

DIALOG

DIALOG GROUP BERHAD

198901001388 (178694-V)

SUSTAINABLE PROGRESS

ANNUAL
REPORT **2023**



SUSTAINABILITY REPORT

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DIALOG supported community food security & sustainable livelihood programme - cucumber farming in Kampung Pantos, Kuala Lipis, Pahang

LEADERSHIP STATEMENT

Dear Stakeholders,

We are pleased to present DIALOG's Sustainability Report for the financial year ended 30 June 2023.

Despite the challenges thrown up after the pandemic – geopolitical instability and a sluggish global economy, DIALOG continued to display resilience. It underscores our commitment to managing the Group in a sustainable manner.

In the changing landscape of the industry today, we believe in positively impacting our business and the communities where we operate. Following the introduction of a refreshed Environmental, Social and Governance ("ESG") framework in FY2022, we took steps in FY2023 to develop goals, targets and initiatives of key material topics.

We introduced a Sustainability Policy in August 2023, which serves to integrate sustainability with the long-term viability of our business. This will lead to value creation and, thus, positive effects on the environment, the economy and our stakeholders.

DIALOG's ESG agenda is centered upon the following 3 pillars:



Environmental Stewardship

We carefully conserve and preserve the environment by first identifying our impacts, followed by responsible management practices and mitigation measures when appropriate.



Advancing People

We strive to make positive contributions to our employees, communities and societies in which we operate.



Robust Governance and Ethical Practices

We aim to uphold the highest standards of governance, business ethics, integrity and transparency.

ENVIRONMENTAL STEWARDSHIP

DIALOG has conducted a climate change risk assessment that addresses both physical risks and transition risks in alignment with the Task Force on Climate-Related Financial Disclosures ("TCFD") framework. It ensures understanding of potential impacts on our material assets and business operations. The Group's response to the assessment's findings includes developing strategies to manage climate-related risks and harnessing its opportunities.

Internally, we established the Green Centre of Excellence ("Green COE") in March 2023, a core group that works with business units to coordinate and support the implementation of green initiatives aligned to our climate change strategy.

Likewise, we focused on the development of the Sustainable and Renewables business. On the services front, we completed the Engineering, Procurement and Construction ("EPC") work to store Sustainable Aviation Fuel ("SAF") for a major terminal operator in Singapore. In New Zealand, we are working on the installation of the Tauhara Geothermal Power Station, the world's largest geothermal steam (electrical) generator.

In March 2023, the Group launched the expansion of renewable fuel storage at DIALOG Terminals Langsat 3 ("DTL3") in Malaysia. The 24,000 m³ storage facility is dedicated to renewable fuel feedstock and biodiesel products.

DIALOG's renewed support in the seagrass conservation and monitoring programme for the second year in Tanjung Kopok, Johor

LEADERSHIP STATEMENT



Lanjan Lynx, the female rugby team from SK Bukit Lanjan (a DIALOG-supported school since 2014), competing at the Under 13 Girls Touch Rugby Championship 2023

ADVANCING PEOPLE

People are integral to the sustainability of business. We protect and positively impact the people in our network by:

- Maintaining the highest standards of occupational safety and health.
- Adopting progressive human capital management strategies.
- Investing in community engagement activities.
- Supporting social justice by ensuring the rights of stakeholders are protected.

Ensuring workplace safety is key. Our proactive commitment to Health, Safety & Environment (“HSE”) is reflected in the improved performance and overall well-being of our employees. The Group also works closely with contractors to ensure compliance with DIALOG’s requirements.

Our support for the seagrass conservation for the second year will educate more employees into learning about seagrass meadows and its benefit to marine life. Employees who volunteer for the seagrass monitoring surveys help researchers by monitoring and collecting data, contributing to the development of plans to directly benefit the community.

ROBUST GOVERNANCE AND ETHICAL PRACTICES

The Group is committed to protecting the confidentiality of its data. During the year under review, we implemented initiatives to secure DIALOG devices against data leaks by monitoring and verifying suspicious data downloads, and implementing document labelling practices to bolster protection.

In FY2023, the Group steadily embedded sustainability initiatives throughout the organisation. We will continue to lead positive changes in our society as a responsible corporate citizen while ensuring DIALOG’s business continuity by constantly evolving and adapting to the shifting global environment.

With the support of all stakeholders, this collaboration will carry us to a more sustainable future.

Tan Sri Dr. Ngau Boon Keat
Executive Chairman

ESG AT A GLANCE

SUSTAINABILITY POLICY

Rolled out in
August 2023



HAZARDOUS WASTE

1,258 MT
(FY2022: 1,151 MT)

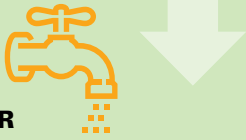


ENERGY CONSUMPTION

47.4
Million kWh
(FY2022: 40.0 Million kWh)

WATER CONSUMPTION

147,308 m³
(FY2022: 155,937 m³)



MyKasih™

COMMUNITY ENGAGEMENT

RM4.6 Million

700 families Love My Neighbourhood

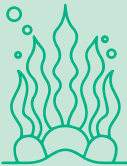
3,204 students Love My School

RM750,000 Johor Flood Relief

Established

DIALOG
GCOE
Green Centre of Excellence

2ND
Year



SEAGRASS CONSERVATION & MONITORING PROGRAMME

in Partnership with

MyKasih™



GENDER DIVERSITY ON THE BOARD

33%
Female

HSE PERFORMANCE

TRIR : 0.33
(FY2022: 0.66)

LTIR : 0
ZERO FATALITIES



Expansion into

RENEWABLE FUEL STORAGE

DIALOG Terminals
Langsat 3



TRAINING

61,222 hours
(FY2022: 37,502 hours)

Introduced

- ESG & Climate Change Awareness sessions
- Cybersecurity and Data Leakage Prevention trainings



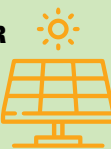
SOLAR POWER GENERATION

CO₂ avoidance

361 tCO₂e
(FY2022: 224 tCO₂e)

Replacement

736,046 kWh
(FY2022: 411,400 kWh)



WOMEN IN MANAGEMENT

21% Senior
23% Upper
29% Middle

ABOUT DIALOG'S SUSTAINABILITY REPORT 2023

This report has been prepared in accordance with Bursa Malaysia's Sustainability Reporting Guide and hence, focuses on material sustainability matters for DIALOG and its business.

SCOPE & COMPLETENESS

a. Basis of scope & consolidation

For the purposes of this report, DIALOG consolidates data from its headquarters and divisional offices. The criteria for consolidation is where DIALOG has operational control and the status of operations is active.

b. Inclusions

This report covers our global operations, which include operations outlined in the Corporate Profile section of this Annual Report for the financial year ended 30 June 2023.

The collective data in this report is for the financial years ended 30 June 2021, 2022 and 2023.

c. Exclusions

In line with the basis of scope and consolidation above, this report does not include the operations of our Joint Venture & Associate companies as listed in Note 10 to the Financial Statements for the financial year ended 30 June 2023.

REPORTING PERIOD

This report is produced annually, and the current report covers the period from 1 July 2022 to 30 June 2023.

CONTEXT

In this report, DIALOG Group Berhad is referred to as DIALOG or the Group. The content prioritises Environmental, Social and Governance ("ESG") matters deemed material to a Malaysian-based integrated technical services provider in the energy sector and our valued stakeholders. A detailed description of how we identify material ESG matters for reporting and monitoring can be found in the Sustainability Governance section, together with a description of our key stakeholders and stakeholders engagement process.

ASSURANCE

All financial data disclosed in this report have been independently assured as part of the Group's annual financial audit and is identical to that of the Group's Annual Report 2023. While we have not undertaken third-party assurance for all other data in this report, we are actively working towards improving our sustainability reporting processes while creating meaningful value for our stakeholders. The information provided in this report is presented on a best-effort basis and is subject to further improvement in future reporting cycles.



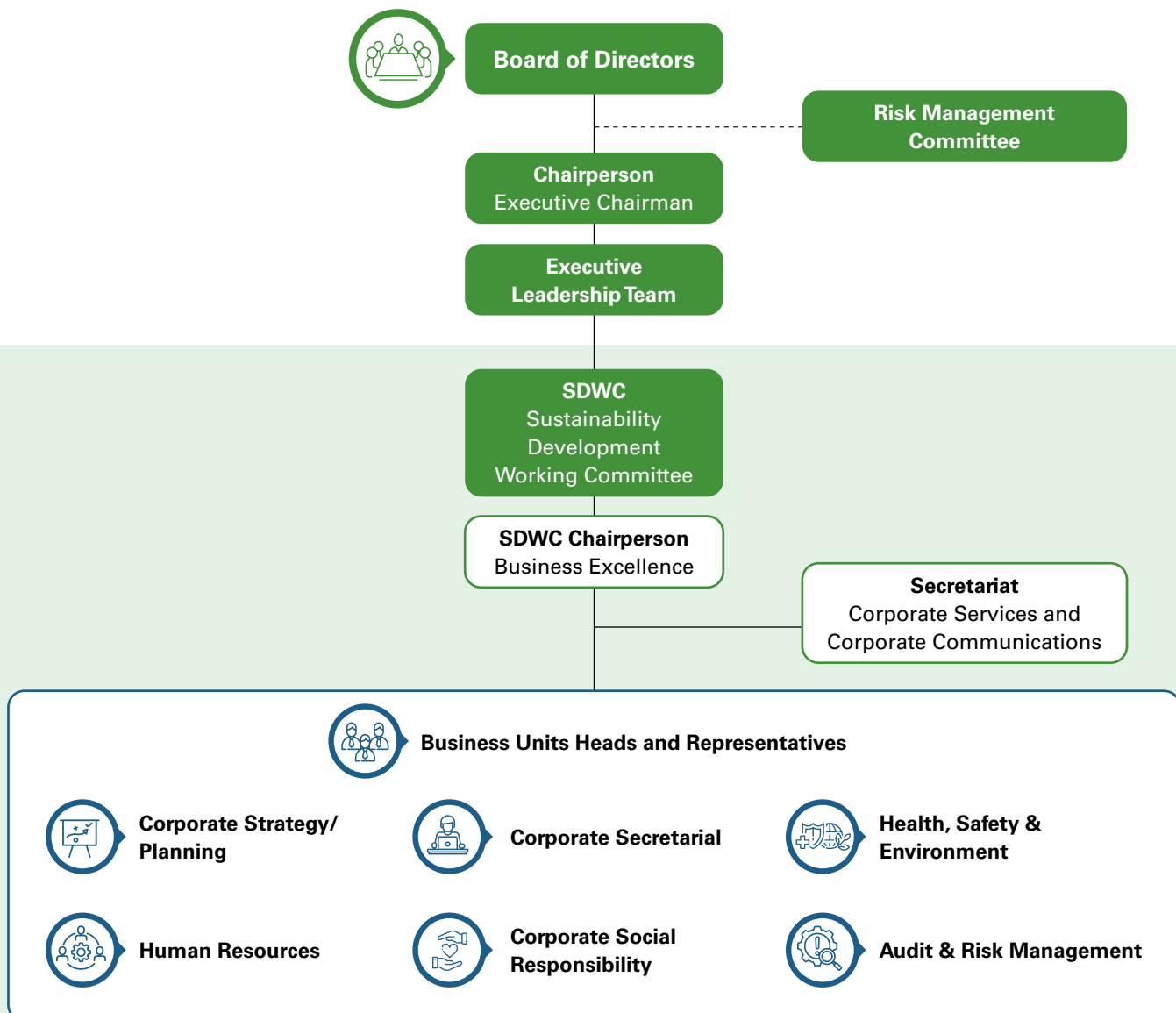
SUSTAINABILITY GOVERNANCE





Our approach to sustainability is supported by sound decision making, policies and systems which include effective internal controls to manage risk as disclosed in our Statement of Risk Management and Internal Controls.

Our well-structured Sustainability Governance framework clearly defines the roles and responsibilities, serving to guide and oversee our sustainability endeavours.

At the forefront of this framework, the Board holds ultimate responsibility for Environmental, Social and Governance (“ESG”) matters, including climate change considerations. Assisting the Board, the Risk Management Committee evaluates overall risks and opportunities related to sustainability. The Executive Leadership Team takes charge of overseeing sustainability strategies, implementation progress and target achievements. Supporting them, the Sustainability Development Working Committee (“SDWC”) collaborates with core business units and corporate functions to carry out the Group's sustainability initiatives effectively.

GOVERNANCE STRUCTURE



DIALOG Personnel		Roles and Responsibilities
	Board of Directors	<ul style="list-style-type: none">• Ultimate responsibility on the Group’s ESG matters• Ensures business strategy contains sustainability priorities• Approves sustainability strategies
	Risk Management Committee	<ul style="list-style-type: none">• Evaluates overall risks and opportunities
	Executive Leadership Team, chaired by Executive Chairman	<ul style="list-style-type: none">• Approves targets and market disclosures• Develops sustainability strategies and recommends revision to the Board• Oversees the implementation of sustainability strategies• Approves and provides leadership over implementation• Monitors performance of processes and controls• Reports management targets
	Sustainability Development Working Committee	<ul style="list-style-type: none">• Oversees business functions in ensuring robustness of the sustainability management system• Considers input of all business functions in the sustainability process• Coordinates ESG matters and initiatives across business functions throughout the Group• Develops and recommends sustainability targets• Implements ESG strategies

Acknowledgements

An integral part of our sustainability management approach is listening and responding to stakeholders. Stakeholders are people who impact our business or are affected by our operations.

Feedback from stakeholders helps the Group understand their needs and concerns, allowing us to prioritise issues more effectively and address them in a timely manner. This feedback contributes to overall business strategy and helps us meet our sustainability goals.

