

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 7204  
**COMPANY NAME** : D & O Green Technologies Berhad  
**FINANCIAL YEAR** : December 31, 2024

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

#### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The mission and vision of D &amp; O Green Technologies Berhad ("the Company") and its subsidiaries ('the Group') are "To Provide Design Innovation and High Quality Opto Semiconductors Products, Contributing Towards A Greener World" and "No.1 Solution Provider For Opto Semiconductors Product" respectively.</p> <p><b>1. <u>Establishing and reviewing the mission and vision as well as the strategic direction of the Group</u></b></p> <p>The mission and vision of the Group form the foundation of the business strategies of the Group. The Board of Directors ("the Board") had put in place a strategy planning and review process, whereby the Group Managing Director presented to the Board proposed business strategies (including product strategy, design win strategy, technology roadmap, process and productivity improvement, capacity expansion and sustainability strategies) during the financial year for the Board's deliberation and decision with any concern on the strategies and actions proposed were discussed during the Board's meetings to ensure the optimal outcome. The strategy planning and review process involved sales and marketing strategies, planned production capacity expansion, process and productivity improvement activities, strategic cash flow planning and strategic sustainability initiatives (including Greenhouse gases ("GHG") Scope 2 neutralisation target via Corporate Green Power Programme and purchase of Renewal Energy Certificates) by the Group Managing Director to the Board for deliberation and decision in ensuring that adequate resources and capacity are planned and put in place to execute the proposed business and sustainability strategies at optimal cost structure.</p> <p>The strategy planning and review processes were also supported by reports and updates from the Group Managing Director focused on the specific business environment, market analysis, future</p>

	<p>business/technology trends, strategic projects progress and strategic investment's financial performance and positioning as well as reviewed other factors that affecting the performance and strategies of the Group.</p> <p><b>2. <u>Overseeing the conduct of the business of the Group and to evaluate whether the business is being properly managed</u></b></p> <p>On a quarterly basis, <i>Operational and Financial Performance Report</i> is presented by the Group Managing Director and the Group Financial Controller to the Board, including but not limited to, special project roadmap and progress, headcount analysis, key performance indicators, financial performance of key operating subsidiaries, sustainability performance, sales by region and currency, sales trend by region and major applications, design-in status, inventory management and debt financing analysis.</p> <p>In addition to the Group Managing Director's report, the Group Financial Controller and Finance Manager present the comparison of actual against budget financial performance and debtors ageing on a quarterly basis to the Audit Committee for their review and subsequent reporting to the Board. Upon identification of key business and financial issues by the Key Senior Management and the Board members, such issues are deliberated by the Board to ensure that the issues in question are properly managed and adequately addressed.</p> <p>In relation to recurrent related party transactions and anti-bribery and corruption, the Board received the results of the review of recurrent related party transactions and compliance performance of <i>Anti-Bribery and Corruption Policy</i> from the Audit Committee during its scheduled meetings for the financial year under review.</p> <p><b>3. <u>Tone from the Top</u></b></p> <p>The Board acknowledges that, as one of its fiduciary duties to the stakeholders, high standards of integrity and accountability are required in the conduct of the Group's business and are embedded across the Group.</p> <p>To set the tone from the Top, the Board established the Group's <i>Codes of Ethics and Conduct</i> to govern the standards of ethics and good conduct expected of the employees, customers and vendors and the foundation for ethical rules within the Group. At operational level, integrity and ethical values expected from the employees are incorporated in the <i>Policy and Procedure for Employees</i> by the Management based on the values promoted in <i>Codes of Ethics and Conduct</i>. In order to further promote integrity and ethical values, a formal <i>Anti-Bribery and Corruption Policy</i> has been put in place by the Board to prevent the risk of bribery and conflict of interest within the Group with a formal <i>Whistle-Blowing</i></p>
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	<p><i>Policy</i> implemented to create an environment whereby stakeholders can whistle blow on improper behaviour without being victimised for doing so.</p> <p>Please refer to Practice 3.1 and 3.2 for detailed disclosure of the <i>Code of Ethics and Conduct</i> and <i>Whistle-Blowing Policy</i>, respectively.</p> <p><b>4. <u>Identifying principal risks faced by the Group and ensuring the implementation of appropriate controls and systems to monitor and manage these risks</u></b></p> <p>The Board has put in place formal <i>Risk and Opportunity Management Policy and Procedure</i> as the governance structure and processes in managing the key business risks faced by the Group as well as to optimise key business opportunities available to the Group adequately and effectively. Based on <i>Risk and Opportunity Management Policy and Procedure</i>, the Board are keep informed on the emergence and changes of the key risks faced by and opportunities present for the Group and the steps taken by the Management to manage these risks and to optimise these opportunities at a pre-determined interval or as the need arises. Risk and opportunity assessment by Group Managing Director and operational management, at gross and residual level, are guided by the likelihood rating and impact rating established by the Board.</p> <p>Further details on the risk management process are disclosed in <i>Statement on Risk Management and Internal Control</i> in <i>Integrated Report</i>.</p> <p><b>5. <u>Succession planning and performance appraisal of the Board</u></b></p> <p>The Board, through the Nomination Committee and Remuneration Committee, are tasked with the duty of the succession planning of the Group and the Board, which includes the appointment and, reappointment and training requirement for the Directors and Key Senior Management and review and assess the remuneration packages of the Executive Directors and Key Senior Management as well as the Directors' fees of Non-Executive Directors. Additionally, it is the duty of the Nomination Committee to assess the performance of the Board as a whole, Board Committees, individual Directors (including the training requirements of the individual Directors) and the Group Financial Controller.</p> <p>Further details on the role and responsibilities of the Nomination and Remuneration Committee are disclosed in Practice 5.8 and 7.2, respectively.</p> <p>The Management of the Group is to identify the successor for key personnel within the Group and tabled to the Board for review and decision, if there are any changes. The Group Managing Director</p>
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	<p>and Key Senior Management of the Group put in place formal succession planning process to ensure key roles within the Group are supported by competent and calibre second-in-line to reduce the impact of abrupt departure of key personnel to the minimum possible. The process of <i>Functional Replacement and Succession Plan</i> entails the nomination of manager level successor(s) by respective heads of department to the Group Managing Director for approval.</p> <p>The succession planning of the Group is enhanced by the policies and standard operating procedures as well as job descriptions established for key business processes within the Group. In addition, during the review of the performance and strategies presented by the Group Managing Director, the Board reviews together with the Group Managing Director the adequacy of calibre and competent human resources that are put in place for daily management and control of operations as well as proper execution of approved strategies.</p> <p>Members of management of the Group are subject to annual performance appraisal based on the formal human resource policy established.</p> <p><b>6. <u>Overseeing the development and implementation of a shareholders' and stakeholder communication policy for the Company</u></b></p> <p>The Board ensures the shareholders and other stakeholders are kept informed on material events announced through Bursa Malaysia Securities Berhad. A formal <i>Corporate Disclosure Policy</i> was established and adopted by the Board and Management of the Group to ensure timely, factual, accurate and complete communication.</p> <p>The principles adopted by the Board on corporate disclosure are transparency and accountability, compliance with relevant laws and regulations, confidential and timely disclosure as well as fair and equitable access to information. Proper governance structure and processes are established within the <i>Corporate Disclosure Policy</i> to guide the proper disclosure of material information while preserving confidentiality within the requirements of the Board.</p> <p>On the other hand, relevant stakeholder engagement and communication requirements are established in the <i>Sustainability Policy</i> of the Group.</p> <p><b>7. <u>Reviewing the adequacy and the integrity of internal control systems and management information systems (including the integrity of the financial and non-financial reporting), including systems for ensuring compliance with applicable laws, regulations, rules, directives and guidelines</u></b></p>
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	<p>The internal control system of the Group is made up of five core components, i.e. control environment, risk assessment, control activities, information, and communication as well as monitoring activities with principles representing the fundamental concepts associated with each component implemented.</p> <p>The internal Audit function of the Group is outsourced to an independent professional firm that reviews the internal control system (including the integrity of the financial and non-financial reporting, if applicable) of the Group based on the approved internal audit plan and reports its findings to the Audit Committee on its adequacy and effectiveness (i.e. present and functioning).</p> <p>The integrity of the financial reporting is also subject to audits performed by External Auditors during their audits of the financial statements of the Company and its subsidiaries. During the quarterly meeting of Audit Committee, the draft financial statements are reviewed by Audit Committee with the Management with key focuses on the accounting policies used, analysis of major changes in components of financial statements, major judgmental and risk areas, significant adjustments, the going concern assumption, compliance with accounting standards, compliance with <i>Main Market Listing Requirements ("MMLRs")</i> and other legal requirements. For annual audited financial statements, the Audit Committee reviews the annual statutory accounts, Audit Report, issues, and reservations arising from audits and the management letter (if any), with the External Auditors and the Management of the Group.</p> <p>Further details on the Group's Internal Audit function and works performed by the Audit Committee on the financial reporting are disclosed in Practice 11.1 of this report, <i>Statement on Risk Management and Internal Control</i> and <i>Audit Committee Report</i> respectively in the <i>Integrated Report</i>.</p> <p>The Board ensure all directors possess the required ability to read and understand the financial statements of the Group by way of annual board skill evaluation performed and via such evaluation, to identify training needs to enhance the financial and accounting capability of the directors (if any).</p> <p>Throughout the financial year under review, the Board diligently oversaw the Group's business conduct and financial performance. In assessing the financial statements, the Board took into account various factors, including insights into the internal and external business environment, as well as updates on business operations and performance provided by the Group Managing Director and Group Financial Controller.</p> <p><b>8. <u>Reviewing Corporate Governance Compliance</u></b></p>
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	<p>The Board, through the review of the draft <i>Corporate Governance Report</i> and <i>Corporate Governance Overview Statement</i> by the Audit Committee and reported to the Board, assesses the current standings of the corporate governance practices. The Board formulate action plans from time to time to enhance and promote good and recommended corporate governance practices.</p> <p><b>9. <u>Sustainability Management</u></b></p> <p>The Board has put in place a formal Sustainability Policy outlining the governance framework and procedures for Management to identify, prioritise, monitor, and report on material sustainability issues, as well as engage with stakeholders, in accordance with the MMLRs and Sustainability Reporting Guide issued by Bursa Malaysia Securities Berhad.</p> <p>As of the date of this report, the Management of the Group had identified internal and external stakeholders in the Group's context with such stakeholders prioritised based on criteria and rating system approved by the Board. In addition, the Management of the Group had identified sustainability matters for which they are assessed on their significance from the Group's perspective and their degree of significance to influence the assessment and decision by internal and external stakeholders based on agreed upon criteria and rating system approved by the Board. The results of the assessments were presented to the Audit Committee for review and subsequent reporting to the Board.</p> <p>Please refer to the <i>Sustainability Report</i> on the management of material economic, environmental, and social risks and opportunities.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### **Practice 1.2**

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Tan Sri Mohammed Azlan bin Hashim who is Non-Independent Non-Executive Chairman of the Board carries out the leadership role in the conduct of the Board and its relationship management with shareholders and other stakeholders.</p> <p>As provided in <i>Board Charter</i> and during the Board Meetings held during the financial year under review, the Chairman is responsible for:</p> <ul style="list-style-type: none"><li>a) the leadership of the Board and ensuring the effectiveness of all aspects of its role and leading the Board in the adoption and implementation of good corporate governance practices in the Company;</li><li>b) Ensuring the efficient organisation and conduct of the Board's function, chairing Board meetings and encouraging all Directors to play an active role in Board activities;</li><li>c) Taking the lead in setting the values and standards of the Company and its subsidiaries;</li><li>d) Setting the Board agenda and ensuring complete and accurate information is furnished to the directors on a timely basis to facilitate decision-making;</li><li>e) Ensuring accurate and timely information, in particular, about the performance of the Company and its subsidiaries is furnished to Directors of the Company;</li><li>f) Chairing general meetings of shareholders and ensuring orderly conduct and proceedings of such meetings;</li><li>g) Ensuring effective communication with shareholders and stakeholders;</li><li>h) Facilitating the contribution of Non-Executive Directors and ensuring constructive relations are maintained between Executive and Non-Executive Directors;</li><li>i) Managing the interface between Board and Management;</li><li>j) Leading Non-Executive Directors to meet among themselves, with no presence of the Executive Directors and the Management, at least annually to discuss among other strategic, governance and operational issues;</li><li>k) Ensuring general meetings support meaningful engagement between the Board, Key Senior Management and shareholders; and</li><li>l) Ensuring shareholders have the opportunity to participate in general meetings effectively; including having access to information they require to participate in discussions and cast informed votes.</li></ul>

	<p>Further details on the roles and responsibilities of the Chairman of the Board are specified clearly in Paragraph 4.3 of <i>Board Charter</i> which is accessible through “Corporate Governance” section of the Company’s corporate website at <a href="http://www.do.com.my">www.do.com.my</a>.</p> <p>During the financial year ended 31 December 2024, Non-Executive Directors held a meeting chaired by the Non-Independent Non-Executive Chairman without the presence of the Executive Directors and Management to discuss issues in relation to strategic, governance and operational issues of the Group.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### **Practice 1.3**

