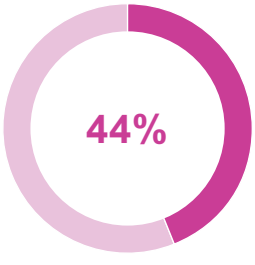
November 2024
- Volleyball and Netball
- Soccer
- Sustainable Sports Festival (3KM Green Run)

Burnout Survey

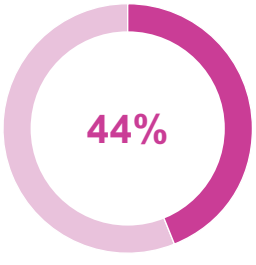
Annual burnout surveys were conducted across the Group to identify job-related stress. The response rate in 2024 was 84% (results shown below). The departments with the highest risk of burnout will undertake focus group discussions to identify underlying causes following which we will come out with remedial plans



No sign of burnout



Little sign of burnout



Very severe burnout

Sustainability Awareness

- Empowering employees is crucial for driving meaningful behavioural change toward sustainability. Accordingly, we are dedicated to employee engagement programmes which enhance awareness and participation in sustainability initiatives across the organisation.

ESG Training

Sustainability-related training is organised for all levels of employees as well as for the Board.

Board of Directors

Two sessions were organised on “Boom or Bust – The Evolving Role of Senior Leaders in Unlocking Sustainability Value for Business Resilience and Growth”; and “Understanding Impact of Climate Change to Duopharma and What’s Next to Look Out For?”

Redbook and Bluebook Employees

Online training on “Integrating ESG into Pharmaceutical Practices” and engaged Solid Waste and Public Cleansing Management Corporation (“SWCorp”) to present *“Pengurusan Sisa: Ekonomi Linear vs Ekonomi Kitaran”* during DUO4WARENESS 2024 event.



Greenbook Employees

Awareness training was conducted every six months covering fundamentals of ESG, energy, water and waste management. In 2024, a total of 62 training sessions were conducted, resulting in 31 of training hours focusing on ESG awareness.



ESG Bulletin

Monthly publication focusing on various sustainability topics.









Note: Greenbook refers to unionised employees; Redbook refers to supervisory employees; and Bluebook refers to management employees.

Diversity & Inclusion

ESG Champions

Employees from various departments recruited as ESG Champions to promote ESG awareness and good ESG practices. In 2024, the ESG Champions collaborated with our Sustainability Department to participate in a World Cleanup Day 2024 for a community park cleanup at Laman Komuniti Seksyen 7, Bangi. 19 volunteers from the Group collected 21.2kg of waste (16.5kg of solid waste and 4.7kg of recyclables).





DUO4WARENESS 2024

In May 2024, a programme encompassing elements of sustainability, Halal practices, risk management and integrity was organised. Activities included a webinar by SWCorp in conjunction with World Environment Day, physical exhibition, treasure hunt and online quizzes.







OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Unconscious bias may affect employees' behaviour at the workplace, and daily operations	• Educate employees via unconscious bias training modules.

OUR PERFORMANCE

Employee Engagement Index ("EEI"):

81%

(2023: 88%)

Note: The global average for EEI is 85%

Sustainability Awareness & Employee Engagement recognition

at the UNGCMYB Forward Faster Sustainability Awards 2024

Diversity & Inclusion

Average ratio of basic salary and remuneration of women to men (comparing jobs of equal value)

YEAR	Women	Man
2022	47%	53%
2023	45%	55%
2024	**55%**	**45%**

Number and percentage of employees with disability

YEAR	Staff with disability	
	Number	Percentage
2022	1	0.1%
2023	1	0.1%
2024	**1**	**0.1%**

Number and percentage of women in the global workforce

YEAR	Women in the global workforce	
	Number	Percentage
2022	752	46%
2023	773	41%
2024	**843**	**43%**

Number and percentage of women in managerial positions

YEAR	Women in managerial positions	
	Number	Percentage
2022	96	6%
2023	96	5%
2024	**110**	**6%**

Note: The percentage are calculated against total workforce

OUTLOOK

In 2025, we will explore the possibility of hiring specially abled persons for certain positions within the Group. Organisations or associations that we can collaborate with to help us create a conducive environment for our new employees will be identified.

16 Community Outreach

WHY IT'S IMPORTANT

Managing community outreach and investments is a vital component of Duopharma Biotech's commitment to fostering a sustainable and inclusive society. It aligns with our CSR pillars – education, underprivileged and humanitarian – ensuring meaningful contributions that drive positive and long-term impacts.

Education

By investing in educational programmes and initiatives, we help to empower future generations with knowledge and skills, fostering innovation and creating opportunities for individuals and communities to thrive. These efforts align with our vision of "Smarter Solutions for a Healthier Life".

Underprivileged Communities

Dedicated to equity and inclusivity, we aim to bridge gaps in access to essential resources and opportunities, ensuring none is left behind. We provide assistance to address pressing needs through community outreach programmes, uplifting vulnerable groups and contributing to enhanced social well-being.

Humanitarian Efforts

Duopharma Biotech is committed to providing timely and effective humanitarian support in times of crisis. Managing these efforts systematically allows us to allocate resources where they are most needed, delivering life-saving aid and fostering recovery.

OUR APPROACH

We manage our community investments strategically to maximise the impact of our initiatives, and reinforce our position as a trusted partner in advancing sustainability and social well-being. Our objective is to achieve measurable outputs and long-term outcomes that align with our commitment to sustainability and social progress. These efforts benefit not only the recipients but also contribute to the broader well-being of society and the success of our organisation.

1 Internal Policies and Guideline

- **CSR Policy** – encompassing three main pillars: Underprivileged, Education and Humanitarian action
- **Grant, Charitable Donations and External Sponsorship Policy** – stipulating that sponsorships must be vetted by our Sponsorship Committee, comprising the Group Management Committee (GMC) members and Head of Group Risk Management and Integrity to ensure alignment with our CSR policy.

2 Underprivileged Communities

Approach

Supporting underprivileged communities reflects our dedication to equity and inclusivity. We aim to bridge gaps in access to essential resources and opportunities, ensuring no one is left behind. By managing our community programmes strategically, we help to address pressing needs and uplift vulnerable groups, contributing to improved well-being and social mobility.

Output

- Direct financial aid, essential goods and healthcare services delivered to underserved populations.
- Infrastructure improvements, such as community centres or accessible facilities.

Key Highlights

2024 Qurban Donation: Duopharma Biotech invested over RM17,000 in this community-focused initiative, supporting the Qurban at Surau Nur Ramadhan, Surau Al-Ikhlas, and Masjid Nurul Iman. This contribution facilitated the preparation and distribution of meat, bringing the spirit of Hari Raya Aidiladha to numerous underprivileged families.

For Special Needs Children: Through CHAMPS® brand, we donated RM25,000 to Persatuan Kebajikan Anak-Anak Istimewa Selangor (ORKIDS - Our Kids Are Special) to support its specialised programmes for children with Down Syndrome.



Diversity & Inclusion

3 Education Enhancement

Approach

Education is the foundation for social progress and economic growth. By investing in diverse educational programmes, we help to empower future individuals across all segments of society, equipping them with knowledge and skills necessary to thrive. This fosters innovation, creates opportunities and strengthens communities. These efforts align with our vision of "Smarter Solutions for a Healthier Life" as education drives informed decision-making and supports healthier, more resilient communities.

Output

- Educational programmes and awards provided to students.
- Awareness campaigns to educate the public on important healthcare issues including sessions on halal pharmaceuticals and related topics.
- Continuing Medical Education programmes that support healthcare professionals.

Key Highlights

Malaysian Breast Cancer Summit 2024
Duopharma Biotech was a Platinum sponsor of the inaugural two-day summit for breast cancer patients and their caretakers, providing educational resources on biosimilars and generics and equipping over 300 attendees with vital information on available options to make informed decisions about their treatment.

Continuing Medical Education
We invested over 2,500 hours to facilitate a range of educational opportunities from hands-on workshops and informative booths to participation in key industry events and providing educational grants to a wide spectrum of healthcare professionals.





OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Sustaining CSR can be challenging due to economic uncertainties, maintaining long-term commitment, balancing business goals, and evolving social needs.	• Duopharma Biotech integrates CSR into our core strategy to secure dedicated funding and actively engage employees and leadership.
• Gathering data from our diverse business units, each with its own established systems and practices, requires strategic collaboration.	• We have been building a more robust and integrated data ecosystem that will enable us to capture a holistic and accurate view of our CSR performance.

OUR PERFORMANCE

Total Corporate/Community Investments (RM) & Total Beneficiaries in 2024

INDICATOR	2022	2023	2024
Total amount invested in the external community (RM)	177,000	1,919,417	**2,974,127**
Total number of beneficiaries* of community investment	12	32	**100**

**Represents sponsorships provided to requesting organisations*

Total Amount of Corporate/Community Investments by CSR Pillars in 2024

CSR PILLARS	RM	%
Education Enhancement*	2,919,927	**98**
Humanitarian	-	**-**
Underprivileged	54,200	**2**
TOTAL	2,974,127	**100**

Note: In 2024, the Education Enhancement pillar has been expanded to include CME initiatives to reflect the full scope of educational support.

OUTLOOK

Recognising that CSR is critical to our long-term success, we will continue to embed CSR into our business strategy and focus on measurable, adaptive initiatives ensuring their relevance. A culture of collaboration with the departments or external parties concerned, together with transparency and responsibility, not only sustains CSR efforts but also strengthens stakeholder trust, enhances brand reputation and contributes to lasting social and environmental impact.

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Capitals

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Stakeholder Groups Impacted

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Contribution to UN SDGs

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2 Anti-Corruption

WHY IT'S IMPORTANT

To ensure that Duopharma Biotech's businesses are conducted honestly and ethically at all times, in compliance with applicable anti-corruption laws in Malaysia and other countries where we operate or carry out business. Integrating a high-integrity and anti-corruption culture into the corporate responsibility agenda also sends a strong message that all organisations seeking to associate with Duopharma Biotech must uphold high integrity and willingly address their exposure to corruption.

OUR APPROACH

1 Internal Control

- Integrity policies and procedures have been established in English and Bahasa Melayu and uploaded onto the intranet and our corporate website for ease of reference. The documents are communicated internally and externally including with business partners and associates. These policies and procedures are reviewed and updated regularly for continued relevance.

  - Anti-Bribery & Anti-Corruption ("ABAC") Policy
  - Anti-Money Laundering and Counter Financing Terrorism Policy
  - Declaration of Interest Policy
  - Gift & Hospitality Policy
  - Guidelines For the Receipt of Honorarium/ Speaker Fees
  - Integrity Pact Policy
  - Sponsorship Policy
  - Whistleblowing Policy
  - Whistleblowing Preliminary Evaluation & Internal Investigation Procedure ("Whistleblowing Investigation Procedure")
  - Anti-Bribery Management System ("ABMS") Policy
  - Business Ethics Policy

- The Business Ethics Policy and the ABMS Policy are displayed at all offices and site locations. We comply with Malaysian Anti-Corruption Commission ("MACC") requirements by reporting our compliance status to the organisation every half year.

- Employees and other stakeholders can report any unlawful or unethical act, fraud or malpractice via our whistleblowing channels. Our Whistleblowing Policy and Whistleblowing Investigation Procedure are disclosed on our corporate website, as required by Bursa Malaysia Securities Berhad MMLR Malaysian Anti-Corruption Commission (Appendix 1: Chapter 15, Clause 15.29 (2).

- Our whistleblowing/ Speak-Up-Pharma channels comprise:

  Email: seehearspeakup@gmail.com

  Secured website form (accessible on our corporate website)

  SMS or any form of messaging via designated phone number

  Written complaint to the Head of Group Risk Management & Integrity

- Reports are investigated in line with our Whistleblowing Investigation Procedure. If there has been a breach of integrity, appropriate action will be meted out to the party/ parties involved.

- Parties who wish to engage or transact with Duopharma Biotech are required to sign the Integrity Pact to ensure compliance with anti-corruption requirements in line with our policy and Malaysian Anti-Corruption Commission Act 2009.

2 Governance Oversight

- Effective corporate governance mitigates risks, including integrity-related risks, preventing potentially costly legal issues, reputational damage and financial losses. The Board members have oversight of our ABAC Policy. The policy was reviewed, revised and presented to the RMC for deliberation, endorsement and recommendation to the Board for approval.

Governance

- Integrity updates are presented to the RMC and subsequently to the Board every quarter, detailing activities and programmes conducted on integrity and/or anti-corruption in 2024 as follows:

  - Organisational Integrity and Anti-Corruption Plan ("OIACP")
  - Whistleblowing log
  - Talks by MACC
  - ABMS assessment by the ABMS Committee
  - Corruption Risk Registers Assessment
  - Half-yearly reports to MACC
  - ISO 37001:2016 ABMS Surveillance Audit by SIRIM
  - Engagement with the Corruption Eradication Commission of Indonesia
  - Whistleblowing Reports
  - Declaration of Interest

- The integrity function under Group Risk Management & Integrity plays a pivotal role in ensuring the robustness and integrity of the internal control system, specifically in managing our Corruption Risk. The dedicated team meticulously reviews and assesses the adequacy and operating effectiveness of the internal control mechanisms in maintaining the highest standards of integrity across the Group.

- The Integrity team is supported by the ABMS Committee and Integrity Champions comprising representatives from various departments across the Group.

3 Anti-Bribery Management System ("ABMS")

- We were certified to the ISO 37001:2016 ABMS standard across the Group since 2020 and have maintained this certification ever since.

- ABMS Steering Committee members carry out annual internal audits for all functions across the Group while SIRIM QAS International Sdn. Bhd. ("SIRIM") conducts the external ISO 37001 audit for the Group.

- The internal audit findings are tabled at Management Review Meetings ("MRMs") chaired by the Group Managing Director and attended by GMC members, Senior Management, HODs, ABMS Committee and relevant employees. MRM reports are tabled to the RMC and subsequently to the Board as part of the Governing Body Review, in compliance with ISO 37001 requirements. The findings of the ISO certification audit by SIRIM are also tabled to the RMC and the Board.

- The ABMS Surveillance Audit was conducted by SIRIM from 4 to 6 December 2024 which resulted in zero non-conformance and only two opportunities for improvement.

4 Corruption Risk Assessment

- All functions within the Group undergo comprehensive annual risk audits that have been validated by SIRIM auditors. These risks are then entered into the Corruption Risk Register.

- The corruption risks identified highlight potential unethical practices across the Group's operations and functions including approvals, certifications, vendor selection, and interactions with authorities and stakeholders. The respective risk owners respond by implementing robust anti-corruption measures and promoting a culture of integrity.

- In 2024, one additional function, i.e. Events & Promotion, was added to the corruption risk register. In addition to assessing all functions in the Group individually, we also register corruption risks at the Group level.

- Due diligence is also carried out on new business partners to address corruption risks. In 2024, we continued to use the Handshakes system, an independent digital platform sourced externally, to streamline our due diligence processes. Outcomes of the due diligence are reported to the relevant requestors, with any unfavourable finding highlighted to Management. Aside from Handshakes, we also use MACC's eSTK (Sistem Tapisan Keutuhan) to perform due diligence on individuals. The Finance Department leverages on CTOS to carry out company and/or individual checks.

- Any company or individual within the Group, or any external party that intends to be a business partner, is assessed to determine its risk exposure level which is reported to the RMC and subsequently to the Board at least on an annual basis.

5 Organisational Integrity & Anti-Corruption Plan ("OIACP")

- Duopharma Biotech's OIACP fosters and maintains the confidence of the Board, Management, employees and stakeholders in the Company's Integrity and Anti-Corruption System. The OIACP framework reinforces a culture of integrity via strategies and programmes guided by Malaysia's National Anti-Corruption Plan, Guidelines on Adequate Procedures, and ABMS standard. As of December 2024 at least 95% of the actions outlined in the OIACP have been completed, surpassing the target set at 80%.

