

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7204
COMPANY NAME : D & O Green Technologies Berhad
FINANCIAL YEAR : December 31, 2021

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The mission and vision of D & 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>1. <u>Establishing and reviewing the mission and vision as well as the strategic direction of the Group</u></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 the recommended business strategies, including product strategy and technology roadmap 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 planned fund raising and utilisation for business expansions, planned business investments and its budget, tax optimisation initiatives, sales and marketing strategies, planned production capacity expansion and its budget, process/productivity/quality improvement activities, planned employee retention strategies and schemes, divestment strategy, strategic cash flow planning and strategies on prevention of COVID-19 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 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</p>

focused on the specific business environment, market analysis, future business/technology trend, strategic projects progress, strategic investments' performance and review, progress of divestment and impacts of COVID-19 on the business operations and financial performance as well as other factors affecting the performance and strategies of the Group.

2. Overseeing the conduct of the business of the Group and to evaluate whether the business is being properly managed

On quarterly basis, the Operational and Financial Performance Report 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, sales trend by region and major applications, design-in trend, inventory management, progress of quality assurance system certification, debt financing comparison and analysis and responses by the Group on the prevention of COVID-19 and COVID-19 positive incidents within the Group.

In addition to the Group Managing Director's report, the Group Financial Controller presents the comparison of actual against budget financial performance and debtors ageing on 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 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.

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 Anti-Bribery and Corruption Framework from the Audit Committee during its scheduled meetings for the financial year under review.

3. Tone from the Top

The Board acknowledge 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 be embedded across the Group.

To set the tone from the Top, the Board had established the Group's Codes of Ethics and Conduct to govern the standards of ethics and good conduct expected of the employees, customers and vendors and the foundation for ethic rules within the Group. At operational level, integrity and ethical value expected from the employees are incorporated in the Policy and Procedure for

Employees by the Management based on the value promoted in the Codes of Ethics and Conduct. In order to further promote the integrity and ethical value, a formal Anti-Bribery and Corruption Framework had been put in place by the Board to prevent the risk of bribery and conflict of interest within the Group with a formal Whistle-Blowing Policy implemented to create an environment whereby stakeholders can whistle blow on improper behaviour without being victimised for doing so.

Please refer to Practice 3.1 and 3.2 for detailed disclosure on Code of Ethics and Conduct and Whistle-Blowing Policy.

4. Identifying principal risks faced by the Group and ensuring the implementation of appropriate controls and systems to monitor and manage these risks

The Board had put in place a formal Risk and Opportunity Management Policy and Procedure 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 the Risk and Opportunity Management Policy and Procedure established, the Board are kept 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 based on the risk appetite acceptable by the Board.

Further details on the risk management process are disclosed in the Statement on Risk Management and Internal Control in the Annual Report.

5. Succession planning and performance appraisal of the Board

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 determination of the compensation of members of the Board and Senior Management. Further, 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.

Further details on the role and responsibilities of the Nomination and Remuneration Committee are disclosed in Practice 5.8 and 7.2.

The Senior Management 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 and the Senior Management 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 on “Functional Replacement and Succession Plan” entails the nomination of successor for the position of Section Manager to the Group Managing Director by the respective head of departments or the Executive Directors and subject to the Board’s review from time to time.

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, at times, the Board reviews together with the Group Managing Director on 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.

The Management of the Group is subjected to annual performance appraisal based on the formal human resource policy established.

6. Overseeing the development and implementation of a shareholders’ and stakeholder communication policy for the Company

The Board ensures the shareholders and other stakeholders are kept informed on material events announced through Bursa Malaysia Securities Berhad. A formal Corporate Disclosure Policy was established and adopted by the Board and the Senior Management in ensuring timely, factual, accurate and complete communication.

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 Corporate Disclosure Policy to guide the proper disclosure of material information while preserving confidentiality within the requirements of the Board.

On the other hand, relevant stakeholder engagement and communication requirements are established in the Sustainability Policy of the Group.

7. 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

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 and Monitoring Activities with principles representing the fundamental concepts associated with each component.

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 report its findings to the Audit Committee on its adequacy and effectiveness (i.e. present and functioning).

The integrity of the financial reporting is also subjected to audits performed by the External Auditors during their audits on the financial statements of the Company and its subsidiaries. During quarterly meeting of Audit Committee, the draft financial statements are reviewed by the 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 Main Market Listing Requirements (“MMLRs”) and other legal requirements. For the annual audited financial statements, the Audit Committee reviews the annual statutory accounts, the Audit Report, issues and reservations arising from audits and the management letter (if any), with the External Auditors and the Management.

Further details on the Group’s Internal Audit function and works performed by the Audit Committee on the financial reporting are disclosed in Practice 10.1 of this report, the Statement on Risk Management and Internal Control and Audit Committee Report respectively in the Annual Report.

The Board ensure all directors possess required ability to read and understand financial statements of the Group by way of annual board skill evaluation performed and via such evaluation, to identify training needs to enhance financial and accounting capability of the directors (if any).

Based on the oversight activities of the Board on the conduct of the business and financial performance of the Group during the financial year under review, the members of the Board reviewed the financial statements of the Group based on the internal and external business environment and business operations activities

	<p>and performance provided by the Group Managing Director and Group Financial Controller, amongst other considerations.</p> <p>8. <u>Reviewing Corporate Governance Compliance</u></p> <p>The Board, through the review of the draft Corporate Governance Report and Corporate Governance Overview Statement 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>9. <u>Sustainability Management</u></p> <p>The Board had established a formal Sustainability Policy, detailing the governance structure and process to be employed by the Management for the identification, prioritisation, monitoring and reporting of material sustainability matters and stakeholder groups pursuant to MMLRs and in compliance with Sustainability Reporting Guide issued by Bursa Malaysia Securities Berhad in material aspects.</p> <p>As at the date of this report, the Management had identified the internal and external stakeholders in the context of the Group with such stakeholders prioritised based on criteria and rating system approved by the Board. In addition, the Management had identified sustainability matters for which they are assessed on their significance from the Group 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 its subsequent reporting to the Board.</p> <p>Please refer to the Sustainability Statement on the management of material economic, environmental and social risks and opportunities in the Annual Report.</p>	
<p>Explanation for departure :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure :</p>		
<p>Timeframe :</p>		

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.

Application	: Applied
Explanation on application of the practice	<p>Tan Sri Mohammed Azlan bin Hashim who is the Non-Independent Non-Executive Chairman of the Board carries out a leadership role in the conduct of the Board and its relations with shareholders and other stakeholders.</p> <p>As provided in the <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">a) the leadership of the Board and ensuring the effectiveness of all aspects of its role and leading the Board in adoption and implementation of good corporate governance practices in the Company;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;c) Taking the lead in setting the values and standards of the Company and its subsidiaries;d) Setting the Board agenda and ensuring complete and accurate information is furnished to the directors on a timely basis to facilitate decision-making;e) Ensuring accurate and timely information, in particular, about the performance of the Company and its subsidiaries is furnished to Directors of the Company;f) Chairing general meetings of shareholders and ensuring orderly conduct and proceedings of such meetings;g) Ensuring effective communication with shareholders and stakeholders;h) Facilitating the contribution of Non-Executive Directors and ensuring constructive relations be maintained between Executive and Non-Executive Directors;i) Managing the interface between Board and Management;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;k) Ensuring general meetings support meaningful engagement between the Board, Key Senior Management and shareholders; andl) Ensuring shareholders have the opportunity to participate in

	<p>general meetings effectively; including having access to information they require to participate in discussions and cast informed votes.</p> <p>Further details on the roles and responsibilities of the Chairman of the Board are specified clearly in Paragraph 4.3 of the <i>Board Charter</i> which is accessible through “Corporate Governance” section of the corporate website at www.do.com.my.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	: Applied
Explanation on application of the practice	<p>The position of the Chairman and the Group Managing Director is separated and there is a clear division of responsibilities between the Chairman who is a Non-Executive Director and the Group Managing Director who is an Executive Director.</p> <p>Tan Sri Mohammed Azlan bin Hashim who heads the Board of Directors as the Non-Independent Non-Executive Chairman is responsible for the governance, orderly conduct and effectiveness of the Board while Mr. Tay Kheng Chiong acting as the 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">a) Manage the day-to-day operations of the Company and its subsidiaries according to the strategies and plans approved by the Board;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;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;d) Achievement of the goals and observance of management authorities delegated by the Board of the Company;e) Ensure that the financial management practice of the Company and its subsidiaries is performed at the highest level of integrity and transparency;f) Ensure the Company and its subsidiaries have adequate resources, has an effective management team and structure, develop management skills and put in place an effective management succession plan for business continuity;g) Ensure that adequate and effective governance, risk management and internal control system for the Company and its subsidiaries are instituted;h) Design, implement (subject to approval by the Board of the Company) and continuously improve the Group's Anti-Bribery & Corruption Management ("ABCM") as well as ensuring sufficient

	<p>resources is allocated for such implementation at the Company and the subsidiary level;</p> <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 is allocated for implementation thereof; and</p> <p>j) Implement group wide Code of Ethics and Conduct and policies and procedures as well as ensuring sufficient resources is allocated for such implementation at the Company and the subsidiary level.</p> <p>The clear distinction of the roles and responsibilities of Chairman and Group Managing Director (including Executive Directors) are defined in Paragraph 4.3 and 4.4 of the <i>Board Charter</i> which is available on "Corporate Governance" of the corporate website at www.do.com.my.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

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

<i>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’.</i>	
Application	: Applied
Explanation on application of the practice	: <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 have not participated, including by way of invitation, in the meeting of the Audit Committee, Nomination Committee, Remuneration Committee and Employee Share Option Committee during the financial year under review.</p> <p>Upon or after the conclusion of respective Board Committee meetings, the Chairman of such Board Committee was invited to report to the Board during its scheduled meetings on the matters discussed, reviews performed and recommendations concluded during such Board Committee meetings in order for the Board, led by the Chairman of the Board, to fulfil its oversight roles and responsibilities in unbiased manner.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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.