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The position of the Chairman of the Board and the Group Managing Director is separated, with clear division of responsibilities.</p> <p>Tan Sri Mohammed Azlan bin Hashim who heads the Board of Directors as Non-Independent Non-Executive Chairman is responsible for the governance, orderly conduct, and effectiveness of the Board while Mr. Tay Kheng Chiong as Group Managing Director is responsible for managing the Group's business operations and implementation of policies and strategies approved by the Board.</p> <p>In particular, the Group Managing Director is responsible for the following key functions:</p> <ul style="list-style-type: none"><li>a) Manage the day-to-day operations of the Company and its subsidiaries according to the strategies and plans approved by the Board;</li><li>b) Ensure the efficiency and effectiveness of the operations of the Company and its subsidiaries and that the business and affairs of the Company and its subsidiaries are carried out in an ethical manner and in compliance with the relevant laws and regulations;</li><li>c) Develop strategies and business objectives for the Company and its subsidiaries for review and approval by the Board of the Company and implementation thereof;</li><li>d) Achievement of the goals and observance of management authorities delegated by the Board of the Company;</li><li>e) Ensure that the financial management practice of the Company and its subsidiaries is performed at the highest level of integrity and transparency;</li><li>f) Ensure the Company and its subsidiaries have adequate resources, have an effective management team and structure, develop management skills, and put in place an effective management succession plan for business continuity;</li><li>g) Ensure that adequate and effective governance, risk management and internal control system for the Company and its subsidiaries are instituted;</li><li>h) Design, implement (subject to approval by the Board of the Company) and continuously improve the Group's Anti-Bribery &amp; Corruption Management ("ABCM") as well as ensuring sufficient resources are allocated for such implementation at the Company and the subsidiary level;</li></ul>

	<p>i) Design, implement (subject to approval by the Board of the Company), continuously improve and promote the Group's sustainability management at the Company and the subsidiary level as well as ensuring sufficient resources are allocated for implementation thereof; and</p> <p>j) Implement group wide Code of Ethics and Conduct and policies and procedures as well as ensure sufficient resources are allocated for such implementation at the Company and the subsidiary level.</p> <p>The clear distinction between the roles and responsibilities of the Chairman and Group Managing Director (including Executive Directors) are defined in Paragraph 4.3 and 4.4 of <i>Board Charter</i> which is accessible via "Corporate Governance" section of the Company's corporate website at <a href="http://www.do.com.my">www.do.com.my</a>.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

*Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the Board was not a member of the Audit Committee, Nomination Committee, Remuneration Committee and Employee Share Option Committee during the financial year under review.</p> <p>The Chairman of the Board did not participate, including by way of invitation, in any meetings of the Audit Committee, Nomination Committee, Remuneration Committee or Employee Share Option Committee during the financial year under review.</p> <p>Upon or after the conclusion of each Board Committee meeting, the Chairman of respective Board Committees were invited to report to the Board on the key matters discussed, reviews performed, and recommendations made. These reports were presented during scheduled board meetings for the Board, led by the Chairman of the Board, to fulfil its oversight roles and responsibilities in an unbiased manner.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.5**

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by a qualified and competent company secretary who is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and qualified to act as company secretary under Section 235(2) of the Companies Act 2016. The Company Secretary discharges her duties with her attendance at all Board and Board's Committee meetings and plays an advisory role to the Board, in particular on its responsibilities, Board's policies and procedures and the Company's compliance with the relevant regulatory requirements, codes or guidance and legislations.</p> <p>The Company Secretary also ensures that there is a good information flow within the Board and between the Board, Board Committees and Key Senior Management of the Group. The Company Secretary is also entrusted to record the Board's deliberations, in terms of issues discussed and the conclusions. The minutes of the previous Board meeting are distributed to the Directors prior to the Board's meeting for their perusal before confirmation of the said minutes at the commencement of the following Board's meeting.</p> <p>During general meetings, the Company Secretary provides guidance and coordinates with the Board and other professionals to ensure that the proceedings of the upcoming general meeting is held in compliance with relevant laws, regulations, and guidelines.</p> <p>The Company Secretary also acts as the reference point by the Board in monitoring the corporate governance development and guide on the compliance of the relevant corporate governance rules and guidelines as well as providing professional advice on the level of corporate governance compliance within the Group in meeting the Board's needs and stakeholders' expectations. Additionally, the Company Secretary is responsible for facilitating the orientation of new Directors and assisting in Directors' training and development.</p> <p>All Directors have direct access to the advice and services of the Company Secretary in discharging their duties effectively.</p> <p>The Company Secretary attended briefing and updates provided by relevant regulatory bodies or professional firms to keep abreast with the latest developments in the relevant regulatory requirements, codes</p>

	<p>or guidance and legislations to ensure timely compliance with relevant laws and regulations. The Company Secretary observes and undertakes continuous professional education (“CPE”) as part of the professional body and licensing conditions for the Company Secretary.</p> <p>Further details on the roles of the Company Secretary are stated in Paragraph 4.7 of <i>Board Charter</i>, accessible through the “Corporate Governance” section of the corporate website at <a href="http://www.do.com.my">www.do.com.my</a>.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### **Practice 1.6**

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All the Directors were notified of the respective dates of scheduled Board meetings for the next financial year in November of every calendar year.</p> <p>The Chairman of the Board, on the advice of the Company Secretary, determined the agenda for Board meetings during the financial year under review and ensured sufficient time was allocated during the meeting proceedings so that each agenda or issue brought up was discussed or deliberated in necessary depth before decisions were made.</p> <p>As per <i>Board Charter</i>, Audit Committee meetings were held separately and not combined with Board Meetings during the financial year under review. Other directors and employees attended the Audit Committee meeting only by invitation, which was extended based on the specific agenda items under discussion. The Chairman of the Board ensures that all Board Committee meetings are not combined with the main Board meetings.</p> <p>Before each Board meeting, all Board members are furnished with the Board Paper (made up of the minutes of the previous Board and board committees' meeting, operation and financial performance report, sustainability strategies and performance, draft unaudited quarterly financial statements, financial budget, anti-bribery compliance report, relevant statements and reports to be made in Integrated Report, draft circulars, financial performance of strategic investments, and other relevant documents) not less than five (5) business days before the meeting to enable the members of the Board to have sufficient time to obtain comprehensive understanding of the issues to be deliberated upon in order to arrive at a decision. In addition to quantitative information, the Directors are also provided with key performance indicators and updates on other areas such as market developments, industry trends, business strategy, risk management and sustainability management.</p> <p>The minutes record the Board's and Board Committees' decisions, including key deliberations, in terms of issues discussed and the rationale for each decision made, and any significant concerns or dissenting views. The draft copy of the minutes is circulated by the</p>

	<p>Company Secretary in a timely manner to relevant Board members for review and if in order, tabled at the following meeting for confirmation and signing by the Chairman of the Board or Board Committees.</p> <p>The Board members in their individual capacity have unrestricted access to complete information on a timely basis in the form and quality necessary for the discharge of their duties and responsibilities.</p> <p>Besides direct access to management staff, external independent professional advisers are also made available to render their independent views and advice to the Board, whenever deemed necessary and in appropriate circumstances, at the Company's expense.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

### **Practice 2.1**

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies—

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Pursuant to Paragraph 16 of <i>Board Charter</i>, <i>Board Charter</i> shall be subjected to review and update from time to time to ensure that it remains consistent with the Board's objective, current law and practices. A copy of the latest <i>Board Charter</i> is available for download at "Corporate Governance" section of the corporate website at <a href="http://www.do.com.my">www.do.com.my</a>.</p> <p>The Company's <i>Board Charter</i> outlines the key value of the Company, duties and responsibilities of Directors (including the roles and responsibilities of the Board, the Chairman of the Board, the Group Managing Director (including Executive Directors) and the Senior Independent Director), the role and duties of the Board Committees (governed by terms of reference approved by the Board) and the roles of Company Secretary.</p> <p>Such Charter sets out the purpose, the Board's strategic intent, oversight functions, authorities and terms of reference. The Charter further defines the specific responsibilities and matters reserved for the Board, delegation of authorities, commitment by the Directors, tenure of Independent Directors, governance structure of the Board and Board Committee, Board proceedings, financial reporting responsibilities, unrestricted rights to access information and independent advice, Board evaluation and performance, Board remuneration, Directors' training and continuing education, general meetings and attendance, stakeholders' engagement, management of conflict of interest and code of ethics and conduct expected of the Directors of the Group and group governance requirements.</p> <p>The respective roles and responsibilities and matters reserved for the Board are stated in Paragraph 4.2 of <i>Board Charter</i>.</p> <p>Salient features of the <i>Board Charter</i>:</p>

	<ul style="list-style-type: none"> <li>• <b>Matters reserved for the Board</b> - identifies matters of the Company and its subsidiaries for determination and/or approval by the Board of the Company.</li> <li>• <b>Appointment and re-appointment</b> – require that appointment and re-appointment of Directors of the Company and its subsidiaries guided by Fit and Proper Policy and established policy and procedures including specifying the term of office and that active politician should be not appointed as Director of the Company and its subsidiaries.</li> <li>• <b>Governance structure</b> – defines the reporting structure of the Board, Board Committee and Board representatives appointed at the subsidiaries.</li> <li>• <b>Roles profile</b> – defines and clearly separates the roles and responsibility of the Board, the Board Committees, the Chairman, the Group Managing Director (including Executive Directors), the Senior Independent Director and the Company Secretary.</li> <li>• <b>Board committees</b> - terms of reference of respective Board Committees established are to be approved by the Board with Chairman of respective Board Committee to report to the Board on the outcome of the Committee meetings and minutes to be made available to the Board. The Board had established Audit Committee, Nomination Committee, Remuneration Committee and Employees' Share Option Committee.</li> <li>• <b>Qualification, vacation of office and removal of directors</b> – defines the basic requirements for appointment as Director of the Company, the requirements to vacate the office and the requirement to furnish written representation by Director removed to Bursa Malaysia Securities Berhad.</li> <li>• <b>Independent director</b> – defines the annual independence assessment requirement on Independent Director and tenure of the Independent Director.</li> <li>• <b>Board meetings</b> – specifies the frequency of board meetings (including subsidiaries), sufficient time allocated for deliberation, separation of the Board Committee meeting from the Board meeting, timeliness of board paper, invitation to the meeting of the Board and maintenance of minutes of meeting (including subsidiaries).</li> <li>• <b>Financial reporting</b> – specifies the responsibilities of the Board of the Company and its subsidiaries in relation to the preparation of annual financial statements, quarterly announcements and other price sensitive public reports and their compliance with relevant laws, regulations and applicable accounting standards.</li> <li>• <b>Authorities delegated to Management</b> – the Group Managing Director (including Executive Directors) is responsible for the observance of management authorities delegated by the Board.</li> <li>• <b>Assessment/evaluation</b> – sets out the requirement for the Board to assess the effectiveness of individual Directors, the Group Financial Controller, the Board as a whole and its Committees on an annual basis, through Nomination Committee.</li> <li>• <b>Board remuneration</b> – specify the assessment and recommendation of suitable remuneration packages for Directors of the Company and</li> </ul>
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	<p>its subsidiaries and members of the Key Senior Management by Remuneration Committee to be based on Board and Key Senior Management Remuneration Policy.</p> <ul style="list-style-type: none"> <li>• <b>Directors' training/continuing education</b> – based on the result of Board Evaluation and Performance, the Nomination Committee is to assess the training needed, identify appropriate training programmes and make recommendations to the Board. This is to ensure the Directors have access to continuing education programmes relevant to their discharge of fiduciary duties.</li> <li>• <b>Commitments by directors</b> – sets out the requirement for the Director to notify the Chairman of the Board before accepting any new directorship and indication of time that will be spent on the new appointment. The Chairman shall also notify the Board if he or she has any new significant commitments outside the Company. None of the Directors must hold directorships at more than five (5) public listed companies.</li> <li>• <b>Access to information and independent advice</b> – Directors have unrestricted access to all information of the Company and the Company Secretary and may obtain independent professional advice at the cost of the Company.</li> <li>• <b>General meetings and attendance</b> - All Directors are required to attend the general meetings except there is a valid reason accepted by the Board and notice for the Annual General Meetings is to be given to shareholders at least 28 clear days prior to the meeting.</li> <li>• <b>Stakeholders engagement</b> – specifies the channels required for investor relation and other stakeholders' engagement.</li> <li>• <b>Conflict of interest</b> – requires that all conflict of interest situations involving Directors (including person connected) and between the Company and its subsidiaries be managed and mitigated per established policy and procedure on conflict of interest, including the requirement that interested Director be abstained from discussion and decision during meeting on the matter.</li> <li>• <b>Code of ethics and conduct for directors</b> – defines the responsibilities of the Directors of the Company and its subsidiaries to observe high ethical business standards, honesty and integrity.</li> <li>• <b>Group governance</b> – specifies the responsibilities of the Board of the Company to ensure adequate group wide Code of Ethics and Conduct and other policies and procedures and the requirements of the Board of subsidiaries to provide information requested by the Board of the Company to oversee the performance of such subsidiary.</li> </ul>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

<b>Measure</b>	:	
<b>Timeframe</b>	:	

### **Intended Outcome**

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

#### **Practice 3.1**

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board established the Code of Ethics and Conduct ("the Code") to set the standards of the business ethics and conduct of the Group that is applicable to all the Group's employees, customers and vendors worldwide so as to ensure that the working environment and condition are safe and healthy, workers are treated with respect and dignity and business operations are conducted ethically. The Code sets out the values upheld by the Company for each stakeholder group.</p> <p>The fundamental in adopting the Code is to ensure that all business activities are in full compliance with the laws, rules and regulations of the country in which it is operating. If a law of the country conflicts with a rule or policy set out in this code, affected personnel should comply with the law.</p> <p>The Code of Ethics and Conduct ("the Code") is made available at "Corporate Governance" section of the Company's corporate website at <a href="http://www.do.com.my">www.do.com.my</a></p> <p>The principles of the Code include:</p> <ul style="list-style-type: none"><li>I. <b>Respecting Others</b> – unlawful discrimination; working hours and benefits; humane treatment; communication; continuous development</li><li>II. <b>Serve Our Customers</b> – serving the customer with integrity; competency; handling and safeguarding of customers assets</li><li>III. <b>Avoiding Conflict of Interest</b> – business Integrity (i.e. anti-bribery); no improper advantage; disclosure of information; fair business, advertising and competition</li><li>IV. <b>Preserve Confidentiality and Privacy</b> – upholding highest standard in the preservation of confidentiality and privacy</li><li>V. <b>Safety and Health</b> – ensuring working environment are maintained safely, healthy and environmentally friendly</li><li>VI. <b>Insider Trading</b> – prohibition of insider trading</li></ul>