6 Awareness and Training

- Various programmes are conducted either in physical or virtual mode for employees, contractors and direct suppliers on anti-corruption and integrity.
- Training for staff covers all elements of the ABAC Policy.
- In 2024, refresher training on integrity-related policies and topics was provided for employees at all levels, including foreign workers. The sessions were conducted physically and online, in both English and Malay, and subsequently shared via MDL and our intranet for those who were unable to attend.
- Additional awareness initiatives are promoted via pocket cards, buntings, posters and engagement with our Integrity Champions.
- Training on our anti-corruption policy and procedures via the Bumi Agent / Business Associate Module was completed in March 2024. In addition, a virtual Integrity Pact briefing was conducted for business associates, supplemented by individual sessions with our integrity team if needed.

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Understanding the requirements of policies and procedures related to integrity and anti-corruption.	• Conduct annual refresher for all staff and sharing session via MDL for easy reference. • Entertain staff requests for additional sessions if they have issues with the requirements.
• Unwillingness of vendors or suppliers to comply and sign the Integrity Pact due to lack of understanding.	• Engage with the respective vendor / supplier to educate and explain the requirements and why the need to comply.
• Submission of the declaration on Conflict of Interest by all employees in line with the Declaration of Interest Policy and adoption of Conflict of Interest Framework.	• Continuous follow-up and assistance by Heads of Department and GMC members to ensure completeness of this exercise.

OUR PERFORMANCE

Received the BEIM Five Petals Gold Ethics Award for the third consecutive term (each term is two years).

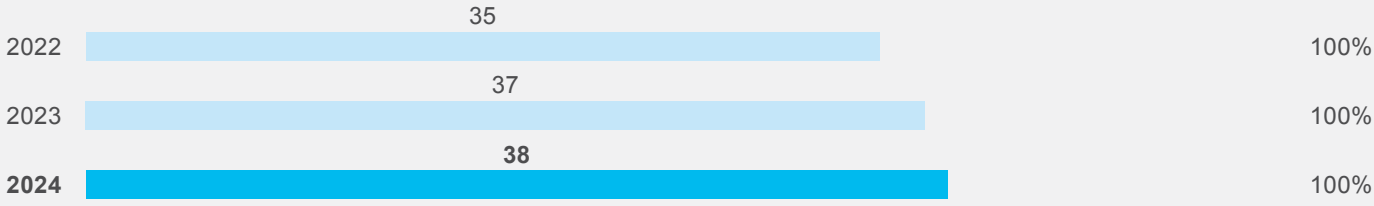
95%
completion of the OIACP for 2024, pending finalisation of Corruption Risk Management for a few functions.

Completed ABMS Surveillance Audit by SIRIM with zero non-conformance and only two Opportunities for Improvement.

No confirmed corruption cases recorded involving internal employees or external parties.

Governance

Number and percentage of operations assessed for risks related to corruption.



Total number and percentage of governance body members that our anti-corruption policies and procedures have been communicated to, broken down by region.

Country				
Total no. of governance body members who have been communicated to	22	4	3	3
Percentage of governance body members communicated to	100%	100%	100%	100%

Number and percentage of governance body members who have received training on anti-corruption, broken down by region.

Country				
Total no. of governance body members who received training	4	2	0	0
Percentage of governance body members who received training	18.2%	50%	0	0

Number and percentage of employees that our anti-corruption policies and procedures have been communicated to, broken down by category and region.

Employee Category	Management	Executive	Non-Executive/ Technical Staff	General Worker
Total no. of employees whom our anti-corruption policies have been communicated to	281	168	292	432
Percentage of employees whom our anti-corruption policies have been communicated to	75%	66%	77%	39%

Total number and percentage of employees who have received training on anti-corruption, broken down by category and region.

YEAR	Total no. of employees who have received training			
	Management	Executive	Non-Executive / Technical Staff	General Worker
2023	201	131	246	163
%	63%	73%	71%	23%
2024	**281**	**168**	**292**	**432**
%	**75%**	**66%**	**77%**	**39%**

Total number and nature of confirmed incidents of corruption and action taken.

YEAR	Nature of confirmed incidents	Total number of confirmed incidents		Action taken
		Confirmed during current year, related to previous years	Confirmed during the current year, and related to this year	
2022	0	0	0	Not applicable
2023	0	0	0	Not applicable
2024	**0**	**0**	**0**	**Not applicable**



Zero
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption



Zero
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption



Zero
Public legal cases regarding corruption brought against Duopharma Biotech or our employees during the reporting period



Zero
The cost of fines, penalties or settlements in relation to corruption



Zero
The total amount of political contributions made in current year



Three
Number of whistleblowing reports received in 2024

OUTLOOK

We seek to maintain or further improve our performance and achievements in 2025. Among other initiatives, we will engage more extensively with stakeholders in areas where the potential of corruption risk is high.

8 Data Privacy and Security

WHY IT'S IMPORTANT

For Duopharma Biotech, managing data privacy and security is not just a legal or regulatory requirement; it's a critical business strategy. By implementing robust data protection policies and practices, we safeguard sensitive business data, employee data and business information, protect intellectual property, ensure business continuity, enhance stakeholder trust, and maintain our reputation as a responsible and secure organisation. This is especially critical given the growing sophistication of cyber threats and increasing importance of data protection in the pharmaceutical industry.

OUR APPROACH

We have a comprehensive set of policies, procedures and strategies that are aligned with industry standards, regulatory requirements, and best practices. These measures aim to safeguard sensitive data, mitigate security risks, ensure regulatory compliance, and protect Duopharma Biotech from potential data breaches and cyber threats. Our data privacy and security initiatives apply across the Group.

1 Policies and Controls

- We have in place an IT General Policy that is aligned with industry standards and regulatory requirements, including the General Data Protection Regulation ("GDPR"), Personal Data Protection Act ("PDPA"), MCCG and Cybersecurity Act 2024.

Data Privacy Policy
Ensures compliance with all relevant personal data protection laws, regulations and industry standards

Data Security Policy
Ensures the confidentiality, integrity and availability of data through effective security measures

- Via Access Management, we enforce strict access controls, including role-based access and multi-factor authentication ("MFA"), to ensure only authorised personnel can access sensitive data.
- We also ensure compliance with the following regulations related to data privacy and security:

ISO Standards
Adoption of ISO/IEC 27001 for Information Security Management Systems ("SMS") to formalise our data security approach

Information Technology Infrastructure Library ("ITIL") Framework
Utilise the framework for best practices in IT service management, focusing on incident management and service continuity

Regulatory Compliance Audits
Regular audits to ensure compliance with industry regulations such as the MCCG, Malaysia Cybersecurity Act 2024, NPRA and GMP

- In FY2024, we updated our privacy policies and procedures to reflect changes in data protection laws, and worked with legal and compliance teams to ensure continuous monitoring and adherence to evolving regulatory requirements.

2 Enhancing Cybersecurity

- We established a Cybersecurity Strategy to strengthen Duopharma Biotech's cybersecurity posture and resilience against cyber threats. The strategy includes:

Risk Assessment and Management
To identify and mitigate vulnerabilities in IT infrastructure. We continuously monitor our network traffic and systems for potential cyber threats, and use intrusion detection systems ("IDS") as well as security information and event management ("SIEM") tools to detect and prevent attacks.

Penetration Testing
To identify gaps in the Group's defenses and address vulnerabilities annually.

Security Audits
To evaluate the effectiveness of security controls and ensure compliance with regulations.

Incident Response Plan
To handle data breaches or security incidents, including reporting, containment and corrective actions.

Data Leak Prevention
To monitor and control sensitive data movement via data loss prevention tools.

- In 2024, the following cybersecurity initiatives were implemented:

- Protection against data leakage via email, to prevent any private and confidential documents being leaked out from the company
- Upgraded end user device operation system to the latest version
- Upgraded Citrix remote tools security patches and firmware

- We also completed the internal cybersecurity audit for the year, with no significant issues or vulnerabilities identified, reflecting the effectiveness of our cybersecurity measures, internal controls, and proactive risk management strategies.



