

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7148
COMPANY NAME : Duopharma Biotech Berhad
FINANCIAL YEAR : December 31, 2023

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 PURSUANT 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 Board of Directors (the "Board") of Duopharma Biotech Berhad ("Duopharma Biotech" or the "Company") is aware of its fiduciary duties in providing oversight over Management and the operations of the Company and its subsidiaries (collectively referred to as the "Group"). The Board is responsible in ensuring a constructive governance architecture is established. To this end, the Board has codified a corporate governance framework that outlines transparent and effective decision-making procedures. The key roles and responsibilities of the Board are set out within the Board Charter which is made available on the Company's website (Board Charter).</p> <p>As part of the overall governance structure, the Board has empowered the Board Committees with specified delegated oversight authority. There are currently five (5) Board Committees, namely:</p> <ul style="list-style-type: none">i) the Audit Committee ("AC");ii) the Nomination and Remuneration Committee ("NRC");iii) the Risk Management Committee ("RMC");iv) the Halal and Sustainability Committee ("HSC"); andv) the Medical and Research Committee ("MRC"). <p>The Board Committees are guided by their respective Terms of Reference ("ToR") which are made available on the Company's website (Terms of Reference).</p>

The work done by the Board Committees in discharging and meeting their functions, duties and responsibilities are further clarified in the respective Board Committee reports, as contained within the Integrated Annual Report 2023.

As custodians of the Company, the Board is responsible for devising strategic targets to cement a long-term, sustainable growth trajectory. To this end, the Board reviews, challenges and approves the strategic multi-year plans which are put forth by Senior Management. In 2023, Duopharma Biotech has undertaken the strategic initiative of developing a comprehensive 10-year Corporate Strategy plan, outlining the Company's overarching goals, objectives, and initiatives from 2024 to 2033. This long-term strategic roadmap serves as a blueprint for guiding Duopharma Biotech's activities and decisions over the next decade, encompassing various aspects of the Company's operations, including but not limited to research and development, product innovation, market expansion, operational efficiency, financial management, and sustainability initiatives. The formulation of this 10-year Corporate Strategy reflects Duopharma Biotech's forward-thinking approach and commitment to sustainable growth and value creation.

As with the preceding year, the Board had convened strategic meetings to deliberate on the impact of ESG on the healthcare industry as a whole and to understand the key trends in adapting to environmental and sustainable practices.

During the year under review, ten (10) Board meetings were convened to deliberate on the advancement of strategic plans to ensure alignment with the long-term objectives of the Company. The Board also regularly receives reports, updates and recommendations from the Board Committees and Senior Management on the governance, business performance and overall development of the Company. As with the preceding year, the Board was able to utilise digital technology in maintaining effective virtual information flow, made possible by the Group's established information technology infrastructure.

The Board is cognisant that it sets the tone at the top by promoting a culture of corporate governance and bears some responsibility to "walk the talk" in such a manner that reinforces ethical and professional behaviour premised on the Company's established principles. To this end, the Board ensures the core principles of Duopharma Biotech form the bedrock upon which the Company

functions. The Board has established a series of integrity policies to inculcate good governance culture which include the following:

- Code of Conduct;
- Directors' Code of Ethics;
- Anti-Bribery & Anti-Corruption Policy;
- Anti-Bribery Management System;
- Whistle-Blowing Policy;
- Anti-Money Laundering & Counter Financing Terrorism Policy;
- Business Ethics Policy;
- Declaration of Interest Policy;
- Gifts & Hospitality Policy;
- Honorarium Guidelines;
- Integrity Pact Policy;
- Whistleblowing Investigation Procedure; and
- Sponsorship Policy.

Further signifying the Group's zero tolerance stance against corrupt practices, Duopharma Biotech had in December 2022 introduced a new Integrity and Anti-Corruption Programme for external business associates, of which is within Duopharma Biotech's Organisational Integrity and Anti-Corruption Plan 2021-2023 (OIACP). As part of its pilot project, external business associates such as agents, who have worked with Duopharma Biotech were required to enrol in this programme, which is guided by the relevant requirements of the MACC Act 2009.

The Board has delegated responsibility for its day-to-day operations of Duopharma Biotech to Senior Management who is led by the Group Managing Director ("GMD"). To ensure the Company's businesses are properly managed and measured against the established goals and targets, the performance of Senior Management is assessed with reference to several key performance indicators that are aligned with the Group's strategic goals.

The Board and Senior Management have joint responsibility and accountability over the Company's risk management and Internal control architecture. The Board has established and continuously monitors the effectiveness of these internal control systems in enabling the Company to respond appropriately to significant business strategy, operational, financial, emerging, compliance and other risks. On top of this, Senior Management has in place mechanisms to safeguard assets from inappropriate use or from loss and fraud by ensuring the risks and liabilities are identified and

	<p>managed. The RMC supports the Board in monitoring the Group’s risk exposures, operational effectiveness of the risk management and internal control systems. As part of its oversight on integrity matters, the AC also has oversight over the Group’s exposure to corruption risk.</p> <p>The Board gives high priority to maintain effective communication and dialogue with all stakeholders. As with the preceding year, the Company’s Investor Relations team continued to engage stakeholders virtually to keep them informed of strategic plans and other notable developments. The Company also provides an informative and intuitively designed website with regularly updated information to ensure ease of access and transparency to stakeholders. In 2023, the Company held its fourth (4th) virtual Annual General Meeting (“AGM”) to ensure effective, transparent, and regular communication with shareholders. On top of these various forms of engagement, the Company had also conducted five (5) investor relations engagement sessions during the year under review. Of the five (5), four (4) were investor relations briefings that took place every quarter whilst one (1) was an investor relation session by invitation. As with the prior year, virtual townhall sessions with the Group’s employees were also conducted, typically after the Company’s quarterly statements have been approved by the Board and announced to the Exchange. These townhalls provide an opportunity for the Company to engage with its employees including sharing the latest financial performance of the Group, human resource updates, and other initiatives, strategies, and achievements. Employees are encouraged to ask questions or provide feedback during these townhall sessions.</p> <p>Further details on shareholder and investor-specific engagement activities are outlined within the Shareholders and Investors Communication Policy, made available on the Company’s website (Shareholders and Investors Communication Policy).</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 1.2

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>The Board is led by Tan Sri Datin Paduka Siti Sa'diah Binti Sh Bakir, a Non-Independent, Non-Executive Chairman. Tan Sri Siti Sa'diah was appointed to the Board on 5 April 2016 and was redesignated as Chairman of the Board on 28 December 2017. The Chairman is responsible for setting the overall strategic discourse of the Board, ensuring effective conduct and performance as well as providing leadership in driving corporate governance and compliance strategies.</p> <p>In fulfilling this role, the Chairman's responsibilities include the following:</p> <ul style="list-style-type: none">• Leading the Board in setting the values and standards of the Company;• Study emerging business conditions and provide visionary direction for growth and diversification;• Maintaining a relationship of trust with and between the Executive and Non-Executive Directors;• Ensuring effective communication with shareholders and relevant stakeholders;• Enhancing shareholders' value by motivating and initiating business development;• Evaluation of the performance of the Board, its Committees and individual Directors;• Facilitating the effective contribution of Non-Executive Directors and ensuing constructive relations be maintained between Executive and Non-Executive Directors;• Providing governance in matters requiring corporate justice and integrity;• Managing Board communications and Board effectiveness and effective supervision over the Group Managing Director/ Chief Executive Officer (including but not limited to his appointment, remuneration and determination and review of his key performance indicators) in consultation with the Nomination and Remuneration Committee;

	<ul style="list-style-type: none"> • Creating conditions for good decision-making during Board and shareholders meetings; • Ensuring best utilisation and security of assets; and • Ensures compliance with all relevant regulations and legislations. <p>The detailed roles and responsibilities of the Chairman are further encapsulated within the Board Charter which is made available on the Company's website (Board Charter).</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 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the multifarious benefits of objective oversight over the Management in protecting the Group's and stakeholders' interest. To that purpose, the Board maintains a governance architecture that is distinguished by a clear division of power and responsibilities between the Chairman and the GMD. This is done to ensure an effective balance of authority and to prevent an undue concentration of power from being held by any single individual, which would have a negative impact on the independence of discussions and decision-making processes.</p> <p>The roles of Chairman and GMD are occupied by separate individuals, consistent with the established practice. Tan Sri Datin Paduka Siti Sa'diah Binti Sh Bakir serves as Chairman, while Encik Leonard Ariff Bin Abdul Shatar holds the position of GMD. Notably, the Chairman has never assumed any executive role within the Company, neither presently nor in the past.</p> <p>The Chairman and GMD play distinctive functions within the leadership apparatus of the Group. Specifically, the Chairman is responsible for providing leadership to the Board and providing oversight on Management whilst the GMD is responsible for managing the Company's day-to-day operations and executing directives issued by the Board.</p> <p>The respective duties and responsibilities of the Chairman and the GMD are encapsulated within the Board Charter, made available on the Company website (Board Charter).</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	:		
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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>Currently, Tan Sri Datin Paduka Siti Sa'diah Binti Sh Bakir, the Chairman, does not serve on any of the Board Committees in Duopharma Biotech, including the AC and NRC.</p> <p>The Board recognises the potential for elevated self-review risks when an individual holds the roles of both Board Chairman and Chairman of the AC and/or NRC. Such a situation could compromise the objectivity of Board-level discussions.</p> <p>Application of this practice is reflective of the Company's unwavering commitment to ensuring effective check and balance safeguards are in place and that Board-level deliberations, including those of the Board Committees are premised on the central tenets of independence and objectivity.</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 suitably qualified and competent Group Company Secretary, namely, Ibrahim Hussin Salleh. Being a company secretary licensed by the Companies Commission of Malaysia, the appointment of Ibrahim thereby meets the requirement as enshrined within Section 235 (2) of the Companies Act 2016.</p> <p>Ibrahim has accumulated vast legal and corporate secretarial experience throughout his career and holds the following academic/professional qualification/ membership(s):</p> <ul style="list-style-type: none">• Master of Laws (LL.M), University of Malaya, Malaysia• Bachelor of Laws (LL.B) (Hons.), International Islamic University Malaysia, Malaysia• Advocate & Solicitor of the High Court of Malaya• Company Secretary License, Companies Commission of Malaysia• Qualified Risk Director (QRD) Program, Institute of Enterprise Risk Practitioners• Senior Management Development Program, Harvard Business School, United States of America• Affiliate Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)• Member of the Inns of Court Malaysia• Member of the Association of Muslim Lawyers of Malaysia• Member of the Institute of Enterprise Risk Practitioners (IERP)• Associate Member of the Harvard Business School Alumni Club of Malaysia• Sustainability and Climate Risk Certificate administered by the Global Association of Risk Professionals (GARP) and an Affiliate Member of GARP.

The Group Company Secretary fulfills a pivotal function in assisting the Board in maintaining exemplary standards of corporate governance. Serving as an advisor to the Board, Ibrahim regularly updates the Board on regulatory developments and offers insights to aid in understanding and implementing relevant corporate governance guidelines.

All members of the Board may take counsel from the Group Company Secretary on matters relating to the Group to assist them in the performance of their duties. To this end, Ibrahim provides support in instituting a smooth flow of information at the Board-level. On top of this, Ibrahim also plays the role of conduit to stakeholders and oversees the Company's efforts in keeping various stakeholder groups apprised on the Company's corporate governance initiatives.

The Group Company Secretary provides secretarial services for the Company's subsidiary companies that are incorporated in Malaysia by serving as the company secretary for those companies. In addition, Ibrahim provides oversight of the secretarial functions for subsidiary companies incorporated in other countries, namely Duopharma (Singapore) Pte. Ltd., DB (Philippines), Inc. and PT Duopharma Healthcare Indonesia.