	<p>VII. <b>Anti-Money Laundering</b> – money laundering activity is strictly prohibited</p> <p>VIII. <b>Political Neutrality</b> – Politically neutral in the conduct of our business</p> <p>IX. <b>Reporting Channel</b> – Commitment to continuously maintain channel of communication with stakeholders to raise concern without fear of retaliation</p> <p>X. <b>Corporate Citizenship</b> – Commitment to economic, environmental and social responsible</p> <p>The Code forms the integrity and ethical value expected from the employees which are incorporated in the Policy and Procedure for Employees.</p> <p>To further enhance the ethical value throughout the Group, a formal <i>Anti-Bribery and Corruption Policy</i> ("ABC Policy") and <i>Fair Competition Policy</i> had been established by the Management to reduce the risk of bribery and conflict of interest as well as to promote fair competition practice within the Group. Furthermore, financial and non-financial controls and proportionate due diligence, such as quotation requirements for purchases, tender committee for sales of scrap, payment processing, supplier onboarding process etc., are included in the relevant process specifications of the Group as control activities.</p> <p>The <i>ABC Policy</i> of the Company is made available at "Corporate Governance" section of the corporate website at <a href="http://www.do.com.my">www.do.com.my</a>.</p> <p>On the other hand, the Board had established a formal Whistle-Blowing Policy whereby employees and other stakeholders may bring to the attention of the Audit Committee genuine concerns relating to any malpractice or improper conduct of the Group's businesses, including legal issues and accounting or audit matters in a confidential manner.</p> <p>During the financial year under review, the Board reviewed the policy of <i>Conflict of Interest and Related Party Transaction</i> along with <i>Whistle-Blowing Policy</i> to ensure alignment with the latest changes in the MMLR.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	



**Intended Outcome**

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

**Practice 3.2**

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board encourages employees and other stakeholders to disclose concerns about illegal, unethical or improper business conduct within the Group. The Whistle-Blowing Policy established by the Board provides a mechanism for reporting potential improprieties related to financial reporting, compliances and other malpractices, at the earliest opportunity, and through an appropriate manner. The identity of the whistle-blower will be kept confidential and will be protected against reprisal for disclosing any improper conduct committed or to be committed.</p> <p>The Whistle-Blowing Policy is administered by the Group's Executive Directors and overseen by the Audit Committee. The email address of the Audit Committee (auditcommittee@do.com.my) is provided for reporting malpractices to party independent from the Management.</p> <p>The Whistleblowing Policy was reviewed and reapproved by the Board on 22 November 2024.</p> <p>The Whistle-Blowing Policy is available in "Corporate Governance" section of the Company's website at <a href="http://www.do.com.my">www.do.com.my</a> for ease of access for reporting by employees and other stakeholders.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### **Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### **Practice 4.1**

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Pursuant to the <i>Board Charter</i>, one of the key responsibilities of the Board of the Company is to regularly evaluate economic, environmental, social and governance issues of the Company and its subsidiaries and any other relevant external matters that may influence or affect the development of the business or the interests of the stakeholders and to ensure that the strategic plan of the Company and its subsidiaries supports long term sustainability.</p> <p>The sustainability management of the Group is governed by the <i>Sustainability Policy</i> established by the Board.</p> <p>The principles of each core components of sustainability, i.e. economic, environment and social, are specified clearly to act as the foundation of sustainability management of the Group.</p> <p>Formal governance structure of the sustainability management of the Group is established within the <i>Sustainability Policy</i> whereby the roles and responsibilities of the Board of the Company, the Audit Committee (as the governance oversight function), the Group Managing Director, operation management and the internal audit function are specified.</p> <p>In particular, the Board of the Company assumes the ultimate responsibilities and oversight roles for sustainability management on group wide basis (including integration of sustainability management from strategy setting to daily business operations and aligning the proposed remuneration of the Directors and Key Senior Management personnel of the Group on performance management of sustainability risks and opportunities) while the Group Managing Director is delegated with the duties to implement the <i>Sustainability Policy</i> and management of sustainability risks and opportunities of the Group (including identification, assessment and responses to sustainability risks and opportunities).</p>

	<p>The <i>Sustainability Policy</i> specifies the sustainability matters assessment and prioritisation process (including seeking feedback from stakeholders via stakeholders' engagement methods established), criteria used in such assessment, review standings and formulation of responses. The results and responses of the sustainability assessment are fed into the risk management process of the Group for its continuous monitoring per the <i>Risk and Opportunity Management Policy and Procedure</i> established.</p> <p>Founded on the <i>Sustainability Policy</i>, <i>Sustainable Supply Chain Management</i> was established to specify environmental, social and governance requirements the suppliers should comply. The suppliers are to provide confirmation or certification of compliance with the <i>Sustainable Supply Chain Management</i> and the Group is accorded the right to audit the suppliers and/or request information to confirm compliance.</p> <p>Please refer to the <i>Sustainability Policy</i> and <i>Sustainable Supply Chain Management</i> published in "Corporate Governance" section of the Company's website at <a href="http://www.do.com.my">www.do.com.my</a> for more details.</p> <p>During the financial year under review, the Management presented to the Audit Committee and the Board the material sustainability matters identified, sustainability strategies and targets established and the actual performance of selected sustainability for their review.</p> <p>Please refer to the <i>Sustainability Report</i> published together with the <i>Integrated Report</i> of the Company for the financial year under review for the sustainability management activities, performances and responses formulated.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Pursuant to the <i>Sustainability Policy</i>, communication with interested stakeholders is achieved through various means, including:</p> <ul style="list-style-type: none"><li>• communication channels available at all times for stakeholders to provide feedback and complaints (email address of Group Managing Director, Group Financial Controller and Regional Sales Manager provided in the Company's corporate website);</li><li>• conducting engagement forum;</li><li>• meeting and interview with institutional investor, analyst, media, bankers and other stakeholders when necessary;</li><li>• electronic feedback form available in the Company's website;</li><li>• press release on matters relevant to sustainability management; and</li><li>• <i>Sustainability Report</i> published together with the <i>Integrated Report</i>.</li></ul> <p>In particular, the <i>Sustainability Report</i> published together with the <i>Integrated Report</i> for the financial year under review was prepared pursuant to paragraph 29 of Part A of Chapter 9 - Appendix 9C and Part III of Practice Note 9 of MMLR and guided by Sustainability Reporting Guide issued by Bursa Securities Malaysia Berhad and Global Reporting Initiatives (Core Option).</p> <p>The contents of the <i>Sustainability Report</i> published include the scope of the report, governance structure with summary of responsibilities, sustainability matters identified (including material sustainability matters), climate related transition risks and opportunities and physical risks pursuant to Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations, stakeholders engagement activities, sustainability management activities, actual performance of material sustainability matters (including common sustainability matters), Greenhouse Gases emission – Scope 1, Scope 2 and Scope 3 and other sustainability matters.</p> <p>Please refer to the <i>Sustainability Report</i> published together with the <i>Integrated Report 2023</i> of the Company for more information.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.3**

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>One of the responsibilities of the Board of the Company is to evaluate the sustainability risks and opportunities regularly, including taking into consideration of the changes in the external business environment or affect the interests of the stakeholders. On the other hand, the Group Managing Director is tasked to conduct periodic review on all sustainability matters affecting the Group and the adequacy of the response(s) formulated and implemented. The Audit Committee is updated on scheduled interval or as and when required on sustainability matters due to change in internal or external environment. On the other hand, heads of department/division of the Group are assigned with the duty to continuously monitor sustainability matters under his/her responsibilities with escalation to Group Managing Director for decision.</p> <p>During the financial year in review, the Audit Committee and the Board of the Company reported on material sustainability matters identified, sustainability strategies and targets established and the actual performance of selected sustainability matters, among others. With such an escalation mechanism put in place, the Audit Committee and the Board are kept informed by the Management on the sustainability risks and opportunities faced by the Group, relevant responses and monitoring mechanism put in place. This ensures that sustainability risks are minimised and opportunities optimised for long term sustainability of the Group. At times, pertinent questions were raised by the members of the Board during the meetings of the Board on the prevailing sustainability issues faced by the Group due to changes in the internal or external business environment in order to seek feedback from the Key Senior Management on the responses implemented or formulated to address such risks.</p> <p>The members of the Board are made up of senior executives and professionals in the fields of business management, legal, economics, accountancy, information technology and engineering who possess the required skill, knowledge and experience for sustainability management which they gain through their past working or professional experiences. The knowledge of sustainability management was supplemented by the training attended by the Directors. With such backgrounds, the members of the Board are able to contribute to the timely identification of changes in sustainability risks and opportunities</p>

	<p>or emergence of new sustainability risks or opportunities, to ensure adequate responses formulated to address such risks or optimise such opportunities and to continuously improve the maturity of the sustainability management within the Group.</p> <p>During the financial year under review, an independent expert was engaged by the Board to assess individual directors' capacity and competency in sustainability management, as well as whether the Board, as a whole, possess the right mix of skill, knowledge and size to effectively oversee sustainability and stakeholders management. The result was reported to the Board for review, enabling it to determine whether changes to the composition of the Board were necessary or if additional training in relation to sustainability management was required to strengthen the Board's sustainability oversight responsibility.</p> <p>Please refer to Practice 4.4 of this Corporate Governance Report for the board evaluation performed on the individual Directors and the Board as a whole on the oversight of sustainability management.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board engaged an independent expert to review the performance of the Key Senior Management in relation to sustainability management in February 2024. The assessment was conducted alongside with the annual declaration submitted by Key Senior Management, confirming compliance with relevant controls and regulations and key aspects of the Group's <i>Sustainability Policy</i>. Additionally, Management reported actual responses in relation to the sustainability risks and opportunities to the Audit Committee and the Board for review.</p> <p>Based on the independent expert's assessment and the annual declaration, the Board is satisfied that the Group's sustainability management activities and responses, including sustainability strategies, were adequate during the financial year under review. Furthermore, the Executive Directors and the members of Key Senior Management possess the required skills, knowledge and experience to mitigate prevailing sustainability risks and optimise prevailing sustainability opportunities faced by the Group.</p> <p>In order to ensure that all members of the Board possess the necessary capacity and competency to address sustainability-related matters and deliberate on the Group's sustainability management, the independent expert also conducted an individual director assessment as part of the annual performance evaluation exercise. The evaluation was conducted through a platform provided by the independent expert and supplemented with Director Evaluation Form, which assessed director's competency in sustainability management, their ability to evaluate sustainability risks and opportunities and training needs in such areas.</p> <p>Additionally, the Board as a whole was also assessed by the independent expert through the <i>Board and Board Committee Evaluation Form</i> to ensure it has the appropriate mix of skill, knowledge and size to proactively oversee the Group's sustainability and stakeholders management.</p> <p>Based on the assessment results, the Nomination Committee and the Board were satisfied that the members of the Board possess the necessary capacity and competency to address sustainability matters effectively and that, as a whole, it has the right mix of skill, knowledge</p>

	and size to oversee the Group's sustainability management and stakeholder engagement.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The sustainability management of the Group is spearheaded by the Group Managing Director and supported by the Operation Management team. The Group Managing Director takes sustainability matters by heart and is deeply involved in overseeing and managing the <i>Sustainability Policy</i> and sustainability strategies.</p> <p>For the financial year under review, the Group Managing Director has initiated and ensured the proper execution of various sustainability initiatives, including but not limited to:</p> <ul style="list-style-type: none"><li>• Maintaining net zero Greenhouse Gases emission - Scope 2 for year 2024 through renewal energy certificate (REC).</li><li>• Completed testing and commissioning of the multimedia filtration (MMF) system in 2024 which allow us to reuse the water discharged from the sawing process for up to 22 hours within a 24-hour cycle. Fresh city water is introduced to replenish the remaining 2 hours cycle.</li><li>• Continuous monitoring with Operation Management team with efficiency improvement as the target for energy consumption, water consumption and paper consumption. Besides, key parameters for industrial effluent and air emission are monitored closely to ensure compliance with the authorities.</li><li>• Enhanced labour practice and employee wellbeing</li><li>▪ Provide ongoing training and professional development opportunities to continuously engage employees and foster their personal and career growth.<ul style="list-style-type: none"><li>▪ Ensured all our hostels obtained compliance certifications from local authorities</li><li>▪ Conducted regular safety inspections to uphold a secure working and living environment. These inspections included thorough checks for gas leakages in our employee hostel, ensuring the well-being and safety of our workforce.</li></ul></li></ul>

	<ul style="list-style-type: none"><li>• Product and material engineering to improve material utilisation rate/reduce wastage.</li><li>• Process improvement to improve energy and resource consumption.</li></ul>
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### **Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### **Practice 5.1**