3 Data Governance and Privacy Management

- Data Governance Best Practices were established to ensure structured, secure and accountable management of data.

Data Ownership and Accountability
Clearly defined data ownership roles and responsibilities.

Data Classification
A formalised data classification scheme that drives access controls, storage protocols, and encryption levels.

Third-Party Vendor Risk Management
Policies and due diligence to assess and manage risks related to third-party vendors, including data protection agreements and vendor security assessments

Business Continuity and Disaster Recovery
A robust business continuity and disaster recovery plan to ensure data recovery in case of a disaster or security incident.

- The Disaster Recovery exercise conducted in October 2024 indicated the ability to meet our Recovery Time Objective and Recovery Point Objective of 12 hours. In the event of a disaster, our systems and data can be recovered within the specified timeframes, minimising business disruption. The successful completion of this exercise underscores our commitment to robust disaster recovery planning and the resilience of our IT infrastructure.

4 Awareness and Training

- The objective is to promote a culture of data privacy and security across the organisation, and to mitigate risks posed by human error while educating employees on safe data handling practices.



Cybersecurity Awareness Training
To recognise and respond to security threats such as phishing and malware.



Compliance Training
On relevant data protection regulations (e.g., Personal Data Protection Act (“PDPA”), General Data Protection Regulation (“GDPR”), ISO, MCCG) and our own data privacy policies.



Data Handling Procedures
To process, store and share sensitive information securely.



Incident Response Training
To respond quickly and effectively in the event of data breach or a security incident, including who to notify and what steps to take to minimise damage.

OUR CHALLENGES AND RESPONSE

Challenges	How We Responded
• Insufficient manpower resources	• Prioritise the jobs and service request
• Lack of cybersecurity tool for forensics and investigation	• Outsource to external vendor or get service support from vendor
• Need to enhance or upgrade cybersecurity devices or systems to manage continuously evolving threats	• Prioritise high-risk cybersecurity threats and work with external vendor for support
• Lack of cybersecurity skills and knowledge	• Attend cybersecurity courses and free workshops
• Budget constraints for cybersecurity	• Prioritise high-risk and critical cybersecurity risks

OUR PERFORMANCE

Number of substantiated complaints received concerning breaches of customer privacy

YEAR	No. of substantiated complaints on customer privacy	
	Complaints from outside parties substantiated by Duopharma Biotech	Complaints from regulatory bodies
2021	None	None
2022	None	None
2023	None	None
2024	**None**	**None**

Number of identified leaks, thefts or loss of customer data

YEAR	Complaints from outside parties substantiated by Duopharma Biotech
2021	None
2022	None
2023	None
2024	**None**

Completed the Disaster Recovery exercise through which the Recovery Time Objective and Recovery Point Objective were validated and effectively met

Completed internal IT audit for cybersecurity with no significant issues or vulnerabilities identified

Governance



OUTLOOK

As Duopharma Biotech continues to grow and innovate in the pharmaceutical sector, we remain vigilant in fortifying our defences while ensuring compliance with the most stringent data privacy laws. Actions include:

- Best practices aligned with ITIL and ISO standards, ensuring data is properly managed and protected across its lifecycle.
- Advancing privacy and security with AI and Machine Learning.
- Implementing a Zero Trust security model that assumes every access request, internal or external, is potentially malicious and requires validation before granting access to sensitive data or systems.
- Improving the security and compliance posture of cloud platforms as Duopharma Biotech continues its digital transformation, while aligning with regulatory standards.
- Strengthening our incident response and data breach management.

Performance Data Table

From Bursa ESG Reporting Platform

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	-	63.00	75.00
Executive	Percentage	-	73.00 *	66.00
Non-executive/Technical Staff	Percentage	-	71.00 *	77.00
General Workers	Percentage	-	23.00 *	39.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	177,000.00	1,919,417.00 *	2,974,127.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	12	32	100
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	7.00	9.00 *	6.00
Management Between 30-50	Percentage	73.00	73.00 *	73.00
Management Above 50	Percentage	20.00	19.00 *	21.00
Executive Under 30	Percentage	40.00	40.00 *	37.00
Executive Between 30-50	Percentage	49.00	50.00 *	53.00
Executive Above 50	Percentage	11.00	10.00 *	10.00
Non-executive/Technical Staff Under 30	Percentage	40.00	34.00 *	33.00
Non-executive/Technical Staff Between 30-50	Percentage	49.00	55.00 *	54.00
Non-executive/Technical Staff Above 50	Percentage	11.00	12.00 *	13.00
General Workers Under 30	Percentage	46.00	48.00 *	47.00
General Workers Between 30-50	Percentage	45.00	44.00 *	44.00
General Workers Above 50	Percentage	9.00	8.00 *	9.00
Gender Group by Employee Category				
Management Male	Percentage	47.00	40.00	40.00
Management Female	Percentage	53.00	60.00	60.00
Executive Male	Percentage	36.00	41.00 *	40.00
Executive Female	Percentage	64.00	59.00 *	60.00
Non-executive/Technical Staff Male	Percentage	47.00	46.00 *	49.00
Non-executive/Technical Staff Female	Percentage	53.00	54.00 *	51.00
General Workers Male	Percentage	64.00	72.00 *	68.00
General Workers Female	Percentage	37.00	28.00 *	32.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	60.00	50.00 *	64.00
Female	Percentage	40.00	50.00 *	36.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	0.00	9.00 *	9.00
Above 50	Percentage	100.00	91.00 *	91.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	0.00	0.00	0.00

Internal assurance | External assurance | No assurance | (*)Restated

Performance Data Table

From Bursa ESG Reporting Platform

Indicator	Measurement Unit	2022	2023	2024
Total energy consumption	Gigajoules	197,848.00	200,625.00 *	210,862.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	9.00	5.00	1.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,810	1,182	1,196
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	13,123	15,759	14,011
Executive	Hours	9,602	5,146	5,963
Non-executive/Technical Staff	Hours	5,865	7,206	6,035
General Workers	Hours	6,854	6,339	5,969
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	12.00	20.00	17.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	44	34 *	38
Executive	Number	36	24 *	34
Non-executive/Technical Staff	Number	53	50 *	64
General Workers	Number	54	32 *	39
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	58.00	49.00 *	39.00
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	136.000000	138.000000 *	77.000000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	1,721.00	1,545.00 *	1,519.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	221.00	249.00 *	244.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	1,500.00	1,296.00 *	1,275.00
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	1,191.00	1,362.00 *	1,646.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	38,866.00	38,946.00 *	38,440.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	4,086.00 *	4,972.00
Category 5: Waste generated in operations	tCO2-e	-	673.00 *	664.00
Category 6: Business travel	tCO2-e	-	1,157.00 *	978.00
Category 7: Employee commuting	tCO2-e	-	2,256.00 *	3,330.00

Internal assurance | External assurance | No assurance | (*)Restated

Performance Data Table

From Bursa ESG Reporting Platform

Note:

1. *The performance data table is generated from the Bursa ESG Reporting Platform, as submitted to Bursa Malaysia via Bursa Link. No changes were made to the PDF report generated from the system.*

2. *During data entry we have identified discrepancies in terms of unit of assignment for the 'Total energy consumption data' - (Bursa C4(a)) in the template. Therefore, we have reported zero for the indicator to ensure the accuracy of our reported data with the unit of measurement used. Additionally, we have reported 'Total energy consumption' data in terms of Gigajoules instead.*

3. *To ensure the accuracy and integrity of reported data, independent assurance (limited assurance) has been obtained from Carbon Check (I) Pvt. Ltd., verifying that our disclosures have been prepared with reference to the selected topic-specific GRI indicators and Bursa Malaysia's Common Sustainability Indicators. The limited assurance was conducted using the International Standard on Assurance Engagements 3000 ("ISAE3000").*