Application	: Applied
Explanation on application of the practice	<p>The Board is supported by a qualified and competent Company Secretary whom 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 is discharging her duties with her attendance on 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 Senior Management. 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.</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 be abreast with the latest development in the relevant regulatory requirements, codes or guidance and legislations in order to ensure timely compliance with</p>

	<p>relevant laws and regulations.</p> <p>Further details on the roles of the Company Secretary are stated in Paragraph 4.7 of the <i>Board Charter</i>, accessible through the “Corporate Governance” section of the corporate website at www.do.com.my.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<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 was made.</p> <p>As per the <i>Board Charter</i>, the Audit Committee meetings of the Company were not combined with the Board Meetings during the financial year under review and other directors and employees were only allowed to attend any particular Audit Committee meeting at the Audit Committee's invitation in order for the Audit Committee to discharge its delegated oversight duties by the Board and such invitations were specific to relevant agenda of the meeting.</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, cash flow management and planning, planned fund raising and utilisation for business expansions, planned business investments and its budget, tax optimisation initiatives, sales and marketing strategies, planned production capacity expansion and its budget, process/productivity/quality improvement activities, planned employee retention strategies and schemes, divestment strategy and strategies on prevention of COVID-19, industry updates, relevant statements and reports to be made in Annual Report, draft circulars, performance of long term 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 trend, business strategy, risk management and sustainability management.</p> <p>The minutes shall record the Board's and Board Committees' decision, including key deliberations, in terms of issues discussed and the rationale for each decision made, and any significant concerns or</p>

	<p>dissenting views. The draft copy of the minutes shall be circulated by the Company Secretary in a timely manner to relevant Board members for review and to be 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>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The <i>Board Charter</i> was first adopted by the Board on 31 December 2013 and last updated on 25 August 2021. Pursuant to Paragraph 16 of the <i>Board Charter</i>, the <i>Board Charter</i> shall be subjected to review and update from time to time to ensure that they remain 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 www.do.com.my.</p> <p>The <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 Board and Board Committee, Board proceedings, financial reporting responsibilities, unrestricted rights to access to 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 the <i>Board Charter</i>.</p> <p>Salient features of the <i>Board Charter</i>:</p> <ul style="list-style-type: none">• Matters reserved for the Board - identifies matters of the Company

	<p>and its subsidiaries for determination and/or approval by the Board of the Company.</p> <ul style="list-style-type: none"> • Appointment and Re-appointment – 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. • Governance structure – defines the reporting structure of the Board, Board Committee and Board representatives appointed at the subsidiaries. • Roles Profile – 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. • Board Committees - 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. • Qualification, Vacation of Office and Removal of Directors – 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. • Independent Director – defines the annual independence assessment requirement on Independent Director and tenure of the Independent Director. • Board Meetings – 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). • Financial Reporting – 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. • Authorities delegated to Management – the Group Managing Director (including Executive Directors) is responsible for the observance of management authorities delegated by the Board. • Assessment/ Evaluation – 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. • Directors' Training/Continuing Education – base on the result from Board Evaluation and Performance, the Nomination Committee to assess the training needed, identifies appropriate training
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	<p>programmes and make recommendation to the Board. This is to ensure the Directors have access to continuing education programme relevant to their discharge of fiduciary duties.</p> <ul style="list-style-type: none"> • Commitments by Directors – 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. • Access to information and Independent Advice – 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. • General Meetings and Attendance - 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. • Stakeholders Engagement – specifies the channels required for investor relation and other stakeholders’ engagement. • Conflict of Interest – requires that all conflict of interest situation 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. • Code of Ethics and Conduct for Directors – defines the responsibilities of the Directors of the Company and its subsidiaries to observe high ethical business standards, honesty and integrity. • Group Governance – 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. <p>The Board had identified and appointed Mr. Wong Meng Tak as the Senior Independent Director whom the shareholders and other stakeholders can have direct access and concerns may be conveyed to.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	

Timeframe	:		
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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.

Application	: Applied
Explanation on application of the practice	<p>The Code of Ethics and Conduct ("The Code") of the Company has been updated and approved for adoption on 24 March 2021 and is made available at "Corporate Governance" of the corporate website at www.do.com.my.</p> <p>The Board established 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 working environment and condition are safe and healthy, workers are treated with respect and dignity and business operation are conducted ethically.</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 sets out the value uphold by the Company for each stakeholder group.</p> <p>The principles of the Code include:</p> <ol style="list-style-type: none">I. Respecting Others – unlawful discrimination; working hours and benefits; humane treatment; communication; continuous developmentII. Serve Our Customers – serving the customer with integrity; competency; handling and safeguarding of customers assetsIII. Avoiding Conflict of Interest – business Integrity (i.e. anti-bribery); no improper advantage; disclosure of information; fair business, advertising and competitionIV. Preserve Confidentiality and Privacy

	<p>V. Safety and Health VI. Insider Trading VII. Anti-Money Laundering VIII. Political Neutrality IX. Reporting Channel X. Corporate Citizenship</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 Anti-Bribery and Corruption Framework and Fair Competition Policy 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. Further, 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 and etc., are included in the relevant process specifications of the Group as control activities.</p> <p>The Anti-Bribery and Corruption Framework (“ABC Framework”) of the Company has been updated and approved for adoption on 25 August 2021 and is made available at “Corporate Governance” section of the corporate website at www.do.com.my.</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>
Explanation for departure :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure :	
Timeframe :	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board encourages employees and other interested parties to disclose concerns about illegal, unethical or improper business conduct within the Company. The established Whistle- Blowing Policy provides and facilitates a mechanism for any employee and other stakeholders to report any concern about possible improprieties in matters of financial reporting, compliance and other malpractices, at the earliest opportunity, and in 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 independent third party.</p> <p>The Whistle-Blowing Policy is available in “Corporate Governance” section of the Company’s website at www.do.com.my for ease of access for reporting by employees and other stakeholders.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>Pursuant to <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 Sustainability Policy established by the Board on 29 March 2018 with latest update on 25 August 2021.</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 Sustainability Policy 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 assume the ultimate responsibilities and oversight roles for the 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 Sustainability Policy</p>

	<p>and management of sustainability risks and opportunities of the Group (including identification, assessment and responses to sustainability risks and opportunities).</p> <p>The Sustainability Policy specifies the sustainability matters assessment and prioritisation process (including seeking the feedbacks 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 Risk and Opportunity Management Policy and Procedure established.</p> <p>Please refer to the Sustainability Policy published in "Corporate Governance" section of the Company's website at www.do.com.my for more details.</p> <p>During the financial year under review, the Senior Management presented to the Audit Committee and the Board the sustainability management and stakeholders engagement activities performed during the financial year under review, the material sustainability matters identified, sustainability strategies and targets established and actual performance of selected sustainability matters for their review.</p> <p>Please refer to the Sustainability Report published together with the Annual Report of the Company for the financial year under review for the sustainability management activities, performances and responses formulated.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

Application	:	Applied
Explanation on application of the practice	:	<p>Pursuant to Sustainability Policy, communication with interested stakeholders achieved through various means, including:</p> <ul style="list-style-type: none">• communication channels available at all times for stakeholders to provide feedback and complaint (personal contact numbers and email address of Group Managing Director, Group Financial Controller and Regional Sales Manager provided in the Company's website);• conducting engagement forum;• meeting and interview with institutional investor, analyst, media and other stakeholders when necessary;• electronic feedback form available in the Company's website;• press release on matters relevant to sustainability management; and• Sustainability Report published together with the Annual Report. <p>In particular, Sustainability Report published together with the Annual Report 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 Sustainability Report published include the scope of the report, sustainability principles employed, governance structure with summary of responsibilities, sustainability assessment process employed, stakeholders engagement activities, sustainability management activities and sustainability matters identified (including material sustainability matters), corresponding risk register material sustainability matters identified for monitoring, responses implemented or to be implemented for material sustainability matters and other sustainability matters, target established and actual performances of material sustainability matters and other sustainability matters.</p> <p>Please refer to the Sustainability Report published together with the Annual Report 2021 of the Company for more information.</p>
Explanation for departure	:	

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

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.