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>It is one of the duties of the Nomination Committee to review and consider the appointment and re-appointment of the member of the Board of the Company and its subsidiaries based on <i>Fit and Proper Policy</i> and <i>Policy and Procedure on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i> and to recommend to the Board for consideration and decision per the Terms of Reference of the Nomination Committee.</p> <p>It is the duty of the Nomination Committee to ensure that the composition of the Board is refreshed periodically based on the strategies of the Group, the tenure of each Director, and results of the Board evaluation and performance. The annual re-election of a Director should be based on satisfactory evaluation of the Director's performance and contribution to the Board.</p> <p>As part of the annual board evaluation, an independent expert conducted an assessment of the tenure, contribution, and support of individual Board members in fulfilling their oversight responsibilities and contributing to the development of the Company's strategies during the financial year. Additionally, the independent expert evaluated individual directors' contributions to the proper governance of the Board, as well as their required skills, knowledge, and competencies, using the Director Evaluation Form and Board Skill Matrix Form.</p> <p>Based on the findings of the independent expert's evaluation, the Nomination Committee and the Board reviewed and were satisfied that the current board composition and the tenure of each director align with the Group's current and future needs for long-term business sustainability. Accordingly, the Nomination Committee and the Board recommended the re-appointment of the directors at the annual general meeting held during the financial year, recognizing their satisfactory performance and contributions to governance and oversight responsibilities.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.2**

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	Departure
<b>Explanation on application of the practice</b>	
<b>Explanation for departure</b>	<p>As at the date of this Report, the Board comprises ten (10) members, consist of one (1) Executive Director, four (4) Non-Independent Non-Executive Directors and five (5) Independent Directors (i.e. 50.0%).</p> <p>The existing composition of the Board satisfies the minimum prescribed requirement in the MMLR 15.02(1) which states that “a listed issuer must ensure that at least 2 directors or 1/3 of the board of directors of a listed issuer, whichever is the higher, are independent directors”.</p> <p>The Board consists of qualified individuals with diverse experience, background and knowledge to enable them to discharge their duties and responsibilities effectively. The Independent Directors possess expertise in audit, accounting, corporate, business management, finance, information technology, internal audit, legal, business management and supply chain management across diverse industries. The independence and objectivity of the Independent Directors were assessed by Nomination Committee prior to their appointment through a structured nomination and selection process with the assessment results reported to the Board for consideration and decision.</p> <p>Furthermore, existing Independent Directors are subject to independent assessment and the Audit Committee, which comprised exclusively of Independent Directors, is subject to assessment by the Nomination Committee on an annual basis to ensure that their independence and objectivity have not been compromised over time.</p> <p>The Independent Directors had consistently demonstrated their independence and objectivity during the Board and Board Committees' proceedings whereby their genuine concerns were expressed during the meetings, and actions/transactions proposed or taken by the Management and the Executive Directors were subject to the scrutiny by the Independent Directors and challenged to assert their roles as independent element within the Board.</p> <p>Based on the Board and Board Committees effectiveness evaluation conducted during the financial year by the independent expert, the</p>

	<p>Nomination Committee concluded that the Board and its Committees have the right mix of expertise, experience and skills to discharge their responsibilities and duties well and efficiently. In particular, the Board affirmed that any potential areas of conflict that could impair the independence of the Independent Directors had been identified and appropriately addressed (if any) and the Independent Directors had upheld their independence and objectivity in the deliberations of the matters brought to the Board.</p> <p>With the above, despite the departure from Practice 5.2, the Board strongly believes that the independent elements within the Board are upheld and that independence and objectivity are rigorously maintained during the deliberations and decision-making process.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :	It is the medium-term focus of the Board to actively seek new Independent Directors to be appointed to the Board in order to comply with Practice 5.2 of MCCG. Selection of candidates will be sourced from major shareholders, existing Directors and independent sources, such as recommendations from external auditors and other professional service providers.	
<b>Timeframe</b> :	Within 3 years	

### **Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### **Practice 5.3**

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: Based on the <i>Board Charter</i> of the Company, the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Director. In the event such Director is to remain as Independent Director for a cumulative term of more than nine (9) years, the Board shall provide strong justification and obtain shareholders' approval at the general meeting.  In line with the recommended practice under MCGC, if the Board were to retain an Independent Director after the ninth (9 <sup>th</sup> ) year, such Director shall be subjected to two-tier voting process in order to remain as Independent Director, subject to a maximum cumulative period of twelve (12) years. Thereafter, such Independent Director must either resign or be re-designated as a Non-Independent Director. The policy on the tenure of Independent Directors is stated in Paragraph 3.5 of the <i>Board Charter</i> which can be found in "Corporate Governance" section of the corporate website at <a href="http://www.do.com.my">www.do.com.my</a> .  As of the date of publication of this Corporate Governance Report, all Independent Directors, except for Mr. Jesper Bjoern Madsen, have served the Board less than nine (9) years. Mr. Jesper Bjoern Madsen, the Senior Independent Director, has serviced for more than nine (9) years but less than twelve (12) years and will be subject to two-tier voting process at the forthcoming annual general meeting for his re-appointment as Independent Director.
<b>Explanation for departure</b>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.4 - Step Up**

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

*Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### **Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### **Practice 5.5**

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Appointment of new Directors to the Board and members of Key Senior Management and re-appointment of Directors of the Company and its subsidiaries must be recommended to the Nomination Committee for review and the Nomination Committee shall then submit its recommendation to the Board for consideration and decision in accordance with the <i>Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i>, as approved by the Board.</p> <p>As part of the appointment process specified in the <i>Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i>, the Nomination Committee shall identify and assess candidates to ensure that the new Director and member of Key Senior Management appointed or seeking re-appointment meet the following criteria:</p> <ul style="list-style-type: none"><li>i. possess the requisite intelligence, education and experience to make a significant contribution to the Group and bring a range of knowledge, skills, diverse perspectives and backgrounds to its deliberations;</li><li>ii. possess requisite knowledge, skills, competency and experience to complement and strengthen the knowledge, skills and experience possessed by existing members of the Board and the Key Senior Management to discharge its duties and responsibilities effectively and efficiently;</li><li>iii. have the highest ethical standards (i.e. probity, personal integrity, reputation and financial integrity), strong sense of professionalism and intense dedication to serve the interests of the stakeholders; and</li><li>iv. devote and spend reasonable amount of time and effort to meet the demand and expectations on the roles and responsibilities as a Director or member of Key Senior Management of the Company and its subsidiaries.</li></ul>

	<p>The selection criteria, as specified in the <i>Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i> include:</p> <ul style="list-style-type: none"> <li>• <b>Fit and proper</b> - subject to the <i>Fit and Proper Policy</i> approved by the Board with the criteria as follows: <ul style="list-style-type: none"> <li>• <b>Probity, personal integrity and reputation</b> - person must have the personal qualities such as honesty, integrity, diligence and independence of mind and fairness.</li> <li>• <b>Financial integrity</b> - person must manage his/her debts or financial affairs prudently.</li> <li>• <b>Experience and competence</b> - person must have the necessary skills, experience, ability and commitment to carry out the role.</li> <li>• <b>Time and commitment</b> – person must devote sufficient time and commitment to discharge his/her roles and responsibilities). In particular, the consideration of such person's directorship (executive and non-executive) in public and private limited corporations as well as practices under sole-proprietorship or partnership will be taken into account.</li> </ul> </li> </ul> <p>A copy of the <i>Fit and Proper Policy</i> can be found in the “Corporate Governance” section of the corporate website at <a href="http://www.do.com.my">www.do.com.my</a>.</p> <ul style="list-style-type: none"> <li>• <b>Skilled and diverse backgrounds</b></li> <li>• <b>Boardroom and Key Senior Management Diversity</b> - in term of the critical knowledge, skills and experience to be brought to the Board as well as race and gender diversity required at the Board. In particular, at least two (2) major ethnic groups in Malaysia shall be represented in the Board and Key Senior Management as well as achieving the target of at least 30% of the Board being women representatives within a reasonable timeframe of three (3) years from the date of this Policy and at least a woman representative at the senior level of management within the Group.</li> <li>• <b>Knowledge and skill in sustainability oversight and management.</b></li> <li>• <b>Independence of Independent Director.</b></li> </ul> <p>For the nomination and appointment process of new Director. The process includes:</p> <ul style="list-style-type: none"> <li>• Identification of candidates by developing a pool of potential candidates for consideration, including recommendations from major shareholders, existing Directors and independent sources, such as recommendations from external auditors and other professional service providers;</li> <li>• Evaluation of the suitability of candidates;</li> <li>• Interview shortlisted candidates (including fit and proper check per <i>Fit and Proper Policy</i> and conflict of interest check);</li> <li>• Final deliberation by Nomination Committee; and</li> <li>• Recommendation to Board.</li> </ul>
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	<p>As for the re-appointment of the Directors, the Nomination Committee must:</p> <ul style="list-style-type: none"> <li>• Conduct a Fit and proper check per <i>Fit and Proper Policy</i> and conflict of interest review;</li> <li>• Assess the independence of the Independent Director based on agreed procedure;</li> <li>• Review of the results of the above and results of the performance evaluation of such Director; and</li> <li>• Submit recommendations to Board.</li> </ul> <p>Directors seeking re-appointment must abstain himself/herself from the review, assessment, discussion and decision in relation to his/her re-appointment during the meeting proceeding of the Nomination Committee and the Board of the Company and its subsidiaries (as applicable).</p> <p>During the 20<sup>th</sup> AGM held during the financial year, the re-appointment of Directors was subject to the above procedures before Board approval and submission to shareholders for voting. Only Directors who met the necessary fit and proper, conflict of interest, independence, and performance criteria were recommended for re-appointment.</p> <p>On the other hand, for the nomination/recruitment of new member of the Key Senior Management, the process entails:</p> <ul style="list-style-type: none"> <li>• Identification of candidates by the Group Managing Director if there is no recommendation from the Board;</li> <li>• Group Managing Director interview shortlisted candidates and supported by background check (including Fit and proper check per <i>Fit and Proper Policy</i> and conflict of interest check);</li> <li>• Review and deliberation by Nomination Committee with the Group Managing Director on shortlisted candidates proposed by the Group Managing Director; and</li> <li>• Recommendation to Board for approval.</li> </ul> <p>During the financial year under review, the Nomination Committee adhered to the above process in the appointment of the new Group Financial Controller. The former Group Financial Controller was redesignated as the Personal Assistant to the Group Managing Director, while the new Group Financial Controller was appointed on 16 December 2024.</p> <p>In accordance with the <i>Board Charter and Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i>, it is the policy of the Board that active politician shall not be appointed as a member of the Board of the Company and its subsidiaries. At the date of this report, no active politician has been appointed as a member of the Board of the Company and its subsidiaries.</p>
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	The <i>Terms of Reference of Nomination Committee, Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and Fit and Proper Policy</i> are published in the “Corporate Governance” section of the Company’s website at <a href="http://www.do.com.my">www.do.com.my</a> .
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### **Practice 5.6**

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Based on the <i>Terms of Reference of the Nomination Committee and Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i> developed by Nomination Committee and approved by the Board, it is specified that the recommendation of the candidates for the appointment of Directors is to be from the Board members or existing shareholders or independent sources (such as, external auditors and other professional firm), via the usage of <i>Director Recommendation Form</i> submitted to the Nomination Committee. Apart from resume and <i>Fit and Proper Declaration</i> required to be submitted to the Nomination Committee, <i>Declaration of Interest Form</i> shall be completed by the candidate by disclosing his/her (existing and for the past three (3) years):</p> <ul style="list-style-type: none"><li>i) directorship in public and private limited companies,</li><li>ii) partnership and sole-proprietorship,</li><li>iii) direct and indirect interest in companies,</li><li>iv) business relationship with the Group,</li><li>v) employment history, and</li><li>vi) related parties and relationship of such related parties with the Group, whether he/she is acting as nominee or representative of a director or shareholders of the Group and disclosure whether he/she is a public official or political-exposed person.</li></ul> <p>The existing members of the Board of the Company (except for Mr. Goh Chin San, Madam Jennifer Chong Gaik Lan, Mr. Goh Chin Loong, Mr. Au Siew Loon, Mr. Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah and Madam Lui Soek Kuen) were recommended by the Board member(s) and existing shareholder(s) of the Company before the requirement in MCCG to include independent sources for the identification of candidates for directorship in the Company. The appointment of Mr. Goh Chin San, Madam Jennifer Chong Gaik Lan, Mr. Goh Chin Loong, Mr. Au Siew Loon, Mr. Raja Ahmad Nazim Azlan Shah Bin Raja Ashman Shah and Madam Lui Soek Kuen to the Board of the Company were made after considering recommendations from the Board member(s), existing shareholder(s) of the Company and independent sources.</p>

	The <i>Terms of Reference of Nomination Committee, Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and Fit and Proper Policy</i> are published in the “Corporate Governance” section of the Company’s website at <a href="http://www.do.com.my">www.do.com.my</a> .
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The recommendation for re-appointment of directors for the 20<sup>th</sup> AGM was subject to the re-appointment process outlined in the <i>Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and Fit and Proper Policy</i> performed by the Nomination Committee before recommendation to the Board for its consideration and decision.</p> <p>The Board carefully reviewed the result of the re-appointment process before recommending the Directors for the shareholders' approval. The Directors seeking for re-appointment had abstained himself/herself from the review, assessment, discussion and decision in relation to his/her re-appointment during such meetings. The re-appointment of Directors was recommended to the Board only upon satisfactory results in the assessment of fit and proper check, conflict of interest review, independence assessment (for Independent Directors) and performance evaluation.</p> <p>Based on the above process and satisfactory assessment results, the Board concluded that all Directors seeking re-appointment in the 20<sup>th</sup> AGM are fit and proper, as they:</p> <ul style="list-style-type: none"><li>• have no interest that is conflicting with the interests of the Group or such interest has been appropriately mitigated to the satisfaction of the Board,</li><li>• are able to commit sufficient time to discharge his/her duties and responsibilities effectively as a director of the Company,</li><li>• positively contribute to the business success, long-term sustainability and governance oversight of the Group, and</li><li>• maintain their independence as Independent Directors and ensure that their independence is not impaired through the passage of time and long relationship with the Company and the Executive Directors and Key Senior Management.</li></ul> <p>In order to facilitate the shareholders to make an informed decision in relation to the re-appointment of Directors in the 20th AGM,</p>

