

Message from the CEO & Chief Coach

Creating Shared Value

Central to the Mega Way in all of the 33 countries where we operate is the concept of Creating Shared Value.

To us, that means going beyond the traditional parameters of Corporate Social Responsibility. It means embracing an entire philosophy of generating economic value while achieving social value. Simultaneously it means connecting our success to the success of the communities where we operate. It means practicing what we preach in terms of caring for Human Wellness – economic wellness, physical wellness, and social wellness.

From building talent and creating jobs in the markets where we work, to spreading the wisdom of self-care and environmental certifications, Creating Shared Value is not just at the periphery of what we do: it is at the center of it.

Good Health By Yourself

Part of Mega's unique contribution to Shared Value is our ability to empower people to take care of their own health and wellness. Self-care is at the heart of our thinking on health – reducing the burden on national healthcare systems in the countries that can least afford it.

With our resources for analysis and diagnostics and our ability to build knowledge and capacity, we are in a uniquely privileged position to inspire and enable both our team and our communities to actively pursue good health. Hence the Good Health By Yourself program.

For our employees, we focus on increasing physical activity, encouraging a healthy diet and lifestyle, improving health knowledge and encouraging appropriate preventive care. We offer comprehensive medical coverage to employees in markets where this is often unheard of, with annual check-ups and individualized advice on healthy living along with incentives for pursuing healthy ways of life.

Mega shares this with our communities by regularly conducting knowledge-building workshops and detection and diagnostic camps for health conditions often endemic to developing societies. These include:

- Anemia detection camps, to identify iron deficiency in many of the impoverished communities where we work
- Bone health detection camps, to help in early detection of osteoporosis
- Diabetes and blood pressure awareness, through educating healthcare providers and reaching the wider public through activities such as diagnostic camps
- Mother and child care in high infant mortality environments, through workshops on healthy pregnancy and child development

Green Mega

Sustainability is also a cornerstone of our approach to Creating Shared Value. In Thailand, we pursued Green Industry Certification Level 3 (Green Activity) for both our plants in SamutPrakan under the Green Industry Initiative of the Ministry of Industry. We also achieved the ISO 14001 certification in April 2015.

In all of our production and storage processes we work to effectively utilize resources, reduce pollution, and reduce greenhouse gas emissions. To this end, we have implemented a number of practical initiatives in our manufacturing facilities, such as building an underground waste water treatment plant, converting to natural gas boilers and dehumidifiers, energy-saving T5 lighting / LED lamps and non-CFC air conditioning and saving energy through variable speed drive motors.

We built Australia plant with the most rigorous environmental standards, with 400 photovoltaic solar panels generating 100 kW of renewable energy, approximately one third of total peak demand. Factory lighting consists of over 300 high-efficiency, low-energy demand LED lights.

We have installed a 410 KW plant in our Distribution Center in Yangon in 2018 to further our commitment to sustainability.

Mega We Care Wellness Foundation

Creating Shared Value is not just philanthropy. Nevertheless, it makes us proud to be able to plow a significant proportion of our profits back into the communities where we work to achieve sustainable growth benefiting all. To this end, the Mega We Care Wellness Foundation set aside two percent of our profits after tax to sustainable development initiatives leveraging not only our funding but our healthcare expertise as well.

CEO and Chief Coach

VivekDhawan

Sustainability at Mega Lifesciences

Sustainability at Mega Lifesciences means delivering a sustainably growing operation with long term existence, an Organization that lives and grows beyond each of us, to be achieved by balancing the objective of profitable growth, human development, Environmental protection as well as conservation and Social Responsibilities.

Sustainability through CSV at Mega Lifesciences is lead and guided by the CEO and Chief Coach, Mr. VivekDhawan. The Company's objective since the inception has been to create an organization that lives and grows beyond each one of us and one that changes before it is forced to change.

Creating Shared Value includes proposing strategy, processes and implementation of initiatives for a sustainable organization and it is the responsibility of the Directors, Management and employees to implement sustainability through CSV.

Corporate Strategy and Long Term objectives

The Company has a 'Change by Design' framework which builds Products, Markets, Customer Experience and People on a foundation of Operational excellence and Enabling systems by installing in place policies, Key Performance Indicators (KPIs), Long term, Medium term and Short term reward systems, procedures, processes and finance.

