

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

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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