	<p>disclosures were made in the director profiles of the Integrated Report 2023, including details of conflict-of-interest situation (if applicable).</p> <p>Based on the satisfactory results of fit and proper check, conflict of interest review, independence assessment (for Independent Directors) and performance evaluation, the Board recommended the re-appointment of such Directors in the 20<sup>th</sup> AGM.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### **Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Nomination Committee is chaired by a Senior Independent Non-Executive Director, Mr. Jesper Bjoern Madsen. The current members of the Nomination Committee are made up exclusively of Non-Executive Directors with the majority of them being Independent Directors.</p> <p>The Nomination Committee must:</p> <ul style="list-style-type: none"><li>a) Consist not less than three (3) members,</li><li>b) Consist exclusively of Non-Executive Directors with the majority being Independent Non-Executive Directors,</li><li>c) Elect either an Independent Director or Senior Independent Director identified by the Board as the Chairman of the Nomination Committee,</li><li>d) If a member of the Committee resigns or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall, within three months appoint such number of new members as may be required to make up the minimum of three (3) members.</li></ul> <p>As included in the duties of Nomination Committee enlisted in the Term of Reference, the Nomination Committee, which is led by the Committee Chairman, are responsible for the following, inter-alia:</p> <ul style="list-style-type: none"><li>a) To consider and recommend to the Board nominated candidates for appointments as Directors and Key Senior Management and re-appointment of Directors after considering the required probity, personal integrity, reputation and financial integrity possessed and required experience and competency and time and commitment that the candidate should bring to the Board and Key Senior Management team per <i>Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and Fit and Proper Policy</i>;</li><li>b) Review succession planning for Board Chairman, Directors and Key Senior Management and recommend to the Board to ensure such succession plan is adequate and effective;</li><li>c) To seek candidates for directorship from independent sources;</li><li>d) To evaluate the ability of candidates for the position of Independent Directors to discharge such responsibilities and functions as expected from Independent Directors;</li><li>e) To determine the independence of each individual Independent Director, to carry out independence assessment based on criteria</li></ul>

	<p>and procedure under <i>Policy on Independence Assessment of Independent Directors</i>;</p> <p>f) To consider candidates for directorships and Key Senior Management positions proposed by the Group Managing Director and, within bounds of practicability, by any other senior executive, any Director or shareholder;</p> <p>g) To recommend to the Board, Directors to fill seats on Board Committees;</p> <p>h) To assess, on an annual basis, the effectiveness of the Board, Board Committee as a whole, and the contribution of each Director and Key Senior Management and to present results of the review to the Board and to recommend training if needed;</p> <p>i) To identify the training needs of each Director, Group Managing Director and Group Financial Controller (including sustainability management);</p> <p>j) To review the term of office and performance of Audit Committee and each of its members to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference based on the listing requirements; and</p> <p>k) To ensure that the composition of the Board is refreshed periodically based on the strategies and results of the Board evaluation and performance (including sustainability management) with annual re-appointment of directors based on satisfactory evaluation of the Director's performance and contribution to the Board and that the results of the review are reported to the Board for review.</p> <p>The Chairman of the Nomination Committee reports to the Board on the outcome of the committee meetings.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### **Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	Departure
<b>Explanation on application of the practice</b>	
<b>Explanation for departure</b>	<p>Appointment of new Directors to the Board and members of the Key Senior Management is guided by <i>Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i> and <i>Fit and Proper Policy</i> developed by Nomination Committee and approved by the Board.</p> <p>Based on the <i>Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i>, it is the Board's policy that the representation of women at the Board and the Key Senior Management within the Group is required. The Nomination Committee is tasked with ensuring that at least 30% of the Board comprises women within three (3) years from the date of the Policy.</p> <p>Presently, there are two (2) women representation on the Board (i.e. Madam Jennifer Chong Gaik Lan and Madam Lui Soek Kuen, the Independent Director of the Company) following the restructuring exercise undertaken to comply with gender diversity requirement and the MMLR, which mandates that at least one (1) woman director be appointed as member of the Board. Madam Lui Soek Kuen is the most recent female director to join the board, appointed on 1 December 2023, following the appointment of Madam Jennifer Chong Gaik Lan on 15 September 2021.</p> <p>Additionally, at the Key Senior Management level, one (1) woman representative, Ms. Vishalini Sankaran, the Human Resources Director, has been identified in line with the Policy on gender diversity.</p> <p>While the Board has yet to achieve the 30% women representation target, the Board is satisfied that the current board composition, assessed through annual performance assessment, possesses the requisite mix of knowledge, skills and experience to discharge the Board's duties and responsibilities effectively.</p>
	<p>At present, no alternative practice has been implemented, apart from setting the target to achieve at least 30% women representatives on the Board within three (3) years from the date of the Policy.</p>

<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	It is the focus of the Board in the medium-term to actively increase women representation at the Board level in order to comply with Practice 5.9. The appointment of Madam Jennifer Chong Gaik Lan and Madam Lui Soek Kuen as Independent Director of the Company was part of the board restructuring exercise to align with Practice 5.9.
<b>Timeframe</b> :	Within 3 years

### **Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### **Practice 5.10**

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The policy on diversity at the Board level and Key Senior Management was established by the Board in Section 3(c)(3) - Board and Key Senior Management Diversity of <i>Policy and Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director</i>.</p> <p>Per Section 3(c)(3) - Board and Key Senior Management Diversity, the Nomination Committee shall establish the competency gap of existing composition of the Board and Key Senior Management of the Company in terms of the knowledge, skills and experience as well as race, gender and age diversity in order to effectively discharge their roles and responsibilities and duties as the Board as a whole, individual member of the Board and Key Senior Management at the Company.</p> <p>In particular, one of the members of the Board shall be:</p> <ol style="list-style-type: none"><li>1. a past or current Senior Executive (in addition to Senior Executive from within the Group) in a public corporation or reputable and recognized privately held corporation involved in semiconductor industry and who is well versed with the business environment in upstream and downstream supply chain of the industries the Group is operating in;</li><li>2. a past or current partner/Senior Executive in reputable and recognised audit firm or professional accounting/consulting/advisory/legal firm or entity and who is well versed with corporation and capital market requirements/guidelines, financial management, financial reporting, sustainability, governance, risk management and control expertise or other experience that would qualify the candidate as a "financial or governance expert" under established standards in the industry and jurisdiction that the Group is operating in; and</li><li>3. Well-versed with the relevant laws and regulations in relevant jurisdictions applicable to the Group in relation to the business environment in which the Group is operating in as well as the operational activities undertaken by the Group.</li></ol> <p>Based on the board evaluation performed during the financial year under review, the Board is satisfied the above requirements on the membership of the Board are fulfilled.</p>

	<p>The Board is committed to promoting diversity at both the Board and Key Senior Management levels to ensure a balanced representation that reflects Malaysia's multi-ethnic and multicultural environment.</p> <p>It is the policy of the Board that at least two (2) major ethnic groups in Malaysia shall be represented within the Board and Key Senior Management of the Company based in Malaysia. This ensures that cultural sensitivities and diverse perspectives are well integrated into the Group's decision-making processes. At present, the Board and Key Senior Management are represented by two (2) major ethnic groups in Malaysia.</p> <p>It is the policy of the Board to achieve the target of at least 30% women representation at the Board level within a reasonable timeframe of three (3) years from the date of the Policy. Additionally, there shall be at least one woman representation at the Key Senior Management level of the Group. At present, two (2) women representatives serve on the Board level and one (1) woman representative hold Key Senior Management position at the Group level.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

*Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.*

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>In line with the <i>Terms of Reference of Nomination Committee</i>, the Board conducted annual evaluation, covering the Board and its Board Committee (including Audit Committee, Nomination Committee, Remuneration Committee and ESOS Committee), individual Directors, the Chairman of the Board, the Group Managing Director and the Group Financial Controller, as well as independence assessments of Independent Directors.</p> <p>During the financial year under review, the evaluation was carried out by the Nomination Committee, with facilitation by the Company Secretary and an independent expert engaged by the Board. In order to ensure that the evaluation of the performance of the Board and members of the Board are conducted objectively with unbiased perspective and external insights, independent expert was engaged to facilitate the board evaluation for financial year ended 31 December 2023, which was concluded on 26 February 2024.</p> <p>The assessment was conducted through the independent expert's online platform, utilising prescribed evaluation forms and criteria established by the Board.</p> <p>The Board's performance evaluation was conducted via the <i>Board and Board Committee Evaluation Form</i>, adapted from the Corporate Governance Guide issued by Bursa Malaysia Berhad. The evaluation criteria included Board composition and diversity, quality of information and decision-making, Board activities (including sustainability oversight), Board's relationship with the management and overall assessment of the Board's skill, knowledge, experience and independence.</p> <p>In addition, a review of the performance, knowledge, competency and skills of individual Directors was performed by using the <i>Board Skill</i></p>

	<p><i>Matrix Form</i>, based on recommended evaluation criteria per Bursa Malaysia's Corporate Governance Guide. The assessment covered the Board composition; strategy and entrepreneurship; legal and regulatory requirements; corporate governance, risk management and internal controls; audit, accounting, financial reporting and taxation; human capital; information technology; sales and marketing; production and quality control as well as sustainability.</p> <p>The Group Financial Controller's performance evaluation was evaluated separately by the Group Managing Director using the <i>Group Financial Controller's Evaluation Form</i>, which assessed contribution, calibre and personality. The results were then reported to the Nomination Committee for review.</p> <p>As for the performance evaluation of Board Committees, the performance of the Audit Committee, Nomination Committee, Remuneration Committee and ESOS Committee, the assessment was conducted using the <i>Board &amp; Board Committee Evaluation Form – Performance Evaluation Sheet – Board Committees</i>, adopted from the Corporate Governance Guide issued by Bursa Malaysia Berhad. The evaluation criteria included the committee composition, contribution to the Board's decision-making, expertise, performance of respective committee chairman, effectiveness of appointment as well as timeliness and quality of communication and minutes.</p> <p>As an important independent element within the Board, individual Independent Non-Executive Directors conducted self-assessment using the <i>Independent Directors' Self-Assessment Checklist</i>, based on the criteria adopted from Bursa Malaysia's Corporate Governance Guide issued by Bursa Malaysia Berhad. Apart from that, the members of the Audit Committee were subject to additional assessments, including <i>Audit Committee Members' Self and Peer Evaluation Form</i>, <i>Audit Committee Evaluation Questionnaires</i> and <i>Financial Literacy Questionnaire</i>. This is to ensure that the Audit Committee and its members have carried out their duties in accordance with their terms of reference. Please refer to Practice 9.5 of this Report for the details.</p> <p>The performance of the Chairman of the Board was also assessed by using Chairman Evaluation Form, assessing his leadership effectiveness and discharge of responsibilities.</p> <p>The independent expert reported the assessment results to the Nomination Committee, which subsequently presented the assessment results and conclusion from the review by Nomination Committee to the Board for review. No major issues were identified, except for the departure from Practice 5.9 of the MCCG, which the Board has committed to addressing in the near future. Additionally, the expert highlighted areas for improvement, including the need for greater board involvement in the Group's overall strategic direction and addressing individual directors' skill gaps. The Board has taken these</p>
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	<p>findings seriously and has initiated immediate discussions and considerations.</p> <p>Through the evaluation processes, the Board, through the Nomination Committee, reviewed and assessed its skills, competencies, experience and other essential qualities, including core competencies which Directors should bring to the Board. Additionally, the size and composition of the Board were evaluated to ensure continued effectiveness in leading the Group and to identify the training needs of its members.</p> <p>Based on the assessment findings, the Board was satisfied with the existing board composition and is of the opinion that all Directors possess the necessary skills, competencies and experience to effectively discharge their responsibilities and perform competently and commendably. Furthermore, the Board concluded that its present size and composition are optimal, aligning with the Group's operational needs and reflecting a well-balanced mix of financial, technical and business expertise crucial for the stewardship of the Group for current and future needs of the Group.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### **Practice 7.1**

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Based on the <i>Terms of Reference of the Remuneration Committee</i> approved by the Board, the Remuneration Committee ("RC") is tasked to recommend to the Board the remuneration package and other terms of employment of the Directors and the Key Senior Management, among others. Furthermore, a formal <i>Board and Key Senior Management Remuneration Policy</i> was established by the Board and is administered by the RC.</p> <p>Please refer to the "Corporate Governance" section of the Company website <a href="http://www.do.com.my">www.do.com.my</a> for <i>Terms of Reference of the Remuneration Committee</i> and <i>Board and Key Senior Management Remuneration Policy</i> approved by the Board.</p> <p>The objectives of the <i>Board and Key Senior Management Remuneration Policy</i> are as follows:</p> <ul style="list-style-type: none"><li>• to enable the Company to attract and retain highly qualified members to enable the Company to provide a well-balanced and competitive Directors and Key Senior Managements compensation package.</li><li>• to ensure that the interests of Executive Directors and the Key Senior Management are aligned with the business strategy, risk tolerance, values and medium to long-term interests of the Group and is consistent with the "pay-for-performance" principle.</li><li>• to promote strong teamwork culture among the Executive Directors and the Key Senior Management.</li><li>• to instil transparency and openness in the review and approval of compensation package of the Board members and of the Key Senior Management.</li></ul> <p>The remuneration package and fees of the Directors and Key Senior Management shall be reviewed by RC at least once annually and to</p>