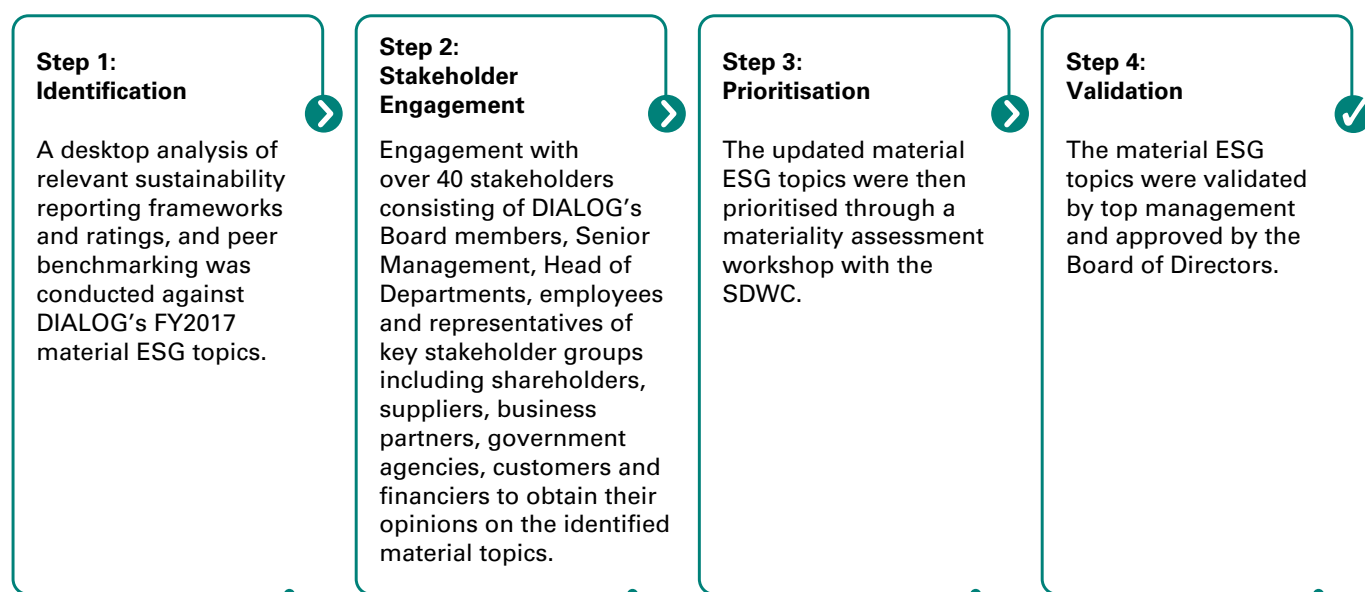
We reach out to stakeholders through a variety of formal and informal communication channels. These platforms allow us to share knowledge and best practices while networking more effectively with market players and industry experts.

[illegible]

Stakeholders	Areas of Interest	Method of Engagement	Frequency
 Government & Regulators	<ul style="list-style-type: none"> • Compliance • HSE practices • Certifications and awards • Corporate governance 	<ul style="list-style-type: none"> • Audits and inspections • Site visits • Meetings and engagement sessions 	<ul style="list-style-type: none"> • As and when required • As and when required • Throughout the year
 Financiers & Investors	<ul style="list-style-type: none"> • Financial and operational performance • Business outlook and strategy • ESG practices and commitments • Risk management 	<ul style="list-style-type: none"> • Results Briefings • Site visits • Investor roadshows • Meetings with bankers, analysts and fund managers 	<ul style="list-style-type: none"> • Quarterly • As and when required • As and when required • Throughout the year
 Shareholders	<ul style="list-style-type: none"> • Business outlook and strategy • Financial and operational performance • ESG practices and commitments 	<ul style="list-style-type: none"> • Results announcements • Other announcements • DIALOG website • Annual General Meeting 	<ul style="list-style-type: none"> • Quarterly • Throughout the year • Throughout the year • Annually
 Customers	<ul style="list-style-type: none"> • Product and service quality • HSE practices • ESG practices and commitments 	<ul style="list-style-type: none"> • Performance reviews • DIALOG website • Networking sessions • Site visits 	<ul style="list-style-type: none"> • Throughout the year • Throughout the year • Throughout the year • Throughout the year
 Business Partners	<ul style="list-style-type: none"> • Business outlook and strategy • Product and service quality • Company's reputation 	<ul style="list-style-type: none"> • Site visits • Meetings and engagement sessions 	<ul style="list-style-type: none"> • As and when required • Throughout the year
 Local Communities	<ul style="list-style-type: none"> • Job and business opportunities • Community support and development • ESG practices and commitments 	<ul style="list-style-type: none"> • Recruitment • CSR activities • Visits to the communities 	<ul style="list-style-type: none"> • As and when required • Throughout the year • Throughout the year
 Vendors & Suppliers	<ul style="list-style-type: none"> • Product and service quality • ESG practices and commitments • Financial and operational performance 	<ul style="list-style-type: none"> • Vendors and suppliers engagement session • ESG questionnaires • Tenders and requests for proposals 	<ul style="list-style-type: none"> • Throughout the year • As and when required • Throughout the year

We conduct a comprehensive materiality assessment every 4 years, with a midpoint review every 2 years. The extensive materiality assessment conducted in FY2022 involved a structured process to identify, engage, prioritise and validate material ESG topics with a clear focus on key impacts, risks and opportunities. Based on the outcome of our materiality assessment, we have identified 16 material topics that represent DIALOG's most significant ESG impacts.

Materiality Assessment Process



Materiality Matrix

Materiality Matrix

The chart plots the importance of various material topics to stakeholders (Y-axis) against their importance to business operations (X-axis). The topics are categorized into three main areas:







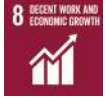




- Environmental Stewardship (Green Bubbles):** CCS, WEM, WWM, AE, BD, WEM, CG, EP, OSH, HCM, ABC, RM, LS, SC, BE, CE, TT, LS, SC, BE, CE, TT, RM, TT.
- Advancing People (Blue Bubbles):** OSH, HCM, CE, LS, SC, BE, CE, TT, LS, SC, BE, CE, TT, RM, TT.
- Robust Governance and Ethical Practices (Orange Bubbles):** EP, CG, ABC, RM, LS, SC, BE, CE, TT, RM, TT.

DIALOG ESG STRATEGY FRAMEWORK'S ALIGNMENT TO UNSDGS

DIALOG's ESG Strategy Framework serve as our guide to our integration of sustainability considerations within and across the Group.






Our 16 material topics are managed and structured within the three pillars of Environmental Stewardship, Advancing People as well as Robust Governance and Ethical Practices.

DIALOG supports the aspirations of the United Nations 17 Sustainable Development Goals ("SDGs"). Building upon the Group's current ESG initiatives, DIALOG is prioritising 8 SDGs as listed in the table below. Together, these cement our dedication towards building a sustainable future for the communities in which we operate.

Pillars	Management Approach	Prioritised SDGs
 Environmental Stewardship <i>We carefully conserve and preserve the environment by first identifying our impacts, followed by responsible management practices and mitigation measures where appropriate</i> <ul style="list-style-type: none"> Climate Change Strategy Waste & Effluent Management Water Management Air Emissions Biodiversity 	<ul style="list-style-type: none"> Establish Green COE to bolster the implementation of our climate change strategy Expand into Sustainable and Renewables business, including clean and green energy, and investments into recycling ventures in pursuit of a circular economy Participate in environmental conservation efforts such as seagrass monitoring programme, beach and river clean-ups, plus conduct regular environmental awareness campaigns aimed at our employees and communities 	       
 Advancing People <i>We strive to make positive contributions to our employees, communities and societies in which we operate</i> <ul style="list-style-type: none"> Occupational Safety & Health Human Capital Management Community Engagement Labour Standards Supply Chain Management 	<ul style="list-style-type: none"> Provide a safe and healthy workplace with competitive compensation and equal opportunities for all employees Develop our workforce through various training programmes and conferences, as well as offer career growth opportunities with internal recruitment programmes and various local and overseas assignments Support the communities where DIALOG operates through food aid, educational support, sustainable livelihood initiatives and employee volunteerism activities 	
 Robust Governance and Ethical Practices <i>We aim to uphold the highest standards of governance, business ethics, integrity and transparency</i> <ul style="list-style-type: none"> Economic Performance Corporate Governance Anti-Bribery & Corruption Business Ethics Risk Management Tax Transparency 	<ul style="list-style-type: none"> Commit to maintaining high standards of transparency, accountability and integrity in our business Continuously review and enhance our Corporate Governance Framework and supporting policies and procedures Implement data governance initiatives to safeguard the data entrusted to us by our stakeholders, including proprietary DIALOG data 	

OUR ESG ROADMAP





To accelerate our ESG journey, DIALOG has developed an ESG Roadmap, outlining the initiatives the Group aims to achieve in the short to medium-term. This proactive approach enables our organisation to evolve and allocate the appropriate resources toward accomplishing our Roadmap goals.

Phase	Commitment towards ESG	Taking action in promoting sustainability
Timeframe	Short-term (2023-2025)	Medium-term (2026-2030)
 Goal	<ul style="list-style-type: none"> • All employees are aware and informed of our commitment towards ESG • Clear roles and responsibilities established in governance structure for sustainability related topics • Baseline and Key Performance Index ("KPIs") set for goals 	<ul style="list-style-type: none"> • Sustainability is integrated in each business functions group-wide • All relevant employees managing sustainability topics are equipped with fundamental knowledge and skills to take actions • Goals and KPIs for each material topics are clear and well defined
Focus Area		
 Employee Communication	<ul style="list-style-type: none"> • Communicate DIALOG's commitment to group-wide entities • Create awareness and build capacity of employees across different function for ESG/climate-related topics • Collect and establish relevant baseline KPI data for goals 	<ul style="list-style-type: none"> • Continue to upskill employees and enable them to take actions • Continue to communicate the initiatives to group-wide operational entities
 Governance	<ul style="list-style-type: none"> • Establish clear roles and responsibilities within the governance structure for individuals or functions, who are accountable and responsible for sustainability topics and communicate it through public disclosure(s) • Disclose which functions/positions sit in the SDWC • Specify which positions are responsible to oversee sustainability policies • Disclose board committee responsibilities for ESG/sustainability topics 	<ul style="list-style-type: none"> • Establish and disclose clear process of engagement/reporting within the governance structure for sustainability-related topics • Disclose the established or updated governance structure as recommended • Establish governance structure where responsibility for sustainability is integrated within each of the functions
 Targets	<ul style="list-style-type: none"> • Understand and comply to local and any other applicable regulations • Collect and establish relevant baseline KPI data for goals • Finalise the goals and KPIs for the material topics 	<ul style="list-style-type: none"> • Establish detailed action plans for each of the target and roll out the initiatives to group-wide operations • Monitor and track progress against the targets set • Review and refine the approach in tracking progress against targets. Review the ambition level and revise/add targets if necessary
 Reporting	<ul style="list-style-type: none"> • Communicate the commitment and goals publicly • Report in reference to International Standards such as Global Reporting Initiative ("GRI") standards, Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations or others where applicable • Report by taking into consideration ESG ratings as a reference guide for disclosure requirements and evaluation 	<ul style="list-style-type: none"> • Further improve sustainability disclosures as below: • Communicate the progress against goals publicly • Report in accordance to International Standards such as GRI standards, TCFD recommendations or others where applicable • Report by taking into consideration ESG ratings as a reference guide for disclosure requirements and evaluation

POLICIES AND GUIDELINES

In August 2023, DIALOG introduced its **Sustainability Policy** which reinforces the Group's commitment to sustainability as part of our corporate mission. We believe that in addition to helping curb global climate challenges, sustainability will help drive business opportunities and success.






Policies and guidelines guiding the Group in its business and operations include:

Material Topics	Policies / Guidelines
 Waste & Effluent Management	<ul style="list-style-type: none"> • Surplus Materials Scrap Management Policy • Domestic & Scheduled Waste Management Policy
 Occupational Safety & Health	<ul style="list-style-type: none"> • HSE Policy • Process Safety Management Standard • HSEMS Manual • Management of Change
 Human Capital Management	<ul style="list-style-type: none"> • Internal Recruitment Policy • Human Capital Development – Training Policy
 Supply Chain Management	<ul style="list-style-type: none"> • Code of Business Ethics for Business Partners • Business Ethics Questionnaire
 Corporate Governance	<ul style="list-style-type: none"> • Whistleblowing Policy • Personal Data Policy and Notice • Fit and Proper Policy • Board Charter and Code of Ethics • Business Process Management Standard • Related Party Transaction Policy
 Anti-Bribery & Corruption	<ul style="list-style-type: none"> • Anti-Bribery & Corruption Policy
 Business Ethics	<ul style="list-style-type: none"> • Code of Business Ethics • Quality Policy • Sexual Harassment Policy
 Risk Management	<ul style="list-style-type: none"> • Risk Management Procedure
 Economic Performance	<ul style="list-style-type: none"> • Foreign Currency Policy and Procedures • Financial Instruments Policy and Procedures • Dividend Policy • Limits of Authority Guidelines



GOALS AND TARGETS FOR 5 KEY MATERIAL TOPICS

As we lay the groundwork for sustainability, we have identified 5 key topics for goal and target setting for the short to medium-term. We will ensure that our initiatives stay relevant and on track to achieving our goals through regular reviews and refinements. We also intend to continuously expand its scope by setting goals and targets for more topics.

Material Topics	Goals	Short/Mid-term Targets (by FY2030)
 Waste & Effluent Management	Reduce waste generation and ensure these are disposed/discharged properly	Enhance awareness and workshop trainings to ensure proper waste management
 Occupational Safety & Health	Prevent workplace accidents or injuries, and mitigate safety and health risks	<ol style="list-style-type: none"> 1. Total Recordable Incident Rate ("TRIR"): Maintain better than industry benchmark 2. Maintain positive OSH impact from leaders through HSE Walkabout for open sharing annually
 Human Capital Management	Enhance labour standards and practices	Launch Sexual Harassment e-learning and set e-learning target
	Fair wage and employee benefits	100% employees have access to Employee Assistance Program ("EAP")
	Improve workforce diversity	Continuously introduce initiatives to attract and retain more females in management
	Enhance workforce competency continuously	More than 80% of employees attend minimum 8 hours of training annually
 Community Engagement	Promote a caring culture by positively impacting communities through meaningful CSR activities via MyKasih Foundation	More than 85% of employees participate in community volunteerism activities annually
 Business Ethics	Pursue the highest standards of corporate governance and business ethics	More than 80% of DIALOG employees to complete training courses on critical areas annually
	Minimise supply chain sustainability risk	Launch ESG related audit of critical suppliers and contractors to ensure they are compliant and uphold the same ESG values as DIALOG

ENVIRONMENTAL STEWARDSHIP

Material Topics



Stakeholders Impacted



DIALOG volunteers sorting out the trash at the beach clean-up initiative at Pantai Batu Laut, Tanjung Sepat, Selangor

The Group is committed to operating responsibly to ensure we minimise our impact on the environment, taking into consideration our role in tackling the climate change crisis, energy consumption, greenhouse gas emissions, biodiversity protection, water consumption, waste management and pollution prevention.

CCS CLIMATE CHANGE STRATEGY

The climate affects every aspect of life. Consequently, climate change poses significant long-term risk to everyone's life.

This, in turn, threatens our ability to create sustainable long-term value for stakeholders. Indeed, the escalating frequency of extreme weather events pose physical risks to our people and assets, increasing the risk of operational disruptions and, ultimately, jeopardising business continuity.

Given these challenges, it is critical for DIALOG to adopt a clear strategy outlining the Group's approach to reducing greenhouse gas emissions ("GHG") and effectively managing the risks imposed by climate change.