Mega Vision

Mega's Vision is to 'Create a Thinking Organisation which will change before it is forced to Change. An Organisation which will live and grow beyond each one of us'

Mega Objective

Mega's Objective is to create value by marketing and selling medicines and medicinal supplements in developing countries.

Long Term Goals

- Maintaining our current market share.
 - Double 2014 business in 5 years ending in year 2019
- Growth in sub-saharan Africa termed as 'Build Africa'
- Penetrating deeper in the natural herbal products business
- To consolidate position as a health care company

Succession Planning

The Company has developed a detailed succession plan for the Board of Directors including CEO and CFO. The succession planning has also been done in respect of Key executives and senior managers too. The plan has been documented and approved by the Nomination and Remuneration Committee.

Business Continuity Planning

The Company has developed Business Continuity Plans for its key operational units and is working towards achieving an integrated business continuity plan.

The corporate strategy approved by the Board of Directors is then passed on to the Management and staff as KPIs. These KPIs are then monitored periodically and rewards are disbursed based on actual achievements against the KPIs.

Stakeholder Engagement

Stakeholder engagement is a part of Mega Lifesciences' policies, processes, procedures and reporting. It is embedded in the Business Ethics and Code of Conduct. Stakeholder engagement manifests in various forms.

Stakeholders	Engagement	Expected outcomes
Shareholders, Analysts and Financial Institutions	<ul style="list-style-type: none"> • Annual General Meetings • Quarterly Financial Statements • Annual Report • Earnings Calls • Roadshows • Questions and Answers • Complaints • Factory Visits 	<p>Sustainable Return on Investment</p> <p>Long term sustainable strategy</p> <p>Good Governance</p>
Customers	<p>Regular visits</p> <p>Knowledge building programs through keynote speakers and other programs</p> <p>Training and Development</p>	<p>Good Quality Products/ Services</p> <p>Consumer education</p> <p>Consumer feedback and reporting related training.</p>
Suppliers	<p>Regular meetings</p> <p>Supplier Code</p> <p>Supplier audits</p>	<p>Fair relationships</p> <p>Long terms</p>
Employees	<p>Newsletters (Mega Views News)</p> <p>Minds we Share meets</p> <p>Annual Trips/ picnics</p> <p>Appraisal meetings</p>	<p>Good remuneration</p> <p>Decent working conditions</p> <p>Career path, security, benefits and training.</p>
Society	<p>Regular Involvement with communities</p>	<p>Long term community and social development</p>
Government	<p>Filing reports and returns</p> <p>Responding to directives,</p>	<p>Payment of taxes</p> <p>Compliance with laws</p>

	queries, etc	
Competitors	<p>Membership and Participating in Industry/ trade bodies</p> <p>Participate in industry surveys</p> <p>Marketing Code of Ethics</p>	<p>Industry news</p> <p>Representation to government and regulatory bodies.</p> <p>Fair Competition and business practices</p>

Mega We Care – Us

Corporate Governance

The Company has a Board of Directors from Diverse areas of expertise and carrying high level experience in their areas of expertise. The Board of the Company comprises of 10 Directors out of which 4 are Independent Directors. The Directors meeting details and roles and responsibilities are covered in the Annual Report under the section Corporate Governance.

The Board has constituted

- a) Audit Committee which oversees Corporate Governance, Risk Management, Legal Compliance, External Auditors and Internal Audits. The External Auditors' and Internal Auditors' scope and appointment is approved by the Audit Committee.
- b) Nomination and Remuneration Committee which oversees the Nomination of Directors including Independent Directors and also reviews the remuneration of the Management Board and other senior executives.

Risk Management

The Company has a Risk Management Policy which requires the company to prepare the Risk Registers and highlight the Risks in Operations at least once annually in the Annual Report. The Audit Committee is responsible for the oversight and approval of Risk Management practices of the Company.

Compliance

The Company has a full time and dedicated unit for Compliance and Risk Management. The Company has a Compliance policy and a Compliance Manual. The Compliance manual along with the related policies has been communicated to operations covering more than 90% of the businesses. The key policies have been translated in local languages and governance related forms have been implemented for signatures from employees.