	<p>report the results of the review to the Board for deliberation and approval.</p> <p>Based on the <i>Board and Key Senior Management Remuneration Policy</i>, the salient features of the compensations are as follows:</p> <ul style="list-style-type: none"> <li>• <b>Principal Components of Compensation for Executive Directors and Key Senior Management</b> <ul style="list-style-type: none"> <li>• Fixed salary and allowance are based on knowledge, skills, experience and responsibilities assigned and review once annually based on performance, country of assignment, country specific annual inflation rate and market rate of pay;</li> <li>• Variable Compensation - performance bonus is designed to reward Executive Directors and Key Senior Management for the achievement of annual financial goals determined based on Group Budget and sustainability performance and shall not include commission on or percentage of sales; and</li> <li>• benefits-in-kind based on their contractual agreements, local customs and comparable arrangements for comparable senior executive in the industry.</li> </ul> </li> <li>• <b>Principal Components of Compensation for Non-Executive Directors</b> <ul style="list-style-type: none"> <li>• Annual Director's Fees - fixed for all Non-Executive Directors based on his/her knowledge, skills, competency, responsibilities assigned to such Director, contributions to the Board and the Board Committees and sustainability management oversight. Such Director fees shall be reviewed by the Board as a whole annually and proposed to shareholders for approval in general meeting;</li> <li>• Allowances - granted to Non-Executive Directors for the purpose to defray cost/expenses incurred by him/her in carrying out the responsibilities assigned; and</li> <li>• Compensation for Non-Executive Directors shall not be subject to financial performance of the Group and shall not include cash bonus.</li> </ul> </li> <li>• <b>Equity-based Remuneration</b> <ul style="list-style-type: none"> <li>• Offering and granting of ESOS to Directors and Key Senior Management shall be reviewed and proposed by ESOS Committee to the Board based on the knowledge, skills and competency of individual Director and Key Senior Management, his/her past and expected contribution to the Group in the future and his/her sustainability performance.</li> </ul> </li> </ul> <p>The RC held two meetings during the financial year under review. In the first meeting, RC reviewed the proposed Director fees for Non-Executive Directors. Following the review, the recommended fees were reported to the Board for approval and subsequent proposed to shareholders for final approval. Additionally, the RC also reviewed the proposed bonus framework for financial year 2024 and reported the</p>
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	<p>results of the review to the Board for further consideration and decision.</p> <p>The second meeting focused on the proposed remuneration package for the newly appointed Group Financial Controller. The RC sought to ensure that the package was competitive within industry benchmarks and aligned with the company's objective of attracting, retaining, and motivating high-caliber talent, in line with fair remuneration practices and corporate governance principles.</p> <p>During the financial year under review, the Remuneration Committee reviewed the remuneration of Executive Directors and Key Senior Management through a circular resolution, which was unanimously approved by all three committee members.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### **Practice 7.2**

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The RC was formed to assist the Board in determining, developing and recommending an appropriate remuneration policy and remuneration package for Directors and Key Senior Management to attract, retain and motivate the Directors and Key Senior Management. The duty to implement <i>Board and Key Senior Management Remuneration Policy</i> is delegated by the Board to the Remuneration Committee whereby the RC is tasked to review the remuneration packages of the Executive Directors and Key Senior Management as well as the compensation for the Non-Executive Directors. The RC reviews <i>Board and Key Senior Management Remuneration Policy</i> and submits recommendations for the revision of the said policy from time to time when needs arise as well as the proposed remuneration package and proposed fees of the Directors and Key Senior Management (as applicable).</p> <p>The RC comprises wholly of Non-Executive Directors and majority of whom are Independent Directors. The composition of the RC is stated in the Corporate Information of the <i>Integrated Report</i>.</p> <p>The RC operates under clearly defined terms of reference which state the duties and authorities of the Committee. The <i>Terms of Reference of RC</i> is published on the "Corporate Governance" section of the Company's website at <a href="http://www.do.com.my">www.do.com.my</a>.</p> <p>It is the ultimate responsibility of the entire Board to approve the remuneration of the Executive Directors and members of Key Senior Management. The Board as a whole determines the remuneration package of the Non-Executive Directors based on their experience and level of responsibilities undertaken. Proposed directors' fees and benefits to be paid to Directors are subject to the approval of shareholders at the Annual General Meeting before payment.</p>

	<p>Interested Directors shall abstain from deliberation and approval of his/her compensation during the RC meeting and the Board meeting to deliberate and approve (if applicable) remunerations (including proposed allotment of ESOS in the shares of the Company). In addition, Directors who are shareholders and controlling shareholders with a nominee or connected Director on the Board shall abstain from voting at general meetings to approve the remunerations to be paid to such interested Director.</p> <p>In the forthcoming 21<sup>st</sup> AGM, separate ordinary resolutions will be proposed by the Board of the Company for the approval of directors' fees and benefits on individual director basis.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supportive of transparent and detailed disclosure on named basis for the remuneration of individual directors.</p> <p>Major remuneration components of the Directors include directors' salary, fee, bonus, allowance and other emoluments as shown below:</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Mohammed Azlan bin Hashim	Non-Executive Non-Independent Director	57.50	2.50	0	0	0	0	60.00	57.50	2.50	0	0	0	0	60.00
2	Yeow See Yuen	Non-Executive Non-Independent Director	36.50	2.50	0	0	0	0	39.00	36.50	2.50	0	0	0	0	39.00
3	Jesper Bjoern Madsen	Independent Director	54.89	7.50	0	0	0	0	62.39	54.89	7.50	0	0	0	0	62.39
4	Goh Chin San	Non-Executive Non-Independent Director	38.50	3.50	0	0	0	0	42.00	38.50	3.50	0	0	0	0	42.00
5	Jennifer Chong Gaik Lan	Independent Director	51.49	6.50	0	0	0	0	57.99	51.49	6.50	0	0	0	0	57.99
6	Goh Chin Loong	Non-Executive Non-Independent Director	36.50	3.50	0	0	0	0	40.00	36.50	3.50	0	0	0	0	40.00
7	Au Siew Loon	Independent Director	53.75	6.50	0	0	0	0	60.25	53.75	6.50	0	0	0	0	60.25
8	Lui Soek Kuen	Independent Director	52.40	5.50	0	0	0	0	57.90	52.40	5.50	0	0	0	0	57.90
9	Raja Ahmad Nazim Azlan Shah bin Raja Ashman Shah	Independent Director	39.60	3.50	0	0	0	0	43.10	39.60	3.50	0	0	0	0	43.10
10	Tay Kheng Chiong	Executive Director	0	0	0	0	0	0	0	0	0	600.99	97.98	0	57.93	756.90
11																
12																

13	Input info here	Choose an item.	Input info here											
14	Input info here	Choose an item.	Input info here											
15	Input info here	Choose an item.	Input info here											

### **Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### **Practice 8.2**

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	Departure
<b>Explanation on application of the practice</b>	
<b>Explanation for departure</b>	<p>The Board is of the opinion that the disclosure of the remuneration component in bands of RM50,000 on named basis of individual members of Key Senior Management may jeopardise the personal security of the individual member of Key Senior Management and increase the risk of loss of key personnel as their remuneration packages are published publicly and easily accessible online.</p> <p>At present, no alternative practice has been implemented.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	The Board will carefully assess the impact of the disclosure of the remuneration component in bands of RM50,000 on named basis of individual members of Key Senior Management and ensuring that appropriate mitigation measures are in place before proceeding with compliance. The objective is to balance transparency with the need to protect the privacy and retention of key personnel.
<b>Timeframe</b>	Choose an item.

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.				
2	Input info here	Input info here	Choose an item.	Choose an item.				
3	Input info here	Input info here	Choose an item.	Choose an item.				
4	Input info here	Input info here	Choose an item.	Choose an item.				
5	Input info here	Input info here	Choose an item.	Choose an item.				

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here						
2	Input info here	Input info here						
3	Input info here	Input info here						
4	Input info here	Input info here						
5	Input info here	Input info here						

### **Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### **Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has complied with the requirement that the Chairman of the Audit Committee is not the Chairman of the Board.</p> <p>Mr. Au Siew Loon, appointed as the Chairman of the Audit Committee on 24 March 2023, is a member of Malaysian Institute of Certified Public Accountants ("MICPA") and Malaysian Institute of Accountants ("MIA"). He held various senior management positions in companies involved in the financial services, insurance and food and beverage industries. Please refer to the Directors' Profile section of the <i>Integrated Report</i> for further details of the Chairman of the Audit Committee.</p> <p>An abstract of duties and responsibilities of the Audit Committee as stated in the <i>Terms of Reference</i>, led by the Chairman including but not limited to the following:</p> <ul style="list-style-type: none"><li>• To review with the external auditors the audit plan, its scope and nature and the Audit Report, the results of their evaluation of the accounting policies and systems of internal accounting controls within the Group, the assistance given by the officers of the Company, issuance management letter and evaluate appointment/re-appointment and audit fees, amongst others.</li><li>• To review the appointment and resignation, adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work.</li><li>• To review the internal audit plan, processes and results of the internal audit and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function.</li><li>• To review with management on Audit Reports and management letter issued by the external auditors and the implementation of audit recommendations and interim financial information.</li><li>• To monitor and review related party transactions (including Recurrent Related Party Transactions) entered into by the Group.</li><li>• To review the Quarterly Reports on Consolidated Results and Annual Financial Statements prior to submission to the Board.</li><li>• To review conflicts of interest that may arise within the Company or the Group.</li><li>• To review any new grant and the allocation of options under ESOS.</li><li>• To review arrangement for whistleblowing.</li></ul>

	<ul style="list-style-type: none"> <li>• To review the adequacy and effectiveness of the Group's risk management process and systems established by the Management.</li> <li>• To review the adequacy and effectiveness of the Group's sustainability governance structure and process.</li> </ul> <p>The <i>Terms of Reference of Audit Committee</i> detailing the composition, authorities, duties and responsibilities are available for download from the "Corporate Governance" section of the Company's website at <a href="http://www.do.com.my">www.do.com.my</a>.</p> <p>A summary of activities of the Audit Committee, led by the Chairman of Audit Committee, is disclosed in the <i>Integrated Report's Audit Committee Report</i>.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>None of the members of the Board were former partner of the external auditors of the Company.</p> <p>The <i>Terms of Reference of the Audit Committee</i> includes the requirement of former partner of the external audit firm (including its affiliate firm) of the Company to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.</p> <p>Please refer to the <i>Terms of Reference of Audit Committee</i> which is published in the "Corporate Governance" section of the Company's website at <a href="http://www.do.com.my">www.do.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### **Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### **Practice 9.3**

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>: Based on the <i>Terms of Reference of the Audit Committee</i>, the Audit Committee has direct communication channels with external auditors and has the responsibility to review with the external auditors on:</p> <ul style="list-style-type: none"><li>• the audit plan, its scope and nature,</li><li>• the Audit Report,</li><li>• the results of their evaluation of the accounting policies and systems of internal accounting controls within the Group,</li><li>• the assistance given by the officers of the Company to external auditors, including any difficulties or disputes with management encountered during the audit,</li><li>• the management letter and/or major findings of internal investigations and Management's response, and</li><li>• the nature and extent of the non-audit services rendered by the external auditors and the appropriateness of the level of fees.</li></ul> <p>Furthermore, it is the responsibility of the Audit Committee to review the appointment or re-appointment of auditors, the audit fee and non-audit fees and any questions on resignation or dismissal including recommending the nomination of person or persons as auditors. In order to ensure the appointment and re-appointment of external auditors are based on proper and adequate assessment, it is the responsibility of the Audit Committee to set the criteria used to guide decisions on appointment and re-appointment of the external auditor which should include an assessment of the competency, audit quality, resource capacity, independence and objectivity, audit scope and planning, audit fees and audit communication of the external auditor in relation to the audit, including the review of Transparency Report prepared by the external auditors.</p> <p>The engagement of the external auditors is governed by the engagement letter with terms of engagement which includes, amongst others, the scope of coverage, the responsibilities of the external auditors, confidentiality and independence, reviewed by the Audit Committee and its recommendation to the Board.</p> <p>On an annual basis, prior to the commencement of the external audit engagement for the financial year, the external auditors present the</p>