ENVIRONMENTAL STEWARDSHIP

OUR APPROACH

Climate Change Strategy

Since announcing our aspiration to achieve Net Zero Carbon Emissions by 2050 ("NZCE2050") in FY2021, DIALOG made significant progress. In FY2022, we established the Sustainable Development Working Committee ("SDWC") to ensure effective execution of our sustainability initiatives.

To address the climate change challenge, we have formulated a Climate Change Strategy focusing on four areas: Decarbonisation, Sustainable and Renewables, Circular Economy, and Climate Risk Management. Each area has been identified to align with our internal operations and leverage on our business strengths, while creating a positive impact on a broader environment.

In FY2023, we reinforced our commitment to sustainability by establishing the Green Centre of Excellence ("Green COE"), an internal department focused on strengthening the implementation of our climate change strategy. This specialised hub serves as a central platform, bringing together expertise, resources and innovation from across the organisation. As a driving force, Green COE proactively identifies and executes initiatives such as GHG emissions reductions,

recycling and waste reduction within our operations. Since the introduction of Green COE, there has been increased awareness of climate change among employees.

Beyond reducing our carbon footprint, we actively seek to adapt to the risks and opportunities presented by climate change. This commitment to sustainable practices ensures not only our resilience but the well-being of communities we serve. With dedication to our strategy, we have already taken steps in implementing the identified initiatives.

- ✓ Announced aspiration to achieve NZCE2050
- ✓ Conducted in-depth stakeholder engagement and materiality assessments
- ✓ Refreshed ESG Framework based on 16 material topics
- ✓ Established SDWC
- ✓ Developed a high-level roadmap for short to medium-term
- ✓ Formulated a Climate Change Strategy
- ✓ Formed Green COE
- ✓ Published Sustainability Policy
- ✓ Aligned to TCFD Framework

CLIMATE ASPIRATION: NET ZERO CARBON EMISSIONS BY 2050			
Short-Term (2023-2025)			Medium-Term (2026-2030)
Risk Theme 1: LOW-CARBON ECONOMY TRANSITION			Risk Theme 2: CLIMATE RISKS
Focus Area 1 Decarbonisation	Focus Area 2 Sustainable and Renewables	Focus Area 3 Circular Economy	Focus Area 4 Climate Risk Management
INTERNAL Reduce Scope 1 & 2 GHG emissions by increasing energy efficiency and through the adoption of new technology EXTERNAL Brownfield EPCC and plant rejuvenation opportunities to help clients improve their energy usage and reduce their emissions	SERVICES Expand product and solution offering to support the growth and development of clients in the Sustainable and Renewables sector INVESTMENTS Investment into Sustainable and Renewables projects and businesses to reduce emissions	INTERNAL Waste minimisation and recycling initiatives within DIALOG's operations INVESTMENTS Investment into recycling ventures to promote circular economy initiatives to reduce global GHG emissions	Conduct detailed physical and transition risk assessment for all material assets Develop climate resilience and adaptation plan Embed climate risk assessment into asset planning, strategy development and design to actively mitigate climate related risks and increase resilience

Our Climate Change Strategy and approach will be reviewed and refined on an ongoing basis to ensure we continue to adapt and remain on track towards achieving NZCE2050.



Focus Area 1: Decarbonisation

Aligned with our commitment to environmental stewardship, we aim to reduce our carbon footprint.

Internal

We have implemented sustainable practices including rooftop solar power, cloud data storage and LED lighting to minimise emissions from our operations.

External

Our expertise in brownfield Engineering, Procurement, Construction & Commissioning ("EPCC") and plant rejuvenation services enables us to modernise existing facilities with energy-efficient technologies, fostering carbon reduction across various industries. Our dedicated team of experts works closely with our clients to enhance operational efficiency.



Focus Area 2: Sustainable and Renewables

Services

With a focus on expanding our product and solution offerings to support the development of the Sustainable and Renewables sector, one such endeavor is the expansion of DIALOG Terminals Langsat 3 ("DTL3"), where we are expanding an additional storage capacity of 24,000 m³ specifically dedicated to renewable fuel feedstock and biodiesel products. This DTL3 expansion is scheduled to commence operations by the end of 2024.

Internationally, DIALOG Fitzroy Limited ("DFL") in New Zealand is highly experienced in engineering, fabrication and construction specialties. DFL is currently involved in the Tauhara Geothermal Power Station project, the world's largest geothermal steam (electrical) generator. We are responsible for the installation of the steam turbines, generators and condensers, as well as the fabrication and installation of the balance of plant and piping systems.

In Singapore, our OTEC team has successfully completed Engineering, Procurement and Construction ("EPC") work to accommodate Sustainable Aviation Fuel ("SAF") for a major terminal operator.

Investments

We have invested in a carbon recycling technology company in the United States and a full-service green hydrogen provider in New Zealand.

ENVIRONMENTAL STEWARDSHIP



Focus Area 3: Circular Economy

In pursuit of a circular economy approach, we emphasise efficient resource utilisation and waste reduction.

Investment

Our investment in DIALOG Diyou PCR Sdn. Bhd., aimed at constructing a food-grade recycled polyethylene terephthalate (“recycled PET”) pellets production facility, plays a role in creating a closed-loop system that reduces the need for new PET materials while also supporting Malaysia’s Circular Economy Roadmap. The recycled PET pellets plant commenced commissioning in August 2023. This venture marks our first foray into green financing. By financing this project through a green financing facility, we are taking concrete steps towards sustainable development and responsible investment practice.

DIALOG ESECO Sdn. Bhd. (“DIALOG ESECO”) was incorporated in May 2022 to extend innovative waste management solutions to our immediate community and other corporations, presenting an opportunity to contribute to sustainable practices beyond our organisation. The launch of SisaLab, a digital platform ensuring full traceability of recycling activities, facilitates Extended Producer Responsibility and responsible waste management practices. The total recycled waste collected by DIALOG ESECO can be referred to on page 83.

Internal

We are proactively improving waste management practices by analysing hazardous waste streams to identify reduction opportunities and implement a system to measure and record total waste generation and recycling. At our headquarters, DIALOG Tower, all recyclable waste including electronic waste like IT equipment is expertly managed by DIALOG ESECO to ensure responsible handling.



Focus Area 4: Climate Risk Management

Aligning with the Task Force on Climate-Related Financial Disclosures (“TCFD”) framework, DIALOG conducted a climate change risk assessment to understand potential impacts on our material assets and business operations across all segments. This assessment encompasses future climate scenarios for 2030 and 2050, considering short to medium- and long-term impacts. Currently, the Group is actively evaluating strategic responses, metrics and targets. Building on the assessment, DIALOG is formulating strategies to manage climate-related risks efficiently, strengthening the business’s resilience and capitalising on climate change opportunities.

Sustainable and Renewables Business

DIALOG's Journey Over the Years

Prior to
FY2022**Services****Brownfield Services**

Leveraging on our proficiency in brownfield EPCC and plant rejuvenation services, the Group supports various industries with our expertise to rejuvenate existing facilities with energy-efficient technologies in line with decarbonisation efforts as our clients continue to enhance operational efficiency and sustainable business progress.

Investment**LanzaTech**

DIALOG invested in the carbon recycling technology company that is headquartered in the United States of America. It transforms waste carbon into new sustainably produced fuels and chemicals with lower impact to the environment, contributing to a circular carbon economy.

FY2022

Investment**DIALOG Diyou PCR Sdn. Bhd.**

The Group entered a venture with Diyou PCR Sdn. Bhd. to construct a food-grade recycled PET pellets production facility. This venture marks our first foray into circular economy and achieving green financing.

Investment**Hiringa Energy**

The Group invested into Hiringa Energy, a full-service green hydrogen provider in New Zealand.

Services**Installation of Tauhara Geothermal Power Station**

DIALOG Fitzroy Limited, our highly experienced New Zealand team in engineering, fabrication and construction specialties, began the installation of the geothermal power station project in Taupo, New Zealand.

FY2023

Services**DIALOG Terminals Langsat 3 Expansion**

The terminal operations launched its expansion into renewable fuel storage with a storage capacity of 24,000 m³ specifically dedicated to renewable fuel feedstock and biodiesel products.

FY2024

Investment**DIALOG Diyou PCR Commences Commissioning**

The food-grade recycled PET pellets production facility commenced commissioning in August 2023.



ENVIRONMENTAL STEWARDSHIP

Task Force on Climate-Related Financial Disclosure (“TCFD”)

DIALOG recognises the need to accelerate the efforts to address climate change and improve the Group’s resilience against climate impacts. In line with this, we have embraced the recommendations of TCFD, a globally supported climate disclosure framework. By adopting the TCFD framework, we will enhance our understanding and management of climate-related impacts on our operations.

In FY2023, DIALOG carried out a climate change risk assessment that addresses both physical risks and transition risks in alignment with the TCFD framework to ensure a thorough understanding of potential impacts. This assessment covers all material assets and business operations across the Group. Importantly, the evaluations have considered future climate scenarios spanning two time horizons (2030 and 2050) and took into account both short to medium-term outcomes. Currently, we are actively evaluating the strategic responses, related metrics and targets.

Based on the assessment's findings, the Group is formulating strategies to manage climate-related risks and opportunities. The findings will refine our long-term strategic decision-making.

TCFD

Recommended disclosure guidelines covering Governance, Strategy, Risk Management and Metrics & Targets



OUR AIM

DIALOG is committed to addressing climate change through sustainability initiatives. Our aim is to achieve meaningful GHG emissions reduction and subsequently, remain on track towards our NZCE2050 aspirations. At the core of our approach is a focus on the implementation of our climate change strategy. In addition, we aim to contribute to climate resilience efforts by proactively assessing and adapting to potential climate risks.

As part of our support of the global transition into a low-carbon economy, the Group will pursue opportunities within the Sustainable and Renewables business. This encompasses a focus on clean and green energy, as well as venturing into recycling initiatives.

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

Our strategy centers on reducing GHG emissions, promoting sustainability and embracing a circular economy. To reinforce our commitment, we established the Green COE, an internal department focused on strengthening the implementation of our climate change strategy. Our journey towards a greener future is ongoing, and we remain dedicated to continuous improvement and adopting sustainable practices.

Energy consumption

DIALOG uses energy in various operations including terminals, projects, workshops, offices and other facilities, in the form of electricity and diesel. This contributes to the reported Scope 1 and 2 GHG emissions. In FY2023, we consumed around 47.4 million kWh of energy, representing an increase from 40.0 million kWh in FY2022. The rise was due to greater operational demands at DIALOG Terminals Langsat.

However, the increase was mitigated by the sale of DIALOG Services Saudi Arabia Company Limited (“DSSA”) in December 2022, which reduced our consumption. As such, our energy consumption per million Malaysian Ringgit revenue decreased to 0.016 million kWh in FY2023 (FY2022: 0.017 million kWh).

While its impact may not be significant in the broader context of the Group's business, we acknowledge the importance of responsible energy management in addressing global resource usage and climate change concerns. Hence, DIALOG remains committed to reporting and optimising energy consumption to reduce our environmental footprint.

Energy Consumption (million kWh)	FY2021	FY2022	FY2023
Malaysia	20.2*	28.4*	37.3
International	10.5*	11.6*	10.1
Total	30.7*	40.0*	47.4

* Note: Restatement of FY2021 and FY2022 data has been adjusted based on the definition of Bursa's Sustainability Guide

The Group's headquarters, DIALOG Tower, is Green Building Index ("GBI") certified with a "Silver" rating. The building has incorporated environment-friendly features and designs such as:



Energy-efficient lighting with sensor controls, which will turn lights out when there is sufficient daylight



Solar panel installation on the rooftop to generate renewable energy



Zone controlled air conditioning that switches off in areas not in use



Rainwater harvesting which connects the water collected to the taps in the garden



An aquaponics system consisting of a single integrated and self-contained system that combines aquaculture (raising fish) and hydroponics (the soil-less growing of plants) was installed on the rooftop

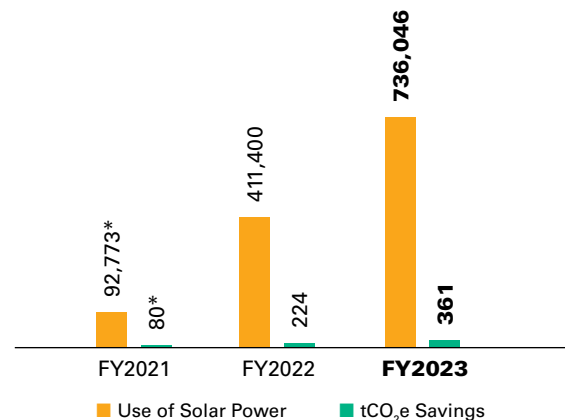
Aligning with our climate change strategy's Focus Area 1 : Decarbonisation, Green COE has been actively engaging with respective business units to identify key opportunities for optimising and reducing energy consumption throughout DIALOG. The initiatives include:

- Conducting energy audits to assess the efficiency levels of buildings, equipment and machinery.
- Evaluating the effectiveness of machinery and equipment currently utilised at the facilities.
- Identifying and preparing appropriate energy-saving measures for the facilities.

Green COE is taking significant steps to collaborate with an energy service company registered with Malaysia's Energy Commission to conduct a thorough commercial building energy audit on DIALOG premises.

In line with our commitment to reducing GHG emissions through innovative technology, we have expanded the implementation of solar power generation across all our operations. In FY2023, we successfully operationalised solar power generation at two additional facilities: our Kertih workshop and the DIALOG Fabricators Pengerang Facility (with full-year solar power operation as opposed to only 3 months in FY2022). Together with the existing solar power facilities at our workshops in Nilai, Singapore and DIALOG Tower, the total solar power generation for FY2023 replaced 736,046 kWh of purchased electricity.

Use of Solar Power
(kWh)



* Note: Restatement of FY2021 data has been adjusted to account for a timing difference

ENVIRONMENTAL STEWARDSHIP

Greenhouse Gas Emissions (“GHG”)

During our operations, GHG emissions are generated from the combustion of diesel fuels in various work equipment, including trucks, cranes, generator sets, welding sets and air compressors used for our fabrication and construction projects, and heaters in our terminal operations. DIALOG reports GHG emissions which are calculated from DIALOG’s energy use.

Scope 2
*Indirect
GHG emissions
that occur from
the generation
of purchased
electricity
consumed by
the company*



In FY2023, our Scope 1 and 2 emissions totalled 17,326 tCO₂e, up from 14,865 tCO₂e in FY2022. The rise was primarily due to greater operational demands at DIALOG Terminals Langsat. However, the increase was mitigated by the sale of DSSA in December 2022 along with reduced energy usage in projects and the implementation of LED lighting for office and workshop in Brisbane, Australia. These measures contributed positively to emission reduction, which resulted in our GHG emissions per million Malaysian Ringgit revenue decreasing to 5.8 tCO₂e in FY2023 (FY2022: 6.4 tCO₂e).