Application	:	Applied
Explanation on application of the practice	:	<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 review, the Senior Management reported to the Audit Committee and the Board of the Company of the results of the sustainability assessment (including climate change risks and opportunities), material sustainability matters identified, responses implemented (including sustainability strategies formulated) and targets established for climate change, among others. With such escalation mechanism put in place, the Audit Committee and the Board are kept informed by the Senior Management on the sustainability risks and opportunities faced by the Group, relevant responses and monitoring mechanism put in place. This ensure 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 change in the internal or external business environment in order to seek feedbacks from the 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 and engineering that possess the required skill, knowledge and experience for sustainability management which they gain through their past working or professional experiences. The knowledge on the sustainability management was supplemented by the training attended by the Director. With such backgrounds, the</p>

	<p>members of the Board are able to contribute to the timely identification of changes in sustainability risks and opportunities 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>The individual directors' capacity and competency on sustainability management and whether the Board as a whole possess the right mixed of skill, knowledge and size to proactively oversee the sustainability management and stakeholders management was assessed by the Nomination Committee in March 2022 and reported to the Board for its review and decision on whether changes to the composition of the Board is required or training in relation to the sustainability management is required to strengthen the Board's sustainability oversight responsibility. 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>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

Application	: Applied
Explanation on application of the practice	<p>The review of the performance of the Senior Management in relation to the sustainability management was performed by the Board in March 2022 via the annual declaration by the members of Senior Management on the compliance of controls and regulations applicable to their area of responsibilities whereby confirmation by such members of Senior Management was sought on the compliance of the major aspects of the Sustainability Policy established. In addition, the actual performance of responses in relation to the sustainability risks and opportunities were reported by the Senior Management during the financial year under review to the Audit Committee and the Board for review. Based on the annual declaration by the members of the Senior Management and review of the actual performance of responses in relation to the sustainability risks and opportunities by the Senior Management, the Board is satisfied that sustainability management activities and responses (including sustainability strategies) were adequate during the financial year under review and that the Executive Directors and the members of Senior Management possess the required skill, 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 required capacity and competency to tackle question and to deliberate on the sustainability management of the Group, the assessment of individual directors' capacity and competency on sustainability management and to evaluate sustainability risks and opportunities faced (including identification of training needs on sustainability management) via Director Evaluation Form was performed by the Nomination Committee in March 2022 during the annual performance evaluation exercise. During the same annual performance evaluation exercise, the Board as a whole was assessed by the Nomination Committee via Board and Board Committee Evaluation Form to ensure it possess the right mixed of skill and knowledge as well as size to proactively oversee the sustainability management and stakeholders management of the Group.</p> <p>Based on the results of the above assessment, the Nomination Committee and the Board were satisfied that the members of the Board possess the required capacity and competency to tackle</p>

	question and to deliberate on the sustainability management of the Group and that the Board as a whole possess the right mixed of skill and knowledge as well as size to proactively oversee the sustainability management and stakeholders management of the Group.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

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.

Application : Adopted

Explanation on adoption of the practice :

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 sustainability framework and sustainability strategies.

For the financial year under review, the Group Managing Director has initiated the following sustainability activities and ensures the proper implementation by Operation Management team:

- Installation of solar photovoltaic (“PV”) on guardhouse, lobby building (completed on early 2022) with further installation planned for Plant 2 extension building (expected completion in second half of 2022).
- Reducing carbon emission from employees commuting by purchasing a new hostel located with walking distance to the plant.
- Rainwater harvesting system for Plant 2 (expected completion in Quarter 2 of 2022).
- Planted more trees around the factory premise.
- Implementation of COVID-19 preventive measures including promoting booster vaccination (3rd dose).
- 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 emission are monitored closely to ensure compliance with the authorities.
- Improving labour practice
 - Increased employee remuneration such as shift allowance and overtime allowance.
 - Introduced 2 shift 3 crew work pattern to prevent employees from exceeding 104 hours overtime per month.

	<ul style="list-style-type: none">▪ Purchasing of new hostel with improved employee accommodation condition in terms of space and facilities.▪ Continue to invest in visual inspection automation to eliminate eye straining inspection performed by human.▪ Discussion with charity organisation in order to increase job opportunities for disabled person.▪ Promoting gender diversification by recommending new suitable female Director to the Board.▪ Provision of basic groceries to hostel employees during MCO.
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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.

Application	:	Applied
Explanation on application of the practice	:	<p>It is one of the duty 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 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>Further, 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>During the financial year under review, a new Independent Director with more than 30 years of experience in procurement, internal audit and supply chain management in semiconductor industry was appointed to further broaden the board diversity at the Board level in terms of skill, knowledge, experience and gender diversity for the current and future needs of the Group.</p> <p>Further, as part of the annual board evaluation, the tenure of the individual members of the Board was assessed in March 2022 by the Nomination Committee in term of contribution and support brought by the members of the Board on the oversight responsibilities and development of the Company's strategies. In addition, individual directors' contribution to the proper governance of the Board and required skill, knowledge and competency were assessed by the Nomination Committee via <i>Director Evaluation Form</i> and <i>Board Skill Matrix Form</i> in March 2022. Based on the above evaluations, the Nomination Committee and the Board were satisfied that the current board composition and the tenure of each director were able to fulfil the current and future needs of the Group for long term business sustainability. The Nomination Committee and the Board recommends the re-appointment of the directors in the forthcoming annual general meeting due to the satisfactory performance and contribution of such directors to the proper governance and oversight responsibilities of</p>

	<p>the Board.</p> <p>It is the immediate focus of the Board during the financial year ending 31 December 2022 to enhance the above practices and to comply with the changes to the MMLR in relation to limit of the tenure of the Independent Director to 12 years by the appointment of new Independent Directors that are able to further diversify the Board's composition in term of skill, knowledge, experience and gender diversity.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	: Departure
Explanation on application of the practice	:
Explanation for departure	<p>: The Board currently has nine (9) members comprising two (2) Executive Directors, three (3) Non-Independent Non-Executive Directors and four (4) Independent Non-Executive Directors (i.e. 4/9) which satisfy 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 are made up of individuals well-versed in the field of accounting, finance and legal as well as procurement, internal audit and supply chain management in semiconductor industry. The independence and objectivity of the Independent Directors were assessed by Nomination Committee prior to their appointment based on nomination and selection process with the results of the review reported to the Board for consideration and decision.</p> <p>Furthermore, the Independent Directors are subjected to independent assessment and the Audit Committee, made up of exclusively of Independent Directors, is subjected to assessment by the Nomination Committee on annual basis to ensure that their independence and objectivity were not diminished over time. Mr. Wong Meng Tak, acting as the Senior Independent Director is identified to whom the shareholders and other stakeholders can be approached directly, and concerns may be conveyed.</p> <p>The Independent Directors had 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 Financial Year ended 31 December 2021 by the Nomination Committee, the Nomination Committee was of the opinion that the Board and its Committees have the right mix of expertise, experience and skills and are able to discharge their responsibilities and duties well and efficiently. In particular, the Board concluded that the potential areas of conflict that may impair the independence of the Independent Directors had been resolved (if any) and the Independent Directors had asserted their independence and objectivity in the deliberations of the matters brought to the Board.</p> <p>With the above, despite the departure from the Practice 5.2, the Board strongly believes that the independent elements within the Board is upheld and the independence and objectivity are asserted during the deliberation and decision making at the Board and the Board Committees' meeting.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p> <p>During the financial year ended 31 December 2021, an additional Independent Director was appointed to kick start the board restructuring exercise to comply with the Malaysian Code on Corporate Governance ("MCCG") in relation to the requirement of Large Company to have its Board made up of majority of Independent Directors.</p> <p>During the financial year ending 31 December 2022, it is the immediate focus of the Board to actively seek for new Independent Directors to be appointed to the Board in order to comply with Practice 5.2 and changes to MMLR in relation to tenure limit of Independent Director to 12 years. 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.</p>	
<p>Timeframe</p>	<p>:</p> <p>Within 3 years</p>	

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.

Application	: Applied
Explanation on application of the practice	<p>The <i>Board Charter</i> of the Company was updated on August 2021 whereby 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 9 years, the Board shall provide strong justification and to obtain shareholders' approval in general meeting. In line with the recommended practice under MCCG, if the Board were to retain an Independent Director after the ninth (9th) year, such Director shall be subjected to two-tier voting process in order to remain as 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 www.do.com.my.</p> <p>As at the date of this Report, Mr. Wong Meng Tak and Mr. Yeow See Yuen, being the Independent Non-Executive Directors who were appointed on 16 September 2004 and 4 February 2009 respectively had served the Board of the Company for a tenure of more than nine (9) years. To remain as an Independent Non-Executive Director, Mr. Wong Meng Tak and Mr. Yeow See Yuen will be subjected to two-tier voting during forthcoming 18th Annual General Meeting ("AGM") to be held in May 2022.</p> <p>Based on the Independent Directors' self-assessment submitted to the Nomination Committee for review and recommendation to the Board as well as subsequent review and deliberation by the Board in March 2022, the Board concluded that Mr. Wong Meng Tak and Mr. Yeow See Yuen, being the Independent Non- Executive Directors who had served on the Board for cumulative term of more than nine (9) years, met the requirements of "Independent Director" as defined under paragraph 1.01 of MMLR and remains objective and independent during the deliberations and decision making of the Board and Board Committees they are in. The length of their service does not impair their independent judgement as Independent Director and they are</p>

	<p>acting in the best interest of the Group as Independent Directors.</p> <p>Based on the above justification, the Board recommends and supports the continuity of the office of Mr. Wong Meng Tak and Mr. Yeow See Yuen as an Independent Directors of the Company in the forthcoming 18th AGM to be held in May 2022.</p> <p>In order to bring the Board’s composition to be in line with the call for Large Company to limit the tenure of the Independent Director to nine (9) years and to comply with the recent change of definition of “Independent Director” under paragraph 1.01 of MMLR whereby tenure of the Independent Director is limited to twelve (12) years with effect from 1 June 2023, the Board shall take proactive steps during the financial year ended 31 December 2022 to seek for appointment of new Independent Directors to replace Independent Directors whose tenure more than twelve (12) years in order to have a smooth transition for such board restructuring exercise.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

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.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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.