Anti-Corruption, Anti-Bribery and Marketing Code of Ethics

The Company has implemented an Anti -Corruption Policy to ensure that the business is conducted with ethics, integrity, and transparency and as responsible corporate citizens. Mega Lifesciences or any of its employees, managers or Board Members acting on behalf of Mega shall not make, provide, offer or authorize any payments, gifts of any kind or anything of value, directly or indirectly, to any official or employee of any country, state, provincial or local government or any government controlled or owned agency or entity.

Mega Lifesciences further extends this policy to such dealings with health care professionals and private hospitals which shall be done as per limits and approval procedures as specified by Mega.

Mega Lifesciences shall not make any facilitating payments to any government agencies, employees, department, government, political parties to expedite or secure the performance of routine services like tax assessments, customs clearances, utility connections, gas, telephone, internet, etc.

Mega Lifesciences has ensured effective implementation by laying down the rules, Formats, procedures and training employees on the Business Ethics and code of conduct and also signatures from employees for adherence to the Code of Conduct. All new employees are provided a training for Business Ethics and Code of Conduct and are required to sign as agreed and understand.

The Company also has a practice of circulating and obtaining confirmation from management and employees on the 'Conflict of Interest' form which ensures fair dealings.

The Company conducts training on all aspects of the Anti-Corruption policy regularly for key employees.

Human Resources Sustainability

Mega People, values and Culture

"Creating Owners... Improving Lives"

MEGA is a people centric organization which believes in goodness of people and gives an opportunity to people to make careers, improve their own lives as they are improving lives of their customers and partners.

Every member of the Mega team is an owner of a way of life. Our daily lives are driven by a simple cause: To improve lives, to care for human wellness and to help people stay healthy as long as they live. It's a cause that unites our 4,500-plus strong team across the world, sparking ingenuity, passion and a zest for life. They have created a learning organization that believes in Thinking, Changing and Growing.

At the core of the Mega culture is Respect, Freedom, Trust and Truth:

- Respect: for each other's differences
- Freedom: in work and personal lives
- Trust: our people as adults who know what needs to be done.
- Truth: in everything we do.

Human Capital Development



EXCELLENCE ACADEMY

Mega Academy arranges a variety of training programs and workshops for the people at Mega Lifesciences.

‘MINDS WE SHARE ‘ at Mega Lifesciences, is an approach to organize hands-on meets with the purpose of exchanging knowledge and gain wisdom, a conclave where we invite world-renowned speakers to offer new perspectives, which participants then cascade to their worldwide teams. Recent world-renowned facilitators have included Dr. Park, Partner of Blue Ocean Strategy, Dr. Clotaire Rapaille, author of ‘The Culture Code’, Jason Jennings, Curt W Coffman, Dr. Eric De Smet, Fredrik Haren, Dr. Jody Hoffer Gittell, Robert Spector, Mr.Sam Waterfall and Dr. Robert Buist. These forums were the genesis of our passion for ‘Employee Evangelism & Ownership’, and ‘Creating Owners, Improving Lives’.

We engage our teams by enlisting their participation in workshops with management gurus and best-selling authors like Marshall Goldsmith, Ram Charan and Paco Underhill, marketing gurus like AlRies and Jack Trout, strengths coach Marcus Buckingham and The Lean Start up by Eric Ries.

Mega Academy has designed and implemented the Mega Master Management (MMM) program to provide tools to managers, to improve skills, knowledge and methods for enabling them to successfully lead a team towards Mega’s goals and aims at delivering enhanced employee engagement, empowerment, commitment, retention and productivity improvement.

67,380 hours of training in 2018 globally at various locations of Mega Lifesciences



Skill and knowledge development programs are designed to deliver leadership, behavioral and technical skills making Mega’s human capital ready to meet business challenges and reach organizational goals.

Executive education and leadership development at mega is a one on one approach driven by the immediate coach. Colleagues undergo various trainings in the organization as well as with external bodies and universities. Few to name are Minds We Share at Mega, SASIN Thailand, IIM-Ahmedabad India, Institute Of Directors (IOD), Thailand, Mahidol University Thailand and more. The executive education and leadership development interventions aims at developing future leaders by bring them knowledge, skills and experience to lead influentially and enhance business results.

More than 4,800 employees worldwide including 44% Males and 56% Females.