	<p>Audit Plan to the Audit Committee, where the audit approach, areas of audit emphasis, group audit approach, assessment of information technology controls reliance, considerations of works performed by the internal auditor, reporting and deliverables, management communication channels, engagement team, the proposed audit fees, fraud consideration, responsibilities of the directors and management as well as the external auditors are outlined. Additionally, the external auditors provide their independence declaration under the By-Laws (On Professional Ethics, Conduct and Practice) by the Malaysia Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards)(“IESBA Code”) as part of the statutory audit process. The development in accounting standards for the financial year will also be discussed.</p> <p>The proposed audit fees and non-audit fees are presented by the external auditors for review by the Audit Committee, which subsequently recommend to the Board for approval. The external auditors also confirm to the Audit Committee that the non-audit services provided to the Group comply with independence requirements and have not compromised their independence.</p> <p>Upon completion of the audit engagement for a financial year, the external auditors present Reports to the Audit Committee on the audited statutory financial statements, status update of the audit activities, key audit findings update, summary of uncorrected differences, internal control observations, comparison of profit after taxation between audited statutory financial statements and final quarterly unaudited financial statements, expected audit opinion on the financial statements, going concern, key audit matters, accounting records and other records and register, Statement on Risk Management and Internal Control and review of draft Annual Report.</p> <p>The Audit Committee met with the external auditors three times during the financial year under review to discuss audit plans, audit findings, financial statements and other special matters that require Audit Committee attention. Additionally, the Audit Committee held two private meetings with the external auditors during the financial year ended 31 December 2024 without the presence of the Executive Directors and Management to encourage free exchange of information and views and allow the external auditors to express their opinion without undue pressure.</p> <p>The annual assessment of the suitability, objectivity and independence of the external auditors is guided by <i>Policy and Procedures to Assess the Suitability and Independence of and Provision of Non-Audit Services by External Auditors</i> established by the Audit Committee. Included in the said policy are the steps to be taken on the resignation and dismissal of external auditors, independence review and policy on the provision of non-audit services by the external auditors. The criteria for assessment during the appointment and re-appointment of external auditors</p>
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	<p>specified in the said policy are qualifications, technical expertise and capability, resources, suitable size, independence, professionalism and responsiveness, overall conducts of the audit and appropriateness of audit fees. In addition, the assessment of external auditors shall take into consideration of information presented in the Transparency Report prepared by the external auditors and approval from the Audit Committee is required for non-audit service to be performed by the external auditors, having regard to the nature and extent of the non-audit service and appropriateness of the non-audit fees.</p> <p>Having regard to the meetings (including private sessions held) with the external auditors and the assessment of the suitability, objectivity and independence of the external auditors performed, the Audit Committee and the Board concluded that the external auditors were suitable and able to deliver the assurance engagement professionally and diligently with sufficient level of independence under the relevant laws and regulations. Consequently, their re-appointment was recommended to the Board and subsequently sought for approval from the shareholders during the AGM.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted										
<b>Explanation on adoption of the practice</b>	:	<p>At present, the Audit Committee ("AC") is composed entirely of Independent Directors and consists of four (4) Independent Non-Executive Directors.</p> <p>Details of the members of the Audit Committee are disclosed in the Corporate Information and Profile of Directors section of the Integrated Report.</p> <table><thead><tr><th><u>Name</u></th><th><u>Designation</u></th></tr></thead><tbody><tr><td>Au Siew Loon (Chairman)</td><td>Independent Director</td></tr><tr><td>Jesper Bjoern Madsen</td><td>Senior Independent Director</td></tr><tr><td>Jennifer Chong Gaik Lan</td><td>Independent Director</td></tr><tr><td>Lui Soek Kuen</td><td>Independent Director</td></tr></tbody></table>	<u>Name</u>	<u>Designation</u>	Au Siew Loon (Chairman)	Independent Director	Jesper Bjoern Madsen	Senior Independent Director	Jennifer Chong Gaik Lan	Independent Director	Lui Soek Kuen	Independent Director
<u>Name</u>	<u>Designation</u>											
Au Siew Loon (Chairman)	Independent Director											
Jesper Bjoern Madsen	Senior Independent Director											
Jennifer Chong Gaik Lan	Independent Director											
Lui Soek Kuen	Independent Director											

### **Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### **Practice 9.5**

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The members of the Audit Committee possess a diverse range of skills necessary to effectively discharge their duties, including expertise in accounting, finance, external audit, internal audit, operations, procurement and supply chain management. All Audit Committee members are financially literate, gained through their formal education and professional experience. The details of their experiences and education qualifications are disclosed in the <i>Integrated Report</i>'s Profile of the Directors.</p> <p>During the financial year ended 31 December 2024, the members of Audit Committee undertook continuous professional development(s) as required by the respective professional bodies. They also attended training sessions identified by the Board, which focus on regulatory developments and other relevant topics. The details of the training attended during the financial year under review are as follows:</p> <p><b>Name</b></p> <p><b>Au Siew Loon</b></p> <ul style="list-style-type: none"><li>- Mandatory Accreditation Programme Part II – Leading for Impact (LIP). Building high-impact boards for sustainable growth (Organised by Institute of Corporate Directors Malaysia)</li><li>- Decoding the TCFD Reporting Framework (Organised by Malaysia Institute of Accountants)</li><li>- Audit Committee Conference (Organised by Malaysia Institute of Accountants)</li><li>- KPMG Symposium: Beyond ESG (Organised by KPMG)</li><li>- KPMG Tax and Business Summit 2024 (Organised by KPMG)</li><li>- Audit Oversight Board Conversation with Audit Committees (Organised by Securities Commission Malaysia)</li><li>- Unlocking the Impact of the New Dividend Tax (Organised by Crowe)</li></ul>

	<p>- Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework (Organised by NeedsBridge Advisory Sdn Bhd)</p> <p><b><u>Jesper Bjoern Madsen</u></b></p> <p>- Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework (Organised by NeedsBridge Advisory Sdn Bhd)</p> <p><b><u>Jennifer Chong Gaik Lan</u></b></p> <p>- Navigating E-Invoicing Implementation and Maximising Opportunities (Organised by Malaysian Institute of Certified Public Accountants)</p> <p>- Everything About Dividend (Organised by Malaysia Institute of Accountants)</p> <p>- Audit Committee Conference (Organised by Malaysia Institute of Accountants)</p> <p>- Audit Oversight Board Conversation with Audit Committees (Organised by Securities Commission Malaysia)</p> <p>- Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework (Organised by NeedsBridge Advisory Sdn Bhd)</p> <p><b><u>Lui Soek Kuen</u></b></p> <p>- Mandatory Accreditation Programme Part II – Leading for Impact (LIP). Building high-impact boards for sustainable growth (Organised by Institute of Corporate Directors Malaysia)</p> <p>- Audit Committee Conference (Organised by Malaysia Institute of Accountants)</p> <p>- KPMG Tax and Business Summit 2024 (Organised by KPMG)</p> <p>- Audit Oversight Board Conversation with Audit Committees (Organised by Securities Commission Malaysia)</p> <p>- Updates on Sustainability Journey in Malaysia: National Sustainability Reporting Framework (Organised by NeedsBridge Advisory Sdn Bhd)</p> <p>As an important independent element within the Board, members of the Audit Committee completed their <i>Financial Literacy Questionnaire</i> with evaluation criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad. The assessment focused on their ability and competency in reading, analysing and interpreting financial statements and ratios, accounting standards, audit, accounting estimates and fraud consideration.</p> <p>Apart from that, the members of the Audit Committee conducted self and peer evaluations to assess the professionalism, experience, knowledge, skills and understanding of the Group's businesses and accounting based on the criteria adopted from the same Corporate Governance Guide.</p> <p>Furthermore, an independent assessment of the effectiveness of the Audit Committee was performed by non-Audit Committee members via <i>Audit Committee Evaluation Questionnaire</i> based on the criteria adopted from Corporate Governance Guide, focusing on quality and composition, skills and competencies, meeting administration and conduct as well as the activities carried out by the Audit Committee.</p>
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	<p>The above assessments were conducted with the advice from an independent expert engaged by the Board. Following a review of the independent expert's assessment results, the Board and the Nomination Committee were of the opinion that the Audit Committee have the right mix of expertise, experience and skills and they have discharged their responsibilities and duties per the Audit Committee's Terms of Reference.</p> <p>Please refer to the <i>Audit Committee Report</i> for the activities performed by the Audit Committee in accordance with the <i>Terms of Reference of the Audit Committee</i>.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.1**

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal controls as well as internal audit mechanism to safeguard the shareholders' investment and the Group's assets.</p> <p>The Board had put in place a <i>Risk and Opportunity Management Policy and Procedure</i>, as the governance structure and processes for risk management on enterprise wide to embed the risk management practice into all levels of the Group and to manage key business risks as well as to optimise key business opportunities available to the Group adequately and effectively.</p> <p>Internal Audit function is established to review the adequacy and effectiveness of the risk management and internal control system. The Board assumes the ultimate responsibility for risk management and internal controls and establishes the risk appetite of the Group. The duties for the identification, evaluation and management of the key business risk and opportunity are delegated to the Group Managing Director while the Audit Committee is delegated the oversight role.</p> <p>The details of the risk management and internal control system within the Group, including the process of identification, assessment and monitoring of key business risks are disclosed in the <i>Statement on Risk Management and Internal Control</i> in the <i>Integrated Report</i>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Structured risk management process is stipulated in the <i>Risk and Opportunity Management Policy and Procedure</i>, whereby each step of the risk and opportunity identification, risk and opportunity evaluation, risk and opportunity treatment and control activities are laid down for application by the Group Managing Director and the operation management. Risk and opportunity assessment, at gross and residual levels, are guided by the likelihood rating and impact rating established by the Board based on risk appetite established by the Board.</p> <p>During the financial under review, the <i>Risk and Control Score Sheet</i> was compiled and updated by the respective Head of Department and collated by the Group Financial Controller (with relevant key risks and opportunities identified and rated based on the agreed upon risk rating) before reporting to the Group Managing Director for his review and subsequently to the Audit Committee via the <i>Risk Report</i>. The <i>Risk and Control Score Sheet</i> (consists of strategic risks and key operational and financial risks and opportunities, existing control activities for risk mitigation and opportunity optimisation, likelihood and impact rating used), along with the risk management process employed for review and assessment by Management was tabled to the Audit Committee for review and deliberation on its adequacy and effectiveness and thereafter reported the results of the review to the Board.</p> <p>The <i>Risk and Opportunity Management Policy and Procedure</i> established is guided by IATF 16949:2016 Standard by the International Automotive Task Force. Internal audits are carried out by the outsourced internal audit function based on the internal audit plan approved by the Audit Committee.</p> <p>The monitoring of the risk and opportunity management by the Group is enhanced by the internal audits carried out by the internal audit function during the financial year with specific audit objectives and business risks identified for each internal audit cycle based on the internal audit plan approved by the Audit Committee.</p> <p>Please refer to the <i>Statement on Risk Management and Internal Control</i> in the <i>Integrated Report</i> for the detailed disclosures on the risk</p>

	management and internal control system as well as the opinion of the Board on the state of the risk management and internal control system within the Group.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.3 - Step Up**

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Audit Committee is responsible for ensuring the integrity and effective operation of the internal audit function. In this respect, the outsourced internal audit function, NeedsBridge Advisory Sdn Bhd, reports directly to the Audit Committee under the terms of the <i>Engagement Letter</i> and the <i>Internal Audit Charter</i> as well as per the <i>Terms of Reference of the Audit Committee</i>.</p> <p>The <i>Terms of Reference of the Audit Committee</i> define the oversight roles of the Audit Committee in relation to the internal audit function as follows:</p> <ul style="list-style-type: none"><li>• To recommend the appointment and resignation of the internal auditor function and its fees for audit and non-audit service fees to the Board;</li><li>• To review the adequacy of the scope, functions, competency and continuous professional development, resources, its authorities and set the standards of the internal audit function and authority;</li><li>• To provide assurance to the Board of Directors on the adequacy and effectiveness of the system of internal control and risk management practices of the Group;</li><li>• To review the internal audit plan, processes, result of the internal audit and major findings reported by the internal auditor function and whether or not appropriate action is taken on the recommendations of the internal audit function and follow up on Management's implementation of the recommended actions; and</li><li>• To annually assess the performance of the internal audit function and be satisfied that the internal audit are carried out objectively and independent from the Management of the Company and the functions which it audits and to report findings directly to the Audit Committee.</li></ul> <p>During the financial year ended 31 December 2024, based on the internal audit cycles reviewed and approved by the Audit Committee for execution, the outsourced internal audit function has conducted reviews for sales management procurement and inventory management for key manufacturing subsidiaries in Malaysia, as well as a review on the Corporate Governance Report, Corporate Governance Overview Statement and Audit Committee Report. The outsourced internal audit function also reviewed sales, treasury and credit control management for an overseas subsidiary.</p>

	<p>Upon the completion of individual internal audit fieldwork, the internal audit reports were presented to the Audit Committee during scheduled meetings. During the financial year under review, the Audit Committee had met privately once with the internal audit function without the presence of the Executive Directors and Management to encourage two-way communication of the information and views and allow the internal audit function to freely express their opinion without undue pressure.</p> <p>The cost incurred for maintaining the outsourced internal audit function for the financial year ended 31 December 2024 amounted to RM82,000.</p> <p>The oversight role of the Audit Committee and internal audit related activities undertaken during the financial year are disclosed in the <i>Statement on Risk Management and Internal Control</i>. Meanwhile, the duties and responsibilities of the Audit Committee are set out in the <i>Terms of Reference of Audit Committee</i>, which is available for download through the “Corporate Governance” section of the corporate website at <a href="http://www.do.com.my">www.do.com.my</a>.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose—