Application	: Applied
Explanation on application of the practice	<p>Appointment of new Director to the Board and member of Senior Management and re-appointment of Director of the Company and its subsidiaries are required to be recommended to the Nomination Committee for review and its recommendation to the Board for consideration and decision in accordance with the <i>Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director</i> which was last updated by Nomination Committee and approved by the Board on 25 August 2021. (Such policy and procedures were first adopted on 31 December 2013 and previously named <i>Nomination and Selection of Director and Senior Management</i>).</p> <p>As part of the appointment process specified in the <i>Policy and Procedures on Nomination and Appointment of Director and 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 Senior Management appointed or the Directors to be re-appointed should:</p> <ol style="list-style-type: none">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;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;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; andiv. 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.

The criteria as specified in the *Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director* includes:

- **Fit and proper** - subject to the *Fit and Proper Policy* approved by the Board with the criteria as follows:
 - **Probity, personal integrity and reputation** - person must have the personal qualities such as honesty, integrity, diligence and independence of mind and fairness.
 - **Financial integrity** - person must manage his/her debts or financial affairs prudently.
 - **Experience and competence** - person must have the necessary skills, experience, ability and commitment to carry out the role.
 - **Time and commitment** – 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.

A copy of the *Fit and Proper Policy* can be found in the “Corporate Governance” section of the corporate website at www.do.com.my.

- **Skilled and diverse backgrounds**
- **Boardroom and Senior Management Diversity** - 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 Senior Management as well as achieving the target of at least 30% of the Board are women representative within a reasonable timeframe of three (3) years from the date of this Policy and at least a female representative at the senior level of management within the Group.
- **Knowledge and skill on sustainability oversight and management.**
- **Independence of Independent Director.**

The nomination and appointment process of new Director included in the *Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director* is:

- 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;
- Evaluation on the suitability of candidates;
- Interview shortlisted candidates (including fit and proper check per *Fit and Proper Policy* and conflict of interest check);
- Final deliberation by Nomination Committee; and

- Recommendation to Board.

The appointment of new Independent Director during the financial year ended 31 December 2021 was subjected to the above nomination and appointment process (including independence assessment) and after considering recommendations from independent sources. Such candidate was only recommended to the Board for review and final decision on the appointment to the Board as Independent Director based upon satisfactory results of fit and proper and conflict of interest check on the candidate for such Independent Directorship by the Nomination Committee.

As for the re-appointment of the Director, the following procedures per *Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director* shall be employed by the Nomination Committee before recommendation to the Board for consideration:

- Fit and proper check per *Fit and Proper Policy* and conflict of interest check;
- Independence assessment for Independent Director based on agreed procedure;
- Review of the results of the above and results of the performance evaluation of such Director; and
- Recommendation to Board.

Directors who are seeking for re-appointment shall abstain himself/herself from the review, assessment, discussion and decision in relation to his/her re-appointment during meeting proceeding of the Nomination Committee and the Board of the Company and its subsidiaries (as applicable).

The recommendation of re-appointment of director (including Independent Directors seeking continuation in office as independent director by way of two-tier voting) during forthcoming 18th AGM was subjected to the above re-appointment process performed by the Nomination Committee before recommendation to the Board for its consideration and decision. The Board reviewed the result re-appointment process before recommendation to the shareholders. 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. Such directors subject to re-appointment were only recommended to the Board for review and final decision on the recommendation to the shareholder based upon satisfactory results of fit and proper and conflict of interest check, independence assessment (for Independent Directors) and performance evaluation of such Directors by the Nomination Committee.

On the other hand, the nomination/recruitment of new member of the Senior Management entails:

- Identification of candidates by the Group Managing Director if

	<p>there is no recommendation from the Board;</p> <ul style="list-style-type: none"> • 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); • Review and deliberation by Nomination Committee with the Group Managing Director of shortlisted candidates proposed by the Group Managing Director; and • Recommendation to Board. <p>As per the <i>Board Charter and Policy and Procedures on Nomination and Appointment of Director and 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 present, no active politician has been appointed as a member of the Board of the Company and its subsidiaries.</p> <p>The <i>Terms of Reference of Nomination Committee, Policy and Procedures on Nomination and Appointment of Director and 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 www.do.com.my.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

Application	:	Applied
Explanation on application of the practice	:	<p>Based on the <i>Terms of Reference of the Nomination Committee and Policy and Procedures on Nomination and Appointment of Director and 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 Director Recommendation Form submitted to the Nomination Committee. Apart from resume and Fit and Proper Declaration 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">i) directorship in public and private limited companies,ii) partnership and sole-proprietorship,iii) direct and indirect interest in companies,iv) business relationship with the Group,v) employment history, andvi) 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. <p>During financial year ended 31 December 2021, after sourcing for potential candidates from existing Directors and independent sources, the Board appointed Madam Jennifer Chong Gaik Lan as Independent Non-Executive Director of the Company based on the satisfactory results of fit and proper and conflict of interest check performed by the Nomination Committee according to nomination and appointment process per <i>Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director</i>.</p> <p>The existing members of the Board of the Company except for (Mr. Goh Chin San and Madam Jennifer Chong Gaik Lan) were recommended by the Board member(s) and existing shareholder(s) of</p>

	<p>the Company before the requirement in MCGG to include independent sources for the identification of candidates for directorship in the Company. The appointment of Mr. Goh Chin San and Madam Jennifer Chong Gaik Lan 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> <p>The <i>Terms of Reference of Nomination Committee, Policy and Procedures on Nomination and Appointment of Director and 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 www.do.com.my.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	: Applied
Explanation on application of the practice	<p>The recommendation of re-appointment of director (including Independent Directors seeking continuation in office as independent director by way of two-tier voting) during forthcoming 18th AGM was subjected to the re-appointment process per <i>Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director</i> and <i>Fit and Proper Policy</i> performed by the Nomination Committee before recommendation to the Board for its consideration and decision. The Board reviewed the result of the re-appointment process before recommendation to the shareholders. 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. Such re-appointment was only recommended to the Board for review and final decision on the recommendation to the shareholder based upon satisfactory results of fit and proper and conflict of interest check, independence assessment (for Independent Directors) and performance evaluation of such Directors by the Nomination Committee.</p> <p>Based on the above process and satisfactory results of fit and proper and conflict of interest check, independence assessment (for Independent Directors) and performance evaluation of the Directors seeking re-appointment in forthcoming 18th AGM, the Board is of the view that all Directors seeking re-appointment in the forthcoming AGM are fit and proper</p> <ul style="list-style-type: none">• with no interest that is conflicting with the interests of the Group or with such interest mitigated to the satisfaction of the Board,• able to commit sufficient time to discharge his/her duties and responsibilities as a director of the Company,• able to contribute positively to the business success and long-term sustainability of the Group and its oversight responsibilities and,• the independence of the Independent Directors is not impaired through passage of time and long relationship with the Company and the Executive Directors and Senior Management.

	<p>In order to facilitate the informed decision by the shareholders in relation to the re-appointment of Directors in forthcoming AGM, disclosures are to be made in the notes to the notice of the 18th AGM on the details of interest, position or relationship of such Directors individually that might influence, or reasonably be perceived to influence, in a material respect in relation to the independent judgement to be brought to the Board and to act in the best interests of the Group. The Board recommends to the shareholders to re-appoint such Directors based on the satisfactory results of fit and proper and conflict of interest check, independence assessment (for Independent Directors) and performance evaluation of such Directors.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	: Applied
Explanation on application of the practice	<p>The Nomination Committee is chaired by an Independent Non-Executive Director, Mr. Wong Meng Tak, who is also the Senior Independent Director.</p> <p>The Nomination Committee must:</p> <ul style="list-style-type: none">a) Consist not less than three (3) members,b) Consist exclusively of Non-Executive Directors with majority being Independent Non-Executive Directors,c) Elect either an Independent Director or Senior Independent Director identified by the Board as the Chairman of the Nomination Committee,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. <p>As included in the duties of Nomination Committee enlisted in the Term of Reference, the Nomination Committee, which is led by the Chairman, are responsible for the followings, inter-alia:</p> <ul style="list-style-type: none">a) To consider and recommend to the Board nominated candidates for appointments as Directors and 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 Senior Management team per <i>Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director and Fit and Proper Policy</i>;b) Review succession planning for Board Chairman, Directors and Senior Management and recommend to the Board to ensure such succession plan is adequate and effective;c) To seek candidates for directorship from independent sources;d) To evaluate the ability of candidates for the position of Independent Directors to discharge such responsibilities and functions as expected from Independent Directors;e) To determine the independence of each individual Independent Director, to carry out independence assessment based on criteria and procedure under <i>Policy on Independence Assessment of Independent Directors</i>;

