CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	5226
COMPANY NAME	**:**	Gabungan AQRS Berhad
FINANCIAL YEAR	**:**	June 30, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE
Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA
Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ("**Board**") recognises the importance of good corporate governance practices within the Company and its subsidiary companies ("**Group**") as a fundamental part of discharging its responsibilities to safeguard shareholders' investments and to protect the interests of all stakeholders. Assisted by four Board Committees, namely, the Audit Committee ("**AC**"), Nomination Committee ("**NC**"), Remuneration Committee ("**RC**") and Risk Management & Sustainability Committee ("**RMSC**") (collectively referred to as the "**Board Committees**"), the Board operates to fulfil its duties effectively. The Board is guided by its Board Charter, which delineates the duties and responsibilities of the Board, specifies matters reserved for its decision, and those to be delegated to Board Committees, the Group Chief Executive Officer ("**CEO**") and the Management. Furthermore, the Board has reserved a formal schedule of matters for decision-making to maintain firm control over the Company's direction and operations. It determines the strategic direction of the Company, exercises oversight on Management, sets the appropriate tone at the top, and provides thought leadership while championing good governance and ethical practices throughout the Company. Its role can be summarised by the following: • Reviewing and adopting a strategic plan for the Group. • Overseeing and evaluating the conduct of the Group's business. • Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures. • Establishing a succession planning for Board and senior management including appointing, training, fixing the

	compensation of, and where appropriate, replacing Key Senior Management. • Overseeing the development and implementation of stakeholders' communications policy for the Group to ensure an effective, transparent and regular communication with its stakeholders. • Reviewing the adequacy and the integrity of the management information and internal controls system of the Group including systems for compliance with applicable laws, regulations, rules, directives, and guidelines. • Formulating of corporate policies and strategies. • Approving key matters such as financial results as well as major investments and divestments, major acquisitions and disposals and major capital expenditure in accordance with the limits of authority. • Annual Assessment of the Board, Board Committees and individual Directors. In line with its overall responsibility for the proper conduct of the Group's business, the Board is also responsible for establishing the Group's business goals and strategic directions, setting operating goals and performance targets for Management and monitoring the achievement of those operating goals and performance targets. The Board also oversees the process of evaluating the adequacy and effectiveness of the system of internal controls and risk management processes.	
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

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	:	The Chairman, Y.M. Tunku Alizan bin Raja Muhammad Alias, an Independent Non-Executive Director is primarily responsible for the leadership and management of the Board, ensuring the Board and Board Committees carry out their responsibilities in the best interest of the Company. The role and responsibilities of the Chairman are stated in the Paragraph 2.3.2 of the Board Charter, which is available on the Company's website at http://www.gbg.com.my. During Board Meetings, the Chairman leads the discussions, ensuring ample time for deliberations on key issues and complex matters. Furthermore, he fosters active participation and ensures that diverse views, including dissenting opinions, are freely expressed. Moreover, he ensures that every Board resolution is put to vote, with the will of the majority prevailing. Overall, the Chairman holds responsibility for providing leadership to the Board, maintaining the orderly and effective functioning of the Board, ensuring the integrity and efficacy of the Board's governance processes, and promptly consulting with the Board on any matter pertinent to and of concern for the Company.
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

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	:	The clear division of roles and responsibilities of the Chairman and Group CEO are explained clearly in Paragraphs 2.3.2 and 2.3.3 of the Board Charter, which are available on the Company's website at http://www.gbg.com.my. In the role of Chairman, Y.M. Tunku Alizan bin Raja Muhammad Alias leads and manages the Board, by focusing on strategy, governance, compliance, and ensuring the implementation of Board decisions. Meanwhile, the Group CEO, Dato' Sri Azizan bin Jaafar, is responsible for the day-to-day management and operations of the Group, as well as executing the Board's policies and decisions. The distinct and separate roles of the Chairman and Group CEO, as outlined above, ensure a balance of power and authority within the organisation. This division of responsibilities prevents any one individual from having unfettered decision-making powers, thus promoting accountability, transparency, and effective governance.	
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

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

Practice 1.4

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

Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.			
Application	:	Applied	
Explanation on application of the practice	:	Y.M. Tunku Alizan is not a member of the AC, NC or RC. He does not attend nor participate in any meetings of the AC, NC and RC by way of invitation or in any other capacity during the same financial period.	
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