In line with a commitment to remain abreast of contemporary corporate governance trends, the Group Company Secretary actively engages in ongoing professional development initiatives. This involves participating in pertinent training sessions and programs to stay updated with the latest advancements in the field.

The Group Company Secretary supports the Chairman in facilitating the training for the Directors as well as the design and delivery of Directors' training programmes, including training of executives of the Group selected by the Board to serve as directors of subsidiary companies within the Group prior to their appointment as directors.

The Company Secretary plays an important role for the AGM and other Meeting of Members ("MOM"), ensuring the meetings are conducted smoothly and with due regard to the Company's policies.

Whilst Ibrahim holds the position of the Group Company Secretary as well as the Company's Chief Legal Officer, it should be noted that the element of impartiality in the corporate governance advisory role remains intact as relevant safeguards have been put in place. As an example, the Company Secretary does not act as an advocate for the Company on litigation matters and court proceedings.

	<p>In tandem with the role being the focal point of contact of the Board, the Group Company Secretary has a direct functional reporting line to the Chairman and has been accorded with appropriate standing and authority to enable discharging of duties in an impartial and effective manner. The appointment or removal of the Group Company Secretary is the prerogative of the Board.</p> <p>The roles and responsibilities of the Company Secretary are further outlined within the Board Charter, made available on the Company website (Board Charter).</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 Board recognises the significance of providing comprehensive information to support well-informed deliberations. Hence, the Chairman, in collaboration with Senior Management and the Group Company Secretary, is tasked with ensuring that Directors receive timely and sufficient information prior to the Board and Board Committee meetings.</p> <p>To facilitate the engagement of all Directors, the annual Board meeting calendar is distributed ahead of each new fiscal year. This calendar outlines key events scheduled throughout the year, encompassing Board and Board Committee meetings, Board training sessions, strategic retreats, the Annual General Meeting (AGM), target dates for quarterly result announcements, and major conferences.</p> <p>The Company had also incorporated digital technology to further facilitate the efficacious dissemination of information. Specifically, the Company has utilised BoardPac, an electronic meeting management software, equipped with a portal which affords confidentiality and security, combined with a comprehensive set of user-friendly functionalities such as annotation features. Additionally, the Directors are supplied with an Apple iPad to allow for instantaneous and eco-friendly electronic access at all times. The Directors may also retrieve any retrospective information via BoardPac's archival system.</p> <p>As stipulated by the Board Charter, all meeting materials are to be distributed to the Directors within seven (7) days prior to the relevant Board or Board Committee meeting. The Chairman is responsible for ensuring that all Directors receive and are properly briefed on issues arising at Board meetings and that the Directors have complete and timely access to relevant information.</p>

The meeting materials provided to Directors include a formal meeting agenda as well as Board papers prepared by Management. The Board papers, include, amongst others:

- Minutes of Meetings/Reports of all Board Committees;
- Business plans and strategic direction;
- Current operating and business issues;
- Annual budget reviews, forecasts and projections;
- Quarterly and annual financial reports;
- Potential acquisitions and disposal of assets of substantial value;
- Major investment and financial decisions;
- Key policies, procedures, and authority limits;
- Reports, advice, and opinions of external consultants/advisors as had been sought for; and
- Internal Audit Reports and updates on Integrity matters.

Deliberations of the Board and Board Committee are documented by the Group Company Secretary who highlights key deliberations, rationales and approaches, concerns from individual Directors and abstentions from voting. The Group Company Secretary aims to circulate the meeting minutes one (1) month after the conclusion of the proceedings.

The Group Company Secretary would also notify and initiate follow-ups with Senior Management on actions to be taken or further updates to be provided to the Board, if any. The updates and action plans for the items identified as matters arising would be further discussed at the next Board or Board Committee meeting.

Formal channels are usefully augmented and supplemented by regular informal dialogue between non-executive members of the Board and Management on matters relating to the Company's business. Directors are entitled to request and receive supplementary information in order to be fully briefed before the meeting.

During the financial year, Non-Executive Directors held one (1) formal meeting session without the presence of the Management, save for the Company Secretary. This gathering focused on discussions regarding financial and operational matters, Duopharma Biotech's group strategic direction, industry updates, and governance concerns. In addition, the Independent Non-Executive Directors also conducted one (1) formal meeting session without the Non-Independent Non-Executive Directors, the Executive Director nor the Senior Management's presence, during which they discussed pertinent matters, fostering a more robust exchange of impartial, transparent viewpoints and opinions, along with facilitating dialogue among independent stakeholders.

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 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 Board Charter is the guiding literature that supports the Board in the fulfilment of its roles, duties and responsibilities. The Board Charter embodies the Company's unwavering stance towards adopting the highest standards of corporate governance and is designed to provide guidance and clarity to Directors and Management with regard to the respective roles and responsibilities and matters reserved for the Board.</p> <p>The Board Charter outlines, amongst others the following matters:</p> <ul style="list-style-type: none">• Key principles, values and ethos of Duopharma Biotech;• Board's composition;• Board's role and responsibilities;• Separation of function between the Chairman and the GMD;• Board's operating practices;• Succession planning and talent management plans;• Policies and procedures on Board evaluation;• Board's remuneration;• Board-Management relationships;• Board's access to information, advice, and training; and• Ethical standards, integrity, legal duties, and confidentiality expected from the Directors. <p>The Board periodically reviews the Board Charter and the Terms Reference ("ToR") of the Board Committees. Throughout the fiscal year, the Board Charter and ToR of the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Halal and Sustainability Committee, as well as the Medical and Research Committee underwent revisions and enhancements. These updates were made to align with Duopharma Biotech's strategic goals,</p>

	<p>distinctive business attributes, current market standards, and the efficient operation of Board Committees. The Board duly approved the Board Charter and Terms of Reference (ToRs) for the Board Committees.</p> <p>The Board Charter is made available on the Company's website (Board Charter).</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 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 Board is committed to pursuing an ethical business culture that permeates across the Group's operations and is in accordance with all prescribed legal and ethical promulgations. To this end, the Board has formalised a Code of Conduct which outlines the set of values and expected standards of professional conduct to be observed by employees. Moreover, a Directors' Code of Ethics was established during the financial year, delineating the ethical standards expected of the Board of Directors.</p> <p>The Code of Conduct was formulated at the Group level and is premised upon the Group's six core values of Passion, Excellence, Teamwork, Integrity, Responsible and Respect ("PETIRR") as well as the Group's vision and mission. The Code of Conduct covers the following overarching areas:</p> <ul style="list-style-type: none">• Conducting business ethically, fairly and with honesty;• Complying with laws;• Working with uncompromising honesty;• Providing quality and safe products;• Protecting the Company's assets and information;• Maintaining complete and accurate business records; and• Respecting others in the workplace and society. <p>As for the governance architecture that seeks to institutionalise the Code of Conduct, the Group's Risk Management and Integrity function assists the Board and the RMC to review and implement the Code of Conduct and Integrity policies and procedures. Throughout the financial year, revisions were made to these documents. The</p>

modification was prompted by a restructuring initiative within Duopharma Biotech, which necessitated a comprehensive review of corporate policies. Further, an additional statement concerning equal and fair employment practices was incorporated to reinforce the company's commitment to fostering an inclusive and equitable work environment.

Additionally, the Director's Code of Ethics guides the Board of Directors in upholding integrity, transparency, and accountability in all aspects of their decision-making and actions. The Director's Code of Ethics covers the following overarching areas:

- Corporate Governance;
- Relationship with Stakeholders, Employees, Creditors and Customers; and
- Sustainable Practices.

Overall, in discharging its responsibilities, the Board is guided by principles contained within the following internal policies and guidelines:

- Code of Conduct;
- Directors' Code of Ethics;
- Diversity, Anti-Discrimination and Anti-Harassment Policy;
- Anti-Bribery & Anti-Corruption Policy;
- Anti-Bribery Management System;
- Whistle-Blowing Policy;
- Anti-Money Laundering & Counter Financing Terrorism Policy;
- Business Ethics Policy;
- Declaration of Interest Policy;
- Gifts & Hospitality Policy;
- Honorarium Guidelines;
- Integrity Pact Policy;
- Whistleblowing Investigation Procedure; and
- Sponsorship Policy.

Feedback is sought from various stakeholders, including Senior Management and the Board to evaluate the effectiveness of the overall compliance programme and noteworthy gaps, if any.

The Code of Conduct and Directors' Code of Ethics is subjected to periodic reviews by the Board to ensure it is kept current and relevant.

	The guidelines listed above as well as the Code of Conduct and Director's Code of Ethics are made available on the Company's website.	
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 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 Whistleblowing Policy of Duopharma Biotech offers a channel for employees and other parties to report genuine concerns regarding breaches of legal obligations, instances of injustice, hazards to health and safety, or environmental risks, as well as attempts to conceal any such practices within the Company's operations.</p> <p>Furthermore, the Whistleblowing Policy ensures that individuals can raise concerns without apprehension of facing retaliation, reprisal, discrimination, or any form of disadvantage as a result of reporting such concerns.</p> <p>Reports from whistle-blowers are treated with utmost confidentiality and are thoroughly investigated. Specifically, the RMC provides oversight on any investigations undertaken and their outcomes. Concerns can also be further escalated to the Chairman, the Malaysian Anti-Corruption Commission ("MACC") or other relevant authorities.</p> <p>The Company has established a whistleblowing channel for Business Associates made available through the corporate website. As a key requirement for the MS ISO 37001:2016 accreditation, the Company communicates with all Business Associates on its available Whistleblowing channels during Company-organised Integrity Briefing Sessions. In 2023, all non-compliance complaints received via the whistleblowing system were investigated and all cases had been closed.</p> <p>Below are Duopharma Biotech's Whistleblowing avenues:</p> <ul style="list-style-type: none">• In writing to the Head of Group Risk Management & Integrity;• Official Email for Whistleblowing at seehearspeakup@gmail.com;• Official Whistleblowing line (text message) at +6017-294 1094;

	<ul style="list-style-type: none"> • Official Secured Website Form at Duopharma Biotech’s Whistleblowing Web Form; <p>If employees and stakeholders are dissatisfied with the corrective measures implemented by Duopharma Biotech and believe it is appropriate to escalate the matter beyond the Company, they may consider reaching out to the following contact points:</p> <ul style="list-style-type: none"> • in writing or in person to the Chairman of Duopharma Biotech; • in writing or in person to the Chairman of RMC of Duopharma Biotech; • the Malaysian Anti-Corruption Commission; or • the relevant enforcement agency and regulatory authority. <p>Employees and external stakeholders such as suppliers, customers and contractors may use the avenues as set out in the Whistleblowing Policy to report any concern or complaint regarding concerns including questionable accounting or auditing, inadequate internal controls, improper disclosure, conflicts of interest, insider trading, collusion with competitors, serious breaches of the Group’s policy, unsafe work practices or any other matters involving fraud, corruption, and employee misconduct.</p> <p>Any Whistleblowing report received shall be evaluated by the Head of Group Risk Management & Integrity (“GRMI”) or his Manager during the preliminary investigation while detailed investigation shall be carried out should there be a genuine case as agreed by the Chairman of the Risk Management Committee (“RMC”). RMC will apprise the Board on the decision made based on the outcome presented by the Head of GRMI. The whole process is defined in the revised Whistleblowing Investigation Procedure which was approved by the Board on 8 November 2023.</p> <p>In line with the Main Market Listing Requirement, the revised Whistleblowing Policy and Whistleblowing Investigation Procedure are made available on the Company’s website, under Integrity Policies (Whistleblowing Policy & Whistleblowing Investigation Procedure).</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 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>As a corporation, Duopharma Biotech is firmly dedicated to advancing the sustainability agenda. To uphold this commitment, the Company has established a comprehensive and resilient sustainability framework aimed at addressing all aspects of its operational footprint.</p> <p>At the management-level, Duopharma Biotech has set up a dedicated Sustainability Management Council, comprising of the Heads of Departments and process owners from the different functions within the Company. The Sustainability Management Council is led by the Chief Manufacturing and Sustainability Officer who has direct reporting lines to the Board-level Halal and Sustainability Committee (“HSC”) on a quarterly basis, ensuring the HSC’s directives are appropriately addressed. The Sustainability Management Council meets on a quarterly basis, or as frequent as the circumstances dictate, to discuss progress reports on sustainability-related agenda items.</p> <p>The Company’s dedicated Sustainability Department also plays a pivotal role in ensuring sustainability matters are given due consideration at the management-level. Specifically, the Sustainability Department is responsible for overseeing overall sustainability matters and for creating greater awareness on sustainability among employees. The Sustainability Department publishes a monthly internal newsletter on sustainability, and leverages the yearly Halal, Integrity and Sustainability (“HIS”) program to create awareness of the need to preserve and protect the</p>