	<p>f) To consider candidates for directorships and Senior Management position 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 individual Director, the Chairman, the Group Managing Director and the Group Financial Controller 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 individual Directors, 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> <p>During the financial year ended 31 December 2021, the Nomination Committee, led by Chairman, conducted review on the performance of the Board, Board Committees, Audit Committee, individual Directors and Group Financial Controller and the independence of Independent Directors and reported to the Board on the results of the review for the Board’s consideration. In addition, the performance evaluation of the Chairman of the Board was performed by the Nomination Committee in March 2022. The details of the assessment are further disclosed in Practice 6.1 of this CG Report.</p> <p>In reviewing the independence and continuity of the Independent Director who had served the Board of the Company for a tenure of over nine (9) years in March 2022, the Chairman of the Nomination Committee, being the Director subjected to review, abstained from the conduct of review and elected fellow member of Nomination Committee to chair for the said review to ensure that the Committee’s independence is preserved in relation to such assessment, and fair review was performed.</p>
<p>Explanation for departure :</p>	

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

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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Appointment of new Director to the Board and member of the Senior Management is guided by <i>Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director</i> and <i>Fit and Proper Policy</i> developed by Nomination Committee and approved by the Board with the latest review dated 25 August 2021.</p> <p>Based on the <i>Policy and Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director</i>, it is the Board's policy that the representation of women at the Board and at the Senior Management within the Group is required. Nomination Committee is tasked to achieve the target of at least 30% of the Board are women representative within three (3) years from the date of the Policy while at least a female representative at the Senior Management within the Group.</p> <p>Presently, the Group has one (1) women representation on the Board with the appointment of Madam Jennifer Chong Gaik Lan on 15 September 2021 as an Independent Director of the Company pursuant to the board restructuring exercise undertaken by the Board to comply with gender diversity requirement. On the other hand, one (1) female Senior Management representative, Ms. Vishalini Sankaran, the Senior Human Resources Manager, in compliance with its policy on diversity at the Senior Management level within the Group.</p> <p>Despite the non-compliance of 30% women representation on the Board of the Company, the Board is satisfied that through annual performance assessment on the Board, the Board Committees and individual Directors performed by the Nomination Committee, the current Board composition possesses mix of knowledge, skills and experience required to discharge the Board's duties and responsibilities effectively.</p> <p>At present, there is no alternative practice implemented, apart from the target to achieve at least 30% women representative on the Board within three (3) years from the date of the Policy.</p>

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:	It is the focus of the Board in the medium-term to actively increase women representation on the Board in order to comply with Practice 5.9. The appointment of Madam Jennifer Chong Gaik Lan on 15 September 2021 as Independent Director of the Company was part of the board restructuring exercise undertaken by the Board to comply with Practice 5.9.	
Timeframe	:	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.

Application	: Applied
Explanation on application of the practice	<p>The policy on diversity at the Board level and 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 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 term 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"> 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; 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 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. <p>Based on the board evaluation performed in March 2022, the Board is satisfied the above requirements on the membership of the Board are fulfilled.</p>

	<p>It is the policy that race diversity within the Board and Key Senior Management whereby at least two (2) major ethnic groups in Malaysia shall be represented in the Board and Key Senior Management of the Company based in Malaysia to ensure that the feeling and sensitivity of the multi-ethnic and multicultural environment where the Group is operating in are well taken care of. At present, the Board and 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 of the Company within a reasonable timeframe of three (3) years from the date of the Policy and at least one female representation at the Key Senior Management level of the Company. At present, there is one (1) women representation at the Board level and one (1) female Senior Management representative at the Group level.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

<i>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.</i>	
Application	: Applied
Explanation on application of the practice	: <p>In line with the Terms of Reference of Nomination Committee on the conduct of annual evaluation of the Board, Board Committee, the Audit Committee, the contribution of each Director, the Group Managing Director and the Group Financial Controller and independence assessment of Independent Directors, the Board, through Nomination Committee and facilitated by the Company Secretary, has conducted formal evaluations through prescribed evaluation forms and criteria established during the financial year under review.</p> <p>The Board's performance evaluation was conducted via the <i>Board and Board Committee Evaluation Form</i> with recommended evaluation criteria per Corporate Governance Guide issued by Bursa Malaysia Berhad with necessary adaption, which includes Board mix and composition, quality of information and decision making, Board activities, Board's relationship with the management and overall opinion on the composition of the Board in term of skill, knowledge, experience and independent element.</p> <p>In addition, review of the performance, knowledge, competency and skills of individual Directors was performed by Nomination Committee by using <i>Board Skill Matrix Form</i> based on recommended evaluation criteria per Corporate Governance Guide issued by Bursa Malaysia Berhad, whereby the 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; and production and quality control. The Group Financial Controller's performance evaluation was performed by the Group Managing Director by using <i>Group Financial Controller's Evaluation Form</i> during the financial year under review in terms of his contribution, calibre and personality with the results of such</p>

evaluation reported to the Nomination Committee for review.

As for the performance evaluation of Board Committees, the performance of the Audit Committee, Nomination Committee, Remuneration Committee and ESOS Committee were conducted by using *Board Skill Matrix Form – Performance Evaluation Sheet – Board Committees* based on the recommended evaluation criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad, which includes Committees' composition, contribution to the Board's decision making, expertise, performance of respective board chairman, appointment as well as timeliness and quality of communication and minutes.

As an important independent element within the Board, individual Independent Non-Executive Directors performed self- assessment of his independence (*through Independent Directors' Self and Peer Evaluation Form*) based on the criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad concentrating on independency and objectivity criteria. Apart from that, the members of the Audit Committee were subjected to other assessments (such as *Audit Committee Members' Self and Peer Assessment, Audit Committee Evaluation Questionnaires* and *Financial Literacy Questionnaire*) to ensure 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.

The Company Secretary had circulated the relevant assessment and review forms/questionnaires to each Director during the financial year under the review. Each Director is given sufficient time to complete in advance the forms/ questionnaires before the meeting of the Nomination Committee and the Board in order for the Company Secretary to collate the assessment/review results for review by the Nomination Committee and report to the Board.

With the above evaluation/review processes, the Board, through the Nomination Committee, reviewed and assessed its required mix of skills, competencies, experience and other qualities, including core competencies which Directors should bring to the Board, and the size and composition of the Board to ensure that the Board are able to lead the Group effectively and to determine the training needs of the members of the Board.

Based on the above assessments, the Board is satisfied with the existing board composition and is of the opinion that all Directors possess skills, competencies, experience expected of them and Board Committees of the Company had discharged their responsibilities in a commendable manner and had performed competently and effectively. Other than that, the Board believes its present size and composition is optimal based on the Group's operations and that it reflects a fair mix of financial, technical and business experiences that are important to the stewardship of the Group for the current and

	<p>future needs of the Group.</p> <p>In addition, on the basis of the above assessments performed on the Audit Committee and its members, the Board is of the opinion that the Audit Committee and its members had carried out their duties in accordance with their terms of reference based on the listing requirements.</p> <p>The above board evaluations were performed by the Nominating Committee without the facilitation of the independent professional firm during the financial year under review. As the Company was only classified as Large Company on 1 January 2021, the Board is to engage independent professional firm to facilitate the performance evaluation of the Board, Board Committee, the Audit Committee, the contribution of each Director, the Group Managing Director and the Group Financial Controller and independence assessment of Independent Directors to be conducted by Nomination Committee by financial year ending 31 December 2023.</p> <p>In addition, the performance of the Chairman of the Board was assessed by the Nomination Committee in March 2022 by using <i>Chairman Evaluation Form</i> in relation to his discharge of duties and responsibilities as the Chairman of the Board of the Company.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

Application	: Applied
Explanation on application of the practice	<p>Based on the <i>Terms of Reference of the Remuneration Committee</i> updated and approved by the Board on 24 March 2021, the Remuneration Committee ("RC") is tasked to recommend to the Board the remuneration package and other terms of employment of the Directors and the Senior Management, among others. Furthermore, a formal Board and Senior Management Remuneration Policy was established by the Board on 31 December 2013 with the last review performed on 24 March 2021 and is administered by the RC.</p> <p>Please refer to the "Corporate Governance" section of the Company website www.do.com.my for <i>Terms of Reference of the Remuneration Committee</i> and <i>Board and Senior Management Remuneration Policy</i> approved by the Board.</p> <p>The objectives of the <i>Board and Senior Management Remuneration Policy</i> are as follows:</p> <ul style="list-style-type: none">• to enable the Company to attract and retain highly qualified members to enable the Company to provide a well-balanced and competitive Directors and Senior Managements compensation package.• to ensure that the interests of Executive Directors and the 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.• to promote strong teamwork culture among the Executive Directors and the Senior Management.• to instil transparency and openness in the review and approval of compensation package of the Board members and of the Senior Management. <p>The remuneration package and fees of the Directors and Senior</p>

Management shall be reviewed by RC at least once annually and to report the results of the review to the Board for deliberation and approval.

Based on the *Board and Senior Management Remuneration Policy*, the salient features of the compensations are as follows:

- **Principal Components of Compensation for Executive Directors and Senior Management**

- 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;
- Variable Compensation - performance bonus is designed to reward Executive Directors and 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
- benefits-in-kind based on their contractual agreements, local customs and comparable arrangements for comparable senior executive in the industry.

- **Principal Components of Compensation for Non- Executive Directors**

- 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;
- Allowances - granted to Non-Executive Directors for the purpose to defray cost/expenses incurred by him/her in carrying out the responsibilities assigned; and
- Compensation for Non-Executive Directors shall not be subject to financial performance of the Group and shall not include cash bonus.

- **Equity-based Remuneration**

- Offering and granting of ESOS to Directors and Senior Management shall be reviewed and proposed by ESOS Committee to the Board based on the knowledge, skills and competency of individual Director and Senior Management, his/her past and expected contribution to the Group in the future and his/her sustainability performance.

