

LEADERSHIP STATEMENT

Dear Stakeholders,

We are pleased to share with you DIALOG’s Sustainability Report for the financial year ended 30 June 2022.

The Group’s continued strength and resilience in the face of challenges brought on by the COVID-19 pandemic, increasingly volatile geopolitical climate and gloomy economic outlook is a testament to our long-standing commitment to manage DIALOG’s business in a sustainable, responsible and holistic manner.

In view of the rapid changes taking place in the industry and the world today, the Group reviewed and refreshed the Environmental, Social and Governance (“ESG”) framework and introduced an ESG Roadmap in FY2022. Accordingly, our ESG agenda and material topics are now centered upon the following 3 pillars:



Environmental Stewardship

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



Advancing People

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



Robust Governance and Ethical Practices

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

ENVIRONMENTAL STEWARDSHIP

Following the commitment we made to accelerate our ESG strategies and aspiration to achieve Net Zero Carbon Emissions by 2050 (“NZCE2050”), the Group has established a Sustainability Development Working Committee (“SDWC”), and completed the development of the initial phase of our Climate Change Strategy, the initiatives of which are already in progress. We developed our ESG Strategy Framework and outlined our broad strategies to address the top material issues that are important to our stakeholders. The framework acts as a guide in embedding ESG considerations into the Group’s business and operations to ensure sustainability.

We have also made headway in our pursuit for opportunities in the Sustainable and Renewables business. In November 2021, we announced our first venture to build, own and operate a food grade recycled polyethylene terephthalate (“recycled PET”) pellets production facility, which will serve to meet the increasing demand for food grade recycled PET materials resulting from the drive by the international community to support a circular economy. More recently in May 2022, the Group announced the incorporation of DIALOG ESECO Sdn. Bhd. to provide innovative solutions for waste management and to support the implementation of recycling.

These ventures into the post-consumer plastics recycling industry further supports DIALOG’s initiatives and contribution towards making a positive impact towards the environment, as well as upholds the Malaysian government’s initiatives in sustainability as stated in the circular economy road map.



Asli children of Kampung Leyef in Gerik with their corn harvest

ADVANCING PEOPLE

DIALOG believes that people are integral to the sustainability of our business. In this regard, we steadfastly protect and positively impact the people in our network by maintaining the highest standards of occupational safety and health, adopting progressive human capital management strategies, investing in community engagement activities, and supporting social peace and justice by ensuring that the rights of all our stakeholders are protected.

ROBUST GOVERNANCE & ETHICAL PRACTICES

The Group's growth and success to date has always been built upon a foundation of integrity and trust with our stakeholders. DIALOG continues to preserve and reinforce this by observing best practices in corporate governance, instilling a culture of ethical behaviour, zero tolerance for bribery & corruption, and prudent risk management.

Overall, the Group has consistently made good progress in embedding sustainability throughout the organisation. Since our inaugural Sustainability Report in FY2017,

we have progressively enhanced our Sustainability Reporting and disclosure processes and will continue to ensure our disclosures are meaningful and measurable for stakeholders.

Our sustainability efforts were recognised recently when DIALOG achieved a 4-star rating from FTSE4Good Bursa Malaysia ("F4GBM") for our ESG disclosures, and was included into the Index in June 2022.

Looking ahead, we will keep evolving and adapting to ensure that our business model supports business continuity and competitiveness over the longer term, whilst making progress in minimising our impact on the environment and effecting positive changes in the communities where we operate and serve.

We value the support of all our stakeholders and look forward to our continued collaboration towards a more sustainable future, together.

Tan Sri Dr. Ngau Boon Keat
Executive Chairman