	<p>environment while promoting sustainability in general. It also ensures that sustainability matters feature on the agendas of monthly department briefings as well as the Group’s quarterly townhalls. In addition, a sustainability specialist from the Sustainability Department conducts periodical employee training covering sustainability matters.</p> <p>At the Board-level, the Company’s sustainability efforts are overseen by the HSC. Separately however, the Board also undertakes analyses of the contribution versus impact of proposals towards sustainability, ESG as well as climate risks. These modalities covers whether the identified climate risks pose a real and legitimate threat to the Company. The HSC ensures the effective management of sustainability practices within the Group. The HSC oversees the Halal Pharmaceuticals Agenda (“HPA”) and sustainability matters, especially Environmental, Social and Governance (“ESG”) practices. In 2023, the HSC was helped by the following Directors:</p> <table border="1" data-bbox="560 965 1406 1442"> <thead> <tr> <th data-bbox="560 965 842 1021">Name</th> <th data-bbox="842 965 1126 1021">Designation</th> <th data-bbox="1126 965 1406 1021">Role within HSC</th> </tr> </thead> <tbody> <tr> <td data-bbox="560 1021 842 1162">Datuk Nik Moustpha Bin Haji Nik Hassan</td> <td data-bbox="842 1021 1126 1162">Independent, Non-Executive Director</td> <td data-bbox="1126 1021 1406 1162">Chairman</td> </tr> <tr> <td data-bbox="560 1162 842 1303">Datuk Mohd Radzif Bin Mohd Yunus</td> <td data-bbox="842 1162 1126 1303">Non-Independent, Non-Executive Director</td> <td data-bbox="1126 1162 1406 1303">Member</td> </tr> <tr> <td data-bbox="560 1303 842 1442">Amizar Binti Mizuar</td> <td data-bbox="842 1303 1126 1442">Non-Independent, Non-Executive Director</td> <td data-bbox="1126 1303 1406 1442">Member</td> </tr> </tbody> </table> <p>Further details on the scope of responsibilities of the HSC are elucidated within the Committee’s ToR, made available on the Company’s website (Terms of Reference of the Halal and Sustainability Committee).</p>	Name	Designation	Role within HSC	Datuk Nik Moustpha Bin Haji Nik Hassan	Independent, Non-Executive Director	Chairman	Datuk Mohd Radzif Bin Mohd Yunus	Non-Independent, Non-Executive Director	Member	Amizar Binti Mizuar	Non-Independent, Non-Executive Director	Member
Name	Designation	Role within HSC											
Datuk Nik Moustpha Bin Haji Nik Hassan	Independent, Non-Executive Director	Chairman											
Datuk Mohd Radzif Bin Mohd Yunus	Non-Independent, Non-Executive Director	Member											
Amizar Binti Mizuar	Non-Independent, Non-Executive Director	Member											
<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 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>Aligned with regional and global trends, the Board is deeply committed to integrating Environmental, Social, and Governance (ESG) principles across all facets of Duopharma Biotech's diverse operational landscape. The Company has devised a 5-Year ESG Strategy spanning from 2022 to 2026, aimed at positioning itself as a Responsible Pharmaceutical Company. This strategy is designed to enhance Duopharma Biotech's ESG rating, promote employee awareness, and synchronise business objectives with ESG initiatives. Furthermore, in line with this commitment, the Board has announced Duopharma Biotech's pledge to achieve Carbon Neutrality by 2030 and Net-Zero Emissions by 2050. In pursuit of this objective, the Board endorsed the Net Zero Transition Plan in the fiscal year. This comprehensive plan delineates the strategic methodology and critical initiatives aimed at facilitating Duopharma Biotech's attainment of its climate objectives. The 5-year ESG Strategy delineates the specific measures to be implemented to realise these ambitious targets.</p> <p>Through comprehensive analysis conducted, the Company has identified a group of twelve (12) multifarious stakeholder groups that are able to influence the Company's operations, reputational standing as well as those who are impacted by the Company's operations. The identified stakeholder groups comprise of the following:</p> <ol style="list-style-type: none">1. Shareholders;2. Local communities;3. Customers;4. Healthcare professionals;5. Industry associations;6. Government/regulatory authorities;7. Employees;8. Suppliers and other business partners;9. Media;10. Non-governmental organisations (NGOs);11. Financial community; and

	<p>12. Scientific community.</p> <p>The Board acknowledges the importance of providing transparent and concise information to both internal and external stakeholders of Duopharma Biotech. Utilising established communication channels, the Company ensures stakeholders are regularly informed about sustainability strategies, priorities, targets, and the actual performance in relation to these objectives.</p> <p>To this end and as with preceding financial years, Duopharma Biotech has included a Sustainability Statement in the Integrated Annual Report and a stand-alone Sustainability Report that communicates the Company’s commitment and blueprint on sustainability, as well as identified material sustainability risks, mitigating actions and opportunities.</p> <p>The preparation of the Sustainability Report is guided by Global Reporting Initiative (“GRI”) Standards: Core Option and Bursa Malaysia’s Sustainability Reporting Guide. The materiality assessment process prescribed within the GRI Standards have also been adopted to allow for identification of material sustainability risks. Where possible, the Company has endeavoured to quantify sustainability targets and benchmarked actual performance against these targets.</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

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>The Board ensures consistent effort in keeping apprised with related and germane sustainability developments by way of formal training sessions, presentation of updates to promulgations, structured reading and deliberations.</p> <p>During the year under review, the Board members attended sustainability-related trainings to keep themselves apprised of the developments in this space. The Directors also participated in webinars that covered sustainability considerations as well as its impacts on Duopharma Biotech’s business operations.</p> <p>Furthermore, Management and the Group Company Secretary briefed the Board on recent sustainability advancements through presentations. Additionally, key aspects pertaining to sustainability/environmental, social, and governance (ESG) are integrated into the proposals and Board papers brought to the Board's attention for consideration.</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 4.4

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>As part of the Company’s Board Effectiveness Evaluation (“BEE”) exercise for 2023, the Directors were formally assessed on their performance with regard to material sustainability risks and opportunities. Specifically, the questionnaire modality deployed through a self and peer evaluation provided extensive coverage on the following sustainability related areas:</p> <ul style="list-style-type: none"> • presence of a business strategy as underpinned by ESG considerations; • rigour of discussions surrounding ESG matters; • ESG literacy of the Board; and • oversight and monitoring of sustainability targets and goals. <p>Within the realm of remuneration, the Board adopts a philosophy that encourages a culture of organisational, team and individual performance and significantly incentivising individuals who deliver sustained performance consistent with strategic goals.</p> <p>To this end, compensation is pegged against sustainability considerations, thereby forming a nexus between executive remuneration and the achievement of sustainability-linked Key Performance Indicators (“KPIs”). The sustainability linked KPIs contain a balance of short-term and long-term dimensions and they are benchmarked against industry norms to allow for sufficient comparability and consistency.</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 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.

<i>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.</i>	
Application	: Adopted
Explanation on adoption of the practice	: Pursuant to the inclusion of Step Up Practice 4.5 into the updated MCCG 2021, the Chief Manufacturing and Sustainability Officer (“CMSO”) heads, among others, the Group’s Sustainability function, as the designated person within Management to provide dedicated focus to manage sustainability strategically. As yet another testament to Duopharma Biotech's commitment to sustainability, the CMSO had already been executing this role even before the Step Up Practice 4.5 was introduced into the MCCG. The CMSO is supported by staff of the Sustainability Department. The Sustainability Working Council comprises various department heads and process owners who report to the CMSO who then escalates matters to the Board HSC as well as the Board. The actions or measures undertaken pursuant to the aforesaid role in the financial year are further outlined within the Sustainability Statement in the Integrated Annual Report 2023 as well as the Company’s stand-alone Sustainability Report 2023, both made available on the Company’s website (Integrated Annual Report 2023 and Sustainability Report 2023).

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>The Board through the NRC has codified the need for periodic refreshing of Board composition in line with the strategic thrusts of the Company as well as aspirational practices of better governance as put forth by the MCCG.</p> <p>Succession planning remains a key cornerstone of the NRC's remit. As explicitly outlined within the ToR, the NRC is tasked with ensuring an appropriate succession framework and plan is in place at the Board-level. On top of this, the NRC also plays a role in safeguarding the impartiality of Independent Directors. Specifically, the NRC stays vigilant for indicators of erosion of independence among long-serving Independent Directors. The tenure of individual Directors is also reviewed by the NRC, in accordance with better practice promulgations.</p> <p>The Succession Plan Framework outlines the requirement for the Board to undertake the Board Needs Analysis to identify the skills and key competencies required to select the best candidates. Further, Duopharma Biotech has in place independent search firm to source for suitable and qualified candidates in consideration of future appointments. The Succession Plan Framework for Duopharma Biotech's Non-Executive Directors includes mapping the cessation of tenure of existing directors based on policy, which limits tenure to a maximum of 9 years, as well as identifying potential candidates for appointment as Non-Executive Directors.</p> <p>In terms of the composition of the Board, Duopharma Biotech approved the appointment of a new Senior Independent Director Non-Executive Director, Dato' Eisah Binti A. Rahman, in view of the retirement of Dato' Mohamad Kamarudin Bin Hassan on 31 May 2023. Furthermore, as of 1 June 2023, Duopharma Biotech welcomed a new Independent Non-Executive Director, Datin Paduka Kartini Binti Hj Abdul Manaf, renowned for her extensive expertise in investment</p>