The RC held a meeting during the financial year ended 31 December 2021 to review the proposed Director fees for Non- Executive Directors, proposed remuneration package of Executive Directors and Senior Management. The recommended fees and remuneration packages were submitted to the Board for approval or recommendation to shareholders, as applicable.

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

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Remuneration Committee was formed to assist the Board in determining, developing and recommending an appropriate remuneration policy and remuneration package for Directors and Senior Management to attract, retain and motivate the Directors and Senior Management. The duty to implement <i>Board and Senior Management Remuneration Policy</i> is delegated by the Board to the Remuneration Committee whereby the Remuneration Committee is tasked to review the remuneration packages of the Executive Directors and Senior Management as well as the compensation for the Non-Executive Directors. The Remuneration Committee reviews <i>Board and 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 Senior Management (as applicable).</p> <p>The Remuneration Committee comprises wholly of Non- Executive Directors and majority of whom are Independent Directors. The composition of the Remuneration Committee is stated in the Corporate Information of the Annual Report.</p> <p>The Remuneration Committee operates under clearly defined terms of reference which states the duties and authorities of the Committee. The <i>Terms of Reference of Remuneration Committee</i> is published on the "Corporate Governance" section of the Company's website at www.do.com.my.</p> <p>It is the ultimate responsibility of the entire Board to approve the remuneration of the Executive Directors and members of Senior Management. The Board as a whole determines the remuneration package of the Non-Executive Directors based on their experience and</p>

	<p>level of responsibilities undertaken. Proposed directors' fees and benefits to be paid to Directors are subject to the approval of shareholders at Annual General Meeting before payment.</p> <p>Interested Directors shall abstain from deliberation and approval of his/her own compensation during the motion by the Board to deliberate and approve remunerations (including ESOS). In addition, Director who are shareholder and controlling shareholder with a nominee or connected Director on the Board will be abstained from voting at general meetings to approve the remunerations to be paid to such interested Director.</p> <p>In forthcoming 18th 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>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

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

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	50,000	3,500	0	0	0	0	53,500	50,000	3,500	0	0	0	0	53,500
2	Goh Nan Yang	Non-Executive Non-Independent Director	35,000	3,500	0	0	0	0	38,500	35,000	3,500	0	0	0	0	38,500
3	Wong Meng Tak	Independent Director	48,000	3,500	0	0	0	0	51,500	48,000	3,500	0	0	0	0	51,500
4	Yeow See Yuen	Independent Director	46,000	3,500	0	0	0	0	49,500	46,000	3,500	0	0	0	0	49,500
5	Jesper Bjoern Madsen	Independent Director	44,000	3,500	0	0	0	0	47,500	44,000	3,500	0	0	0	0	47,500
6	Goh Chin San	Non-Executive Non-Independent Director	32,000	3,500	0	0	0	0	35,500	32,000	3,500	0	0	0	0	35,500
7	Jennifer Chong Gaik Lan	Independent Director	10,093	500	0	0	0	0	10,593	10,093	500	0	0	0	0	10,593
8	Tay Kheng Chiong	Executive Director	0	0	0	0	0	0	0	0	0	460,795	131,918	0	76,172	668,885
9	Cheam Dau Peng	Executive Director	0	0	0	0	0	0	0	0	0	203,313	58,749	0	12,973	275,035
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	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 Senior Management may jeopardise the personal security of the individual member of Senior Management and increase the risk of loss of key personnel as their remuneration packages are published publicly.
		There is no alternative practice implemented.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Careful assessment of the impact of the disclosure of the remuneration component in bands of RM50,000 on named basis of individual members of Senior Management shall be performed by the Board to ensure that such disclosure will not pose significant risk to the personal security of the individual member of Senior Management and increase the risk of loss of key personnel by formulating mitigation plans before compliance with the requirement.
Timeframe	:	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.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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.

Application	: Applied
Explanation on application of the practice	<p>The Company complied with the requirement that the Chairman of the Audit Committee is not the Chairman of the Board.</p> <p>During the financial year under review and up to the date of this Report, the Chairman of the Audit Committee is Mr. Wong Meng Tak, a Senior Independent Director and Non-Executive Director while the Chairman of the Board is Tan Sri Mohammed Azlan bin Hashim.</p> <p>Mr. Wong graduated with Bachelor of Arts (Honours) degree majoring in Economics from the University of Malaya and was a Senior Manager of Regional Credit of Malaysian operations of an international financial institution. Please refer to the Directors' Profile section of the Annual Report 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 Terms of Reference, led by the Chairman includes but not limited to the followings:</p> <ul style="list-style-type: none">• 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 and management letter, amongst others.• To review the 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.• 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.• 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.• To monitor related party transactions (including Recurrent Related Party Transactions) entered into by the Group.• To review the Quarterly Reports on Consolidated Results and Annual Financial Statements prior to submission to the Board.• To review conflicts of interest that may arise within the Company or the Group.• To review any new grant and the allocation of options under

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

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.

Application	:	Applied
Explanation on application of the practice	:	<p>None of the members of the Board were former partner of the external audit firm 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 www.do.com.my.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>Based on the Terms of Reference of the Audit Committee, the Audit Committee have direct communication channels with external auditors and have the responsibility to review with the external auditors on:</p> <ul style="list-style-type: none">• the audit plan, its scope and nature,• 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 to external auditors, including any difficulties or disputes with management encountered during the audit,• the management letter and/or major findings of internal investigations and Management's response, and• the nature and extent of the non-audit services rendered by the external auditors and the appropriateness of the level of fees. <p>Furthermore, it is the responsibility of the Audit Committee to consider 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 and resource capacity of the external auditor in relation to the audit, including the review of Annual Transparency Report of 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, independence and the proposed fees, reviewed by the Audit Committee and its recommendation to the Board.</p> <p>On annual basis, prior to the commencement of the external audit</p>

engagement for the financial year, the external auditors presented the Audit Planning Memorandum to the Audit Committee whereby the audit approach, significant events during the year, areas of audit emphasis (including impact of COVID-19), group audit approach, assessment on information technology control reliance, considerations of works of internal auditor, reporting and deliverables, communication with Management, engagement team, the proposed audit fees, fraud considerations, responsibilities of the directors and management as well as external auditors' independent declaration under ISA 300: Planning an Audit of Financial Statements and By-Laws (On Professional Conduct and Ethics) by Malaysian Institute of Accountants were tabled to the Audit Committee for review. During the meeting, the external auditors confirmed to the Audit Committee that they are not aware of any relationship between the Group and them that may reasonably impair their independence.

Upon completion of the audit engagement for a financial year, the external auditors presented the Audit Review Memorandum to the Audit Committee on the audited statutory financial statements, status update of the audit activities, summary of unadjusted differences, internal control observations, comparison of audited profit after taxation between audited statutory financial statements and final quarterly unaudited financial statements, expected audit opinion, going concern, key audit matters, accounting records and other records and registers, Statement on Risk Management and Internal Control and review of draft Annual Report. During the same meeting, the external auditors confirmed to the Audit Committee on their independence throughout the audit engagement and not aware of any relationship between them and the Group that may reasonably impair their independence. Furthermore, based on their review of the non-audit services provided, they were not aware of any non-audit services that have compromised their independence as external auditors.

The Audit Committee met the external auditors thrice during the financial year under review to discuss on audit plans, audit findings, financial statements and other special matters that require the Audit Committee's attention. The Audit Committee also encourage free flow of information and views between Audit Committee and external auditor to allow external auditor to freely express their opinion without undue pressure.

The annual assessment of the suitability, objectivity and independence of the external auditors is guided by *Policy and Procedures to Assess the Suitability and Independence of and Provision of Non-Audit Services by External Auditors* established by the Audit Committee. Included in the said policy are the steps to be taken on resignation and dismissal of external auditors, independent review and provision of non-audit services by the external auditor. The criteria for assessment during the appointment and re-appointment of external auditors specified in the said policy are qualifications, technical expertise and

	<p>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 Annual 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 regarded the meetings (including the 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 is of the opinion that the external auditors was suitable and able to deliver the assurance engagement professionally and diligently with sufficient level of independence under the relevant laws and regulations and recommended their re-appointment to the Board, upon which the shareholders' approval was sought during the AGM.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

Application	: Adopted										
Explanation on adoption of the practice	<p>At present, the Audit Committee ("AC") comprises solely of Independent Directors. The AC consists of four (4) Independent Non-Executive Directors and the AC is chaired by a Senior Independent Director.</p> <p>The details of the members of the Audit Committee are disclosed in the Corporate information and Profile of Directors section of the Annual Report.</p> <table data-bbox="558 898 1230 1060"> <thead> <tr> <th data-bbox="558 898 906 926"><u>Name</u></th> <th data-bbox="906 898 1230 926"><u>Designation</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="558 926 906 961">Wong Meng Tak (Chairman)</td> <td data-bbox="906 926 1230 961">Senior Independent Director</td> </tr> <tr> <td data-bbox="558 961 906 997">Jesper Bjoern Madsen</td> <td data-bbox="906 961 1230 997">Independent Director</td> </tr> <tr> <td data-bbox="558 997 906 1033">Yeow See Yuan</td> <td data-bbox="906 997 1230 1033">Independent Director</td> </tr> <tr> <td data-bbox="558 1033 906 1060">Jennifer Chong Gaik Lan</td> <td data-bbox="906 1033 1230 1060">Independent Director</td> </tr> </tbody> </table>	<u>Name</u>	<u>Designation</u>	Wong Meng Tak (Chairman)	Senior Independent Director	Jesper Bjoern Madsen	Independent Director	Yeow See Yuan	Independent Director	Jennifer Chong Gaik Lan	Independent Director
<u>Name</u>	<u>Designation</u>										
Wong Meng Tak (Chairman)	Senior Independent Director										
Jesper Bjoern Madsen	Independent Director										
Yeow See Yuan	Independent Director										
Jennifer Chong Gaik Lan	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.