During the year under review, our rooftop solar installations across our facilities realised more than 361 tCO₂e of emissions avoidance (FY2022: 224 tCO₂e).

Scope 1

Direct GHG

*emissions that occur from
sources that are owned
or controlled by the
company*



	FY2021			FY2022			FY2023		
	Malaysia	International	Total	Malaysia	International	Total	Malaysia	International	Total
Scope 1	2,743	1,794	4,537	4,464	2,087	6,551	7,014	2,042	9,056
Scope 2	5,929	1,446	7,375	6,968	1,346	8,314	7,745	525	8,270
Total (Scope 1+2)	11,912			14,865			17,326		

Note: Restatement of FY2021 and FY2022 data due to an improved calculation method that now differentiates between stationary and mobile diesel combustion, accounting for distinct emission factors

To calculate GHG emissions from energy use, we have applied the conversion factors recommended by the GHG Protocol:

- Scope 1 emissions: 2006 IPCC Guidelines and Global Warming Potential from 5th Assessment IPCC
- Scope 2 emissions: Location-based conversion factors

Scope 3 Status and Progress

We are actively analysing Scope 3 emissions as part of our sustainability efforts in line with the GHG Protocol. This process is complex due to numerous indirect emission sources throughout our value chain beyond our direct control. Green COE is dedicated to navigating these challenges and ensuring reliable Scope 3 reporting. Transparency is essential for driving positive change and we are committed to delivering partial Scope 3 reporting including Category 6 Business Travel and Category 7 Employee Commuting in due course. We will continuously refine our approach and broaden our Scope 3 coverage to encompass more elements of our value chain.

Scope 3

All other indirect GHG emissions associated with a company's operations and feedstock, supply and product value chains



AE WM WEM AIR EMISSIONS, WATER MANAGEMENT, WASTE & EFFLUENT MANAGEMENT

DIALOG uses natural capitals such as energy and water, which need to be protected for future generations. Pollution is a serious concern as it poses a risk to health and the environment. Aside from illnesses, pollutants can contribute to global warming and deplete finite resources.

Pollution prevention protects the environment by conserving and protecting natural resources while strengthening economic growth through more efficient production and reducing the need for households, businesses and communities to handle waste.

OUR APPROACH

DIALOG sets and maintains standards of environmental management via the Group's Health, Safety & Environment Management System ("HSEMS"). The Group demonstrates our commitment to keep our environmental footprint to a minimum through our HSE Policy, where we have stated that we will strive to:

- Protect the environment by prevention of pollution, reducing waste and minimising resource consumption.
- Achieve our goals through preventing and mitigating adverse environmental impacts.

HSEMS ensures proper procedures and work systems are in place to manage DIALOG's air emissions, water, waste and effluent.

We ensure our operations adhere to environmental regulations across all our operating locations. In FY2023, 62.1% of both local and international operational sites have acquired the ISO 14001:2015 standard for Environment Management Systems.

ISO 14001:2015 Standard for Environment Management Systems

DIALOG Group Berhad (HQ)	2019
DIALOG E & C Sdn. Bhd. (HQ)	2019
DIALOG Systems Sdn. Bhd. (HQ)	2019
Pacific Advance Composites Sdn. Bhd. (HQ)	2018
Pacific Advance Composites Sdn. Bhd. (Nilai)	2018
DIALOG Plant Services Sdn. Bhd. (HQ) (including DIALOG Catalyst Services Sdn. Bhd.)	2018
DIALOG Plant Services Sdn. Bhd. (Labohan) (including DIALOG Catalyst Services Sdn. Bhd.)	2018
DIALOG Plant Services Sdn. Bhd. (Bukit Rambai)	2019
DIALOG Plant Services Sdn. Bhd. (Gebeng)	2019
DIALOG Catalyst Services Sdn. Bhd. (Nilai)	2018
DIALOG Fabricators Sdn. Bhd. (HQ)	2018
DIALOG Fabricators Sdn. Bhd. (Pengerang)	2018
DIALOG Terminals Langsat (1) Sdn. Bhd. (Tanjung Langsat)	2019
DIALOG Terminals Langsat (2) Sdn. Bhd. (Tanjung Langsat)	2019
DIALOG Terminals Langsat (3) Sdn. Bhd. (Tanjung Langsat)	2019
Overseas Manufacturing (Johor) Sdn. Bhd. (Johor)	2022
DIALOG Plant Services Pte Ltd (Singapore)	2020
DIALOG Fitzroy Ltd (New Zealand)	2019

ENVIRONMENTAL STEWARDSHIP

OUR AIM

To ensure the sustainability of our business, we aim to minimise the impact of our operations on the environment, taking into consideration our air emissions, water management, waste and effluent management and internal recycling initiatives.

Goal	Short / Mid-term Target (by FY2030)
Reduce waste generation and ensure these are disposed/discharged properly	Enhance awareness and workshop trainings to ensure proper waste management

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

Air Emissions

DIALOG complies with the Environmental Quality (Clean Air) Regulations 2014 in Malaysia, as well as all applicable local laws and regulations where we operate.

For our Catalyst Services, we remain committed to operating in a dust-free environment. All catalyst handling equipment is diligently designed with a 'closed-loop' function, effectively preventing the emission of harmful or toxic dust into the atmosphere. This protection commitment complies with the Bureau Veritas ISO 14001:2015 Standard Malaysia/UKAS Certificate, which serves as a guiding standard for all works performed.

Over at our terminals and project sites, we conduct annual monitoring of emissions from the thermal heater set, generator sets and fire water pumps, while the ambient air at the terminal boundaries is monitored every quarter. We also have in place a preventive maintenance programme that is conducted frequently to ensure optimal equipment performance. In FY2023, our air emissions remained in compliance with the standard parameters set by the local authority.

Water Management

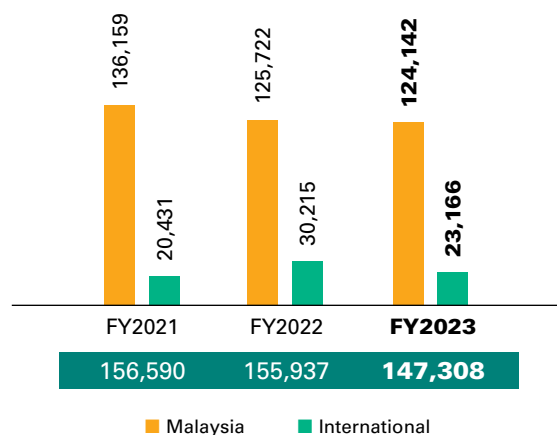
In FY2023, the total water consumption for DIALOG operations amounted to 147,308 m³ of water, a 6% decrease from 155,937 m³ in FY2022.

In efforts to manage our water consumption in Malaysia, DIALOG has implemented rainwater harvesting initiative at DIALOG Tower, Nilai Fibre Reinforced Plastic ("FRP") workshop and the Mogas Tank Construction project. On the terminals front, DIALOG Terminals Langsung contributed to lower water consumption due to lesser tank cleaning activities.

In Saudi Arabia, the sale of DSSA in December 2022 has reduced water consumption internationally.

Recognising water scarcity as an operational risk in Saudi Arabia, DIALOG undertook several initiatives to manage its use. It included prohibiting the cleaning of vehicles and equipment on the base, and using pails for cleaning instead of hoses. Weekly inspections of facilities are also conducted to ensure there are no water leakages or wastage.

Water Consumption (m³)



Pollution of Soil and Water

DIALOG's HSEMS ensures proper procedures and work systems are in place to minimise soil or water contamination from operations. Prevention is prioritised through a focus on asset integrity and adherence to operational procedures, including the use of specially designed containment and drainage systems at terminals. In the event that product is discharged to the soil and water, mitigation takes place through a spill response programme to recover and prevent further spread of contaminants.

Waste & Effluent Management

As hazardous waste generation and characterisation are key factors that affect environmental sustainability, DIALOG ensures proper handling and disposal of hazardous waste in all operations. This is ensured through qualified and certified waste contractors, where the process is performed in compliance with local environmental authorities. In addition, all hazardous waste is managed by our own certified scheduled waste competent person, duly registered and recognised by the Department of Environment ("DOE").

The generation of hazardous waste primarily consists of oily sludge from routine tank cleaning activity. In FY2023, total hazardous waste generated from DIALOG operations in Malaysia amounted to 1,258 MT (FY2022: 1,151 MT, FY2021: 243 MT). The increase was mainly attributed to the resumption of activity following pandemic-related disruptions.

At our Langsat Terminals, we take proactive measures to ensure water effluent is discharged responsibly by conducting monthly water sampling at points of discharge to the public drain and ocean. The sampling results consistently comply with the standard parameters set by the local authority.

To further enhance our waste management practices, we initiated hazardous waste-stream analysis to identify reduction opportunities and are establishing a system to measure and record the total waste, both generated and recycled. It will help us gain a comprehensive understanding of waste generation and identify valuable waste reduction and recycling opportunities. Green COE will play a pivotal role in facilitating this process across all DIALOG operations.

A system solution for waste management is crucial in advancing the principles of a circular economy. Without efficient waste management, recyclable or reusable materials might end up lost or discarded.

The incorporation of DIALOG ESECO in FY2022 provides innovative solutions for waste management and supports recycling implementation. We aim to promote circularity, and the journey begins at DIALOG's headquarters and nearby communities, eventually extending to other sites. The launch of SisaLab, a digital platform for full traceability of recycling activities, facilitates good waste management practices.

Recyclable Waste Collected by DIALOG ESECO

(kg)

	FY2023	Recycled	Recyclable Materials
DIALOG Tower	1,171	100%	Plastic, Aluminium, Glass, Paper, Carton, E-Waste, Metal
Community (11,000 Households)	64,816	92%	
Total	65,987	94%	



DIALOG ESECO collecting recyclable waste from SK Bukit Lanjan in Petaling Jaya.

ENVIRONMENTAL STEWARDSHIP

Internal Recycling Initiatives

Embracing the 3R (Reduce, Reuse, Recycle) approach, we manage the waste generated by our operations. In our Fiberglass Reinforced Plastic ("FRP") division, where we manufacture composite pipes and systems, we employ Life Cycle Analysis ("LCA") to assess environmental impacts. Through LCA, we have successfully implemented recycling and reuse of acetone in the cleaning process, resulting in a reduction in acetone waste.

At our headquarters in DIALOG Tower, we have implemented several waste management initiatives, including labelled waste recycle bins on every floor and a dedicated battery recycle bin at the lobby area. All recyclable waste, including electronic waste like IT equipment, is expertly managed by DIALOG ESECO to ensure responsible handling.

To address proper food waste disposal, we have installed food waste nettings in the pantries in DIALOG Tower, facilitating efficient segregation and collection. We are also collecting data to explore the feasibility of composting with food waste. These initiatives illustrate our efforts to promote a circular economy.



DIALOG employees gathered to do their part at the launch of DIALOG Tower's Recycling Programme, where recycled waste is collected by DIALOG ESECO

BD BIODIVERSITY

Biodiversity is essential for healthy ecosystems. We acknowledge our business activity has an impact on biodiversity, primarily from construction sites or other oil and gas facilities.

OUR APPROACH

Detailed Environmental Impact Assessments ("DEIA") are carried out and are mandatory for any new project, or expansion of existing projects. The scope of the DEIAs include impact assessments on biodiversity, water pollution, air quality, noise pollution and waste management. These assessments are then used to formulate site specific Environmental Management Plans ("EMP") and ongoing Environment Monitoring Management Plans for the duration of the project. To ensure compliance with EMPs, we engage with registered DOE Consultants to conduct yearly environmental audits based on the DEIAs and EMPs.

As an added monitoring measure, state-of-the-art monitoring devices are also being used to enable live monitoring of environmental statistics such as Total Suspended Solids and turbidity.

DIALOG remains committed to minimising our impact on biodiversity through close engagement with local governments and regulators as well as working with local or international organisations and non-governmental organisations ("NGOs").

OUR AIM

Fundamental to our long-term survival is an aim to minimise any impacts to the ecosystem and a commitment towards preserving and restoring biodiversity.

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

Biodiversity Impact on Operations

As we began expanding DIALOG Terminals Langsat 3 in FY2023, the DEIA conducted confirmed that the expansion did not have significant environmental impacts on the area's flora and fauna, including the secondary mangrove forest located 1.2 km from site.

An EMP was formulated and will be diligently implemented to ensure proper environmental management throughout the project.

Biodiversity Impact on Local Communities

In efforts to increase biodiversity and environmental awareness in the area, DIALOG organised a meaningful clean-up and tree-planting event at Project Perumahan Rakyat Lembah Subang in collaboration with the NGO Fuze Ecoteer and MyKasih Foundation ("MyKasih"). With 50 volunteers, we collected 154kg of waste, which was then disposed or recycled. Additionally, 50 different types of fruiting and flowering plants were planted, enhancing the area's natural resources and fostering environmental sustainability.



DIALOG volunteers rolled up their sleeves at the clean-up and tree-planting event at the Project Perumahan Rakyat Lembah Subang in Selangor

ENVIRONMENTAL STEWARDSHIP

Beach clean-ups are also regularly undertaken by DIALOG employees annually. It plays a role in preserving the coastal and ocean ecosystem. Throughout FY2023, DIALOG staff conducted multiple beach cleaning activities along coastlines near company operations.

In partnership with Reef Check Malaysia, MyKasih and Universiti Malaya, DIALOG embarked on a seagrass conservation and monitoring programme in FY2022. Recognising that conservation efforts often require long-term commitment, the Group has renewed our commitment to support the seagrass project for another year. This will help develop a comprehensive seagrass management plan which will benefit the ecosystem. For more information on the programme, kindly refer to page 101.



DIALOG volunteers collecting data during the seagrass monitoring session in Tanjung Kopok, Johor.

ADVANCING PEOPLE

Material Topics



Stakeholders Impacted



DIALOG's Engineer at project site

People are integral to the sustainability of any organisation. Employees, suppliers and the surrounding community have to work in tandem to create long-lasting value for all stakeholders.

As such, DIALOG will be a positive impact on our employees, suppliers and the communities where we operate.

AIM for ZERO



**NON-COMPLIANCE
HARM TO PEOPLE**

OSH

OCCUPATIONAL SAFETY & HEALTH ("OSH")

OSH impacts our operations, productivity and the long-term viability of operations. Aside from protecting the Group against financial, operational and legal ramifications, a good OSH track record will help attract and retain talent, instil trust in our customers and stakeholders, and guarantee our license to operate.