Employee remuneration and benefits

• Allowances	• Awards based on years of service
• Bonuses	• Benevolent funds
• Incentives	• Protective equipment
• Share based payments	• Overtime payments
• Provident Fund	• Support for employee and family bereavement
• Social Security	• Diet planning and healthy living
• Employee education	• Accident Insurance

Employee Rights

The Company respects Human rights and provides healthy and hygienic working conditions. Mega Lifesciences respects and observes the labour laws of the country of its operations and files the reports as required by law within due dates. The Company's Business Ethics and Code of Conduct bars discrimination on any grounds.

TRAINING ACTIVITY

Mega Thailand Corporate

Our CEO – Mr.Vivek inaugurated session on Negotiation skills for Senior Finance colleagues



We had organized Mega Academy Training(MAT) for Sales Theory of Constraint(STOC) where in our CEO – Mr.Vivek interacted with all participants, shared his pearls of wisdom on TOC and STOC and participant also saw a short movie – The GOAL.



Mega Thailand Factory

MMM-Mega Master Management program was conduct to refresh on the knowledge about Personality types in the Factory.



Customer Service Excellence was conducted for the PD and QC team for enhance their awareness about internal customer orientation and participants enjoyed the kinaesthetic activity of session.



Mega Myanmar

Team Building Workshop for HR Admin & Corporate Affairs teams. Lot of activities related to team bonding, brain storming and productive discussion were the highlight of this workshop.



Mega BioLife Malaysia

Participants brainstorming during the Change By Design(CBD) discussion to arrive at CBD roadmap.



Mega Cambodia

Communication workshop helped the participants to understand the effective way of communicating through assertive behaviour.



Mega Indonesia

Mega Indonesia team getting the activity brief during the Leading Others workshop. In this workshop participants understood the key fundamentals of Leadership and how they can apply the concepts through application in their daily work.



Mega Vietnam

Living Mega Values & MMM workshop was conducted. In this program, participants understood their personality type and how they can interact effectively with their peers and coaches considering each others MBTI type. Also their awareness about our personal values was enhanced which further was aligned with Mega values through kinaesthetic activities.



Mega Ghana

Managers from Mega Ghana, participated in the HR Training “SALES TOC” conducted by Ms.Laitan in Lagos, Nigeria. It was a 3 Day Interactive session and was very productive. A Similar Interactive session on Sales TOC was also conducted in Ghana by Ms.Laitan in Accra Ghana for Ghana Field Force.



Mega Sudan

Mega Sudan organized Personal Effectiveness & Leading Self workshop. Participants had understanding on the fundamentals of setting priority, being proactive & how to brand themselves for organisational benefit.



Good Health ByYourself (GHBY)

Mega Lifesciences wants to create good health ambassadors by promoting good health among all the employees and desires that each of the 5,500 plus employees is an evangelist for prevention of disease achieved through healthy life.

The company encourages regular health checkups and counseling for all employees. The company conducted various activities across its locations:

Mega Thailand – Corporate

Aerobics are done weekly in the lounge area of Mega corporate office in Thailand. Volunteers participate with lots of energy and enthusiasm.



Yoga sessions are organized on a regular basis during each week. Participants have now raised awareness on the benefits of Yoga on Mind, body and Soul.



Mega Thailand Factory

Mega TH Bangpoo Badminton Club is gaining more and more members as one of GHBV promote for active life. 10+ workers in night shift play together during 8.30 - 10.30 am twice a week



Healthy Food Workshops are conducted on regular intervals to promote healthy eating habits among employees.



Our colleagues participated in the BITEC Half Marathon 2018. The turn out for the event was huge and every one understood the importance of staying fit and healthy.



Mega Myanmar

Zumba session was organized in Mawlwmyaing to raise awareness about the importance of maintaining a physically active lifestyle and to highlight the benefits of our brand Ferrovit



Mega Cambodia

Swimming competition was organized which also promoted the importance of being healthy



Exciting volleyball match was organized among Mega colleagues.



Mega Vietnam

Healthy diet plays an important role in maintaining good health and preventing diseases. Understanding this, we try to replace candies and sweets in Company's meetings and events by yogurt, fruits & vegetarian food. We also raise the 'Good Food on Thursday' campaign to step by step encourage staff to change their eating habit in a better way



Mega Ethiopia

Mega Ethiopia participated in Ethiopian Medical Association annual run on 15th April 2018



Mega Tanzania

Mega colleagues doing GHBY activity near Beach. GHBY activities are done regularly fortnightly at new beach location. Employees are sensitized to have a healthy & physically active lifestyle.