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	:	The Board is supported by three (3) Company Secretaries namely Ms Ooi Li Ann, Ms Chua Siew Chuan and Ms Tan Ley Theng. They are qualified to act as company secretaries under Section 235(2) of the Companies Act 2016 ("**CA 2016**") and are members of the Malaysian Institute of Chartered Secretaries and Administrators and Licensed Secretary by the Companies Commission of Malaysia respectively. They are experienced, competent and knowledgeable in the CA 2016, Main Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), Malaysian Code on Corporate Governance 2021 ("**MCCG**") and company secretarial matters. The Company Secretaries, whether alone or jointly, attend Board and Board Committee meetings and keep the proper and accurate records of the proceedings of meetings and decisions made. All Directors have access to the advice and services of the Company Secretaries in carrying out their duties. The Company Secretaries also undertake the statutory duties as prescribed under the CA 2016, Listing Requirements and MCCG. They are responsible for providing Directors with advice on compliance and corporate governance issues. The Board is regularly updated by the Company Secretaries on new changes to the statutory and regulatory requirements and the resultant implications to the Company and the Board in discharging their duties and responsibilities. The Board believes that the current Company Secretaries are capable of carrying out their duties to ensure the effective functioning of the Board.
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

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	:	A scheduled meeting calendar is prepared and circulated in advance of each new year to facilitate the Directors' time management. Typically, it is distributed to the Board before the end of each financial year. This calendar includes scheduled dates for meetings of the Board, Board Committees, and the Annual General Meeting ("**AGM**"), providing Directors with essential scheduling information. The Notices for Board Meetings and Board Committees' Meetings are sent to the Directors via email at least seven (7) working days prior to the meeting. Additionally, the Company Secretaries will circulate the proper notice of meetings, along with the agendas and meeting materials, at least five (5) clear days before the meeting date or in a timely manner, via electronically if necessary. This allows reasonable time for Directors to review the Board papers and Board Committees' papers. The deliberations and decisions made at Board and Board Committees' meetings are well documented in the minutes, which also encompass matters where interested Directors abstained from voting and deliberation. The minutes of Board meetings are circulated to both the management and Directors who were present at the meeting in a timely manner for their review. This ensures that the minutes accurately reflect the meeting proceedings, including instances where a Director abstained from voting or deliberating on a specific matter. Directors have the opportunity to request clarification or raise comments before the minutes are tabled for confirmation. After receiving confirmation from all members at the Board meetings, the minutes are signed by the Chairman of the meeting as a correct record of the proceedings. Actionable items are recorded as matters arising until they are resolved. Signed copies of the minutes are then kept in the minutes book maintained by the Company Secretary.
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

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	:	The Board is guided by the Board Charter, which is an authoritative policy document that sets out the Board's strategic intent, authority, and terms of reference. It also serves as a primary reference for the Directors regarding their fiduciary duties as directors of the Company. This includes outlining the duties and responsibilities of the Board, matters reserved for the Board's deliberation and decision-making, and those matters which the Board may delegate to the Board Committees. The Board Charter is made available on the Company's website at http://www.gbg.com.my. The Board will periodically review the Board Charter and make any necessary changes to ensure consistency with the Board's objectives, current laws and regulations, good governance practices, and compliance with the MCCG.
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

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	:	The Group has in place a Code of Conduct and Ethics that is applicable to Directors and employees of the Group. The Code of Conduct and Ethics is accessible on the Company's website at http://www.gbg.com.my. The Code of Conduct and Ethics outlines the standards of good conduct and ethical practices, aiming to maintain confidence in the integrity of the Group's business practices. All Directors and employees of the Group are required to observe to the Code of Conduct and Ethics. This code provides guidance on ethical conduct to uphold the principles of honesty and integrity, ensuring that a high standard of ethical and professional conduct is upheld in the performance of their duties and responsibilities. The Board is committed to conducting the Group's business lawfully and ethically in all countries where the businesses are located. To this end, the Group has established an Anti-Corruption Policy and Framework ("**ACP & ACF**"), which sets out its expectations for both internal and external parties working for or on behalf of the Group in preventing bribery and corrupt practices in relation to the Group's businesses. The Company has also undertaken various engagement activities to raise awareness of the ACP & ACF, aiming to ensure that all employees within the Group understand the importance of avoiding potential violations both within and outside the organisation. The Anti-Corruption Policy is available on the Company's website at http://www.gbg.com.my.
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