This ensures that we create value and meet our customers' needs. As such, DIALOG is committed to protect the safety and health of our employees and the people we work with.

ADVANCING PEOPLE

OUR APPROACH

Ensuring workplace safety is key and a main priority. As a leading integrated service provider to the energy sector, we adopt the best Health, Safety & Environment (“HSE”) practices ensuring compliance with local and international standards, as well as requirements set by our clients.

HSE Policy & Guidelines

DIALOG’s HSE Policy drives our commitment to our stakeholders with respect to HSE.

The Group’s HSE Management System (“HSEMS”) includes HSE policies, guidelines and procedures, outlining the roles and responsibilities of top management, the departments and business units across the Group. The HSEMS is embedded in work processes and applicable to all phases of DIALOG’s business. We continuously practice proactive site supervision and HSE management walkabouts, and apply an integrated management approach in accordance with the Plan-Do-Check-Act methodology for continuous improvement.



Championing HSE in Business Units

To ensure that specific risks are properly identified, it is Group practice to undertake HSE risk assessments at various stages of the project lifecycle, for the following purposes:

Project Planning Stage for Potential/New Projects

- Identify and elaborate HSE risks which need to be addressed and incorporated into the project plan and design.
- Ensure that all HSE risk and mitigation measures are adequately identified and understood by all involved.

Project Implementation Stage

- Ensure that all HSE risk and mitigation measures are incorporated in the project execution plan and are implemented accordingly.
- Identify new HSE risks arising during the project implementation stage and the corresponding mitigating actions required through updating the project risk register with the project management team.

Operations Stage (New and Existing Facilities)

- Ensure safe project close-outs and hand-overs.
- Ensure the safe operations of the facility through proactive and ongoing identification and monitoring of HSE risks, continuous enhancement of our HSE policies and procedures, regular risk register reviews, HSE audits and implementation of HSE programmes.

In pursuit of HSE excellence, all business units under the Group’s operational control must comply with the requirements set out in the HSEMS. DIALOG has a Group HSE central function to facilitate the implementation of the HSEMS, HSE programmes, performance monitoring and compliance through periodic inspection and HSE audits. Group HSE also coordinates our global HSE efforts across our business units and establishes HSE reporting structures.

We continuously improve our HSE performance by implementing various programmes to ensure:

- Our people who conduct tasks involving HSE risks and hazards are trained and upskilled.
- Clear accountability for all employees involved in the HSE programmes.
- Rigorous HSE inspections and audits are carried out at workshops and project sites.
- Senior Management’s HSE commitment is felt throughout the operations via regular HSE walkabouts at sites.

To enhance HSE communications in DIALOG, the following HSE committees meet regularly:

- Group HSE Steering Committee comprising Head of Divisions (“HOD”) and Senior Management.
- Site HSE Committee comprising site management team, employees and contractors.
- Client HSE Committee.

Each of the above committees are represented by the employee representatives and employer representatives (where applicable).

Emergency Response Preparedness (“ERP”)

DIALOG has in place a Crisis Management Plan (“CMP”) to ensure the Group can manage critical incidents or situations requiring corporate support. It consists of risk identification, roles and responsibilities, emergency plans, training programmes, regular drills, communication protocols and post-emergency reviews. CMP works in conjunction with ERP and Business Continuity Plans (“BCP”), towards minimising the negative effects of such events on stakeholders and the Group. Regular reviews are conducted on CMP, ERP and BCP to ensure its effectiveness.

Throughout our operations, we have comprehensive emergency response plans tailored for each location and potential scenario including natural disasters, fires, gas leaks and oil spills.

A crucial aspect of our ERP efforts includes regular emergency training for employees, along with the continuous refinement of these plans based on the outcomes. In FY2023, we conducted 10 CMP drills and 59 ERP drills to employees, ensuring our workforce is prepared to handle crises.



DIALOG employees in PMOSB undergoing the Basic Fire Fighting Module training

Stakeholders have access to various reporting channels to communicate potential risks or emergencies through on-site reporting, or via our online platform, Integrated DIALOG Enterprise Application (“iDEA”).

During quarterly Group HSE Steering Committee meetings, we share findings and provide updates on emergency response plans. Moreover, DIALOG has established specialised teams at regional, site and unit levels. They are fully equipped to handle emergencies.

Contractors Safety

We work closely with our contractors to ensure compliance with the strict requirements outlined in our HSEMS. Our contractual agreements outline the specific safety standards and requirements that contractors must adhere to while working on our projects.

Prior to a contract award, we conduct pre-screening evaluations which include an assessment of compliance with our Code of Business Ethics for Business Partners and the completion of a Business Ethics Questionnaire (“BEQ”). In addition, the evaluation covers a comprehensive review of the contractor’s safety track record, experience in similar projects, and commitment to upholding our HSEMS. Concurrently, we assess their commitment to ethical conduct, including their formal acknowledgement of our Anti-Bribery and Corruption (“ABC”) compliance standards.

We have implemented various other initiatives to enhance contractors’ safety such as:

- HSE engagement sessions to ensure their full awareness of our safety standards, expectations and guidelines.
- HSE awareness and training to provide them with the knowledge and skills to perform their work safely.
- On-site safety supervision to ensure their work adheres to our safety protocols.
- HSE reward and recognition in appreciation of outstanding work.
- HSE campaigns to raise awareness and reinforce safety practices.

ADVANCING PEOPLE

OUR AIM

Our aim is to set and maintain standards of health and safety management, to ensure the well-being of our employees and others who may be affected. It minimises losses from ill health and injuries.

Goal	Short / Mid-term Targets (by FY2030)
Prevent workplace accidents or injuries, and mitigate safety and health risks	<ol style="list-style-type: none"> 1. Total Recordable Incident Rate ("TRIR"): Maintain better than industry benchmark* 2. Maintain positive OSH impact from leaders through HSE Walkabout for open sharing annually

* Industry benchmark refers to the International Association of Oil and Gas Producers (IOGP) annual average TRIR

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

HSE certifications

In FY2023, the certifications below collectively show that 72.4% of both local and international operational sites acquired the ISO 45001:2018 standard for Occupational Health & Safety Management.

ISO 45001:2018 Standard for Occupational Health & Safety Management	
DIALOG Group Berhad (HQ)	2019
DIALOG E & C Sdn. Bhd. (HQ)	2019
DIALOG Systems Sdn. Bhd. (HQ)	2019
Pacific Advance Composites Sdn. Bhd. (HQ)	2019
Pacific Advance Composites Sdn. Bhd. (Nilai)	2019
DIALOG Plant Services Sdn. Bhd. (HQ) (including DIALOG Catalyst Services Sdn. Bhd.)	2019
DIALOG Plant Services Sdn. Bhd. (Labohan) (including DIALOG Catalyst Services Sdn. Bhd.)	2019
DIALOG Plant Services Sdn. Bhd. (Bukit Rambai)	2019
DIALOG Plant Services Sdn. Bhd. (Gebeng)	2019
DIALOG Catalyst Services Sdn. Bhd. (Nilai)	2019

ISO 45001:2018 Standard for Occupational Health & Safety Management	
DIALOG Fabricators Sdn. Bhd. (HQ)	2019
DIALOG Fabricators Sdn. Bhd. (Pengerang)	2019
DIALOG Terminals Langsat (1) Sdn. Bhd. (Tanjung Langsat)	2019
DIALOG Terminals Langsat (2) Sdn. Bhd. (Tanjung Langsat)	2019
DIALOG Terminals Langsat (3) Sdn. Bhd. (Tanjung Langsat)	2019
Overseas Manufacturing (Johor) Sdn. Bhd. (Johor)	2022
DIALOG Jubail Supply Base Co. Ltd (Saudi Arabia)	2021
DIALOG Plant Services Pte Ltd (Singapore)	2020
Overseas Technical Engineering and Construction Pte Ltd (Singapore)	2020
DIALOG Fitzroy Ltd (New Zealand)	2019

HSE Programmes

To encourage behavioural change and increase safety awareness in the workplace, we focused on the following HSE programmes and initiatives:

- HSE Week with active involvement from Senior and Site Management across the Group, fostering the sharing of good HSE practices, conducting Health Talks and engaging in environment conservation activities.
- Daily Toolbox meetings conducted at project sites at the start of the day to emphasise workplace safety.
- Felt Leadership Programme to increase engagement between Senior Management and the site teams, through leadership site walkabouts, listening to their HSE feedback and discussions on continuous HSE improvement, thereby reiterating the Group's commitment to HSE.
- Hearts & Mind Programme that focuses on personal responsibilities and proactive interventions when dealing and managing hazards and risks at the workplace.
- Enhancement of our OSH reporting system through the implementation of a digital solution, iDEA.



Best HSE Performers Recognition Awards presented at DIALOG's HSE Week 2023

HSE Performance

Our Key Performance Indicator Target for Health & Safety is disclosed in the Management Discussion and Analysis section of this Annual Report. The Health and Safety targets are as follows:

HSE Targets	FY2023	FY2024
Total Recordable Incident Rate ("TRIR")	0.52	0.48
Lost Time Injury Rate ("LTIR")*	0.14	0.00

* Note: LTIR is defined as the number of Lost Time Injuries per million man-hours worked. Lost Time Injuries is further defined as a work-related injury or illness which renders the injured person unable to perform his/her normal duties on any day immediately following the day of the incident. It includes fatality, permanent total disability, permanent partial disability and loss of workday case. LTIR is based on aggregated Employee and Contractor man-hours.

By prioritising health and safety in our operations, our TRIR has shown remarkable progress in FY2023, declining to 0.33 from 0.66 in FY2022, thus exceeding the target of 0.52. Moreover, our LTIR remained consistently at zero, reflecting our successful efforts in preventing work-related injuries.

Throughout FY2023, we practiced proactive site supervision and HSE management walkabouts, conducting a total of 707 walkabouts (FY2022: 655). This approach, combined with our commitment to health and safety, has contributed to the improved performance and the overall well-being of our employees.

Moving forward, we remain dedicated to driving HSE programmes and fostering a strong safety-focused culture. We will push for more open and honest reporting

of incidents and near misses as it helps understand the nature of "restricted work cases and medical cases." The information helps identify potential hazards more effectively, allowing us to implement targeted measures for prevention and further enhancing our safety performance.

LTIR, TRIR and the number of work-related employee and contractor fatalities over the last three years are as follows:

HSE Performance	FY2021	FY2022	FY2023
Work-Related Employee Fatalities	0	0	0
Work-Related Contractor Fatalities	0	0	0
Total Recordable Incident Rate ("TRIR")	0.72	0.66	0.33
Lost Time Injury Rate ("LTIR")	0	0	0

HSE Compliance

During the year under review, we have conducted 34 compliance audits, of which 15 were audits performed by external certification bodies. While the Group continues to prioritise good HSE practices in our operations, DIALOG was served with 8 summons (FY2022: 9), of which all issues have since been promptly rectified and closed.

ADVANCING PEOPLE

HSE Accomplishments

In FY2023, we are honoured to have been accorded the following HSE awards and milestone recognitions:

Recipient	Achievement	Awarding Company/Party
DIALOG Plant Services Sdn. Bhd.	The Best Contractors 2022	PRefChem
DIALOG E & C Sdn. Bhd.	Safe Completion of Nutmeg Project with 950,000 man-hours without LTI	Pengerang Terminals Two
DIALOG E & C Sdn. Bhd.	Outstanding Project HSE Performance 2022	PETRONAS
DIALOG E & C Sdn. Bhd.	1 Million Safe Man-hours Achievement without LTI	PETRONAS

Employee Health & Well-Being

A healthy workforce is essential in ensuring the sustainability and productivity of our human capital assets. We regularly engage employees on matters of health and well-being through a variety of talks and initiatives on an ongoing basis.

During the year under review, we conducted various awareness and training sessions aimed at enhancing understanding and educating our employees. These sessions were conducted both at our headquarters and project sites, focusing on a spectrum of personal health and well-being topics:

Date	Topic
14 July 2022	Heat Stress Awareness Training
10 August 2022	Computer-based Training: Hearing Conservation Module
29 September 2022	Noise Awareness Training
29 September 2022	Knowledge Sharing: Journey Management, Road Safety & Defensive Driving
5 October 2022	Knowledge Sharing: Journey Management Plan on Road Safety
26 October 2022	Defensive Driving Training
16 November 2022	Fatigue Management Training
13 December 2022	HSE Sharing Session: Heart Attack and Cardiac Arrest
21 December 2022	Hearing Conservation
2 March 2023	Health Talk: Chronic Gastroenterological Diseases
23 May 2023	HSE Week Webinar – Health Talk: Absenteeism Challenges, Personal Fitness Journey and How Does Upstream Maintain a Healthy Workforce Offshore

In addition, DIALOG was a sponsor of the Malaysia Corporate Team Virtual Marathon 2023. Recognised as Malaysia's largest intercompany marathon challenge with the aim of promoting walking as part of lifestyle, a total of 72 DIALOG employees participated in the one-month virtual marathon.

Mental Health

The Group recognises the importance of mental health as part of overall well-being. The implementation of the Employee Assistance Programme ("EAP") in July 2021 provided a valuable resource that offers our employees access to qualified clinical psychologists and counsellors whenever necessary. Subsequently, the Group introduced EAP's latest feature, the Online Resource Page ("ORPE") in August 2023. ORPE is a one-stop site that provides access to various EAP services and among its key features include a self-assessment tool that provides employees with valuable insights of their psychological and emotional health such as depressive symptoms, sleep quality and communication styles.

HUMAN CAPITAL MANAGEMENT

Our employees are our most valuable asset. They are critical to the sustainability of the Group's business as their performance directly affects the outcome of our deliverables to our valued clients and stakeholders.

As such, it is inherently important for us to manage our people holistically and effectively, especially as the competition for talent in the marketplace continues to intensify. This means building a culture that:

- Attracts, develops and retains high-performing talent – Ensures a stable talent resource pool to enable the Group to achieve set deliverables.
- Continuously develops and future-proofs our workforce – Nurtures and empowers our employees to grow, evolve and thrive to meet the needs of a rapidly changing industry.
- Promotes diversity, equality and inclusion – Harnesses the strength of a diverse talent pool and promotes teamwork.
- Treats everyone fairly with dignity, fairness, respect and equality – Fosters a deeper sense of unity and supporting a foundation built on trust.

Talent Attraction & Retention

Understanding that employees are key for the Group to drive sustained business performance, DIALOG is committed towards attracting, rewarding and retaining high-performing talent for the Group's long-term success.

Diversity, Equality & Inclusion

Embracing diversity is essential to us, as DIALOG operates across 8 countries globally and our employees come from various backgrounds and experiences. Promoting inclusiveness, equality and diversity fosters an open-minded company culture that encourages creativity and innovation that is essential to our success.