Mega India

Mega India organized sports day with lot of energy, excitement and enthusiasm involving lots of different games like cricket, chess, badminton, running, etc. Women cricket was also played.



Why would you like to work for Mega Lifesciences?

The Company not only provides good career by developing, encouraging and empowering employees to attain their potential through a remuneration under a wide spectrum of salaries, incentives, allowances, variable incentives, long term rewards like Stock Options and Share Warrants but also provides a platform for relationships and engagement at a personal and family level. Workplace relationships are encouraged by organizing activities and events like water festival, merit making, charity trips, yearend parties, etc

Health and Safety.

Mega Lifesciences maintains safety records for reporting to the Ministry of Labour and also to the Management and Board of Directors of Mega Lifesciences.

The Company has a dedicated Safety team for its manufacturing locations and has safety code for its manufacturing as well as logistics facilities which mandates the employees to adhere to strict standards of safety.

‘Zero’ Cases of dismemberment have been reported in Mega Lifesciences globally.

Mega We Care – Communities and Society

Mega Wellness foundation

Mega Lifesciences encourages its offices worldwide to identify means of engagement with the society. The Company has aside approximately Twenty Five Million Baht for various activities under its ‘Creating Shared Value’ drive.

CSR / CSV Activities

Mega Thailand Corporate

Thailand ethical team had corporate with Medical school Hospitals on Thailand Father day on December 5, 2018. The event was held at Siriraj and Ramathibadee Hospitals. We had support and provide free male health check up, create awareness of prostate problem including BPH and screening test of prostate cancer. There were health check up booth, seminar for public. We had also promote our urology pipeline to doctors and patients



Mega Thailand Factory

Afforest at Bangpoo on 30Aug18 was done as part of green earth movement.



Mega Myanmar

KaHtain Donation @ Mandalay. This noble deed by our staff was very well received and appreciated.



Mega Cambodia

Mega-Cambodia has donated USD 1,975 to repair the school roof for kids



Mega-Cambodia has donated/ Kipel 4mg to Khmer Soviet Friendship Hospital & National Pediatric Hospital



Mega Vietnam

Sponsorship to Children at QueHuongCenter. Mega gives the sponsorship to 5 children at QueHuongCenter yearly to support to raise them till they reach 18 years old



Mega Ghana

We conducted many camps and supported many clinics and hospitals for their medical outreach in 2018. Patients Diabetes Malaria, Hepatitis Detection Camps and Neuropathy and Medical Outreach programs – Mega Lifesciences Ghana Limited has organized and planned many camps at clinics, hospitals & pharmacies to conduct Diabetes, Neuropathy, Hepatitis & Malaria detection



Mega Uganda

Mega Uganda celebrate 4 years of strong partnership with Orthopedic society of Uganda in the annual conference at Protea hotel Entebbe. This activity helped us to get closer to the Orthopedic doctors community group.



Mega We Care- Environment We Conserve

Green Mega

Green Industry

The Company had received Level 4 Green Industry Certification awarded by the Ministry of Industry for both the manufacturing locations in Thailand.

The Company achieved ISO 14001 in April 2015

Green project

The Company has set up energy saving team to implement project and monitor energy consumption per unit of product produced (Specific Energy Consumption).

The Company has started using LED lamps (20 Watt) to save energy and protect environment. The Company has replaced 56% of lighting to T8 lamps.

The Company continues to use chilled water for air conditioning system (non CFC) to reduce the green house gas emission.

The insulation material of ducts has been changed from fiber glass to polyethylene foam to help reduce the reinstallation and also prevent spread of small glass particles in the environment.

The Company has installed video conference facilities to reduce carbon footprint.

The Company has started a practice to send print copies of annual report only to shareholders who request by return letter and has reduced printing by 50%.

Company has installed a 420 KW roof top solar project in its Yangon Distribution Center in Myanmar. The project comprises of 1,206 Solar panels avoiding 260Kg. of CO2 per day and saving almost 50 liters of diesel per hour.

