

## 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"> <li>1. Total Recordable Incident Rate ("TRIR"): Maintain better than industry benchmark*</li> <li>2. Maintain positive OSH impact from leaders through HSE Walkabout for open sharing annually</li> </ol>

\* 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	<b>0</b>
Work-Related Contractor Fatalities	0	0	<b>0</b>
Total Recordable Incident Rate ("TRIR")	0.72	0.66	<b>0.33</b>
Lost Time Injury Rate ("LTIR")	0	0	<b>0</b>

## 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.

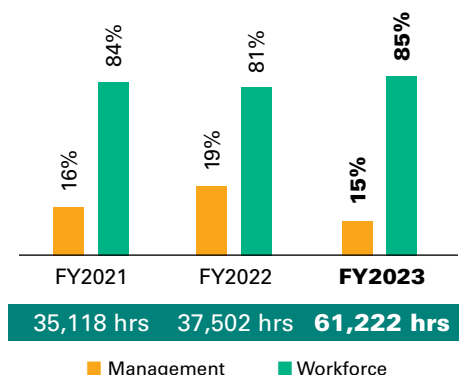
In FY2023, 3,212 employees (including management and daily wage staff) attended various trainings, resulting in a total of 61,222 training hours clocked, which is equivalent to an average of 22.3 training hours (FY2022: 14.0 hours) per employee.

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.

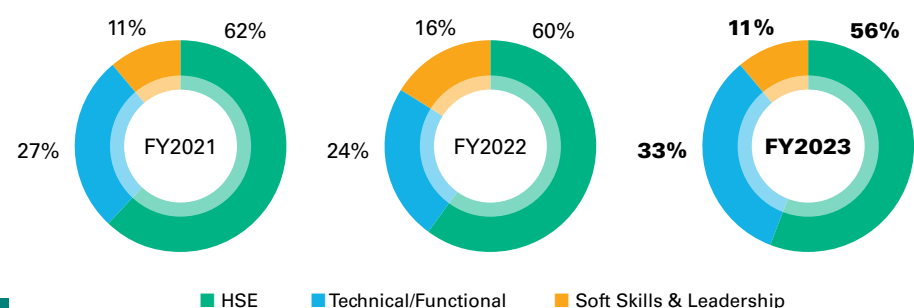


DIALOG employees participating in the First Aid training at DIALOG Tower

#### 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](http://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](http://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

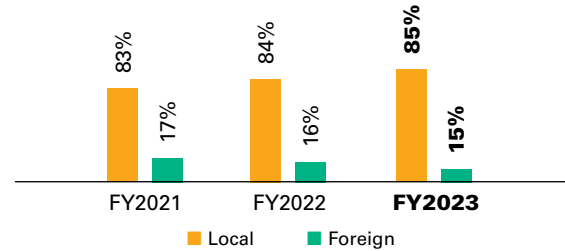
Country	FY2021	FY2022	FY2023
Malaysia	1,617	1,781	<b>1,826</b>
Singapore	129	141	<b>135</b>
Australia & New Zealand	465	486	<b>629</b>
Middle East	255	246	<b>105</b>
Other Countries	28	26	<b>49</b>
<b>Total</b>	<b>2,494</b>	<b>2,680</b>	<b>2,744</b>

### Employees by Qualification Level

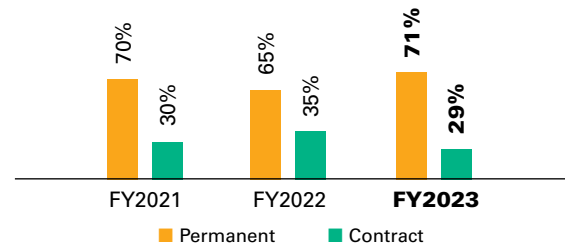
Qualification Level	FY2021	FY2022	FY2023
Technical Degree	650	697	<b>732</b>
Technical Diploma	291	336	<b>334</b>
Technical Certificate	422	418	<b>470</b>
Non-Technical Degree	307	312	<b>304</b>
Non-Technical Diploma	152	167	<b>183</b>
Non-Technical Certificate	40	44	<b>44</b>
Secondary Certificate	558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

## Employee Diversity Indicators

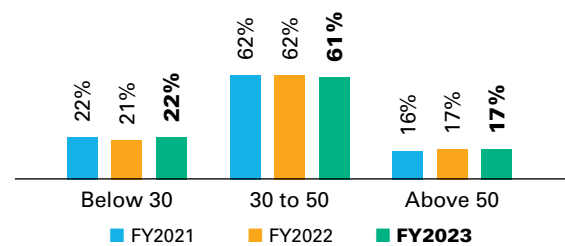
### Local Hiring (%)



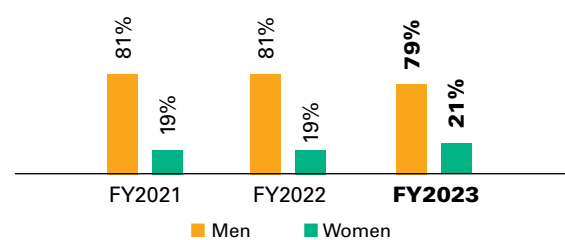
### Employees by Category (%)



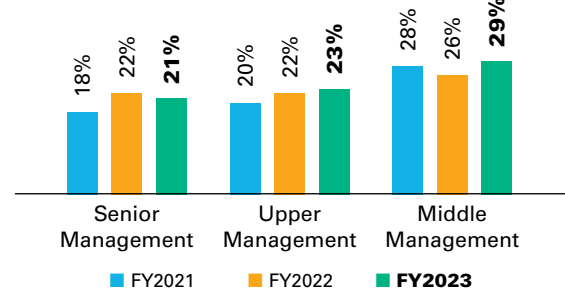
### Employees by Age Group (%)



### 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)
<b>FY2023</b>	<b>4.6</b>
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.