We remain committed to fostering an inclusive culture where everyone should have the right to work and advance on merit and ability irrespective of nationality, gender, age, religion, ethnicity, sexual orientation, or physical ability.

Human Rights

DIALOG believes in the fundamental rights and freedom of expression and association entitled to every individual. In this regard, DIALOG has zero tolerance for discrimination, bullying or harassment. DIALOG also has a firm stance against child labour or any form of coerced labour and adopts ethical labour standards and practices, ensuring that we comply with all applicable laws and regulations pertaining to child protection and labour laws in the countries we operate in.

OUR APPROACH

With a rich diversity of people and cultures across our business operations, DIALOG thrives by creating an environment that draws from a wealth of knowledge, experience and multiple perspectives.

To harness this strength, we ensure that our employees work together as ONE DIALOG, by sharing a common understanding of our corporate culture and leadership values to achieve both individual and business goals.

Our corporate core values are key to achieving this balance. They send a clear message about our principles of integrity and teamwork. They also reinforce our commitment to Integrity, HSE, Quality, Competency and Excellence.

Active and consistent expression of these values and policies are communicated to our employees throughout their employment with us, via our employee induction programme, staff engagement activities and channels such as our intranet and newsletters.

ADVANCING PEOPLE

OUR AIM

We aim to be an employer of choice by maintaining a holistic approach that combines a conducive workplace culture with a competitive compensation structure and equal opportunities for all qualified individuals.

Goals	Short / Mid-term Targets (by FY2030)
Enhance labour standards and practices	Launch sexual harassment e-learning and set e-learning target
Fair wage and employee benefits	100% of employees have access to the Employee Assistance Programme ("EAP")
Improve workforce diversity	Continuously introduce initiatives to attract and retain more females in management
Enhance workforce competency continuously	More than 80% of employees attend a minimum of 8 hours of training annually

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

Employees' Share Option Scheme ("ESOS")

In FY2019, the Group implemented the third round of ESOS that will be in force for a duration of 10 years. The ESOS's intended purpose is to:

- Attract prospective skilled talent and experienced employees to join and contribute to the Group by making the total compensation package more attractive and competitive.
- Provide an incentive to motivate the eligible employees towards better performance and work towards achieving the Group's goals and objectives.
- Reward the eligible employees in recognition of their accumulated contribution to the operations and continued growth of the Group.
- Retain the eligible employees by giving them a sense of ownership, loyalty and belonging to the Group as they participate directly in the equity of the Company.

The basis of allocation of ESOS Options is determined by the ESOS Committee, which takes into consideration, among others, the Group's performance and the eligible employees' individual performance (both financial and non-financial) over the vesting period. In line with the Group's long-term business model, present vesting periods are between 5 to 6 years.

Conducive Workplace

DIALOG recognises the importance of maintaining a caring environment, as a conducive workplace promotes safety, health and a sense of belonging for all employees, effectively contributing to the retention of employees. Some of the benefits we provide include:

- Employee wellness facilities and activities such as gym and sports activities including running and weekly programmes of badminton, futsal, yoga, dancing and Qigong classes, which are organised by the Sports Club. Health talks are also held periodically.
- Competitive medical coverage and benefits.
- Staff welfare programme where we provide schooling assistance to lower income Malaysian employees since 2001.
- Academic Achievement Reward Programme aimed at rewarding the children of Malaysia-based employees for their academic achievements. Its objective is to encourage learning and promote a culture of excellence in the 'DIALOG Families'.

Internal Recruitment Programme ("IRP")

DIALOG encourages internal mobility to retain and develop talents and launched this programme in December 2021. Connecting our employees to job opportunities within the company provides them with new opportunities to learn, grow and drive value for the Group. This is in line with DIALOG's principles of valuing diversity, encouraging the active promotion of knowledge exchange, and continually developing our global workforce to achieve our business goals, mission and vision. In FY2023, however, there was no placement under IRP (FY2022: 5 placements).

Young Engineer Programme (“YEP”), GradStart & Internship Programme

In addition to IRP, we continued to offer job opportunities to young graduates. In FY2023, we hired a total of 59 graduates (FY2022: 50) and 8 interns (FY2022: 11). The interns were placed in workplaces for exposure purposes while young graduates were placed in various divisions within the Group. Some graduates were also placed under the YEP or GradStart Programme. 51% of the graduates hired were female compared to 50% last year.

Training

DIALOG invests heavily in training programmes all year round for the continuous learning of our employees and future leaders. It includes training seminars, knowledge-sharing sessions, briefings and e-learning programmes/webinars and conferences. These programmes address an array of organisational needs that include:

- Compliance training – Fundamental and mandatory training in the areas of HSE, governance and sustainability.
- End-user training – Equip our employees with skills in using the new ERP system that is in line with our digitalisation transformation journey.
- Technical training – Build and enhance subject matter expertise in a variety of areas across the business.
- Soft-skills/behavioural and leadership training – Develop and upskill our future leaders.

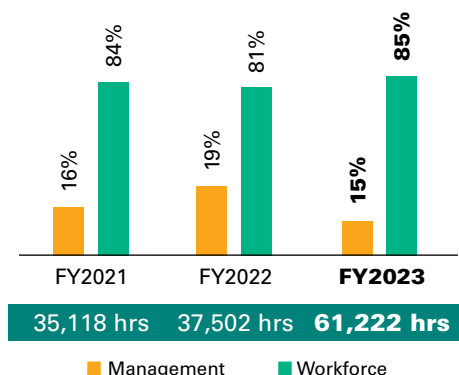
In FY2023, 3,212 employees (including management and daily wage staff) attended various trainings, resulting in a total of 61,222 training hours clocked, which is equivalent to an average of 22.3 training hours (FY2022: 14.0 hours) per employee.

HSE training contributed the majority of training hours at 34,415 hours, where out of 2,744 employees, 85% (2,322) attended the training. Alongside HSE training, 33% (FY2022: 24%) of total training hours (20,044 hours) were attributed to technical/functional training that includes the intensive functional-based end-user training as part of the new ERP system implementation. With the focus on technical/functional training, soft skills and leadership training accounted for 11% (FY2022: 16%) of total training hours (6,763 hours) this year.

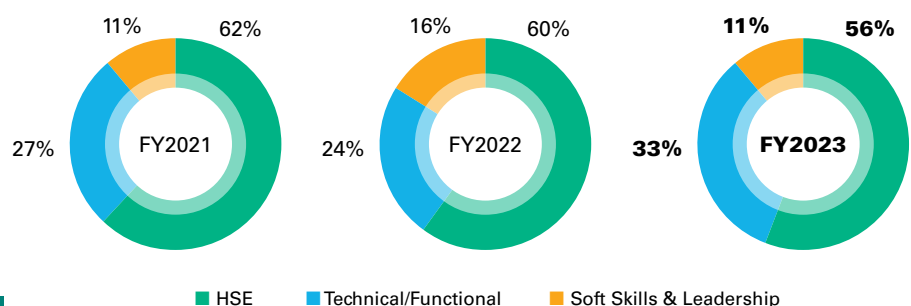


DIALOG employees participating in the First Aid training at DIALOG Tower

Training Hours for Management and Workforce



Training Hours by Type of Training



ADVANCING PEOPLE

We also educate our employees on climate change awareness and the green initiatives conducted across DIALOG's operations. Since its introduction in March 2023, Green COE regularly disseminates information and articles on green topics. It has also led employee awareness campaigns such as food waste disposals and battery recycling programmes.

Career Development Opportunities

DIALOG regularly sends employees on local and overseas assignments or seconds them to our Joint Venture Partners when opportunities arise. Engineers under our Young Engineer Programme were also given opportunities to be rotated among departments for invaluable hands-on experience in engineering design, terminals business and field operations.

As part of our long-term strategies, Talent Management and Succession Management programmes are also in place to ensure our talent pool and leadership pipeline are sustainable.

Local Hiring

In recognising that the Group plays a significant role in creating employment, we endeavour to hire locally in the countries we operate. A priority to DIALOG, local hiring and skills development can generate significant economic benefits for the communities near our operations. This approach has been mutually beneficial as it builds our local talent pipeline and strengthens community and employee relations.

Performance Review


Communication is an essential aspect of a productive workplace and therefore, employee engagement is important. Performance reviews are conducted yearly, providing our employees with opportunities to receive recognition for a job well done or to highlight areas that may need more attention.

Sexual Harassment Policy

DIALOG introduced the Sexual Harassment Policy in April 2022 to drive our efforts in providing a respectful, safe and healthy working environment in every place of employment. The guidelines provide our employees with a practical guide on the protection of the dignity of men and women at work. This ensures individual employees,


irrespective of status or position, are treated with dignity and free from any form of harassment, humiliation and intimidation of a sexual nature.

DIALOG is working towards introducing a sexual harassment e-learning course to our employees in FY2024 to increase employee awareness and understanding of the policy, build a culture of respect and uphold zero tolerance of inappropriate workplace behaviours.

 www.dialogasia.com/policies

Whistleblowing

In addition, we also acknowledge the importance of providing a safe and trusted channel for our employees to escalate issues and any wrongdoing like bullying and harassment. As such, we have implemented a Whistleblowing Policy which accepts anonymous reports.

 www.dialogasia.com/policies

Human Capital Development

As part of our human capital development initiatives, the following key programmes continued to be enhanced in FY2023.



Engineering Foundation Programme

More technical training modules, developed by our internal subject matter experts in collaboration with Group Human Capital Development Department, were added to this series.

This programme was offered to all our engineers to equip them with a broad understanding of the fundamentals of engineering disciplines which covered topics on engineering processes and detailed engineering.



Talent Development Programme

This comprises various ongoing in-house supervisory and leadership programmes for our frontline and operational leaders as well as high-performing talents.

- Breakthrough Programme for Supervisors ("BPS")
- Active Team Manager Programme
- Active Team Leader Programme



Young Engineer Programme

More young engineers were hired under YEP this year. As part of the programme, they were given a structured job rotation experience to gain invaluable hands-on experience in engineering design, field operations in terminals business and various departments. Periodic reviews were carried out to ensure their learning progress stayed on track.

Human Capital Management Indicators

Employees by Country

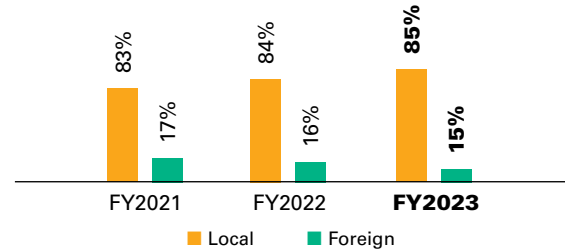
Country	FY2021	FY2022	FY2023
Malaysia	1,617	1,781	1,826
Singapore	129	141	135
Australia & New Zealand	465	486	629
Middle East	255	246	105
Other Countries	28	26	49
Total	2,494	2,680	2,744

Employees by Qualification Level

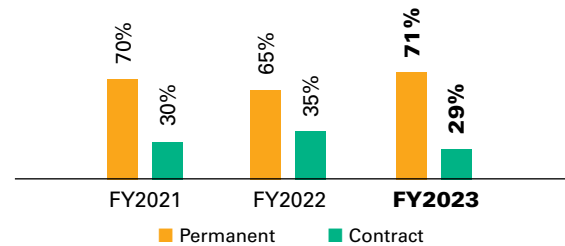
Qualification Level	FY2021	FY2022	FY2023
Technical Degree	650	697	732
Technical Diploma	291	336	334
Technical Certificate	422	418	470
Non-Technical Degree	307	312	304
Non-Technical Diploma	152	167	183
Non-Technical Certificate	40	44	44
Secondary Certificate	558	636	607
Lower Secondary/ Primary Certificate	74	70	70
Total	2,494	2,680	2,744

Employee Diversity Indicators

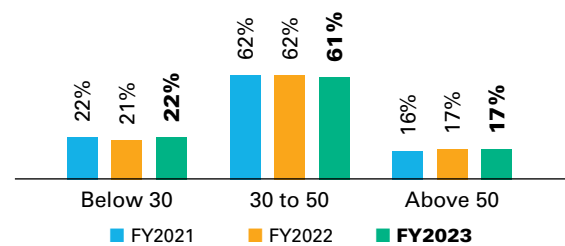
Local Hiring (%)



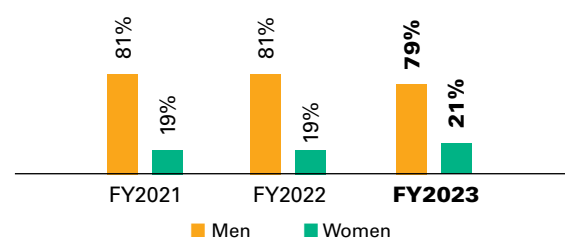
Employees by Category (%)



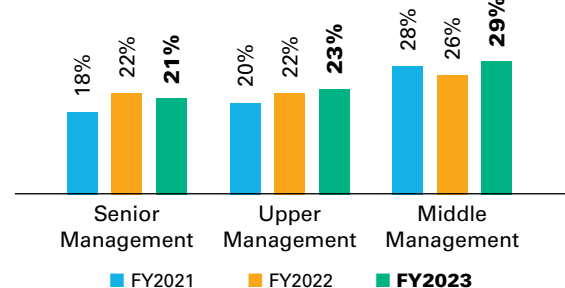
Employees by Age Group (%)



Employees by Gender (%)



Women in Management (%)



ADVANCING PEOPLE

CE COMMUNITY ENGAGEMENT

Community engagement is part of work culture of being caring and compassionate. It motivates people to be innovative in meeting ESG goals, as well as being aware of the communities that surround us. It positively impacts the communities and ultimately contributes to our sustainability.

OUR APPROACH

DIALOG supports the MyKasih Foundation ("MyKasih"), a private non-profit organisation with a vision to create loving and caring neighbourhoods all over Malaysia. DIALOG's community engagement objectives are aligned with MyKasih's mission to alleviate poverty by helping underprivileged families meet their basic needs for food aid and educational support, as well as implementing meaningful sustainable programmes to help beneficiaries achieve financial stability and food security in the long run.

Our CSR and community engagement obligations are mostly carried out through MyKasih. Furthermore, the Group provides funding support to other charitable initiatives that reach out to the communities where we operate.

During the year under review, DIALOG contributed a total of RM4.6 million towards MyKasih for the Group's CSR programmes, lower by 17% and 12% for FY2022 and FY2021, respectively following the cease of pandemic-related assistance.

Year	DIALOG's contribution towards MyKasih Foundation (RM Million)
FY2023	4.6
FY2022	5.5
FY2021	5.2

OUR AIM

We aim to help marginalised communities by meeting their immediate needs for nutrition and education, and provide them with opportunities to become self-sufficient and financially stable.