4. *Our performance data has also been internally reviewed and audited by the Duopharma Biotech Berhad Group Internal Audit Department, which has verified that the initiatives and data disclosed as accurate and admissible.*

5. *Details of our Assurance Statement for both independent assurance and internal assurance are available in our Sustainability Report 2024 (page 140 and 151 respectively).*

Assurance Statement

In strengthening the credibility of our reporting, selected data and information of this Sustainability Report have been subjected to the following:

a) an internal review by the company's internal auditors i.e. Group Internal Audit ("GIA") Department; and
b) independent assurance

The scope and indicators covered, and conclusion are summarised below:

TYPE OF ASSURANCE	MATERIAL MATTERS	INDICATORS	SCOPE	CONCLUSION
Independent Assurance	5 Climate Risk	• Scope 1 emissions in tonnes of CO_2-e • Scope 2 emissions in tonnes of CO_2-e • Scope 3 emissions in tonnes of CO_2-e (for 3 categories: Category 5 (Waste Generated in Operations); Category 6 (Business Travel); and Category 7 (Employee Commuting) • Total energy consumption • Total volume of water used	Operations assessed: 1. Malaysia 2. Singapore 3. Indonesia 4. Philippines	Please refer to pages 142 to 149 for the Independent Limited Assurance Statement provided by Carbon Check (India) Private Limited
	4 Waste & Material Management	• Total waste generated • Total waste diverted from disposal • Total waste directed to disposal		
	3 Health & Safety	• Number of work-related fatalities • Lost time incident rate • Number of employees trained on health and safety • Non-compliance with environmental laws and regulations		

Assurance Statement

TYPE OF ASSURANCE	MATERIAL MATTERS	INDICATORS	SCOPE	CONCLUSION
Internal Auditor's Limited Assurance	9 Supply Chain Management	• Proportion of spending on local suppliers	Operations assessed: 1. Malaysia 2. Singapore 3. Indonesia 4. Philippines	Please refer to pages 150 to 151 for the Internal Assurance Statement by GIA Department
	15 Diversity & Inclusion	• Percentage of employees by gender and age group for each employee category • Percentage of directors by gender and age group		
	16 Community Outreach	• Total amount invested in the community where the target beneficiaries are external to the listed issuer • Total number of beneficiaries of the investment in communities		
	10 Labour Practices & Standards	• Total hours of training by employee category • Percentage of employees that are contractors or temporary staff • Total number of employee turnover by employee category • Number of substantiated complaints concerning human rights violations		
	8 Data Privacy & Security	• Number of substantiated complaints concerning breaches of customer privacy and loss of customer data		
	2 Anti-Corruption	• Percentage of employees who have received training on anti-corruption by employee category • Percentage of operations assessed for corruption-related risks • Confirmed incidents of corruption and action taken		

Assurance Statement

Independent Assurance

INDEPENDENT PRACTITIONER'S ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION OF DUOPHARMA BIOTECH BERHAD

To the Board of Directors of DUOPHARMA BIOTECH BERHAD

We have undertaken to perform limited assurance engagement, for Duopharma Biotech Berhad (the "Company") vide our engagement letter dated 03rd March 2025, in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") in reference with the Criteria stated in paragraph 3 below. This report adheres to the 'in reference with' methodology of the Global Reporting Initiative (GRI) Sustainability Reporting Standards 2021 for the year ended December 31, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners, environmental engineers, and specialists.

Identified Sustainability Information

Our scope of limited assurance consists of the Identified Sustainability Information listed in the Appendix I to our report. The reporting boundary of the Reports is disclosed in the 'Basis the report' section in the Duopharma Biotech Berhad Sustainability Report 2024 – "Providing Smarter Solutions for a Healthier Life."

Our assurance engagement was with respect to the year ended December 31, 2024, information and we have not performed any procedures with respect to earlier periods included in the reports, and, therefore, do not express any conclusion thereon.

Criteria

The Criteria used by the Company to prepare the Identified Sustainability Information is listed below:

- √ Criteria 1: **In reference with GRI Sustainability Reporting Standards,** issued by the Global Reporting Initiative (GRI) referred to as GRI Standards (the "GRI Standards").
- √ Criteria 3**: ISAE 3000 (Revised)** for determination of materiality, responsiveness and inclusivity and reliability of the specified information with regards to the identified sustainability indicators.

Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information including the reporting boundary of the Reports, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability.

Information in accordance with the Criteria. This responsibility includes design, implementation, and maintenance of internal controls relevant to the preparation of the Reports and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

Non-financial information, such as sustainability performance indicators, is inherently limited due to the nature of the subject matter and the methods used for determining, calculating, or estimating such data. These limitations include the subjective nature of certain qualitative information, the possibility of human error in data collection and reporting, reliance on assumptions, estimates, or projections for certain indicators, and the inclusion of data from third-party sources or processes not under the direct control of Duopharma Biotech Berhad, which may be unaudited. Additionally, greenhouse gas accounting involves uncertainties arising from the scientific methods used to determine emission factors and the variability in values for combining different gas emissions. Consequently, our assurance report should be interpreted with these limitations in mind.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for VVB (Validation & Verification body), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The management and staff of Carbon Check (India) Private Limited are committed to excellence in the provision of impartial and competent assurance services covering the relevant requirements. Our overall commitment to the success of the business and its service rests on two main pillars, being impartiality and competence, whilst also supported by openness, responsiveness, and clearly defined responsibilities. The firm follows established quality control standards and maintains a comprehensive system to ensure compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. This includes documented policies and procedures for maintaining high-quality assurance and related services.

Our Responsibility

Our responsibility is to provide a conclusion, with limited assurance, on the Identified Sustainability Information outlined in Appendix I. This conclusion is based on the procedures we performed and the evidence we obtained.

Our engagement followed the principles of the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements on Sustainability Information."

This standard guides us to plan and carry out our engagement to assess the risks of material misstatement of the Identified Sustainability Information whether due to fraud

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or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected Identified Sustainability Information.

In line with the requirements of a limited assurance engagement under this standard, we applied professional judgment and maintained professional skepticism throughout the engagement.

Level of Assurance

The engagement was performed to provide limited assurance for the indicators mentioned in Appendix I and II of this report. It involves performing procedures to obtain sufficient and appropriate evidence to determine whether the subject matter is plausibly stated and free from material misstatement. While limited assurance provides a lower level of confidence compared to reasonable assurance, it still follows a rigorous review process in accordance with ISAE 3000 (Revised)

Summary of Work Performed

The procedures we performed, based on our professional judgment, included inquiries, observations of processes, onsite inspections, review of documents, assessment of quantification methods and reporting policies, analytical procedures, and reconciliation with underlying records. Additionally, we evaluated the appropriateness of the applicable criteria for the subject matter, interviewed key personnel responsible for preparing the sustainability performance indicators, assessed the design and implementation of controls related to data collation and reporting, inspected relevant documents and evidence to verify the reported sustainability performance indicators, performed analytical procedures and substantive testing on a sample basis, and conducted site visits at two manufacturing unit level.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- √ Obtained an understanding of the Identified Sustainability Information and related disclosures;
- √ Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- √ Inquiries of sustainability team, SHE team, and others those with the responsibility for preparation of the Reports;
- √ Obtained an understanding of the key systems and processes for recording, processing, and reporting the Identified Sustainability Information at various sites on a sample basis.
- √ Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures;

- √ Reviewed the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records; and
- √ Reviewed the consolidation for various sites and corporate office under the reporting boundary for ensuring the completeness of data being reported.

During the assurance process a few of the findings were raised and the same are successfully addressed by the client. Hence, the same is accepted. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Exclusions

Our assurance scope excludes the following and therefore we do not express a conclusion on:

- √ Aspects of the Reports and the data/information (qualitative or quantitative) other than the Identified Sustainability Information; and
- √ The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information listed in Appendix I and presented in the Reports for the year ended December 31, 2024 are prepared, in all material respects, in reference with the Criteria as stated in paragraph 3 above.