Application	:	Applied										
Explanation on application of the practice	:	<p>The members of the Audit Committee consist of members who have a wide range of necessary skills to discharge their duties, i.e. experiences in audit, equity research, banking and finance, international business management, procurement and supply chain management. All Audit Committee members are financially literate, through their education pursued and working experience. The details of the experiences and education qualification of the members of the Audit Committee are disclosed in the Annual Report's Profile of the Directors.</p> <p>During the financial year ended 31 December 2021, the members of Audit Committee undertook continuous professional development(s) as required by the respective professional bodies and trainings which are identified by the Board and are relevant to the field of regulatory development. The details of the training attended during the financial year under review are as follows:</p> <table><thead><tr><th><u>Name</u></th><th><u>Name of Conference/Talk/Seminar Attended or Participated</u></th></tr></thead><tbody><tr><td>Wong Meng Tak</td><td>Updates on Malaysian Code on Corporate Governance 2021 ("MCCG 2021") (Inhouse training by NeedsBridge Advisory Sdn Bhd</td></tr><tr><td>Jesper Bjoern Madsen</td><td>Updates on MCCG 2021 (Inhouse training by NeedsBridge Advisory Sdn Bhd</td></tr><tr><td>Yeow See Yuan</td><td>Updates on MCCG 2021 (Inhouse training by NeedsBridge Advisory Sdn Bhd</td></tr><tr><td>Jennifer Chong Gaik Lan*</td><td>Mandatory Accreditation Program for Directors of Public Listed Companies (Organised by Asia School of Business)</td></tr></tbody></table>	<u>Name</u>	<u>Name of Conference/Talk/Seminar Attended or Participated</u>	Wong Meng Tak	Updates on Malaysian Code on Corporate Governance 2021 ("MCCG 2021") (Inhouse training by NeedsBridge Advisory Sdn Bhd	Jesper Bjoern Madsen	Updates on MCCG 2021 (Inhouse training by NeedsBridge Advisory Sdn Bhd	Yeow See Yuan	Updates on MCCG 2021 (Inhouse training by NeedsBridge Advisory Sdn Bhd	Jennifer Chong Gaik Lan*	Mandatory Accreditation Program for Directors of Public Listed Companies (Organised by Asia School of Business)
<u>Name</u>	<u>Name of Conference/Talk/Seminar Attended or Participated</u>											
Wong Meng Tak	Updates on Malaysian Code on Corporate Governance 2021 ("MCCG 2021") (Inhouse training by NeedsBridge Advisory Sdn Bhd											
Jesper Bjoern Madsen	Updates on MCCG 2021 (Inhouse training by NeedsBridge Advisory Sdn Bhd											
Yeow See Yuan	Updates on MCCG 2021 (Inhouse training by NeedsBridge Advisory Sdn Bhd											
Jennifer Chong Gaik Lan*	Mandatory Accreditation Program for Directors of Public Listed Companies (Organised by Asia School of Business)											

	<p><i>* Appointed as member of Audit Committee on 25 November 2021.</i></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 concentrating on ability and competency on reading, analysing and interpreting financial statements, cost accounting, budget and management discussion and analysis. Apart from that, the members of the Audit Committee performed self and peer evaluation of the individual members of the Audit Committee to assess the professionalism, experience, knowledge, skills and understanding of the Group’s businesses based on the criteria adopted from Corporate Governance Guide issued by Bursa Malaysia Berhad. Furthermore, an 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 issued by Bursa Malaysia Berhad focuses on quality and composition, skills and competencies, meeting administration and conduct as well as the activities carried out by the Audit Committee.</p> <p>Through the review of the results of the assessments conducted, 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 Audit Committee Report for the activities performed by the Audit Committee in accordance with the Terms of Reference of the Audit Committee.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<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 formal Risk and Opportunity Management Policy and Procedure, as the governance structure and processes for the 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 control 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 with 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 Statement on Risk Management and Internal Control in the Annual Report.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	

Timeframe	:		
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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.

Application	: Applied
Explanation on application of the practice	<p>Structured risk management process is stipulated in the Risk and Opportunity Management Policy and Procedure, 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 operational and supporting functions. Risk and opportunity assessment, at gross and residual level, are guided by the likelihood rating and impact rating established by the Board based on risk appetite established by the Board. Risk and Control Score Sheet were 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 report to the Group Managing Director for his review and subsequently to the Audit Committee via the Risk Report. Risk and Control Score Sheet (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) and risk management process employed for the review and assessment performed by the 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 Risk and Opportunity Management Policy and Procedure established is guided by IATF 16949:2016 Standard by 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>Please refer to the Statement on Risk Management and Internal Control in the Annual Report for the detailed disclosures on the risk 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.</p>
Explanation for departure	:

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

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.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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.

Application	: Applied
Explanation on application of the practice	<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, is reporting directly to the Audit Committee under the terms of the engagement letter and the <i>Internal Audit Charter</i> as well as per the Terms of Reference of the Audit Committee.</p> <p>Besides, the Terms of Reference of the Audit Committee define the oversight roles of the Audit Committee in relation to the internal audit function are as follow:</p> <ul style="list-style-type: none">• To recommend the appointment and resignation of the internal auditor function and its fees for audit and non-audit service fee to the Board;• 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;• 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;• 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• To review any appraisal or assessment of the performance of the internal audit function. <p>During the financial year ended 31 December 2021, based on the internal audit plan reviewed by the Audit Committee and approved by the Board for execution, the outsourced internal audit function had conducted reviews for Management Information System Management for key manufacturing subsidiary based in Malaysia as well as a review of the Company's governance practices, structure and related policies and procedures in relation to MMLR and MCCG (including anti-bribery and corruption and whistleblowing).</p> <p>Upon the completion of the individual internal audit field works during the financial year, the internal audit reports were presented to the Audit Committee during its scheduled meeting. During the financial year under review, the Audit Committee had met privately with the internal audit function once without the presence of the Executive</p>

	<p>Directors and Management to encourage two-way communication of the information and views and for the internal audit function to freely express their opinion without undue pressure.</p> <p>The cost incurred in maintaining the outsourced internal audit function for the financial year ended 31 December 2021 amounted to RM76,000.</p> <p>The oversight role of the Audit Committee and the activities taken by the Audit Committee on the internal audit function during the financial year are disclosed in the Statement on Risk Management and Internal Control and the duties and responsibilities of the Audit Committee are set out in the Terms of Reference of Audit Committee which is available for download through the “Corporate Governance” section of the corporate website at www.do.com.my.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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.

Application	: Applied
Explanation on application of the practice	<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 with unrestricted access to the Group's employees and documents in the performance of their engagement. The audit engagement of the outsourced internal audit function is governed by the engagement letter (which include 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 and its recommendation to the Board of Director for approval.</p> <p>Based on the formal evaluation of internal audit function and review of the works performed and deliverables by the outsourced internal audit function during the financial year, the Audit Committee and the Board are satisfied:</p> <ul style="list-style-type: none">• that the outsourced internal audit function is free from any relationships or conflicts of interest which could impair their objectivity and independence;• with the scope of the outsourced internal audit function;• 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• with the internal audit plan, the processes, the results of the internal audit and/or investigation undertaken.

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

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.

Application	:	Applied
Explanation on application of the practice	:	<p>One of the core responsibilities of the Board as stated in the Board Charter 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 are timely, factual, accurate, and complete, the Board has adopted a <i>Corporate Disclosure Policy</i> which set 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 regulatory 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 such material information is communicated via authorised channels approved by the Board. Further, procedure 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 www.do.com.my. The "Investor Relations" section enhances the Investor Relations function by including all announcements made by the Company (including special announcement required the stakeholders' attention, quarterly financial statements, Annual Report, minutes of general meeting and key matters discussed during AGM, among others), stock information and news and press releases in relation to the Group.</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 www.do.com.my. In such section, relevant Board Charter</p>

and policies as well as terms of reference of relevant Board Committees, Code of Ethics and Conduct, Sustainability Policy, Anti-Bribery and Corruption Framework, Whistle-Blowing Policy, Board and Key Senior Management Remuneration Policy, Procedures on Nomination and Appointment of Director and Senior Management and Re-Appointment of Director and Fit and Proper Policy established and implemented by the Board for the public to access. Furthermore, email address and mobile phone number of the Group Managing Director and the Group Financial Controller (the designated contact persons for investor relation) as well as Regional Sales Manager (the designated contact person for sales and research and development) are provided in the "Contact" section of the Company's website to which concern or request from any stakeholders can be forwarded to.

Furthermore, stakeholders can communicate any of his/her feedback or concern 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.

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 as per laid down by MMLR and Capital Markets and Services Act 2007 in assuring all material event and information to be 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.