	<p>management and corporate finance, enriching the board with invaluable insights.</p> <p>On 1 August 2023, Duopharma Biotech appointed Muhammad Shukri Bin Ismail as a Non-Independent Non-Executive Alternate Director to Amizar Binti Mizuar. Following Amizar’s resignation on 20 March 2024, Muhammad Shukri ceased to be an alternate director to Amizar and was subsequently appointed as an alternate director to Mohd Haris Bin Mohd Arshad, who was appointed as a Non-Independent Non-Executive Director on 20 March 2024.</p> <p>The ToR also formalises the need for Director nomination and re-election to be contingent on individual character, experience, integrity, competence and ability to devote time, with due regard given to diversity along the lines of skills, experience, age, cultural background and gender. During the year under review, the NRC recommended the retirement and re-election of Directors at the 22nd AGM.</p> <p>As an added responsibility, the NRC oversees the undertaking of Duopharma Biotech’s annual evaluation of the Board, Board Committees and individual Directors (including the evaluation of independence of the Independent Non-Executive Directors).</p> <p>Further details on the NRC’s scope of duties are encapsulated within the ToR, made available on the Company’s website (Terms of Reference of the Nomination and Remuneration Committee).</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 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>In 2023, the Board comprised of eleven (11) Directors, the majority of whom are Independent Directors, thereby applying Practice 5.2 of the MCGG.</p> <p>Breaking down its composition, the Board is made up of the following:</p> <ul style="list-style-type: none">• One (1) Executive Director;• Four (4) Non-Independent, Non-Executive Directors;• One (1) Senior Independent, Non-Executive Director; and• Five (5) Independent, Non-Executive Directors. <p>In terms of percentages, the composition of the Board can be expressed as follows:</p> <ul style="list-style-type: none">• Independent Directors – 55%• Non-Independent Directors – 45% <p>As observed, the Company has duly complied with the enumeration put forth by the MCGG, thereby embodying the Company's unwavering stance towards supporting objective and independent deliberation, review and decision-making at the Board-level.</p> <p>In order to reinforce the central tenet of Board-level independence, the Board's make-up includes a Senior Independent, Non-Executive Director, namely Dato' Eisah Binti A. Rahman.</p> <p>As the Senior Independent, Non-Executive Director, Dato' Eisah serves as a sounding board to the Chairman and acts as a trusted conduit to the Board's Independent, Non-Executive Directors. Specifically, the presence of Dato' Eisah provides an additional avenue for Independent, Non-Executive Directors to voice any opinions or concerns that they believe have not been appropriately considered or addressed by the Board or which they feel may not be appropriate to raise in open forum.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.3

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	:	Not applicable - Step Up 5.4 adopted	
Explanation on application of the practice	:		
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

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	:	Adopted								
Explanation on adoption of the practice	:	<p>As the Independent Directors are responsible to provide an objective review in their active oversight role, the Board has meted out measures to avert instances that affect the independence of Independent Directors. To this end, the nine-year tenure limit of Duopharma's Independent Directors is codified in its Board Charter as a formalised and non-negotiable policy stipulation; "<i>Para 4.2.9: The tenure of independent non-executive and non-independent non-executive directors shall not exceed a cumulative term of nine years in a consecutive service nor cumulative service of nine years with interval</i>". As of 31 December 2023, the tenure of INEDs are as follows:</p> <table border="1"><thead><tr><th>Years of Service</th><th>Number of INEDs</th></tr></thead><tbody><tr><td>Less than 3 years</td><td>1</td></tr><tr><td>3 years to 6 years</td><td>1</td></tr><tr><td>6 years to 9 years</td><td>4</td></tr></tbody></table> <p>Other measures include regular reviews and assessment on the independence of the Directors and by remunerating them fairly with due consideration given to their extent of time commitment and responsibilities within Duopharma Biotech.</p> <p>During the financial year ended 31 December 2023, Dato' Mohamad Kamarudin Bin Hassan has served as an Independent Non-Executive Director of Duopharma Biotech for a cumulative period of nine (9) years. Dato' Kamarudin therefore retired in accordance with Duopharma Biotech's Board Charter at the 22nd Annual General Meeting (AGM) in 2023.</p>	Years of Service	Number of INEDs	Less than 3 years	1	3 years to 6 years	1	6 years to 9 years	4
Years of Service	Number of INEDs									
Less than 3 years	1									
3 years to 6 years	1									
6 years to 9 years	4									

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>The Board, alongside the NRC undertake an annual review to assess the Board composition with the aim of configuring a diverse board set up that is effective and competent in discharging its duties and responsibilities.</p> <p>Appointments of Directors and Senior Management are carried out via a formal, rigorous and transparent process that is underpinned by meritocracy whilst taking into account considerations on the fronts of skills, experience, background and gender in line with advancing Duopharma Biotech’s strategic direction.</p> <p>Currently, the Board comprises members with a diverse yet pertinent professional backgrounds that include experience in pharmaceuticals, medicine, healthcare, civil sector, business development, legal, banking, finance, economics and investment. The Group adopts a meritocracy system which does not discriminate on the grounds of gender, age and ethnicity. The diversity in the age and gender of the Board as at 31 December 2023 is as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="5">Age Group</th> <th colspan="2">Gender</th> </tr> <tr> <th>49 and below</th> <th>50-59</th> <th>60-65</th> <th>66-69</th> <th>70 and above</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Number of Directors</td> <td>9%</td> <td>9%</td> <td>27%</td> <td>18%</td> <td>37%</td> <td>54%</td> <td>46%</td> </tr> </tbody> </table> <p>In terms of diversity in experience, the Board boasts Directors with exposure to a multitude of corporate cultures captured through experiences in both public sector and private sector domains as well</p>		Age Group					Gender		49 and below	50-59	60-65	66-69	70 and above	Male	Female	Number of Directors	9%	9%	27%	18%	37%	54%	46%
	Age Group					Gender																			
	49 and below	50-59	60-65	66-69	70 and above	Male	Female																		
Number of Directors	9%	9%	27%	18%	37%	54%	46%																		

as through various industries including healthcare, academia and professional services. Overall, the diverse boardroom set up serves to enrich the Board deliberations with varying perspectives and fresh ideas whilst averting 'blind spots', 'group think' and insularity of opinions.

In January 2022, the Board approved a formalised Fit and Proper Policy for the Board of Directors and Senior Management. This policy serves as the guiding literature for the NRC and the Board as a whole, to prioritise objective and meritorious appointments at the leadership level. The Policy is used to guide deliberations surrounding the review and assessment of candidates for appointment to the Board and Senior Management as well as for the re-election or re-appointment/renewal of Directors and Senior Management on fixed-term contracts.

The appointment of the Senior Management personnel is also reviewed by the NRC prior to it being presented to the Board. The said appointment is also based on merit and leadership skills, with due regard for diversity in skills, experience, age, ethnicity/cultural background and gender. It also takes into account the challenges and opportunities facing the Group as well as future skills and expertise needed to allow the Group to compete effectively in its market.

Under the Diversity Policy for the Board and Senior Management that was approved by the Board in December 2021, the NRC and the Board acknowledges the importance in promoting diversity for Senior Management and ensures that at least one female candidate is considered when shortlisting candidates for Senior Management. The NRC and the Board will consult professional organisations and advocacy groups with database of qualified women for appointments at leadership levels. These practices highlight Duopharma Biotech's unwavering commitment to diversity. Furthermore, under the policy, the concept of diversity encompasses various areas including gender, age, cultural and educational background, business and industry skills, and experience. The said policy also reiterated Duopharma Biotech's aforementioned commitment to ensuring the Board comprises of at least 30% female Directors.

Beyond nomination matters, the Board has also codified stipulations within the Remuneration Policy and Procedures for Directors and Senior Management that highlight Duopharma Biotech's commitment to attracting and retaining high-quality, diverse individuals with the optimum mixture of competencies, ability, experience and skill to

	<p>deliver on strategy. The policy was updated and approved by the Board on 9 December 2021.</p> <p>Furthermore, the Board is confident that all current Directors are able to devote the required time commitments as Directors of Duopharma Biotech. Where Directors hold cross-directorships with other organisations, these cross-directorships do not amount to a significant number thereby not compromising their ability to meet the necessary time commitments to Duopharma Biotech.</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>The NRC is responsible for recommending suitable candidates for directorships to the Board. In undertaking this responsibility, the NRC leverages several sources to 'cast a wider net' and gain access to a wide pool of potential candidates.</p> <p>In the appointment of Directors, the Board adopted the Succession Plan Policy and the Fit and Proper Policy for the Board of Directors and Senior Management which serves as the guiding foundational documents for the Board and NRC to assess the fitness and propriety of Board members as well as Senior Management, and individuals slated to be appointed or elected to these positions. The Board approved the policy in 2022, while the Board approved the Diversity Policy for the Board and Senior Management in 2021.</p> <p>Directors' network and referrals from Senior Management and Duopharma Biotech's major shareholders form the primary means for candidates sourcing. These methods have, in the past, produced tangibly noteworthy results in identifying candidates who are of high-calibre and at the same time have a sound understanding of Duopharma Biotech's business and the pharmaceutical industry.</p> <p>Furthermore, the NRC and Board have appointed an independent search firm to expand the scope of potential candidate identification. Potential candidates are screened against the criteria outlined in the Group's Board Nomination and Selection Procedure, Succession Plan Policy and the Fit and Proper Policy for the Board of Directors and Senior Management. The shortlisted candidates are then recommended to the Board for their deliberation.</p>

	<p>Candidates are thoroughly assessed based on core competencies and attributes such as character, competency, experience, integrity, time commitment as expressly outlined in paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”) as well as the fit and proper requirements.</p> <p>In order to ensure that Directors have sufficient time to fulfil their roles and responsibilities effectively, the criterion as agreed by the Board for determining candidates for the pool of potential Directors is to limit the individual Directors to not more than five (5) directorships on listed issuers as prescribed in paragraph 15.06 of the MMLR.</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 5.7

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 Board is cognisant that the appointment and re-appointment of Directors is a critical aspect of corporate governance, which has a direct impact over the stewardship of organisations. In recommending the re-appointment of Directors, the Board provides Duopharma Biotech's shareholders with an informed assessment of the concerned individuals.</p> <p>The NRC has reviewed and recommended to the Board, of Directors retiring by rotation, to be put forth for re-election in accordance with the Group's Board Charter. The NRC has also reviewed and recommended the composition of the board of directors on subsidiary companies of Duopharma Biotech, and training requirements for candidates to be appointed to the said boards.</p> <p>The Board ensures shareholders have the necessary information to make an informed decision on appointments and reappointments. For instance, in the Notice of AGM 2023, an Explanatory Note was included for the ordinary resolutions relating to the approval for the re-election of the Directors who retire in accordance with Article 100 of the Company's Constitution. Specifically, the note outlined the reasons for the NRC's recommendation that the retiring directors were eligible to stand for re-election, namely based on the assessment of the directors' eligibility to stand for re-election (that included the Director's assessment of fit and proper criteria pursuant to the Company's Fit and Proper Policy for the Board of Directors and Senior Management; performance and contribution based on the Self and Peer Assessment results of the Board Effectiveness Evaluation for the financial year and the level of independence demonstrated by the director).</p>

	Moreover, the Statement Accompanying the Notice of 22 nd AGM circulated to shareholders also included details of interest, position or relationship (if any) that may lead to conflict of interest with Duopharma Biotech.	
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

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 NRC is chaired by the Senior Independent Director, Dato' Eisah Binti A. Rahman. Dato' Eisah was appointed as the Senior Independent Director following the retirement of Dato' Mohamad Kamarudin Bin Hassan as the Company's Senior Independent Non-Executive Director at the Company's 22nd Annual General Meeting held on 31 May 2023.</p> <p>The Board recognises that a robust recruitment and evaluation process for Directors is fundamental to fostering a high-performing Board. Consequently, the Board holds the conviction that the Senior Independent Director is the most appropriate and capable individual to oversee the execution of this process with objectivity.</p> <p>Given that the Senior Independent Director acts as a confidant to other Directors, she is well-placed to oversee the assessment of the Board's Chairman, taking into account a broad range of perspectives.</p> <p>The Chairman of the NRC also provides leadership and oversight over Directors' succession planning, election/re-election and the annual Board evaluation. The independence of the Chairman is highly significant in this context considering that the Chairman of the NRC leads matters relating to the evaluation and succession of the Board Chairman, Group Managing Director and other key Senior Management personnel.</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