Other matter

The maintenance and integrity of Duopharma Biotech Berhad's website is the responsibility of Duopharma Biotech Berhad's management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may have occurred since the initial date of its presentation on Duopharma Biotech Berhad's website.

Restriction on use

Our Sustainability Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the Company. Our Sustainability Assurance report should not be used for any other purpose or by any person other than the addressees of

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our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

Place: New Delhi
Date: 07/04/2025

Authorized Signatory
Name: Amit Anand
Designation: Chief Executive Officer

APPENDIX I

Identified Sustainability Information/indicators subject to Limited Assurance

Sr. No	Standard	Disclosure
1	GRI 302	Energy 2016
	Bursa C4	Energy Management
2	GRI 303	Water and Effluents 2018
	Bursa C9	Water
3	GRI 305	Emissions 2016
	Bursa C11	Emission Management
4	GRI 306	Waste 2020
	Bursa C10	Waste Management
5	GRI 403	Occupational Health and Safety 2018
	Bursa C5	Health and Safety

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Carbon CHECK

APPENDIX II

Key Performance Indicators as per GRI subject to Limited Assurance

Indictors Category	GRI Standard	Corresponding metrics
Environmental	GRI 302-1	Energy consumption within the organisation
	GRI 302-2	Energy consumption outside of the organisation
	GRI 302-4	Reduction of energy consumption
	GRI 303-1	Interactions with water as a shared resources
	GRI 303-2	Management of water discharge-related impacts
	GRI 303-3	Water withdrawal
	GRI 303-4	Water discharge
	GRI 303-5	Water consumption
	GRI 305-1	Direct (Scope 1) GHG emissions
	GRI 305-2	Energy indirect (Scope 2) GHG emissions
	GRI 305-3	Other indirect (Scope 3) GHG emissions
	GRI 305-5	Reduction of GHG emissions
	GRI 306-1	Waste generation and significant waste-related impacts
	GRI 306-2	Management of significant waste-related impacts
	GRI 306-3	Waste generated
	GRI 306-4	Waste diverted from disposal
	GRI 306-5	Waste directed to disposal
Social	GRI 403-1	Occupational health and safety management system
	GRI 403-2	Hazard identification, risk assessment, and incident investigation
	GRI 403-3	Occupational health services
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety
	GRI 403-5	Worker training on occupational health and safety
	GRI 403-6	Promotion of worker health
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationship
	GRI 403-8	Workers covered by an occupational health and safety management system
	GRI 403-9	Work-related injuries
	GRI 403-10	Work-related ill health

Key Performance Indicators as per Bursa subject to Limited Assurance

Indictors Category	Bursa Standard	Corresponding metrics
Environmental	C4(a)	Total energy consumption
	C9(a)	Total volume of water used
	C10(a)	Total waste generated, and a breakdown of the following: i. total waste diverted from disposal ii. total waste directed to disposal
	C11(a)	Scope 1 emissions in tonnes of CO2e
	C11(b)	Scope 2 emissions in tonnes of CO2e
	C11(c)	Scope 3 emissions in tonnes of CO2e (for 3 categories of Category 5: Waste generation; Category 6: Business travel; and Category 7: Employee commuting)
Social	C5(a)	Number of work-related fatalities
	C5(b)	Lost time incident rate
	C5(c)	Number of employees trained on health and safety standards

Assurance Statement

Internal Auditor's Limited Assurance

MEMORANDUM

REFERENCE NO.	:	AUD/DBB/0004/04/25
DATE	:	7 April 2025
TO	:	**En Leonard Ariff Abdul Shatar** Group Managing Director **En Wan Amir-Jeffery Wan Abdul Majid** Chief Executive Officer – Group Operations **Mr Krisnakumara-Reddi Kesava-Reddi** Chief Manufacturing & Sustainability Officer
FROM	:	**Rama Sockalingam Nagappan**
DEPARTMENT	:	Group Internal Audit
COMPANY	:	Duopharma Biotech Berhad
SUBJECT	:	Internal Auditor's Limited Assurance Report on Duopharma Biotech's Sustainability Report 2024

Introduction

We have been engaged by the Management of Duopharma Biotech Berhad ("Duopharma Biotech") to undertake a limited assurance engagement of Duopharma Biotech's Sustainability Report for the year 2024.

Assurance Undertaken

In strengthening the credibility of the Sustainability Report, selected aspects/parts of Duopharma Biotech's Sustainability Report for the year 2024 have been subjected to an internal review by the Internal Auditors in accordance with the 2025 approved Group Internal Audit Plan.

Subject Matter / Scope

The subject matters covered by the internal review are limited to the following indicators at all operations sites/regional offices (*Malaysia, Singapore, Indonesia and the Philippines*) established by Duopharma Biotech.

Material Matters	Indicators
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category.
	Percentage of operations assessed for corruption-related risks.
	Confirmed incidents of corruption and action taken.
Community / Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer.
	Total number of beneficiaries of the investment in communities.
Diversity	Percentage of employees by gender and age group, for each employee category.
	Percentage of directors by gender and age group
Labour Practices and Standards	Total hours of training by employee category.
	Percentage of employees that are contractors or temporary staff.
	Total number of employee turnover by employee category.
	Number of substantiated complaints concerning human rights violations.

MEMORANDUM

REFERENCE NO.	:	AUD/DBB/0004/04/25
DATE	:	7 April 2025
TO	:	**En Leonard Ariff Abdul Shatar** Group Managing Director **En Wan Amir-Jeffery Wan Abdul Majid** Chief Executive Officer – Group Operations **Mr Krisnakumara-Reddi Kesava-Reddi** Chief Manufacturing & Sustainability Officer
FROM	:	**Rama Sockalingam Nagappan**
DEPARTMENT	:	Group Internal Audit
COMPANY	:	Duopharma Biotech Berhad
SUBJECT	:	Internal Auditor's Limited Assurance Report on Duopharma Biotech's Sustainability Report 2024

Material Matters	Indicators
Supply Chain Management	Proportion of spending on local suppliers.
Data Privacy & Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.

Internal Audit Conclusion

Based on the limited assurance procedures we have performed, supported by the evidence and attestation we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Report 2024 is not prepared, in all material respects, in accordance with the criteria defined above aligned to the Bursa Malaysia's Main Market Listing Requirements with guidance from Bursa Malaysia's Sustainability Reporting Guide.

Kind regards,



RAMA SOCKALINGAM NAGAPPAN
General Manager, Group Internal Audit

Copy to:
Mr Ananda Rajah – General Manager, Engineering, Project & Sustainability
Pn Nur Adini Mohd Khairul Annuar – Manager, Sustainability

GRI Content Index

Duopharma Biotech Berhad has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI standards

GRI Standard Disclosure Reference	Description	Section of Report	Page Reference
GRI 2: GENERAL DISCLOSURE 2021			
2-1	Organizational details	Sustainability Report 2024 • About Duopharma Biotech Berhad	Pages 4-5
2-2	Entities included in the organization's sustainability reporting	Sustainability Report 2024 • About Duopharma Biotech Berhad	Pages 4-5
2-3	Reporting period, frequency and contact point	Sustainability Report 2024 • Basis of This Report	Page 2
2-4	Restatements of information	Sustainability Report 2024 • Basis of This Report	Page 2
2-5	External assurance	Sustainability Report 2024 • Basis of This Report	Page 3
2-6	Activities, value chain and other business relationships	Sustainability Report 2024 • About Duopharma Biotech Berhad	Pages 4-5
2-7	Employees	Sustainability Report 2024 • About Duopharma Biotech Berhad • Employee Recruitment	Pages 4-5 Pages 109-111
2-8	Workers who are not employees	Sustainability Report 2024 • Employee Recruitment	Page 111
2-9	Governance structure and composition	Sustainability Report 2024 • Sustainability Governance	Page 19
2-10	Nomination and selection of the highest governance body	Sustainability Report 2024 • Sustainability Governance	Page 19
2-11	Chair of the highest governance body	Sustainability Report 2024 • Sustainability Governance	Page 19
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report 2024 • Sustainability Governance	Page 19
2-13	Delegation of responsibility for managing impacts	Sustainability Report 2024 • Sustainability Governance	Page 19
2-14	Role of the highest governance body in sustainability reporting	Sustainability Report 2024 • Sustainability Governance	Page 19
2-15	Conflicts of interest	Sustainability Report 2024 • Grievance Mechanism • Internal Control • Governance Oversight	Page 108 Page 127
2-16	Communication of critical concerns	Sustainability Report 2024 • Grievance Mechanism • Internal Control • Governance Oversight	Page 108 Page 127
2-17	Collective knowledge of the highest governance body	Sustainability Report 2024 • Sustainability Governance	Page 20
2-18	Evaluation of the performance of the highest governance body	Integrated Annual Report 2024 • Annual Board Evaluation	Pages 110-111