Goal	Short / Mid-term Target (by FY2030)
Promote a caring culture by positively impacting communities through meaningful CSR activities via MyKasih Foundation	More than 85% of employees participate in community volunteerism activities annually

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

MyKasih Foundation

Cashless Payment System

DIALOG's key contribution to ensuring the well-being of communities struggling with poverty is in the unique technology developed by our subsidiary DIV Services Sdn. Bhd. ("DIV").

DIALOG has dedicated this proprietary technology and manpower to drive MyKasih's distribution of welfare aid to targeted beneficiaries in a secure, efficient and transparent manner. In doing so, other corporates, non-corporate funding bodies, social purpose organisations and individuals are able to help the poor without incurring any cost or licensing fees, thereby fully maximising charity benefits to those who need it most.

The proprietary technology is a cashless payment system that uses the chip technology of the Malaysian identity card ("MyKad") and the proprietary MyKasih smartcard to pay for purchases of essential goods at partner retailers. For added security, all transactions are chip and PIN-verified. A MyKad-based system provides donors with the assurance that 100% of their charity funds are delivered directly to the rightful recipients and used for its intended purposes. This transparent method of welfare distribution eliminates leakages and allows donors to track how their donations are being used.

DIALOG Supports MyKasih



DIALOG has continued to improve the technology and its quality to ensure it remains robust and relevant. It enabled MyKasih to mobilise close to RM400 million worth of aid since 2009 to over 800,000 families and students nationwide.

In addition, DIALOG contributes funding towards MyKasih's flagship 'Love My Neighbourhood' food aid and 'Love My School' student bursary programmes.

MyKasih 'Love My Neighbourhood' ("LMN") Food Aid Programme

In FY2023, the Group allocated RM672,600 to support 700 families across 10 locations with monthly food aid worth RM80.

Recipients can choose from a range of approved essential items within 10 product categories. They then use their MyKad to draw on the allowance and pay for groceries at participating retail stores within their neighbourhood.

Outside Malaysia, the Group replicated the LMN programme in Bangkok, Thailand. Through DIALOG Systems (Thailand) Limited, a monthly allowance is provided to 82 families in the Laksi District via the MyKasih smartcard to shop for approved provisions at their community marts.

During the year under review, RM750,000 of DIALOG's CSR fund with MyKasih was deployed to support the Johor State Government's flood relief efforts. Each of the

2,000 affected families received a one-off allowance via their MyKad to purchase essential food and other basic household items to replace what was damaged or lost in the floods.

MyKasih 'Love My School' ("LMS") Student Bursary Programme

DIALOG supports 3,204 students in 41 schools across 11 states under the LMS programme. Out of the 41 schools, 14 are Asli-Pribumi (indigenous) primary schools with a combined population of 2,090 students.

The LMS programme alleviates the financial burden that underprivileged families have in educating their children. Accounts are opened in the system against the student beneficiaries' MyKad-linked smartcard, into which the daily spending allowance is deposited. The students then use their smartcard to pay for purchases made at the school canteen and bookstore.



Recipient of MyKasih 'Love My Neighbourhood' Food Aid Programme at the checkout counter

ADVANCING PEOPLE



Recipients of MyKasih 'Love My School' Student Bursary Programme

In addition to bursaries, the students also have access to 21st-century learning and Science, Technology, Engineering and Mathematics ("STEM") education by way of DIALOG-sponsored computer labs and robotic kits. One successful outcome of this is from Sekolah Kebangsaan Permatang Keledang in Pekan, Pahang. They were the only indigenous school out of 20 schools nationwide to qualify and compete in the junior national robotics grand finals held in Bukit Jalil, Kuala Lumpur, in November 2022.

Apart from STEM Education, DIALOG also supports music activities, sports programmes and aquaponic edible gardens in MyKasih schools. School teachers use the aquaponics garden as an outdoor classroom to teach Bahasa Malaysia, English, Science and Mathematics. They are also able to impart fundamentals of environmental consciousness and social responsibility while teaching the students about food production.

As poverty is a strong factor in school dropouts or absenteeism, the LMS programme encourages attendance and active participation in the classroom and during extra-curricular programmes. The additional focus on Orang Asli schools ensures that the most vulnerable and marginalised groups are not left behind.



Students of SK Batu 14 in Tapah, Perak (a DIALOG-supported school) harvesting the vegetables from the aquaponic edible garden



DIALOG has been supporting SK Bukit Lanjan's rugby team The Lanjan Tigers since its formation in 2015

The LMS initiative accounts for more than 65% of the Group's FY2023 CSR allocation.

Community Food Security & Sustainable Livelihood Initiatives

Apart from cashless aid, MyKasih provides opportunities for beneficiaries to achieve food security and financial independence. These interventions include food cultivation skills (fruits, vegetables and bee-keeping for honey) for communities to improve their overall quality of life.

DIALOG currently supports 9 sites on community food security and sustainable livelihood initiatives:

- 8 sites in Lipis and Raub, Pahang (Villages: Bertang, Ruai, Pantos, Betau, Leryar, Tiat, Pasu, SungaiYol).
- 1 site in Jeli, Kelantan (Village: Manok).



DIALOG volunteers hard at work harvesting cucumbers in Kampung Pantos, Pahang



Kelulut Honey being harvested in Kampung Manok, Jeli, Kelantan

Employee Volunteerism

In FY2023, some CSR activities that were organised by DIALOG includes school refurbishment and beautification works, beach and river clean-ups, recycling, tree-planting, seagrass monitoring surveys, blood donation drives, administrative tasks during charity fundraisers, and harvesting farm produce with the farmers under DIALOG's support.

Seagrass Conservation and Monitoring Programme

DIALOG supports an annual programme to monitor seagrass meadows near the Tanjung Langsat facility in the south of Johor. Seagrass meadows are an important marine ecosystem. It provides habitat and food for nearly 70% of sea life: it protects coastlines from storms and strong waves as well, and improves water quality by filtering pollutants from water bodies. The project's long-term goal is to conserve the seagrass ecosystem services that contribute to the sustainable livelihoods and food security of local communities that rely on them.

ADVANCING PEOPLE



MyKasih Charity Golf 2023

DIALOG Terminals Langsat (“DTL”) works with Reef Check Malaysia and scientists from Universiti Malaya to conduct monthly monitoring and data collection on seagrass health. The scientists also hope to raise awareness among local communities of the ecological and economic importance of seagrass meadows and other blue carbon assets. During the period under review, 76 DTL volunteers participated in 9 monthly monitoring sessions.

Conservation efforts require long-term commitment which is why the Group renewed its commitment in March 2023 to continue its support for the seagrass project for another year. It will help in the development of a comprehensive seagrass management plan.

Community Recycling & Waste Management

DIALOG ESECO regularly engages its nearby communities to raise awareness on recycling and waste management. Efforts undertaken include partnering with schools and non-governmental organisations on recycling collection programmes, and participating in discussions with industry leaders to advocate proper waste disposal and management. We have participated in programmes including:

- Public-Private Partnership Programme with Kuala Lumpur Mayor and GreenSteps (Taman Tun Dr Ismail Residents Association Community)
- Recycle and Refill Day Programme by Zero Waste Earth Store

- The Environment and Recycling by Zero Waste Malaysia
- Forum World Environment Day: Solution to Plastic Pollution 2023
- Forward Festival: Circular Economy and the Future of Sustainable Manufacturing in the Global Economy
- Zero Waste Townships Panel Discussion
- MyKasih Schools Recycling Programme

In FY2023, DIALOG ESECO was involved in 29 community engagement activities across the Klang Valley.

Other Charitable Initiatives

The Group contributed RM365,000 towards various charitable initiatives such as the MyKasih Charity Golf, Laksamana Neon Run organised by Tunku Laksamana Johor Cancer Foundation, Tapestry of Colours Charity Dinner and ESTCON 2022 education scholarship fundraiser organised by Yayasan Universiti Teknologi PETRONAS. DIALOG also supports the Malaysian performing arts scene through PAN Productions ‘The Producers’ charity musical and DAMA Asia fundraising concerts.

SCM SUPPLY CHAIN MANAGEMENT

Effective supply chain management, contractor management and supplier relationships are crucial components for operational efficiency. At DIALOG, supply chain management remains paramount in achieving long-term success and resilience.

OUR APPROACH

We emphasise ethical and responsible business practices in our supply chain management approach. The supplier and contractor screening process commences with the evaluation of potential suppliers and contractors through a qualification process and invitation to bid. As part of this process, we require all suppliers and contractors to complete a Business Ethics Questionnaire ("BEQ"), to assess their dedication to ethical conduct, sustainability and adherence to industry standards.

Additionally, suppliers and contractors are requested to comply and formally acknowledge our Anti-Bribery and Corruption ("ABC") compliance standards and align with our Code of Business Ethics for Business Partners. It ensures that our suppliers and contractors share our commitment to transparent and ethical business practices. Throughout the screening process, the business practices of potential supply chain partners are well considered for its alignment to our ESG criteria, which serves to guide the Group in its selection process.

OUR AIM

A sound supply chain management policy optimises product quality, cost and overall supply chain efficiency. We aim to positively impact our suppliers and contractors, particularly Small and Medium Enterprises ("SMEs"), through ethical sourcing and responsible procurement efforts while fostering community development and environmentally conscious practices.

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

DIALOG embraces ESG principles and understands our importance in the broader industry landscape. Our operations are built on a diverse range of products and services sourced from both local and global networks of suppliers and contractors.

The Group recognises that developing ethical and sustainable supply chains encompasses more than just an operational necessity. This reflects our commitment to responsible corporate practice. Managing both suppliers and contractors effectively is essential in ensuring that all stakeholders in our operations consistently meet our standards, uphold quality expectations and follow ethical practices, thereby strengthening our comprehensive operational integrity.

While our supply chain management approach is still in its early stages, it signifies our commitment to enhancing operational efficiency, safety and sustainability. Our current approach is to refine supply chain processes to align with our goal of generating ESG impacts.

In FY2023, we embarked on our supply chain management journey by laying the groundwork for responsible and sustainable practices for both parties. Among the key initiatives were a series of sustainability awareness sessions planned for our suppliers and contractors. These sessions aim to enhance their understanding of sustainability principles and encourage alignment with ethical and responsible business practices.

It marks an essential first step as we work towards building a comprehensive supply chain management approach that emphasises responsible sourcing, contractor collaboration, operational efficiency, safety, sustainability, community advancement, and environmentally conscious practices. We are committed to expanding these efforts in the coming years.

ROBUST GOVERNANCE AND ETHICAL PRACTICES

Material Topics

EP CG ABC BE RM TT

Stakeholders Impacted

E GR FI S C BP LC VS



Employees at DIALOG Tower, Mutiara Damansara, Selangor

We uphold the highest standards of governance, business ethics, integrity and transparency as robust governance and ethical behaviour are the bedrock of every responsibly managed organisation.

CG BE CORPORATE GOVERNANCE & BUSINESS ETHICS

In a climate of increasing regulations and public scrutiny, ethical behaviour builds trust and instils confidence among our stakeholders. This in turn helps us maintain a positive reputation, foster strong business and stakeholder relationships, and enables the Group to grow sustainably.

DIALOG believes strong corporate governance and ethical behaviour are the key to protecting both business and stakeholders' interests, enabling us to address and manage risks effectively, and ultimately contribute sustainably to the Group's financial performance and enhancement of shareholders' value.

OUR APPROACH

DIALOG adheres to good governance as advocated by the Malaysian Code on Corporate Governance ("the Code"). The Principles and Practices of the Code, where necessary and appropriate, are carried out across the Group to ensure that high standards of transparency, accountability and integrity are attained in managing the Group's business.

DIALOG also expects all employees to conduct themselves ethically and with integrity at all times. Our commitment to maintaining this culture of integrity, transparency and compliance is specifically expressed in DIALOG's Code of Business Ethics, to which all employees must adhere without exception.

It is also the Group's practice to continuously review and enhance our Corporate Governance Framework and supporting policies and procedures, to ensure that best practices are adopted and the highest levels of governance, business ethics, integrity and transparency are maintained.

OUR AIM

We aim to maintain the highest standards of corporate governance, business ethics and contribute to the sustainable progress of the Group.

Goals	Short / Mid-term Targets (by FY2030)
Pursue the highest standards of corporate governance and business ethics	More than 80% of DIALOG employees complete training courses on critical areas annually
Minimise supply chain sustainability risk	Launch ESG-related audit of critical suppliers and contractors to ensure they are compliant and uphold the same ESG values as DIALOG

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023


Corporate Governance & Business Ethics

Corporate Governance Framework

DIALOG maintains good corporate governance by having in place an effective corporate governance framework. Please refer to our Corporate Governance Overview Statement for more details.

Board Diversity & Competency

DIALOG ensures that its Board of Directors ("Board") has an appropriate mix of diversity, skill sets and experience to effectively lead and fulfil its responsibilities. While adhering to the Malaysian Code on Corporate Governance's recommendation of at least 30% female representation, all appointments to the Board are made on merit and guided by the Fit and Proper Policy. Currently, the Board comprises 3 women and 6 men, achieving a composition of at least one-third female representation (33%).

 Board of Directors' Profile, pages 23 to 27

Policies & Guidelines

Our corporate governance framework is supported by having the right policies, procedures and guidelines, to ensure that a corporate culture of ethical and transparent behaviour is prevalent across the Group.

During the year under review, we continued to enforce stringent policies and guidelines to ensure integrity and ethical practices at all times.

Refer page 71 for the list of ESG related policies and guidelines.

Data Governance and Data Leakage Prevention ("DLP")

DIALOG will protect the integrity and confidentiality of data entrusted to us which includes our proprietary DIALOG data. The Data Governance and DLP framework serve as a guideline for employees. This framework defines the types of data that require protection, outlines its governance procedures and establishes control mechanisms. It also lays out the data governance structure, clarifying ownership, roles and responsibilities, while implementing a process to address any non-compliance.

ROBUST GOVERNANCE AND ETHICAL PRACTICES

Regular Data Governance and DLP awareness sessions are conducted to reinforce knowledge of relevant policies, procedures and best practices. Business Unit Data Owners and Data Stewards also play integral roles as points of contact in safeguarding sensitive data.

In FY2023, the Group implemented a series of initiatives such as securing DIALOG's devices against data leakage, monitoring and verifying any suspicious data downloads, and implementing document labelling practices, as efforts to bolster data protection.

During the year under review, no breaches or complaints regarding data loss were recorded. It underscores our proactive efforts in ensuring that data assets remain secure.