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	:	Applied
Explanation on application of the practice	:	<p>During the year under review, the Board had five (5) female Directors. In arithmetic terms, this amounts to 46% of the total eleven Directors, thus, representing that the Group has gone above and beyond the recommended best practice in promoting gender diversity. Duopharma Biotech has also stipulated in paragraph 4.1.1 of the Board Charter, that the Board shall comprise at least 30% women Directors.</p> <p>Currently, the Board has a female Non-Independent Non-Executive Chairman, Tan Sri Datin Paduka Siti Sa'diah Binti Sh Bakir. She was initially appointed as a Senior Independent Director on 5 April 2016 and was subsequently appointed as the Non-Independent Non-Executive Chairman since 28 December 2017. Duopharma Biotech remains as one of the few Malaysia listed issuers with a female Non-Executive Director as Board Chairperson. The Board acknowledges the benefits of having participation of women on the Board in terms of providing different perspectives and insights for effective decision making.</p> <p>Throughout the financial year 2023, the NRC conducted a comprehensive assessment and subsequently proposed the appointment of Datin Paduka Kartini Binti Hj Abdul Manaf as an Independent Non-Executive Director to the Board. This recommendation was made with the aim of broadening the array of skills, knowledge, and expertise within the Board, aligning with the Group's overarching objectives and strategic aspirations. Furthermore, the appointment sought to bolster gender diversity within the Board, in line with the aforementioned objectives.</p> <p>The Board recognises that in accelerating gender diversity through proper planning and human capital strategies, this diversity will act as a source for fresh perspectives which ultimately benefits the overall deliberations taking place in the boardroom.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.10

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>Duopharma Biotech has in place a Diversity Policy for the Board of Directors and Senior Management. The diversity policy reflects the Company's commitment to promote diversity (i.e., skills, experience, age, ethnicity/cultural background and gender) and inclusion for the Board and Senior Management of which it sets out the guiding principles and practices which underpin the Company's approach to instituting a diverse Board and Senior Management team.</p> <p>This policy aims to introduce organisational diversity in the Company's overall business, enhance decision-making capabilities at the Board and Senior Management by incorporating diverse viewpoints, enables good governance by heightening the capacity for organisational oversight to achieve industry and regulatory benchmarks in diversity and inclusion; and safeguard the Company in dealing with organisational change by effectively adapting to the changing business landscape and diversifying views from stakeholders. The policy is disclosed in the Company's Integrated Annual Report for the financial year ended 31 December 2023.</p> <p>During the year under review, the NRC recommended the re-appointment of the Chairman of the Board, Group Managing Director as well as one (1) Independent Non-Executive Director. These appointments were diligently assessed and based on Duopharma Biotech's Diversity Policy and the Fit and Proper Policy for the Board of Directors and Senior Management.</p> <p>The Integrated Annual Report 2023 for the financial year ended 31 December 2023 may be accessed at the Company's website.</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

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>The Board has undertaken a BEE exercise to ascertain the effective functioning of the Board. The exercise enabled the Board to assess its performance, the Board Committees and individual Directors, including Independent Directors, Non-Independent Non-Executive Directors and GMD in an objective and rigorous manner, with a view of taking remedial actionable steps.</p> <p>During the year under review, the BEE was conducted in-house premised on the assessment criteria that have taken into account relevant regulatory promulgations, guidelines as well as emerging and leading practices. The process was carried out via an updated BEE questionnaire administered to the Directors, using a self and peer rating model. The platform of the BEE exercise was conducted using KPMG Management & Risk Consulting Sdn Bhd's ("KPMG MRC") digital BEE Tool as part of the Group's sustainability effort and reduction of carbon footprint through less usage of paper.</p> <p>The BEE criteria are based on the following overarching components:</p> <ul style="list-style-type: none">(a) Structuring a high-performing Board;(b) Ensuring smooth functioning of the Board's operations and interactions; and(c) Fulfilling fundamental Board roles and responsibilities at highest standards of corporate governance. <p>Taking into consideration the developments in matters relating to sustainability, the BEE questionnaire for 2023 included questions relating to environmental, social and governance ("ESG") issues given</p>

	<p>that ESG considerations and sustainability targets are now factored into the performance evaluation of the Board and Senior Management.</p> <p>In November 2023, the Board resolved to adopt the results of the BEE for financial year ended 31 December 2023 (“BEE 2023”) as recommended by the NRC. The BEE 2023 overall score was higher in comparison to the results of BEE 2022, indicating that the Board has improved in its overall performance and contribution.</p> <p>Strengths of the Board includes the expertise and size of the Board and Board Committees, ability to probe and challenge the Senior Management team, good working relationship between the Board and Senior Management personnel, leadership of the Board Chairman in facilitating boardroom discussions, as well as ESG issues, risks and opportunities.</p> <p>Regarding improvement indicators, the Board will prioritise enhancing diversity in ethnicity within its composition, focus on quality of information and decision making, board needs analysis to identify suitable candidates, leadership and performance of the GMD and SINED, as well as the performance and functionalities of the Audit Committee, Halal and Sustainability Committee, and Risk Management Committee.</p> <p>Based on the outcome of the BEE 2023, the Board concluded that:</p> <ul style="list-style-type: none"> (a) each of the Independent Non-Executive Directors continued to satisfy the test of independence; (b) Duopharma Biotech’s Board of Directors and the Board Committees were generally well structured; (c) Good leadership was demonstrated from the Board Chairman in relation to expectations and outcomes; (d) The Board of Directors’ skills set, knowledge, gender and experience are sufficiently diverse, however requires diversity in the ethnicity area; and (e) ESG considerations were taken into account in key decision making for all proposals. <p>The Board intends to continually engage an external independent consultant independent expert to facilitate objective and candid board evaluation on a periodic basis. The previous BEE exercise in 2021 was in fact facilitated by an external independent consultant, namely KPMG MRC.</p>
<p>Explanation for departure</p>	<p>:</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

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>Duopharma Biotech has in place a remuneration framework which covers the remuneration policy and procedures for Directors and Senior Management. The Remuneration Policy and Procedures (the "Policy and Procedures") are formulated based on the following overarching objectives:</p> <ul style="list-style-type: none">• To ensure that the remuneration packages are robust and competitive to retain and attract the best talents in line with the long-term strategy and risk appetite of Duopharma Biotech; and• To ensure the remuneration packages are commensurate with the Directors and Senior Management team members' responsibilities, time commitment, experience, expertise, complexity of the Company's activities and industry norms. <p>The remuneration philosophy is premised on the need to have an adequate level of remuneration to attract and retain Directors and Senior Management personnel of high calibre and talent. The remuneration packages for the GMD, who is the sole Executive Director and other Senior Management personnel are structured in a way that links rewards to corporate and individual performance.</p> <p>As for Non-Executive Directors, the remuneration packages are structured such that their independence and objectivity are not impaired. The remuneration level for Non-Executive Directors reflects their responsibility and position on the Board and Board Committees, attendance and any special skills or expertise that they bring to the Board.</p>

	<p>The Policy and Procedures has been endorsed by the Board, upon recommendation by the NRC. The Policy and Procedures shall be reviewed periodically or as and when it is necessary. The NRC, with the support of the Company Secretary, shall ensure that the provisions of the Policy and Procedures continue to comply with the legal requirements and corporate governance requirements and, if necessary, shall suggest amendments to this Policy and Procedures for consideration by the Board.</p> <p>The Remuneration Policy and Procedures for Directors and Senior Management is made available on the Company's website at (Remuneration Policy and Procedures for Directors and Senior Management)</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 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 Board currently has a combined Committee for nomination and remuneration named as the Nomination and Remuneration Committee ("NRC"). The current Chairman of the NRC is the Senior Independent Director.</p> <p>As the matters relating to nomination and remuneration are often intertwined, the Board is of the view that it may be synergistic to have a combined Committee rather than stand-alone committees. The combined NRC accords sufficient attention on matters relating to remuneration of Directors and Senior Management. In developing the agenda, the NRC Chairman, in consultation with the Company Secretary ensures that the balance of discussions is not tilted unfavourably against remuneration-related matters.</p> <p>This observation is corroborated with assessments conducted during the year and the previous years which revealed that having a combined NRC does not hinder it from according to adequate time and attention on both remuneration and nomination matters. Members of the NRC also have the expertise to deal with both nomination and also remuneration matters.</p> <p>During the year under review, the Board has discharged its responsibilities to seek approval for fees and benefits for Directors by members at the AGM in accordance with Section 230 (1) of the Companies Act 2006. The shareholders of Duopharma Biotech had at the Company's 22nd AGM held on 31 May 2023, approved two (2) resolutions in relation to the payment of Directors' fees and Board</p>

	<p>Committee fee's as well as payment of benefits to the Non-Executive Directors.</p> <p>Remuneration packages for Non-Executive Directors, save for the Non-Independent Non-Executive Alternate Director who does not receive any remuneration, reflect their time commitment (including meeting attendance) and responsibilities which amongst others encompass membership occupancy of Board Committees.</p> <p>As for the GMD and other Senior Management personnel, the remuneration packages have been structured to reflect their responsibilities and link rewards to corporate and individual performance. The said nexus to corporate and individual performance is affected through the elements of performance bonus. Duopharma Biotech accords performance-based bonus anchored on key performance indicators to attract and retain high calibre talents in the industry.</p> <p>The NRC has a ToR which outlines its duties and responsibilities (including providing oversight on remuneration policies and procedures). The ToR is made available on the Company's website.</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	:	<p>In line with the Company's aspirations to observe the highest standards of corporate governance, Duopharma Biotech has disclosed respective Directors' remuneration on a named basis and by exact amount. The Board strives to ensure that information pertaining to Directors' remuneration is made transparent and accessible to shareholders and other stakeholders.</p> <p>The detailed disclosure for the remuneration of Duopharma Biotech's Directors is disclosed as follows:</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Siti Sa'diah Binti Sh Bakir	Non-Executive Non-Independent Chairman	125	15.6	-	-	43.7	-	148.4	-	-	-	-	-	-	-
2	Leonard Ariff Bin Abdul Shatar	Executive Director	-	10.6	1,211	680	19.5	642	2,563.1	-	-	-	-	-	-	-
3	Dato' Mohamad Kamarudin Bin Hassan ¹	Non-Executive Senior Independent Director	49.1	12.7	-	-	1.8	-	63.6	-	-	-	-	-	-	-
4	Dato' Eisah Binti A. Rahman ²	Non-Executive Senior Independent Director	117	22.6	-	-	1.8	-	141.4	-	-	-	-	-	-	-
5	Razalee Bin Amin	Non-Executive Independent Director	110	19	-	-	1.8	-	130.8	-	-	-	-	-	-	-
6	Zaiton Binti Jamaluddin	Non-Executive Independent Director	116	26	-	-	1.8	-	143.8	-	-	-	-	-	-	-
7	Datuk Nik Moustpha Bin Haji Nik Hassan	Non-Executive Independent Director	118	24	-	-	1.8	-	143.8	-	-	-	-	-	-	-
8	Datuk Mohd Radzif Bin Mohd Yunus	Non-Executive Non-Independent Director	118	26.6	-	-	1.8	-	146.4	-	-	-	-	-	-	-
9	Dato' Dr Zaki Morad Bin Mohamad Zaher	Non-Executive Independent Director	114	19.6	-	-	1.8	-	135.4	-	-	-	-	-	-	-
10	Amizar Binti Mizuar	Non-Executive Non-Independent Director	116	23	-	-	1.8	-	140.8	-	-	-	-	-	-	-
11	Datin Paduka Kartini Binti Hj Abdul Manaf	Non-Executive Independent Director	62.9	12	-	-	1.8	-	76.7	-	-	-	-	-	-	-

12	Muhammad Shukri Bin Ismail ³	Non-Executive Non-Independent Alternate Director	-	-	-	-	-	-	-	-	-	-	-	-	-
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Note:

1. Dato' Mohamad Kamarudin Bin Hassan had retired from the Board on 31 May 2023.
2. Dato' Eisah Binti A. Rahman was appointed as Senior Independent Non-Executive Director with effect from 1 June 2023 in view of Dato' Mohamad Kamarudin's retirement.
3. As an Alternate Director, Muhammad Shukri Bin Ismail does not receive any Director's fee nor benefits.