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GRI Standard Disclosure Reference	Description	Section of Report	Page Reference
GRI 2: GENERAL DISCLOSURE 2021			
2-19	Remuneration policies	Integrated Annual Report 2024 • Remuneration	Pages 116-117
2-20	Process to determine remuneration	Integrated Annual Report 2024 • Remuneration	Pages 116-117
2-21	Annual total compensation ratio	Integrated Annual Report 2024 • Key management personnel compensation	Page 198
2-22	Statement on sustainable development strategy	Sustainability Report 2024 • About Duopharma Biotech • Sustainability Strategy • Contribution to Sustainable Development Goals	Page 5 Pages 38-41 Pages 44-45
2-23	Policy commitments	Sustainability Report 2024 • Human Rights • Corporate Risk Assessment	Page 105 Page 128
2-24	Embedding policy commitments	Sustainability Report 2024 • Human Rights • Corporate Risk Assessment	Page 105 Page 128
2-25	Processes to remediate negative impacts	Sustainability Report 2024 • Grievance Mechanism • Internal Control	Page 106 Page 127
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report 2024 • Grievance Mechanism • Internal Control	Page 106 Page 127
2-27	Compliance with laws and regulations	Sustainability Report 2024 • Climate Risk: Our Performance • Waste Management: Our Performance • Product Quality, Safety and Responsibility: Our Performance • Labour Practices and Standards: Our Performance	Page 62 Page 64 Page 93 Page 108
2-28	Membership associations	Sustainability Report 2024 • Memberships & Associations	Page 25
2-29	Approach to stakeholder engagement	Sustainability Report 2024 • Stakeholder Management	Pages 21-26
2-30	Collective bargaining agreements	Sustainability Report 2024 • Freedom of Association and Collective Bargaining	Page 106
MATERIAL TOPICS			
3-1	Process to determine material topics	Sustainability Report 2024 • Material Matters, Risks and Opportunities	Page 27
3-2	List of material topics	Sustainability Report 2024 • Material Matters, Risks and Opportunities	Page 27

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GRI Standard Disclosure Reference	Description	Section of Report	Page Reference
KEY FOCUS AREAS: CLIMATE PERFORMANCE			
Material Matter: Climate Risk			
GRI 3: Material Topics 2021			
3-3	Management Approach	Sustainability Report 2024 • Climate Risk: Our Approach	Pages 47-63
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	Sustainability Report 2024 • Energy Consumption	Pages 56-57
302-2	Energy consumption outside of the organization	Sustainability Report 2024 • Energy Consumption	Pages 56-57
302-4	Reduction of energy consumption	Sustainability Report 2024 • Energy Consumption	Pages 56-57
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Sustainability Report 2024 • GHG Emissions	Pages 53-55
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report 2024 • GHG Emissions	Page 56
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Report 2024 • GHG Emissions	Page 56
305-5	Reduction of GHG emissions	Sustainability Report 2024 • GHG Emissions • Carbon & Energy Reduction Initiatives	Page 54 Page 58
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Sustainability Report 2024 • Responsible Water Consumption • Managing Water Effluents	Page 60 Page 62
303-2	Management of water discharge-related impacts	Sustainability Report 2024 • Responsible Water Consumption • Managing Water Effluents	Page 60 Page 62
303-3	Water withdrawal	Sustainability Report 2024 • Our Performance: Water Withdrawal by Source	Page 61
303-4	Water discharge	Sustainability Report 2024 • Our Performance: Total Treated Effluents Discharged	Page 62
303-5	Water consumption	Sustainability Report 2024 • Our Performance: Water Consumption	Page 61
Material Matter: Waste & Material Management			
GRI 3: Material Topics 2021			
3-3	Management Approach	Sustainability Report 2024 • Waste and Material Management: Our Approach	Pages 63-67

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GRI Standard Disclosure Reference	Description	Section of Report	Page Reference
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	Sustainability Report 2024 • Biodegradable Plastics • Reduction Initiatives	Pages 66-67
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	Sustainability Report 2024 • Waste Management	Pages 63-64
306-2	Management of significant waste-related impacts	Sustainability Report 2024 • Waste Management	Pages 63-64
306-3	Waste generated	Sustainability Report 2024 • Our Performance: Weight of Waste Generated	Page 65
306-4	Waste diverted from disposal	Sustainability Report 2024 • Our Performance: Waste Disposed	Page 65
306-5	Waste directed to disposal	Sustainability Report 2024 • Our Performance: Waste Disposed	Page 65
KEY FOCUS AREAS: SUSTAINABLE SUPPLY CHAIN			
Material Matter: Supply Chain Management			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Supply Chain Management: Our Approach	Pages 69-75
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	Sustainability Report 2024 • Supply Chain Management: Our Performance	Page 71
Material Matter: Health & Safety			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Health & Safety: Our Approach	Pages 76-83
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Sustainability Report 2024 • Enhancing Safety Management System	Page 77
403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report 2024 • Hazard Identification and Elimination	Page 78
403-3	Occupational health services	Sustainability Report 2024 • Health & Safety: Our Approach	Pages 76-83
403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Report 2024 • Health & Safety: Our Approach	Pages 76-83
403-5	Worker training on occupational health and safety	Sustainability Report 2024 • Training & Awareness	Pages 79-80
403-6	Promotion of worker health	Sustainability Report 2024 • Training & Awareness	Pages 79-80

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GRI Standard Disclosure Reference	Description	Section of Report	Page Reference
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report 2024 • Health & Safety	Pages 76-83
403-8	Workers covered by an occupational health and safety management system	Sustainability Report 2024 • Health & Safety	Pages 76-83
403-9	Work-related injuries	Sustainability Report 2024 • Health & Safety: Our Performance	Pages 82-83
403-10	Work-related ill health	Sustainability Report 2024 • Health & Safety: Our Performance	Pages 82-83
KEY FOCUS AREA: ACCESS TO MEDICINE			
Material Matter: Accessibility Of Medicines			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Accessibility of Medicines	Pages 85-87
Material Matter: Affordability and Pricing			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Affordability and Pricing	Pages 87-89
Material Matter: Product Quality, Safety and Responsibility			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Product Quality, Safety and Responsibility	Pages 90-94
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	Sustainability Report 2024 • Product Quality, Safety and Responsibility: Our Performance	Page 93
GRI 417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labelling	Sustainability Report 2024 • Product Quality, Safety and Responsibility: Our Performance	Pages 93-94
Material Matter: Counterfeit Medicines & Adulteration			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Counterfeit Medicines & Adulteration	Pages 94-95
Material Matter: Research & Development			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Research & Development	Pages 95-96
Material Matter: Halal Commitment			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Halal Commitment	Pages 97-100

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GRI Standard Disclosure Reference	Description	Section of Report	Page Reference
Material Matter: Business Innovation & Model			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Business Innovation & Model	Page 101
Material Matter: Digitalisation			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Digitalisation	Pages 102-103
KEY FOCUS AREA: DIVERSITY & INCLUSION			
Material Matter: Labour Practices and Standards			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Labour Practices and Standards	Pages 105-114
GRI 401: Employment 2016			
404-1	New employee hires and employee turnover	Sustainability Report 2024 • Employee Recruitment	Pages 109-110
404-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Sustainability Report 2024 • Employee Benefits	Page 107
404-3	Parental leave	Sustainability Report 2024 • Our Performance: Employee Benefits	Pages 113-114
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	Sustainability Report 2024 • Our Performance: Employee Training and Development	Page 112
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report 2024 • Learning & Development	Pages 106-107
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report 2024 • Our Performance: Performance Review and Appraisal	Page 113
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainability Report 2024 • Freedom of Association and Collective Bargaining	Page 106
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidences of child labor	Sustainability Report 2024 • Human Rights	Page 105
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainability Report 2024 • Human Rights	Page 105

