



**DUTCH LADY MILK INDUSTRIES BERHAD**  
**REGISTRATION NO. 196301000165 (5063-V)**  
**INDEPENDENT DIRECTORS' POLICY**

**1. INTRODUCTION**

This Independent Directors' Policy ("Policy"):

- 1.1 sets out the approach of the Board with regards to the tenure of independent directors for Dutch Lady Milk Industries Berhad ("DLMI" or "the Company") in line with the practices set out in the Malaysian Code on Corporate Governance 2021 ("MCCG") issued by the Securities Commission ("SC"); and
- 1.2 stipulates the manner in which the Independent Directors shall provide an annual declaration as to their independence as defined under paragraph 1.01 of Bursa Securities Main Market Listing Requirements.

This Policy is developed based on references made on relevant paragraphs of Bursa Malaysia Main Market Listing Requirements ("Bursa Malaysia MMLR") and practices under MCCG related to Independent Directors, as amended from time to time.

**2. OBJECTIVES**

This Policy shall apply to the DLMI Board. It is designed with the following objectives:

- i) To ensure that the Board composition supports objective and independent deliberation;
- ii) To ensure that when considering a director's independence, focus is not only given as to whether a director's background and current activities qualify the director as independent but also whether the director can in fact act independently of Management;
- iii) To ensure that the Board is operating in an effective manner to best promote the interest of the Company at all times;
- iv) To safeguard the interest of shareholders, provide impartiality in decision making and effective oversight of Management; and
- v) To address the concern that an extended tenure of Independent Directors and familiarity may erode the Independent Director's independence which in turn will affect the Board's objectivity.



### **3. POLICY STATEMENT**

- 3.1 The tenure of an Independent Director shall not exceed a cumulative term limit of nine (9) years without further extension.
- 3.2 Each Independent Director shall provide an annual declaration on their independence to the Company Secretary in the form and manner as deemed appropriate by the Board.
- 3.3 Prior to each Board meeting, the Independent Directors shall declare any interest that that they may have with respect to any of the transactions of the Company or confirm that they have no interest to declare with respect to the transactions of the Company.

### **4. MONITORING AND REPORTING**

Disclosure of Independent Directors' tenure and declaration of independence shall be made in the Corporate Governance Report ("CG Report") announced to Bursa Malaysia as well as in the Corporate Governance Overview Statement ("CG Overview Statement") in the Company's Annual Report. These disclosures shall be made in accordance with Paragraph 15.25(1) of the MMLR.

### **5. RESPONSIBILITY**

It is the responsibility of the Company Secretary to monitor the relevancy and adequacy of this Policy taking into consideration DLMI's operations and changes in the prevailing rules/regulations/laws. This Policy shall be reviewed from time to time to ensure it remains relevant and aligned.

Dated: 19 November 2024