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	:	Applied	
Explanation on application of the practice	:	<p>The remuneration of Senior Management is guided by the philosophy and principles outlined in the Remuneration Policy and Procedures for Directors and Senior Management (the "Remuneration Policy"), an overarching framework for the development and administration of fair and transparent remuneration. Under the Remuneration Policy, 'Senior Management' was defined as employees who are C-Suite officers and members of the Group Management Committee.</p> <p>The Company has disclosed beyond that recommended by this practice by disclosing the remuneration of the following seven (7) Senior Management personnel. The profiles of the following listed Senior Management personnel can be found on pages [XX] to [XX] of the Company's Integrated Annual Report.</p> <p>The total remuneration of the Senior Management personnel (other than the GMD) in respect of financial year 2023 on a named basis in bands of RM50,000 are as set out in the table below:</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	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments ⁴	Total
1	Wan Amir-Jeffery Bin Wan Abdul Majid	Chief Executive Officer, Commercial	500,001-550,000	50,001-100,000	200,001-250,000	0-50,000	200,001-250,000	950,001-1,000,000
2	Dato' Dr Anas Bin Alam Faizli	Chief Executive Officer, Corporate	650,001-700,000	0-50,000	50,001-100,000	0-50,000	150,001-200,000	900,001-950,000
3	Chek Wu Kong	Chief Financial Officer	500,001-550,000	0-50,000	150,001-200,000	0-50,000	100,001-150,000	800,001-850,000
4	Ng Su Yee ²	Chief Technical Officer	200,001-250,000	0-50,000	100,001-150,000	0-50,000	50,001-100,000	400,001-450,000
5	Krisnakumara-Reddi a/l Kesava-Reddi	Chief Manufacturing and Sustainability Officer	450,001-500,000	0-50,000	150,001-200,000	0-50,000	100,001-150,000	750,001-800,000
6	Ibrahim Hussin Salleh	Chief Legal Officer and Group Company Secretary	450,001-500,000	0-50,000	100,001-150,000	0-50,000	100,001-150,000	700,001-750,000
7	Shamsul Idham Bin A.lahad	Chief Executive Officer, Consumer Healthcare	450,001-500,000	0-50,000	100,001-150,000	0-50,000	100,001-150,000	700,001-750,000
8	Sabrina Binti Haron ³	Chief Compliance Officer	350,001 – 400,000	0-50,000	100,001-150,000	0-50,000	100,001-150,000	550,001- 600,000

Note:

1. The GMD remuneration is disclosed under the disclosure on Directors' remuneration under Practice 8.1 above, which is made on a named-basis and includes a breakdown of remuneration into salary, bonus, benefits-in-kind and other emoluments.
2. Ng Su Yee, Chief Technical Officer, has retired from Duopharma Biotech with effect from 30 June 2023.
3. Sabrina Binti Haron was appointed as Chief Compliance Officer with effect from 1 July 2023.
4. Other emoluments include allowances, insurance, Employees Provident Fund and other statutory contributions.

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 Audit Committee ("AC") is chaired by Razalee Bin Amin, an Independent Non-Executive Director whilst the Chairman of the Board is Tan Sri Datin Paduka Siti Sa'diah Binti Sh Bakir. The practice of demarcating the chairmanship of the Board and AC has been codified in the ToR of the AC.</p> <p>Having the positions of Board Chairman and Chairman of the AC assumed by different individuals allows the Board to objectively review the AC's findings and recommendations. Besides, the need for objectivity is particularly imperative for the Chairman of the AC as the effectiveness of the committee is often dependent on his leadership. The Chairman is expected to demonstrate courage to deal with tough issues and support other members to do the same, especially in probing management on areas where subjectivity is inherent. Therefore, the Board recognises the importance for the Chairman of the AC to be distinct from the Chairman of the board.</p> <p>Razalee is an accountant whose qualifications include Bachelor of Economics (Hons.) in Accounting and Postgraduate Diploma in Accounting from the University of Malaya. Razalee possesses significant professional experience as an accountant, having established his own Chartered Accountant firm. He is also Chartered Accountant of the Malaysian Institute of Accountants, a Certified Public Accountant of the Malaysian Institute of Certified Public Accountant and a Certified Financial Planner of the Financial Planning Association of Malaysia.</p> <p>The possession of sound financial understanding and experience equips the Chairman of the AC with the ability to lead discussions and deliberations and ultimately be satisfied that the end result fairly reflects the understanding of the AC.</p> <p>The duties and responsibilities of the Chairman of the AC are outlined in its ToR, which is available on the Company's website.</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

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>The Board is cognisant that a cooling-off period serves as an essential safeguard to the sanctity of the annual audit process by averting potential independence threats which may arise when a former partner of the external audit firm and/or its affiliates is in a position to exert significant influence over the audit and preparation of the Company's financial statements.</p> <p>To this end, the Board has formalised a stipulation within its Policy on External Auditor expressly stating that all former partners of the external audit firm shall not be offered employment or be appointed as a Director by Duopharma Biotech unless a cooling-off period of three years is observed.</p> <p>During the financial year under review, none of the current members of the Board or AC are former partners of the external audit firm and/or its affiliates within the last three years.</p> <p>The policy is made available on the Company's website (Policy on External Auditor).</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

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>The Company's relationship with the external auditors is primarily maintained through the AC, guided by the principles of the MCCG. The AC is responsible for assessing the capabilities and independence of the external auditor and to make subsequent recommendations to the Board on the appointment, re-appointment or termination of the external auditor. The ToR of the AC was established with reference to Chapter 15 of the MMLR, Part 9 – Audit Committee.</p> <p>During the financial year, the AC has monitored and reviewed the performance and independence of the external auditor, namely, KPMG PLT and satisfied itself that the external auditor has been independent throughout the conduct of the audit process and the audit services rendered have met the quality expected by the Committee and the Company. AC conducted an External Auditor Evaluation, taking into account emerging and leading practices derived from the roles and responsibilities of external auditors and overall, the AC was satisfied with the work performed by the external auditors. Throughout the course of the year, Duopharma Biotech took the initiative to review and refine the External Auditor Evaluation Form, a process indicative of their commitment to ensuring the effectiveness and efficiency of their external auditing procedures. The revision was guided by various factors, including but not limited to:</p> <ul style="list-style-type: none">• The reliability and reputation of the external audit firm;• The appropriateness of the audit's scope and reasonableness of the quoted audit fees; and• The proficiency of the primary engagement partner and the timeliness of the external audit firm in reporting audit issues to the attention of the AC. <p>The AC further reviewed and approved the audit plan and engagement strategy of the external auditors for the financial year ended 31 December 2023, including the independence, materiality, audit scope, audit methodology and timing, key milestones, and audit fees. As part of the assessment of the external auditor, the AC also had two (2) formal private sessions with the external auditor without the presence of Management in March and November 2023.</p>

Paragraph 15.21 of the MMLR also required that AC to consider the following for the appointment of external auditor.

- the adequacy of the experience and resources of the external audit firm;
- the persons assigned to the external audit engagement;
- the accounting firm's audit engagements;
- the size and complexity of the subject matter being audited; and
- the number and experience of supervisory and professional staff assigned to the particular external audit engagement.

In terms of assessing the quality of services rendered by the external auditor during the year under review, the AC is guided by the following non-exhaustive indicators:

- adequacy of audit scope;
- ability of the external audit firm to meet audit deadlines;
- timeliness in escalating audit issues to the AC;
- allocation of resources to significant audit risk areas; and
- effectiveness of the external audit firm's recommendations in addressing weaknesses observed during previous audits, particularly on internal controls relevant to financial reporting process.

The assessment by the AC is supplemented by feedback gathered from senior finance personnel across Duopharma Biotech, focusing on a range of factors that the AC considers as relevant to audit quality. For the audit of the financial year ended 31 December 2023, KPMG PLT has also provided the AC with a written assurance confirming that its personnel were and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. Prior the commencement of the external audit engagement, KPMG PLT also presented its external audit plan which outlines the bases and approach for the work to be undertaken.

The AC has also taken into consideration the nature and extent of the non-audit services rendered and the appropriateness of the level of fees. Provisions of non-audit services by the external auditor, KPMG PLT were reviewed to ascertain whether such provision of services would impair the external auditor's objectivity.

Pursuant to the assessment on the suitability and independence of the external auditor, the AC made its recommendation to the Board on the re-appointment of the external auditor alongside the accompanying audit fees. The process of reviewing independence of the external

	auditor is governed by the Policy on External Auditor, as approved by the Board.	
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 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>The AC currently comprises solely of Independent Directors, namely, Razalee Bin Amin, Puan Zaiton Binti Jamaluddin and Datuk Nik Moustpha Bin Haji Nik Hassan. Razalee Bin Amin is the Chairman of the AC.</p> <p>The Board is cognisant that independence is the cornerstone of a well-functioning audit committee. Further, an audit committee that can critically and objectively apply a probing view on pertinent matters is key to safeguarding the Company's audit and financial reporting process.</p> <p>The Board expects the AC members to demonstrate professional scepticism, vigilance and moral courage when undertaking their responsibilities.</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 9.5

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 AC comprises three (3) Independent Non-Executive Directors, namely, Razalee Bin Amin (Chairman of the AC and Independent Non-Executive Director), Puan Zaiton Binti Jamaluddin (Independent Non-Executive Director) and Datuk Nik Moustpha Bin Haji Nik Hassan (Independent Non-Executive Director). All members of the AC are financially literate and have carried out their duties in accordance with the ToR of the AC.</p> <p>The review of the composition of the AC is conducted annually in accordance with paragraph 15.20 of the MMLR. The composition of the AC allows it to possess a range of skills and the requisite financial literacy to discharge its duties effectively. Razalee is an accountant by profession and a member of the Malaysian Institute of Accountants (MIA) and Malaysian Institute of Certified Public Accountants (MICPA), thus fulfilling paragraph 15.09(1)(c) of the MMLR which calls for one member of the audit committee to be a member of a professional accountancy body.</p> <p>Zaiton has a Master of Business Administration and has over 20 years of professional experience in the healthcare and pharmaceutical industry. Her background provides the AC with valuable input on the pharmaceutical industry and the operational drivers which are impacting the financial performance of Duopharma Biotech. Datuk Nik Moustpha is an academic with interests in economic ideology, systems and management. He has authored six (6) books, edited 18 books and published over 260 scholarly articles in various journals, books,</p>