ANTI-BRIBERY & CORRUPTION

At DIALOG, ethical behaviour is of paramount importance to us, and we take compliance with our established Code of Business Ethics and related policies seriously. The implementation of Corporate Liability involving commercial organisations under the Malaysian Anti-Corruption Commission's ("MACC") Section 17A which took effect on 1 June 2020 resonates with our objective of fostering a business environment free of bribery and corruption.

Bribery and corruption are not only against our values, but the destructive consequences arising from them could negatively impact DIALOG's employee morale, reputation and financial standing.

OUR APPROACH

Prior to the implementation of Section 17A of the MACC Act on 1 June 2020, DIALOG had already established its Anti-Bribery & Corruption ("ABC") Policy in 2019. Our ABC Policy serves as a comprehensive framework outlining the guiding principles for effectively managing bribery and corruption risks across all our activities.

DIALOG takes a proactive stance by implementing stringent internal controls to prevent and detect corruption, adhering to specific accounting rules and procedures for accurate information reporting.

These measures include proper approval processes for financial transactions and a system of checks and balances to ensure transparency and accountability. Regular risk assessments are conducted to identify potential corruption vulnerabilities in various aspects of our operations. In line with our commitment to maintaining ethical conduct, any incidents related to actual or suspected violations of the ABC Policy can be reported through our whistleblowing channel, as defined in DIALOG's Whistleblowing Policy.



www.dialogasia.com/policies

OUR AIM

DIALOG's Board and management are committed to conducting the Group's business operations based on a strong foundation of integrity, transparency and honesty. We maintain a zero-tolerance stance towards bribery and corruption, and are fully committed to conducting all business dealings and relationships with utmost professionalism, fairness and integrity.

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023






We introduced an e-learning and assessment module on ABC in July 2021. As part of the onboarding process, all new staff are required to sign-off that they have understood and will comply with the requirements of the ABC Policy. A score of 100% is required to complete the ABC course and assessment.

In FY2023, 81% of employees completed the ABC training, achieving our target of over 80% completion rate. To further enhance the completion rate, the Group closely monitors the progress monthly. Any instances of unsatisfactory completion rates are promptly brought to the attention of the Risk Management Committee for appropriate action and resolution.

During the year under review, all DIALOG operations are assessed for risks related to ABC. There were no reported cases of bribery, corruption or fraud. Furthermore, there were no instances of employee disciplinary actions or dismissals related to non-compliance with the ABC Policy.

The Group is planning to strengthen our current mandatory ABC training and assessment by implementing a recurring cycle of every 2 years. This proactive approach will ensure that all employees stay up to date with the latest ABC measures, thereby reinforcing our steadfast commitment to fostering a highly compliant and ethical work environment.

We consistently update, improve and enhance our ABC programme to ensure that we have the necessary resources, both economic and talent-based, to effectively identify and address current and future corruption risks. We track our ABC initiatives using MACC's T.R.U.S.T guiding principles and carefully deliberate ABC plans and progress updates at the Risk Management Committee. Our accomplishments in this domain are illustrated below:

Principles	Programmes / Initiatives
 Top Level Commitment	<ul style="list-style-type: none"> • ABC Policy rolled out • Strong tone from the top (e.g. message from the Executive Chairman)
 Risk Assessment	<ul style="list-style-type: none"> • Corruption risk register in place • Group Risk Management/Group Legal established as "Go to Persons" • Inclusion of ABC risk in individual risk registers
 Undertake Control Measures	<ul style="list-style-type: none"> • Business Ethics Questionnaire ("BEQ") process rolled out for due diligence purposes • Signed acceptance of ABC compliance from third parties • Code of Business Ethics for third parties • Limits of Authority updated for ABC elements • Separate submission of claims pertaining to donation, entertainment and gifts • General Terms and Conditions updated to include ABC clauses • e-Register of Gifts and Entertainment in place • Whistleblowing channel in place through a Whistleblowing Policy • Replacement of petty cash floats with corporate credit cards
 Systematic Review, Monitoring & Enforcement	<ul style="list-style-type: none"> • ABC audits done, targeting locations with poor Corruption Perceptions Index ("CPI") scores (e.g. Thailand) • Regular audits also look at ABC controls • Gaps identified from ABC audits closed with urgency • Conducting ABC audits is a prevalent feature of the Internal Audit plan
 Training & Communication	<ul style="list-style-type: none"> • Employee declarations on policy compliance • Awareness sessions • ABC topic included in employee orientation • ABC E-learning module

ROBUST GOVERNANCE AND ETHICAL PRACTICES

RM RISK MANAGEMENT

Our vision of becoming a leading integrated technical service provider to the energy sector, in Malaysia and internationally, is contingent on our effectiveness in managing the uncertainties which could materially impact our critical success factors in terms of creating value for our shareholders.

OUR APPROACH

We have established in all our lines of business, an effective risk management process to identify, evaluate, monitor and manage the uncertainties which could either be threats or opportunities within the environment where DIALOG operates.

Risk Management is a prevalent feature of DIALOG's ways of working. Risk Management processes are governed by the Risk Management policy and framework. Group Risk Management works closely with business lines to ensure that there is an ongoing process of identifying, evaluating and managing significant business risk exposures.

The risks are rated based on a matrix of 'likelihood' and 'impact' where both financial and non-financial consequences are duly considered. Subsequently, risk owners are accountable for implementing the risk mitigation measures with the objective of obtaining a residual risk within the risk appetite.

OUR AIM

We aim to maintain a culture of risk awareness and prudent risk management throughout DIALOG, to ensure that uncertainties continue to be managed effectively and the interests of all stakeholders are safeguarded.

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

Risk management activities operate within the risk appetite defined by the Risk Management Committee ("RMC") and the Board to allocate resources effectively and efficiently for mitigating identified risks. Segregating identified risks into categories (Very Low, Low, Medium, High and Very High) has enabled the Group to design cost-effective risk mitigation measures.

There are 39 risk registers encompassing DIALOG's core business areas, technical and corporate functions. Additionally, there are 13 project risk registers specifically dedicated to projects. In total, 815 risks have been captured across all entities. Each risk is accompanied by appropriately identified mitigating controls, which are regularly tested to ensure their operating effectiveness.

The following key activities pertaining to risk management were undertaken during FY2023:

- Reviewed the adequacy of insurance coverage for the entire Group (projects, workshops, offices and terminals).
- Numerous RMC meetings with detailed risk presentations by the Group Risk Management Department as well as business units. Risks and their mitigation plans were discussed, emerging risks were also presented and deliberated during these meetings.
- Ad-hoc special RMC meetings to deliberate on risks and mitigations for proposed acquisitions and new business ventures.
- Continued to enforce mandatory anti-bribery and corruption training via the e-learning module rolled out and maintained the Corruption Risk Management Programme.
- Continued to monitor and enhance the management of cybersecurity risks.
- Sustainability/ESG risk is monitored, analysed and integrated into the Group's Corporate Risk Profile. Key developments in this area are reported to the RMC.

TT TAX TRANSPARENCY


Taxes help spur economic growth and enable governments to meet societal demands. As a responsible corporate citizen, DIALOG observes all applicable laws, rules and regulations in meeting the group's tax compliance and reporting responsibilities in countries where it operates. For our income tax contribution, please refer to Note 28 to the Financial Statements.



DIALOG Financial Statement, pages 79 to 81

EP ECONOMIC PERFORMANCE

Robust governance and ethical practices ultimately enable the Group to grow and achieve goals sustainably. Consequently, economic performance is material and important to DIALOG because it ensures the sustainability of the Group and our operations, which have considerable impact on our stakeholders as we are a provider of local employment and economic value creation. This is linked to, and reflected in, the group's Financial Key Performance Indicators ("KPIs") which are discussed in the Management Discussion and Analysis section of this Annual Report.

 *Financial KPIs, Management Discussion and Analysis, page 46*

OUR APPROACH

As an integrated technical services provider to the energy sector, DIALOG's business model is well structured to address the volatility risk posed by oil prices and currency movements to the sustainability of the Group. The Group has proactively adopted various strategies in our business, including:

- Diversification across the upstream, midstream and downstream businesses of the energy sector.
- Expanding into Sustainable and Renewables business, including clean and green energy as well as investments into recycling ventures as part of the circular economy.
- Growing long-term recurring income across all businesses.
- Active recruitment, development and retention of talent.
- Cultivating strong relationships with stakeholders including customers, suppliers, partners, bankers, shareholders, regulators and government authorities.
- Development of proprietary technology for use in our businesses.

OUR AIM

As a corporate citizen that provides employment and creates economic value, our aim is to ensure the long-term viability of our business in a responsible and sustainable manner.

Given the unprecedented challenges brought on by the pandemic, conflict in Ukraine, inflationary pressures and manpower constraints, the Group continues to prioritise the preservation of its cash flow. To this end, the Group enhanced credit risk management and controls, reviewed capital and operational expenditures, implemented cost management measures, and actively engaged and collaborated with our partners and customers to manage cash flow.

Those strategies, implemented on the back of a solid foundation, have resulted in DIALOG's steady growth since being listed on the stock exchange in 1996.


Our prudent financial management approach, coupled with the long-term business strategies mentioned above, ensured the continued preservation of the Group's financial strength and stability.

The strength, consistency and resilience of the Group's economic performance is a testament to our unwavering commitment to run our business responsibly and efficiently, capture opportunities and mitigate risk through a robust risk management strategy.

HOW WE CREATE VALUE?

OUR PROGRESS IN FY2023

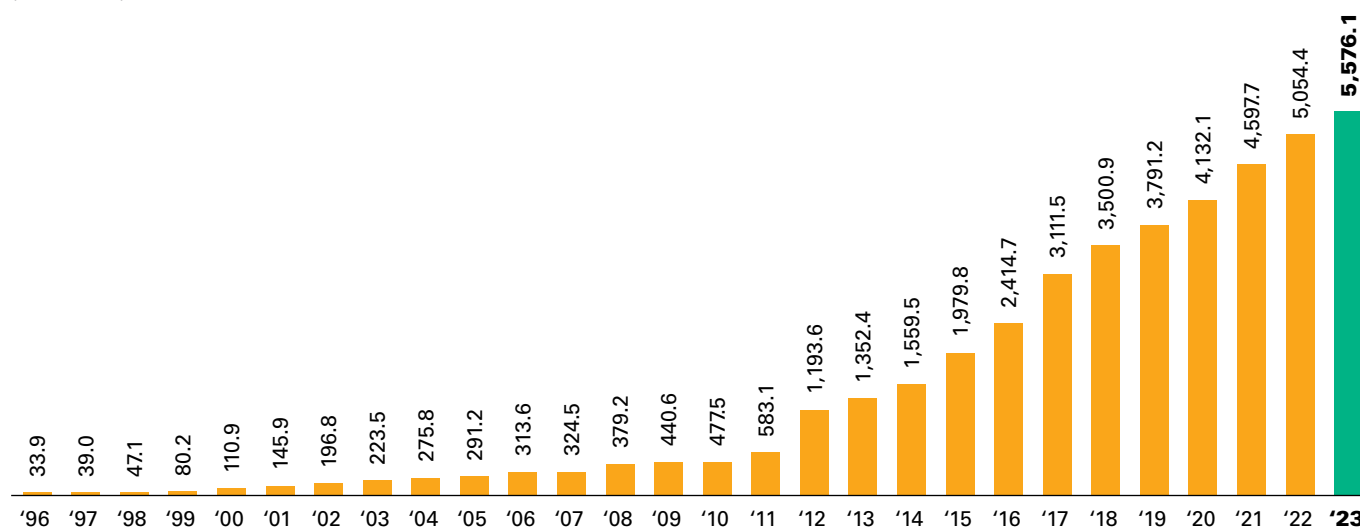
In FY2023, the Group's revenue was higher by 29.43% to RM3,001.5 million, while profit after tax increased 2.91%, reaching RM520.6 million from RM505.9 million. This positive financial performance led to a 10.32% expansion in shareholders' equity, reaching a value of RM5,576.1 million, up from RM5,054.4 million a year ago. A comprehensive analysis of key operational risks and the corresponding mitigating controls can be found in the Management Discussion and Analysis section of this Annual Report.

 *Management Discussion and Analysis, pages 38 to 59*

ROBUST GOVERNANCE AND ETHICAL PRACTICES

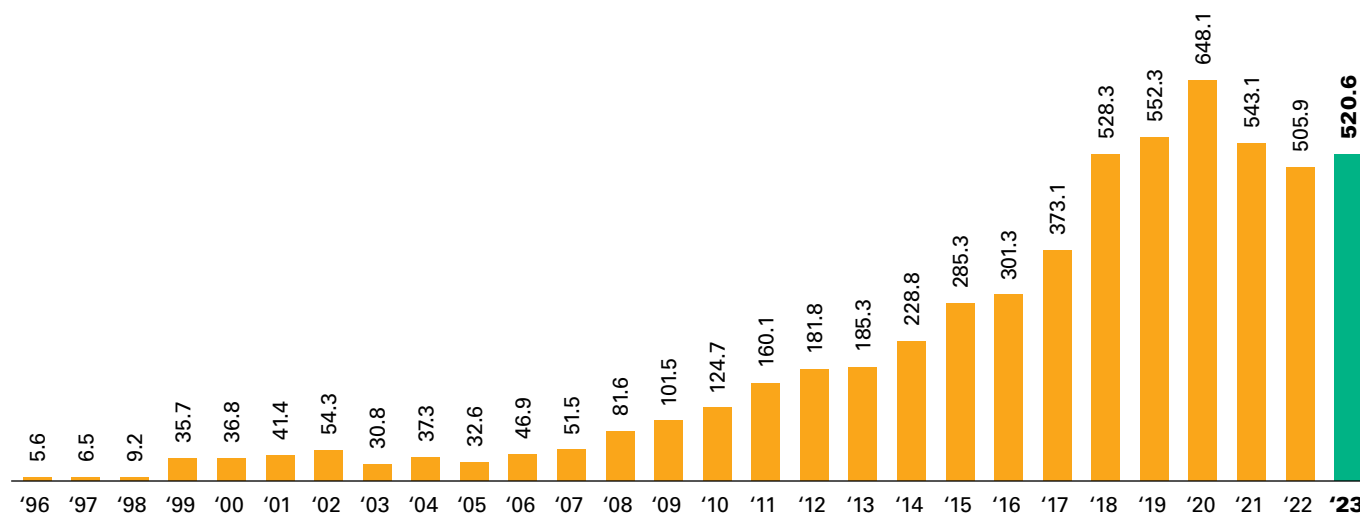
Growth in Shareholders' Equity

(RM 'million)



Profit After Tax

(RM 'million)





DIALOG GROUP BERHAD

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MyKasih Foundation

is a non-profit organisation that provides food aid, health awareness, children's education, financial literacy programmes and skills training programmes to less fortunate Malaysians.



DIALOG Group Supports **MyKasih**
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