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GRI Standard Disclosure Reference	Description	Section of Report	Page Reference
Material Matter: Diversity & Inclusion			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Diversity and Inclusion	Pages 115-120
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Sustainability Report 2024 • Employee Recruitment	Pages 109-111
405-2	Ratio of basic salary and remuneration of women to men		
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Sustainability Report 2024 • Diversity and Inclusion: Our Performance	Page 108
Material Matter: Community Outreach			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Diversity and Inclusion: Our Performance	Page 108
KEY FOCUS AREAS: GOVERNANCE			
Material Matter: Anti-Corruption			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Anti-Corruption	Pages 127-131
GRI 205: Anti-Corruption 2016			
205-1	Operations assessed for risks related to corruption	Sustainability Report 2024 • Our Performance	Page 130
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Report 2024 • Awareness and Training	Pages 127-131
205-3	Confirmed incidents of corruption and actions taken	Sustainability Report 2024 • Our Performance	Page 131
Material Matter: Data Privacy & Security			
GRI 3: Material Topics 2021			
3-3	Management approach	Sustainability Report 2024 • Data Privacy and Security	Page 132
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and loss of customer data	Sustainability Report 2024 • Our Performance	Page 135

List of Abbreviations

Abbreviation	Meaning/ Definition
ABAC	Anti-Bribery and Anti-Corruption
ABMS	Anti-Bribery Management System
ACMV	Airconditioning and mechanical ventilation
ADR	Adverse reaction
AHU	Air handling unit
AI	Artificial intelligence
API	Active Pharmaceutical Ingredient
APPL	Approved Products Purchase List
BCM	Business Continuity Management
BCP	Business Continuity Plan
BD	Business Development
BE	Bioequivalence
BI	Business intelligence
BIA	Business impact analysis
BOD	Biochemical oxygen demand
CA	Collective Agreement
CAPA	Corrective and preventive action
CAPEX	Capital expenditure
CDA	Compressed dry air
CE	Circular economy
CHP	Cooling, heat and power
CI	Continuous Improvement
CM	Consequence management
CME	Continuous Medical Education
CMSO	Chief Manufacturing and Sustainability Officer
COC	Cycle of concentration
COD	Chemical oxygen demand
COGs	Cost of goods
COI	Conflict of interest
COS	Change of manufacturing site
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
CRO	Contract Research Organisation
CSI	Customer Satisfaction Index
CSR	Corporate social responsibility
CTOS	Credit Tip-Off Service
DD	Due diligence
DEFRA	Department for the Environment, Food and Rural Affairs (UK)
DLT	Delivery lead time
DOE	Department of Environment
DOSH	Department of Safety and Health
EEI	Employee Engagement Index
EEP	Energy Efficiency Plan
EMA	European Medicines Agency

Abbreviation	Meaning/ Definition
eNRR	Electronic National Renal Registry Application
ERMF	Emergency Risk Management Framework
ERT	Emergency Response Team
ESG	Environmental, Social and Governance
F&F	Fill and finish
FGD	Focus group discussion
FIFO	First-in, first-out
FMA	Factories and Machinery Act
FSC	Forest Stewardship Council
FY	Financial Year
GDP	Good Distribution Practice
GDPR	General Data Protection Regulation
GDPMD	Good Distribution Practice for Medical Devices
GHG	Greenhouse gas
GMP	Good Manufacturing Practice
GITA	Green Investment Tax Allowance
GJ	gigajoule
GMC	Group Management Committee
GMD	Group Managing Director
GRI	Global Reporting Initiative
GRMI	Group Risk Management and Integrity
GSR	Guided Self-Regulation
GVP	Good Pharmacovigilance Practices
GVPI	Good Pharmacovigilance Practice Inspection
HAPI	Highly Potent Active Ingredients plant
HAT	Halal Awareness Training
HIRARC	Hazard Identification, Risk Assessment and Risk Control
HPRA	Health Products Regulatory Authority
HR	Human Resources
HSC	Halal and Sustainability Committee
HVAC	Heating, ventilation and air-conditioning
IAR	Integrated annual report
IBD	International Business Department
IIR	Initial incident report
IIUM	International Islamic University Malaysia
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change
IR	Integrated reporting
ISPE	International Society for Pharmaceutical Engineering
JAKIM	Department of Islamic Development, Malaysia
KPI	Key performance indicator
kWh	kilowatt hour

List of Abbreviations

Abbreviation	Meaning/ Definition
kWp	kilowatt peak
LED	Light emitting diode
LSS	Lean Six Sigma
LTI	Lost time injury
LTIR	Lost time incident rate
m^3	cubic metres
MAB	Medicine Advertisements Board
MACC	Malaysian Anti-Corruption Commission
MAP	Mandatory Accreditation Programme
MCCG	Malaysian Code on Corporate Governance
MDL	MyDuopharma Learning
MMLR	Main Market Listing Requirements
MITI	Ministry of Investment, Trade and Industry
MOH	Ministry of Health
MOPI	Malaysian Organisation of Pharmaceutical Industries
MOQ	Minimum order quantity
MPP	Medicine Patent Pool
MPS	Malaysian Pharmacist Society
MRCS	Malaysian Red Crescent Society
MT	metric tonne
NCSM	National Cancer Society Malaysia
NEML	National Essential Medicines List
NETR	National Energy Transition Roadmap
NPRA	National Pharmaceutical Regulatory Agency
NSE	New Source Evaluation
NZTP	Net Zero Transition Plan
NUPCIW	National Union of Petroleum & Chemical Industry Workers Peninsular Malaysia
OE	Operational Excellence
OEM	Original equipment manufacturer
OFI	Opportunities for Improvement
OH	Occupational health
OH&S	Occupational Health and Safety
OIACP	Organisation Integrity & Anti-Corruption Plan
OSHA	Occupational Safety and Health Act
OTIF	On-time, in-full
PDPA	Personal Data Protection Act
PIC/S	Pharmaceutical Inspection Co-operation Scheme
PMS	Performance Management System
PNB	Permodalan Nasional Berhad

Abbreviation	Meaning/ Definition
PPE	Personal protective equipment
ProGrad	Graduate Training Programme
PROTÉGÉ	Professional Training and Education for Growing Entrepreneurs
PSCI	Pharmaceutical Supply Chain Initiative
PTW	Permit To Work
PV	Pharmacovigilance
QMS	Quality Management System
RHI	Recombinant human insulin
R&D	Research and development
RE	Renewable energy
REC	Renewable Energy Certificate
RM	Ringgit Malaysia
RMC	Risk Management Committee
SAP	System Applications and Products
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goal
SHE	Safety, health and environment
SIMS	Strategic Investment for Medicine Security
SME	Small and medium-sized enterprise
SOCSO	Social Security Organisation
SOP	Standard operating procedure
SR	Sustainability report
SS	Suspended solids
TCFD	Task Force on Climate-related Financial Disclosures
tCO2e	tonnes of carbon dioxide equivalent
TOR	Terms of Reference
TPM	Total Productive Maintenance
TRCF	Total recordable case frequency
UCUACT	Unsafe Condition, Unsafe Act
UN	United Nations
UNGC	United Nations Global Compact
UNGCMYB	United Nations Global Compact Malaysia & Brunei
UTM	Universiti Teknologi Malaysia
VCN	Vaccines Collaboration Network
VOC	Voice of Customer
VPE	Vendor Performance Evaluation
WAC	Worksite Area Committee
WWTP	Wastewater treatment plant
YoY	year on year



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