	<p>magazines and newspapers on these topics. Datuk Nik Moustpha is a member of the Institute of Corporate Directors Malaysia (“ICDM”).</p> <p>All members attend from time to time or as appropriate relevant trainings and continuous professional development programmes to keep themselves abreast of the latest developments in accounting and auditing standards, practices and rules. Further, in the event of changes to or adoption of new provisions of the Malaysian Financial Reporting Standards (MFRS), members would be briefed on such matters by KPMG PLT, the Company’s external auditors or the Chief Financial Officer (“CFO”). The full list of trainings that the AC members have attended can be found in the Integrated Annual Report for the financial year ended 31 December 2022.</p> <p>During the financial year, the AC reviewed and endorsed the revision of Duopharma Biotech’s Policy on External Auditors for the provision of non-assurance services in alignment with the requirements under the International Ethics Standards Board for Accountants (IESBA) and Malaysian Institute of Accountants (MIA). The suggested modification aims to remove the requirement for individual approval of each proposed non-assurance service by the AC based on a de minimis exception rule. This change would streamline administrative processes within Duopharma Biotech.</p> <p>Based on the outcome of the AC effectiveness assessment of the BEE exercise, the Board is satisfied with the AC’s performance and its Chairman and members possess the necessary knowledge, experience, expertise and skills which contributed to the overall effectiveness of the AIC.</p> <p>AC members are vigilant, exercise professional scepticism and constantly apply a probing view to challenge Management’s assertions on the Company’s financials.</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 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Risk management is an essential part of corporate governance, and it is firmly embedded in the Group's key processes through its Risk Management Framework. The Board is responsible for ensuring that the framework internal control systems are maintained, while Management ensures the sufficient and effective operational controls over the key business processes are properly implemented and regularly reviewed and updated. In order to assist its oversight functions on risk management and internal control framework, the Board is supported by the RMC.</p> <p>The Board, through the RMC determines the Group's level of risk tolerance and actively identifies, assesses and monitors key business risks to safeguard Duopharma Biotech's businesses. The Group has adopted an Enterprise Risk Management framework, which is grounded on its Risk Management and Manual Guidelines, which in turn is aligned to the better practices outlined in the International Organisation for Standardisation (ISO) 31000:2009, an internationally recognised framework for managing risks.</p> <p>Furthermore, the Board has strengthened its internal control systems by refining the Group's Anti-Bribery Management System ("ABMS") to align with international standards. In tandem with this measure, Duopharma Biotech received the MS ISO 37001:2016 Anti-Bribery Management System accreditation which showcase the Board's commitment to ensuring an ethical culture across the Group.</p> <p>The Board through the RMC performs periodic reviews and closely monitors the resilience of the risk management and internal control framework to ensure its adequacy and effectiveness. The Group Risk Management and Integrity department facilitates the risk management and integrity review exercise across the Group and reports its activities and makes appropriate recommendations to the RMC.</p>

	<p>The internal control mechanism established by the Group is embedded within the organisation structure across all its processes. The internal control system is independently reviewed by the Group Internal Audit based on the annual audit plan for an assessment on adequacy and effectiveness.</p> <p>All employees of the Group are responsible for managing risks within their respective areas of responsibilities. An ongoing process to identify, assess, respond, monitor and report significant risks that may affect the achievement of the Group’s business objectives is in place. Risks faced by the business are identified and evaluated based on the likelihood and potential impact of each risk, and where necessary, actions to mitigate the risks.</p> <p>Further details of the Duopharma Biotech’s Risk Management and Internal Control Framework can be found under the Statement on Risk Management and Internal Controls (“SORMIC”) in the Integrated Annual Report 2023.</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 10.2

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>The Integrated Annual Report 2023 contains the Statement of Risk Management and Internal Control ("SORMIC") which provides a comprehensive overview of the key elements of Duopharma Biotech's risk management and internal control systems including assignment of authority and responsibility, planning, monitoring and reporting procedures, policies as well as business continuity.</p> <p>The SORMIC also outlines the differentiated roles and functions held by the different clusters within Duopharma Biotech in maintaining the risk management and internal control systems.</p> <p>In tandem with the growing complexities in the marketplace, the Board had instituted RMC to devote more focus and attention on existing and emerging risks facing Duopharma Biotech. The RMC ensures there is a sound system for risk management and provides oversight of investment, integrity and whistleblowing practices in the Company.</p> <p>Below are the key responsibilities of the RMC in relation to risk oversight, investment and integrity (non-exhaustive):</p> <ul style="list-style-type: none">▪ Oversee the Group's overall risk appetite, framework, policies and processes to ensure alignment with strategic objectives and regulatory requirements;▪ Provide oversight to the Group Risk Management & Integrity (GRMI) department by engaging in risk appetite dialogue and review the reports submitted by the GRMI team;▪ Encourage a healthy risk culture and keep an eye out for dysfunctional behaviours that could compromise the efficacy of the risk management process;▪ Review the policies and procedures for identifying risk associated with information technology and cybersecurity;

	<ul style="list-style-type: none"> ▪ Review and recommend to the Board the risk management and internal control statement; ▪ Review and recommend to the Board proposed investments (including mergers and acquisitions of assets/properties), divestments (excluding dormant companies), as well as capital and operating expenditures; ▪ Review and recommend to the Board all matters relating to the governance of integrity and anti-corruption initiatives; ▪ Monitor the responses to the Group’s whistleblowing line and other mechanisms used to raise concerns, and oversee actions taken in response to policy violations or allegations of misconduct; and <p>The risk management framework adopted by the Group is guided by internationally recognised risk management framework. The risk management framework and process, and the key internal control systems of the Group are found in the SORMIC.</p> <p>Further details on the duties and responsibilities of the RMC can be found in its ToR which is made available on the Company’s website, under ‘Terms of Reference’ (Risk Management Committee).</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	:	Adopted
Explanation on adoption of the practice	:	<p>The Board has established the RMC comprising a majority of Independent Non-Executive Directors. The RMC is chaired by a Non-Independent Non-Executive Director, Datuk Mohd Radzif Bin Mohd Yunus. Two (2) Independent Non-Executive Directors are also members of the RMC namely Zaiton Binti Jamaluddin and Datin Paduka Kartini Binti Hj Abdul Manaf.</p> <p>Datin Paduka Kartini was appointed as a new member of the RMC in place of Dato' Mohamad Kamarudin Bin Hassan effective from 1 June 2023 in view of the retirement of Dato' Mohamad Kamarudin at the Company's 22nd Annual General Meeting held on 31 May 2023.</p> <p>To fulfil its oversight responsibility, the Board through delegation to the RMC, reviews the adequacy and integrity of the Group's risk management framework and policies which encapsulates the key processes for risk identification, assessment, mitigation, monitoring and reporting.</p> <p>The ToR of the RMC is made available on the Company's website, emphasise on risk management as a key focus area for the RMC. The Board believes that adequate attention is given to risk-related matters, ensuring that they are not overshadowed by other agenda items. Furthermore, the Board is confident that the members of the RMC possess the necessary expertise to effectively oversee risk management function and its implementation across the Group.</p> <p>In addition to its primary role in risk management, the RMC also provides oversight on proposed investment and integrity matters. This broader scope allows the committee to contribute to the company's overall governance framework, ensuring that investment decisions are made prudently and in line with Company's vision and strategic</p>

	<p>objectives, while upholding high standards of integrity and ethical conduct throughout the organisation.</p> <p>The RMC also co-ordinates and communicates regularly with the AC to minimise any overlaps in the oversight functions of these two (2) Board Committees.</p>
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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 Board has established an in-house internal audit function, which resides within the Group Internal Audit department (“GIA”). As the AC’s “eyes and ears”, the Head of the GIA reports directly to the AC and has direct access to the Board via the AC chairman.</p> <p>The AC evaluates and then ratifies the Annual Internal Audit Plan. It ensures that the GIA is accorded the proper standing and authority to enable it to carry out its responsibilities. In approving the annual budget for the internal audit function, the AC ensures that the GIA has sufficient resources to carry out its duties objectively and without undue influence from Management or other interested parties.</p> <p>The primary function of the GIA is to conduct audits and evaluations to determine the effectiveness of internal controls, governance, and risk management processes in order to provide the Board and management with objective and reasonable confirmation of the adequacy and integrity of the Group’s internal control structures, governance, and risk management processes. Audits of the policies, processes, expenditures, and internal controls of all business and support units and subsidiaries are conducted on a regular basis. The GIA provides the AC with assurance and guidance regarding the governance and internal control system of the group.</p> <p>During the period under review, the AC held three (3) private sessions with the Head of the GIA on March 2023, May 2023, and November 2023 without the presence of Management to discuss significant internal audit matters and to provide an avenue for the Group Internal Auditor to surface any pertinent issues or concerns that were gathered. The AC also approved the revised Internal Audit Plan and budget for 2023 as well as the proposed Internal Audit Plan and budget for 2024, Group Internal Auditor’s Performance Scorecard 2023 and proposed Performance Scorecard for 2024, during the financial year.</p>

	<p>The performance of AC was assessed as part of the BEE during the year under review (“BEE 2023”), which is conducted in-house by Duopharma Biotech. Based on its performance in the BEE, the AC had performed relatively well.</p> <p>More information on Duopharma Biotech’s GIA can be found in the Internal Audit Function statement of the AC Report, as contained in the Integrated Annual Report 2023.</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 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 Group's Internal Audit function is spearheaded by Rama Sockalingam Nagappan who is also the Head of Group Internal Audit Department. Rama is a member of Certified Practising Accountant (CPA), Australia, a Chartered Member of the Institute of Internal Auditors, a Certified Internal Auditor (CIA) and a Certified Integrity Officer with extensive experience in the realm of governance and internal control.</p> <p>Rama, along with other internal audit personnel, are free from any family relationship with any Directors and/or major shareholder and do not have any conflict of interest with the Company or the wider Group. The total number of personnel assigned for the internal audit function of the Group is six (6).</p> <p>The Group has in place a GIA function which independently reviews and assesses the adequacy, operating effectiveness and integrity of the system of internal control in managing key risks including often side-lined risks such as compliance and reputational risks and fraud risk. The annual audit plan is reviewed and approved by the AC. The scope as well as frequency of the audit coverage are determined in tandem with the level of assessed risks, in view of providing an independent and objective report on the operational and management activities of these functions.</p> <p>Further, the Internal Audit Plan and Internal Audit annual budget 2023 was tabled to the AC on a quarterly basis as to monitor its progress and scorecard. The AC also oversees the status report of internal audit activities for the year to ensure that all the planned activities for Duopharma Biotech were properly carried out. During the financial year under review, the AC focused on the following internal audit matters:</p>

	<p>Recurrent Related Party Transactions Compliance Review, COVID19 Vaccines Sales & Distribution Management, Follow-Up on Trademark Audit, Corruption Risk Management Controls as well as Group Human Resources Management.</p> <p>Having assessed the GIA, the AC is satisfied that the coverage of the internal audit scope is adequate, and the GIA has the necessary competence, resources and authority to carry out its work. In conducting the internal audit process, the GIA is guided by the COSO (Committee of Sponsoring Organizations) Internal Control Framework which covers the following five (5) elements of internal controls:</p> <ul style="list-style-type: none"> ▪ Control environment; ▪ Risk assessment; ▪ Control activities; ▪ Information and communication; and ▪ Monitoring. <p>The internal audit function has adopted the International Professional Practices Framework set by the Institute of Internal Auditors (“IIA”) and ensures that staff are professionally guided and trained to develop the appropriate competencies to perform their duties during the internal audit review.</p> <p>The GIA adopts a risk-based audit approach in its annual audit planning which takes into consideration the risk assessment, business plan, previous audit results, as well as the AC’s and Senior Management’s inputs. The audits are guided by the established internal audit framework of the Group as well as the International Professional Practices Framework of the IIA.</p> <p>All internal auditors are free from any relationships or conflicts of interest, which could impair their objectivity and independence. The work of the Group Internal Audit is in line with an established Internal Audit Charter and in accordance with the Standards for the Professional Practice of Internal Auditing Framework.</p> <p>Additional disclosure on the Group Internal Audit function can be found in the AC Report within the Integrated Annual Report 2023.</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>	