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The internal audit function of the Company is outsourced to an independent professional firm, NeedsBridge Advisory Sdn Bhd who reports directly to the Audit Committee. The internal audit function has unrestricted access to the Group's employees and documents in the performance of its engagement.</p> <p>The audit engagement of the outsourced internal audit function is governed by the engagement letter (which includes the purpose and scope of works, accountability, independence, the outsourced internal audit function's responsibilities, the Management's responsibilities, the authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, the proposed fees and engagement team) and <i>Internal Audit Charter</i> (which include purpose and mission, its roles, professionalism required (including adherence to the Institute of Internal Auditors' mandatory guidance), its authorities, reporting structure, independence and objectivity required, its responsibilities, purpose of internal audit plan, reporting and monitoring and quality assurance and improvement programme) which are reviewed by the Audit Committee, with recommendation submitted to the Board for approval.</p> <p>Based on the formal evaluation of the outsourced internal audit function, including review of its works and deliverables during the financial year, the Audit Committee and the Board are satisfied:</p> <ul style="list-style-type: none"><li>• that the outsourced internal audit function is free from any relationships or conflicts of interest which could impair their objectivity and independence;</li><li>• with the scope of the outsourced internal audit function;</li><li>• that the outsourced internal audit function possesses relevant experience, knowledge, competency and authority to discharge its functions effectively, possesses sufficient resources and has unrestricted access to employees and information for the internal audit activities; and</li><li>• with the internal audit plan, the processes, and the results of the internal audit and/or investigation undertaken.</li></ul>

	The details of the internal audit function and oversight role of the Audit Committee on the function are disclosed in the <i>Statement on Risk Management and Internal Control</i> , including but not limited to the details of the engagement letter, review of the outsourced internal audit function's resources and continuous professional developments.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### **Intended Outcome**

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### **Practice 12.1**

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>: One of the core responsibilities of the Board as stated in the <i>Board Charter</i> is to oversee the development and implementation of a <i>Corporate Disclosure Policy</i> for the Company to enable effective communication with the stakeholders.</p> <p>In ensuring the communication to the relevant stakeholders is timely, factual, accurate, and complete, the Board has adopted a <i>Corporate Disclosure Policy</i> which sets out the policies and procedures for the disclosure of material information of the Group. The principles of disclosure are transparency and accountability, compliance with legal and regulations on disclosure, confidentiality and timely disclosure and fair and equitable access to information. It also includes an internal control practice to ensure that material information is properly verified before release and that such material information is communicated via authorised channels approved by the Board. Further, procedures are put in place to ensure that confidential information is handled properly by relevant parties to avoid information leakage and improper usage of such information. This policy applies to all employees (including full time, probationary, contract and temporary staff) and Directors of the Group.</p> <p>In order to promote transparency and thoroughness in public dissemination of material information, the Company's website incorporates an "Investor Relations" section which provides all relevant information on the Company and is accessible by the public via <a href="http://www.do.com.my">www.do.com.my</a>. The "Investor Relations" section enhances the Investor Relations function by including all announcements made by the Company (including special announcements that require the stakeholders' attention, quarterly financial statements, <i>Annual Report/Integrated Report</i>, minutes of general meeting and key matters discussed during AGM, among others), stock information and news and press releases in relation to the Group. In order to promote greater stakeholder engagement with the Group Managing Director, virtual meetings on quarterly results were held, with meeting identification and passcode published in the "News/Press Release" of the "Investor Relations" section of the Company's website.</p>

	<p>On the other hand, the communication of the policies and procedures established by the Board in relation to the corporate governance aspect of the Company is published in the “Corporate Governance” section of <a href="http://www.do.com.my">www.do.com.my</a>. This section provides access to the <i>Board Charter</i>, term of reference of relevant Board Committees and corporate policies and procedures, including the <i>Code of Ethics and Conduct, Sustainability Policy, Sustainable Supply Chain Management, Anti-Bribery and Corruption Policy, Whistle-Blowing Policy, Board and Key Senior Management Remuneration Policy, Procedures on Nomination and Appointment of Director and Key Senior Management and Re-Appointment of Director and Fit and Proper Policy</i>. These policies and procedures, established and implemented by the Board, are publicly accessible for transparency and good corporate governance.</p> <p>Furthermore, the email address and contact number of the Group Managing Director is provided in the “Contact” section of the Company’s website to which concerns or requests from any stakeholders can be forwarded. Stakeholders can also communicate any of his/her feedback or concerns to the Company by using the contact form in the “Contact” section of the Company’s website whereby such messages are to be routed to and attended by dedicated personnel within the Group in charge of stakeholders’ communication.</p> <p>The core communication channel with the stakeholders employed by the Company is the announcements made through Bursa Securities and it is the Company’s internal procedure that all announcements to be made through Bursa Securities are to be approved by the Board, prior to its release. The Board is observing all disclosure requirements laid down by MMLR and Capital Markets and Services Act 2007 to ensure all material events and information are disseminated publicly and transparently on a timely basis. This allows fair and equitable access by all stakeholders without selective disclosure of such information to specific individuals or groups. The corporate disclosure by the Company is further enhanced by way of the Group Managing Director and Chairman of the Board assuming the role of authorised speaker for the Company during press conferences and analyst briefings to ensure accurate and consistent disclosure.</p> <p>The <i>Integrated Report</i>, being one of the core communication tools with stakeholders, contains all the necessary disclosures in addition to the facts and figures about the Group. Therefore, efforts have been made to ensure that the report is user friendly which enables the stakeholders to have a good understanding of the Group as well as its operations.</p> <p>Another key avenue of communication with its shareholders is the Company’s general meeting, which provides a useful forum for dialogue with shareholders. During the general meeting, shareholders are at liberty to raise questions or seek clarification on the agenda items of the general meeting from the Company’s Directors.</p>
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	<p>In addition to the above, the Company also welcomes requests for meetings and interviews with professionals from the investment community and is always willing to meet up with institutional investors when necessary, to elaborate or further clarify information already disclosed to other shareholders.</p> <p>During the financial year under review, the Board provided timely disclosure of all material information of the Group through the release of quarterly financial results, announcements and distribution of the <i>Integrated Report</i>. Shareholders, investors and members of the public are able to access such announcements on Bursa Securities' website and "Investor Relation" section of the Company's website at <a href="http://www.do.com.my">www.do.com.my</a>.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

**Practice 12.2**

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The <i>Integrated Report</i> for the financial year ended 31 December 2024 was prepared in material aspects, in accordance with the International Integrated Reporting Framework by International Integrated Reporting Council. The report was developed to provide a comprehensive understanding of the Group's business activities by incorporating not only quantitative but also other qualitative information.</p> <p>Key components of the Integrated Report include but are not limited to:</p> <ul style="list-style-type: none"><li>- organisational overview and external environment,</li><li>- governance structure,</li><li>- business model,</li><li>- risk and opportunities,</li><li>- strategy and resource allocation,</li><li>- performance and outlook, and</li><li>- basis of preparation and presentation</li></ul> <p>The Integrated Report was reviewed and approved by the Board prior to its release, ensuring effective communication with stakeholders and alignment with best reporting practices.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.1**

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Pursuant to Paragraph 11 of the Board Charter, notice of the AGM is to be given to the shareholders at least 28 clear days prior to the meeting.</p> <p>The notice for the 20<sup>th</sup> AGM was given to the shareholders 28 clear days prior to the meeting, well in advance of the 21 days requirement under MMLR. This allows the shareholders to make the necessary arrangements to participate in person or through corporate representative, proxy or attorney. More importantly, it enables the shareholders to consider the resolutions tabled and make an informed decision in exercising their voting rights at the general meeting.</p> <p>Similarly, the Board is committed that the notice of the 21<sup>st</sup> AGM to the shareholders shall be at least 28 clear days prior to the meeting.</p> <p>The notice of the 21<sup>st</sup> AGM with details on the resolutions (with necessary background information or recommendation, if applicable) will be disseminated electronically (made available on Bursa Securities' website and the Company's website) and advertised in a major newspaper in Malaysia.</p> <p>This approach aligns with best corporate governance practices, ensuring transparency and accessibility for all shareholders.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All Directors attended the 20<sup>th</sup> AGM (held via Remote Participation Voting ("RPV") facility) either physically at the broadcast venue or virtually.</p> <p>The <i>Board Charter</i> mandates the attendance of all Directors at the General Meetings to facilitate effective communication between the Board and the shareholders. Directors, especially those with oversight roles (including but not limited to the Chairman of Board Committees) are required to be present to answer in person any matters raised by the shareholders.</p> <p>Adequate time is given during General Meetings to encourage and allow the shareholders to seek clarification or pose questions on pertinent and relevant matters via real time submission of typed texts. The external auditors were also present virtually at the AGM to provide professional and independent clarification on issues and concerns raised by the shareholders during the meeting.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### **Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### **Practice 13.3**

Listed companies should leverage technology to facilitate—

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>To promote participation of shareholders in general meetings, the Company's Constitution includes explicit right of proxy(ies) to speak at general meetings, to allow a member who is an exempt authorised nominee to appoint multiple proxies for each omnibus account it holds, imposes no restriction on proxy's qualification and to allow polling of votes to be conducted electronically.</p> <p>The Company conducted its 20<sup>th</sup> AGM using RPV facility, allowing shareholders to exercise their right to participate, pose questions, and vote at the general meeting safely and remotely via RPV facility, after successfully registering online (subject to verification and onboarding process of the RPV facility).</p> <p>The AGM was broadcast live via the RPV facility, with the Chairman of the meeting physically present at the broadcast venue, while Directors attended either in person or virtually. The poll administration and RPV facility service were provided by a reputable professional firm in Malaysia with comprehensive and secured RPV software tools. The engagement letter with the poll administrator and RPV facility service provider include clauses on confidentiality, protection of personal data received and cybersecurity measures before, during and after the general meeting.</p> <p>While the Board remains committed to leveraging technology to facilitate electronic voting and remote shareholder participation as outlined in the Board Charter, the forthcoming 21<sup>st</sup> AGM will be conducted physically in compliance with the updated MMLR requirements for the conduct of general meetings. This decision reflects the Company's commitment to fostering direct engagement between shareholders, the Board, and Management. Shareholders will have the opportunity to participate in person, pose questions, and vote at the meeting. To enhance accessibility and inclusivity, the Company will continue to explore the feasibility of adopting a hybrid AGM model in the future, allowing shareholders to participate both physically and virtually when deemed practical.</p>

<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.*

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>To facilitate and encourage shareholder participation during the general meeting, the administrative guide for attending the 20<sup>th</sup> AGM was issued and published in the RPV facility and company website to guide shareholders on steps required before and during the general meeting.</p> <p>In addition, shareholders were able to participate and interact with the Board actively during the general meeting via live streaming of the proceeding on their devices and by submitting their questions through the query box to the Board via the RPV facility. In order to further encourage the participation of the shareholders, shareholders were given the option to submit questions to the Board before the general meeting via the RPV facility. It is the policy of the Board that all pertinent questions relevant to the meeting agenda will be answered during the meeting, with sufficient time allocated for responses. In the event that certain questions cannot be addressed by the Board during the general meeting due to time constraints, it is the policy of the Board to have the response to these questions publish minutes of the general meeting, including key matters discussed, on the corporate website.</p> <p>During the 20<sup>th</sup> AGM, sufficient time was allocated for shareholders to pose questions to the Board via the RPV facility and all pertinent questions relevant to the agendas of the general meeting were answered via live streaming before the commencement of the poll voting. During the general meeting, the Group Managing Director delivered a presentation to provide shareholders with an overview of operations, strategy and future prospects as well as sustainability matters. These initiatives by the Board facilitated interactive engagement, allowing shareholders to seek clarifications or additional information. As a result, shareholders were provided with the necessary information to make informed voting decisions on the proposed resolutions.</p>

<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.*

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Pursuant to the <i>Board Charter</i>, the Chairman of the Board is responsible for ensuring that general meetings support meaningful engagement between the Board, Key Senior Management and shareholders.</p> <p>The 20<sup>th</sup> AGM was held virtually at Petaling Jaya, Selangor due to its high-speed broadband connection availability. The virtual AGM was conducted via RPV facility provided by Tricor Investor &amp; Issuing House Services Sdn Bhd, selected for its extensive experiences in poll administering services in Malaysia and comprehensive functionality and performance of its RPV platform. This ensured a seamless and compliant fully virtual general meeting experience, facilitating both remote participation and voting.</p> <p>A pre-general meeting simulation of the meeting proceedings and voting process was conducted with the Company Secretary and the Scrutineer a few days before the date of general meeting to ensure that fully virtual general meeting requirements, sequence, protocols and rules were clearly communicated to all parties involved (including access by the parties involved to questions posed by the shareholders via the RPV facility in order to response accordingly). Additionally, the simulation tested the broadcasting system of the RPV to ensure smooth streaming without undue lagging experience and confirmed that shareholders could participate interactively with the Board and cast their vote remotely, confidently and securely. Adequate members of technical support team were deployed by the poll administrator to set up and test the RPV and broadcast facility before the general meeting and provide real time technical assistance during the proceeding of the general meeting.</p> <p>All pertinent questions from the shareholders submitted prior to the date of general meeting (if any) and during the general meeting via RPV facility were broadcasted to all shareholders present in the meeting and</p>

	such questions were answered by the Chairman of the Board or the Group Managing Director. Furthermore, all pertinent shareholder questions and the corresponding responses provided by the Board during the 20 <sup>th</sup> AGM were compiled and published on the “Annual General Meeting” section of the “Investor Relations” of the Company’s website at <a href="http://www.do.com.my">www.do.com.my</a> .
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
<b>Application</b>	Applied	
<b>Explanation on application of the practice</b>	<p>Pursuant to the <i>Board Charter</i>, minutes of the general meeting of the Company should be circulated to shareholders or published on the corporate website of the Company no later than 30 business days after the general meeting (including key matters discussed during the annual general meeting, if applicable).</p> <p>The minutes of the 20<sup>th</sup> AGM, along with key matters discussed during such meeting (attached as Appendix A and Appendix B to the minutes of the general meeting) were uploaded to the “Annual General Meeting” section of the “Investor Relations” of the Company’s website at <a href="http://www.do.com.my">www.do.com.my</a> within 30 business days from the date of the meeting.</p>	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT  
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

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