The Annual Report, the core communication tool with stakeholders, contains all the necessary disclosures in addition to the facts and figures about the Group. Therefore, efforts have been made in ensuring that the report is user friendly which enable the stakeholders to have a good understanding about the Group as well as its operations.

The General Meetings are the principal forum for dialogue with shareholders. The shareholders are given the opportunity and are encouraged to participate in general meetings of the Company. The Group hosted its Seventeenth Annual General Meeting ("17th AGM") on 25 May 2021 through live streaming and online voting due to COVID-19 pandemic. Only essential individuals involved in conducting the meeting were physically present at the broadcast venue, with full adherence to the standard health and safety operating procedures. Adequate time is given during the General Meetings to encourage and

	<p>allow the shareholders to seek clarification or pose questions to the Board on pertinent and relevant matters via real time submission of typed texts. The external auditors were also present virtually at the Annual General Meeting to provide professional and independent clarification on the issues and concerns raised by the shareholders during the meeting.</p> <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>In order to proactively engage the relevant stakeholders that are affected by the Group or have influence over the Group, the Management had identified and prioritised such stakeholders via identification and prioritisation process and develop relevant engagement methods in order to seek feedback or concerns from them. Stakeholders' engagement activity by the Management was reported to the Audit Committee and the Board during the financial year under review to gain understanding on their feedbacks and concerns.</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 Annual Reports. 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 www.do.com.my.</p>
Explanation for departure	:
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure	:
Timeframe	:

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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board is aware of the importance of adopting integrated reporting based on the globally recognised framework, i.e.; International Integrated Reporting Framework of the International Integrated Reporting Council.</p> <p>As such, the Board had put in their best effort to provide a concise and holistic overview of the Group's mission and vision, business strategy, financial performance as well as non-financial information and future prospects in 2021 Annual Report and 2021 Sustainability Report in which certain principles and content elements of the integrated reporting had been incorporated, such as the organisational overview, governance structure, vision, mission, corporate value, business activities, business model, financial highlights, business strength and value creation model, business strategy, opportunity and strategic priorities, risk and opportunities and the manner the Group dealt with it, automotive lighting market (external environment) and prospect and stakeholder engagement.</p> <p>The Board is working towards improving the quality of information disclosures to stakeholders and promote greater transparency and accountability with more in-depth reporting.</p> <p>The Company was classified as Large Company on 1 January 2021 and required reasonable timeframe to prepare integrated reporting based on the globally recognised framework due to extensive information collection and comprehensive reporting requirements.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Company would consider adopting integrated reporting on an incremental approach in the near future.

Timeframe	:	Choose an item.	
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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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Pursuant to Paragraph 11 of the Board Charter, notice for the Annual General Meetings is to be given to shareholders at least 28 clear days prior to the meeting.</p> <p>The Notice for the 17th AGM was given to shareholders 28 days (both date of notice and AGM inclusive) prior to the meeting due to interruption arising from movement control restriction imposed by the Government of Malaysia.</p> <p>Notwithstanding the non-compliance, Notice for the 17th AGM was given to shareholders 26 clear days prior to the meeting, well in advance of the 21 days requirement under the Main Market Listing Requirements (“MMLR”) of Bursa Securities. This allows the shareholders to make the necessary arrangements to participate in person or through corporate representatives, proxies or attorneys. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	<p>The Board is committed in providing the notice of the 18th Annual General Meeting to the shareholders at least 28 days prior to the meeting.</p> <p>The notice of 18th Annual General Meeting will be disseminated through electronic format (made available on Bursa Securities’ website and Company’s website) and advertised in the “New Straits Times” newspaper.</p>
Timeframe	:	Within 1 year

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.

Application	:	Applied
Explanation on application of the practice	:	<p>All Directors attended the 17th Annual General Meeting and the Chairman of the Board was physically present at the broadcast venue together with two (2) other Directors while five of the Directors attended virtually via video conference platform for the AGM, in compliance of the Guidance and FAQ on the Conduct of General Meetings for Listed Issuers issued by Securities Commission due to enforcement of movement control restriction by the Government of Malaysia.</p> <p>The <i>Board Charter</i> incorporated the requirement on attendance of all Directors at the General Meetings so that effective communication can be established between the Board and the shareholders. Directors, especially those with oversight role (including but not limited to the Chairman of Board Committees) shall 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 Annual General Meeting to provide professional and independent clarification on issues and concerns raised by the shareholders during the meeting.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<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>Amid COVID-19 pandemic and as part of the safety measure, the Group conducted its 17th AGM in full virtual platform on 25 May 2021. The virtual general meeting allows shareholders to exercise their right to participate, pose questions, and vote at the general meeting safely and remotely via Remote Participation and Voting ("RPV") facility, after successfully registered online (subject to verification and onboarding process of the RPV facility). The AGM was broadcast via RPV facility with only essential individuals involved in conducting the meeting were physically present at the broadcast venue, with full adherence to the standard health and safety operating procedures and Guidance and FAQs on the Conduct of General Meetings for Listed Issuers issued by Securities Commission. The poll administration and RPV facility service were provided by a reputable professional firm in Malaysia with comprehensive and secured RPV software tools developed and maintained. The engagement letter with such poll administrator and RPV facility service provider includes clauses on confidentiality, protection of personal data received and to ensure cybersecurity is preserved before, during and after the general meeting.</p> <p>In line with the policy of the Board of the Company to leverage technology to facilitate electronic voting and remote shareholder participation at general meetings as stated in the Board Charter, the forthcoming Eighteenth Annual General Meeting ("18th AGM") via full virtual platform to encourage greater shareholders' participation in the general meeting and that shareholders can exercise their right to participate, pose questions, and vote at the forthcoming general meeting safely and remotely.</p>

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

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.

Application	:	Applied
Explanation on application of the practice	:	<p>To facilitate and encourage shareholder participation during such general meeting, administrative guide for attending 17th AGM was issued and published in the Remote Participation and Voting ("RPV") facility to guide the shareholders on steps required from the shareholders before the date of general meeting and during the meeting.</p> <p>In addition, the shareholders were able to participate and interact with the Board actively in the general meeting via live streaming of general meeting proceeding on their devices and to submit their question via query box to the Board of the Company during the meeting via the RPV facility. In order to further encourage participation of the shareholders, questioned to be posed to the Board of the Company before the date of general meeting via the RPV facility was enabled. It is the policy of the Board of the Company that all pertinent and relevant questions posed will be answered by the Board and sufficient time is to be allocated by the Board to answer such questions raised. In the event that questions posed were not answered by the Board during the general meeting due to time constraint, it is the policy of the Board to have the response to these questions published on the corporate website as key matters discussed during the general meeting concurrently.</p> <p>During the 17th AGM, sufficient time was allocated for the shareholders to pose questions to the Board of the Company via RPV facility and all pertinent questions relevant to the agendas of the general meeting were answered by the Board of the Company via the live streaming broadcasted before poll voting started. During the general meeting, Group Managing Director was invited to deliver a presentation to the shareholders on the products of the subsidiaries and prospects of the Group before poll voting started. With the above initiative by the Board to promote interactive session with the shareholders to seek clarification or information from the Board and</p>

	the presentation by the Group Managing Director during the proceeding of the general meeting, the shareholders were accorded relevant information to cast informed vote in relation to the proposed resolutions during the general meeting.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

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.

Application	:	Applied
Explanation on application of the practice	:	<p>Pursuant to <i>Board Charter</i>, the Chairman of the Board is to ensure that general meetings support meaningful engagement between the Board, Key Senior Management and shareholders.</p> <p>The 17th AGM was held fully virtual at Petaling Jaya, Selangor due to its high-speed broadband connection availability. The fully virtual 17th AGM was conducted via RPV facility provided by Tricor Investor & Issuing House Services Sdn Bhd due to their extensive experiences in poll administering services in Malaysia and their comprehensive RPV facility's functionality and performance to facilitate smooth and meaningful fully virtual general meeting and remote voting compliance and experience.</p> <p>Simulation proceeding to the general meeting and voting was held with the Directors, the Company Secretary and the Scrutineer few days before the date of general meeting to ensure that fully virtual general meeting requirements, sequence, protocols and rules were made known to the parties involved (including access by the parties involved to questions posed by the shareholders via the RPV facility in order to response accordingly). The simulation also ensures the broadcasting of proceeding of the RPV were smooth and without undue lagging experience where the shareholders were able to participate in the fully virtual general meeting interactively with the Board of the Company and able to cast vote remotely confidently and securely. Adequate members of technical support team were provided by poll administrator to setup and test the RPV and broadcast facility before the general meeting and to provide technical assistance in relation to the RPV and broadcast facility during the proceeding of the general meeting.</p> <p>All questions from the shareholders submitted prior to the date of general meeting and during the general meeting via RPV facility were</p>

	broadcasted to all shareholders present in the meeting and answered by Chairman of the Board and Group Managing Director. Furthermore, all pertinent questions raised by the shareholders prior to the date of general meeting and during the general meeting and its corresponding answers provided by the Board during the 17 th AGM were compiled and published on the “Annual General Meeting” section of the “Investor Relations” of the Company’s website at www.do.com.my .	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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>	
Application	: Applied
Explanation on application of the practice	: 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 any). The minutes of the meeting of the 17 th AGM and the key matters discussed during such meeting were uploaded to the “Annual General Meeting” section of the “Investor Relations” of the Company’s website at www.do.com.my within 30 days from the date of the general meeting held.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**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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