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>The Board acknowledges the importance of maintaining consistent, seamless, and timely communication with stakeholders to facilitate informed decision-making. Consequently, it endeavours to ensure that stakeholders of Duopharma Biotech are promptly informed about any significant developments impacting the Company's operations.</p> <p>Regarding the disclosure of material information, the Board adheres to the Main Market Listing Requirements and the Corporate Disclosure Guide of Bursa Malaysia Berhad. This commitment involves adopting a comprehensive, accurate, and timely approach to disclosure, in line with regulatory requirements and best practices.</p> <p>To this end, the Board ensures that Duopharma Biotech's website, which serves as one of the primary channels of communication with stakeholders, is kept up to date. The website contains information which are of interest to stakeholders including:</p> <ul style="list-style-type: none">▪ Operational details;▪ Annual Reports;▪ the Board Charter;▪ ToRs of Board Committees;▪ Financial Highlights;▪ Policies and procedures;▪ Corporate announcements; and▪ Relevant news clippings. <p>The Board has also adopted the Shareholders and Investors Communication Policy and the Corporate Disclosure Policy & Procedures, which govern the Company's communication methods with its stakeholders. These policies enable timely and high-quality information dissemination to stakeholders. Duopharma Biotech also maintains a social media presence to keep stakeholders up to date on the Group's latest activities and developments.</p>

	<p>To maintain an open line of communication with stakeholders, the Group leverages on a plethora of channels including the corporate website, Exchange announcements, briefing sessions, press releases, and social media platforms. The Finance Department, in collaboration with the Group Corporate Communication Department, organises investment analyst engagement sessions at Duopharma Biotech on a regular basis.</p> <p>The Board has also designated Dato' Eisah Binti A. Rahman as Senior Independent Non-Executive Director to serve as the point of contact for the Group's stakeholders, including employees and minority shareholders, to forward their inquiries and concerns, in the scenarios that concerns have not been resolved or would not be appropriate via the normal channels through the Chairman or GMD.</p> <p>In addition, the Integrated Annual Report serves as a significant communication platform, providing comprehensive insights not only into the Group's business operations, financial performance, and sustainability efforts but also delving into strategic directions, operational details, performance metrics, challenges, and their management strategies. Recognising its significance, the Board prioritises the accuracy and integrity of the Integrated Annual Report, given its pivotal role as a primary source of information for investors, shareholders, and the broader public.</p> <p>Regardless of the foregoing, Duopharma Biotech is committed to facilitating continuous information dissemination to all stakeholders, keeping all parties informed of the most recent developments in the pharmaceutical industry through various forms of engagement. Shareholders are welcome to raise queries by contacting the Company at any time throughout the year. The contact information is available on the Company's website at (Contact 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

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	:	Applied
Explanation on application of the practice	:	<p>Duopharma Biotech has embarked on a transformative journey towards integrated reporting, aiming to provide stakeholders with comprehensive and transparent insights into the Company's objectives, strategies, and performance over time.</p> <p>With the implementation of an integrated reporting framework, Duopharma Biotech seeks to convey its value creation narrative to diverse stakeholder groups. To achieve this goal, the Company has embraced the key principles and content elements outlined in the International Integrated Reporting (IR) Framework by the International Integrated Reporting Council (IIRC).</p> <p>Acknowledging the growing importance of integrated reporting across industries, Duopharma Biotech is committed to continually refining its reporting practices and embracing integrated thinking. The company views this journey as an ongoing process, emphasising the need for continuous improvement aligned with the principles of the IR Framework.</p> <p>Through this commitment, the Board ensures that Duopharma Biotech remains at the forefront of integrated reporting, facilitating a deeper understanding of the company's performance and strategic direction among stakeholders while promoting transparency and accountability.</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	:		
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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	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the Annual General Meeting (“AGM”) as a platform for shareholders to engage with both the Board and Management in a productive dialogue, as well as a mode of communication to provide constructive feedback on the overall performance of Duopharma Biotech.</p> <p>The Board endeavours to provide shareholders with sufficient time to consider the resolutions that will be discussed and decided upon during the AGM. In this context, the Board provided notice of its forthcoming AGM to shareholders within a reasonable time frame, at least 28 days before the AGM. This goes above and beyond Section 316(2) of Companies Act 2016 and paragraph 7.15 of MMLR which call for a 21-days’ notice period for public companies or listed issuers respectively.</p> <p>The additional buffer time is intended to allow shareholders to make an informed decision when exercising their voting rights. This would also allow shareholders to make arrangements to attend and participate in person or via proxy.</p> <p>The notice of the AGM outlines the resolutions to be tabled during the said meeting and is accompanied with explanatory notes and the profiles of the Directors who are standing for re-election to shed clarity on the matters that will be decided at the AGM.</p> <p>To ensure a smooth virtual AGM, the Company also distributed an Administrative Guide together with the notice of AGM, which provides information to the Shareholders regarding the registration and voting process, connectivity requirements, AGM details, their entitlement as a shareholder, the do’s and don’ts when participating in the virtual AGM as well as guide on submitting questions.</p> <p>In 2023, the notice of the Twenty-second (22nd) AGM was issued on 27 April 2023, which was 34 days before the AGM, held on 31 May 2023 demonstrating the commitment of the Board in ensuring shareholders have adequate time to consider the resolutions put forth.</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 13.2

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>The Board recognises its obligations to engage shareholders and provide meaningful responses to the questions raised during the general meetings.</p> <p>To demonstrate this commitment to shareholders, all Directors attended the Twenty-second (22nd) AGM in 2023, which was held on 31 May 2023. The Chairmen of the respective Board Committees were present to facilitate discussions and answer any questions shareholders may have about the Committees' jurisdiction.</p> <p>Furthermore, the Board had enlisted KPMG MRC as an independent moderator to facilitate shareholders' question and answer session in the virtual setting. The presence of all Directors, including the GMD, the Company Secretary, the CFO, representatives of the Senior Management Team, and the Company's external auditors, ensured that meaningful responses were provided to shareholders during the course of the AGM.</p> <p>The responsibility for all Directors to attend general meetings and for the Chairmen of the respective Committees to address shareholders' questions are outlined in the Board Charter.</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 13.3

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>On 31 May 2023, Duopharma Biotech held its Twenty-second (22nd) AGM, in a fully virtual manner leveraging technology via Remote Participation and Voting (RPV) facilities. These RPV facilities were provided by Tricor Investor & Issuing House Services Sdn. Bhd. (Tricor), who was appointed as the Company's Poll Administrator, via its TIH Online website at https://tjih.online. The 22nd AGM was streamed live from the Broadcast Venue at Meeting Rooms 403 & 404, Level 4, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia.</p> <p>The AGM was conducted in accordance with the Company's constitution and in line with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Section 327 of the Companies Act 2016 and Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 18 April 2020 (revised on 7 April 2022), including any amendments that have been made from time to time.</p> <p>The notice of the AGM was distributed 34 days in advance to allow shareholders enough time to prepare. In addition to the Notice of the AGM, an Administrative Guide was doled out as a reference for shareholders in navigating the virtual AGM namely the login and registration processes, question and answer, as well as do's and don'ts. A dedicated link was made available on the Company's website to offer shareholders with all the information they required to join the meeting, including the virtual AGM online guide on how to utilise the online facility.</p> <p>To ensure a seamless meeting experience, 'dry runs' were undertaken in addition to a contingency plan in place to ensure that the 22nd virtual AGM could be held as scheduled. The Company Secretary also briefed</p>

	<p>the AGM participants on the voting procedure. Following that, a pre-recorded video briefing on the e-voting technique was shown to shareholders during the AGM by the poll administrator.</p> <p>Security is vital for a successful virtual AGM, and the meeting’s integrity depends on being sure and safe about the identity of Shareholders. Tricor had confirmed that it has implemented an Information Technology and Information Security policy, endpoint controls and data classification for cyber hygiene practices of the staff. Stress test and penetration testing have been performed on TIIH Online to test its resiliency. Tricor Malaysia and TIIH Online, which was housed on a secure cloud platform, were ISO27001 certified. Shareholders were able to access the technology platform provided by the share registrar and poll administrator, Tricor and participate remotely as well as pose questions online. Scrutineer Solutions Sdn. Bhd., an independent scrutineer, validated the results and procedures for all resolutions tabled during the AGM. Upon verification of the poll results, the Chairman of the Meeting declared whether the resolutions were carried. The poll results were also announced by the Company via Bursa LINK on the same day for the benefit of all shareholders.</p> <p>A survey on the virtual AGM was also conducted immediately upon conclusion of the 22nd Virtual AGM to seek shareholders’ feedback on the conduct of the AGM. The AGM feedback was evaluated and considered for further action by the Board and Senior Management. In addition, upon the conclusion of the virtual AGM, a media briefing was also held to furnish other stakeholders at large with a comprehensive and factual representation of the Company. Minutes of the previous AGM were made available on Duopharma Biotech’s corporate website within 30 business days upon the conclusion of the proceedings and are accessible via the link at (Minutes of the 22nd AGM).</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.

<i>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.</i>	
Application	: Applied
Explanation on application of the practice	: <p>Underpinned by the principle of transparency, the Board seeks to foster mutually reinforcing relationships with Duopharma Biotech's shareholders. To that end, Duopharma Biotech, under the leadership of the Chairman, promotes an open culture, allowing Duopharma Biotech to respond appropriately to descriptive questions from shareholders. In other words, Duopharma Biotech does not filter out seemingly tough questions as the Board is cognisant that shareholders have the right to have their questions appropriately addressed.</p> <p>For the AGM held on 31 May 2023, shareholders were given an option to submit questions in advance. During the AGM, shareholders were able to log on and participate remotely as well as pose questions online via the technology platform provided by the Share Registrar and Poll Administrator. In the AGM, Duopharma Biotech addressed a total of seventeen (17) pre-meeting and sixty-two (62) live questions on various matters covering the following topics <i>inter alia</i>:</p> <ul style="list-style-type: none">• Operational and financial matters;• Future Outlook;• Succession Plan for the Board of Directors;• Updates on Investment and pipelines;• Dividend and Bonus Issue;• Continuous Education for Directors;• Development/ Status of neuro degenerative and oncology drugs;• Corporate Social Responsibility (CSR) initiatives;• contracts with the Ministry of Health ("MOH"); and• e-vouchers and door gifts.

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.

<i>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.</i>	
Application	: Applied
Explanation on application of the practice	: On 31 May 2023, Duopharma Biotech held its Twenty-second (22 nd) AGM via live streaming and online remote voting from the Broadcast Venue at Meeting Rooms 403 & 404, Level 4, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia. Shareholders or their proxies were encouraged/informed to post questions via real-time text submission, and vote using the technology platform provided by the Share Registrar and Poll Administrator. During the general meeting, the Board made every effort to address all of the shareholders questions. To promote transparency, the questions received from shareholders were displayed virtually in real time. In line with better practices and to allay concerns that questions may be selectively availed and responded in a virtual general meeting environment, the Board had enlisted KPMG MRC, as an independent moderator to facilitate shareholders' question and answer session in the virtual setting.
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	:		
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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 13.6

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	: The minutes of Duopharma Biotech's Twenty-second (22 nd) AGM held on 31 May 2023 was circulated to shareholders by publishing the minutes on Duopharma Biotech's website within 30 business days after the general meeting. The minutes were made easily accessible on Duopharma Biotech's website at (Minutes of the 22nd AGM). This represents the Board's awareness of the importance of the timely release of general meeting minutes for the perusal of shareholders.
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 PURSUANT
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.

Not applicable