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	:	The Board has implemented a Whistle-Blowing Policy to provide an avenue for employees and stakeholders to report genuine concerns regarding unethical behaviour, malpractices, and illegal acts on failure to comply with regulatory requirements, without fear of retaliation. All reported cases will be independently investigated, and necessary actions will be taken as warranted. The policy includes grievance procedures and designates independent persons to whom reports of suspected wrongdoing may be submitted for further investigation. The Board shall periodically review the Whistle-Blowing Policy to ensure its ongoing relevance and appropriateness. The Whistle-Blowing Policy is available for reference on the Company's website at http://www.gbg.com.my.	
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
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	:	The Board has implemented the Group's Sustainability Policy, which is driven by the Management Sustainability Committee ("**MSC**"). The MSC is headed by the Group Financial Controller and the Vice President of Strategic Planning & Investment (CEO's Office), who are key individuals responsible for enhancing compliance with sustainability standards and integrating sustainability considerations into the Company's operations. The Group CEO, through the MSC, continues to be responsible for the strategic management of material sustainability matters of Group. In the oversight of sustainability matters, the Board is also assisted by the RMSC, which oversees the Group's various risks including sustainability and climate-related risks. Nevertheless, the Board holds ultimate accountability for ensuring the integration of sustainability into the strategic direction of the GBGAQRS Group and its operations. To achieve this, the Board consistently ensures the presence of an effective governance framework for sustainability within the Group. The roles and responsibilities of the MSC regarding sustainability governance are detailed in the Sustainability Report within the Annual Report 2024 and/or in the Sustainability Policy, both of which are accessible for viewing on the Company's website at http://www.gbg.com.my.
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
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	:	The Company regularly communicates its sustainability strategies, priorities, targets, and performance to external stakeholders. This communication is primarily facilitated through the Sustainability Policy and Sustainability Report, both of which are accessible on the Company's website. Furthermore, the Company utilises various communication channels, including: • Investor briefing sessions, focus groups, and one-on-one meetings held regularly throughout the year; and • Sustainability tab of GBGAQRS's corporate website, which is regularly maintained and updated.	
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
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	:	The Board continuously keeps itself abreast of and understands the sustainability agendas relevant to the Company and its business through periodic updates via RMSC. The Board is actively engaged in governing these issues, supported by the MSC and the RMSC, which oversee the Group's various risks, including sustainability, climate-related, and environmental-related risks.	
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
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	:	Performance evaluations of the Board and Senior Management are conducted annually. The evaluation process includes assessing sustainability risks, opportunities, and the establishment of the Company's sustainability strategies, priorities, and targets. For the financial period ended 30 June 2024 ("**FPE 2024**"), the Board's evaluations were reflected and assessed during the annual Board Evaluation conducted by the NC on 29 August 2024. At the senior management level, Key Performance Indicators (KPIs) for Managing Directors and senior management personnel are utilised in their assessments. These KPIs are reviewed and approved by the Group CEO or respective Managing Directors of divisions within the Group, ensuring group-wide implementation and accountability. Performance evaluations enable the Board and Senior Management to grasp the significance of identifying and managing sustainability issues relevant to the Company and its business as part of their responsibilities. Apart from the above, RMSC is one of the platforms established to discuss matters, among others, the sustainability matters, stakeholders' expectation, and the prioritisation of sustainability matters.
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
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up
The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.		
Application	:	Adopted
Explanation on adoption of the practice	:	The MSC has been identified as dedicated committee whereby two designated key persons to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the Group. The designated persons also function as the secretariat to MSC's set up aligned to the Sustainability Policy in providing stewardship and guidance on relevant key sustainability matters of the Company and to guide the Company in ensuring the effective implementation and management of the various economic, environment, social and governance (EESG) objectives and initiatives.

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	:	The Board through the NC performs an annual review of the effectiveness of the Board as a whole and contribution of each individual director. The NC then reviewed the tenure of each director on the Board in its yearly review and made recommendation for re-appointment and re-election as Director to the Board for the Board's consideration. To ensure that individuals appointed or re-elected as Directors of the Company possess the necessary qualities of integrity, competency, and commitment, the Directors' Fit and Proper Policy serves as the foundational document guiding the Board and NC in assessing the fitness and propriety of Board members and Senior Management. Directors seeking appointment or re-election to the Board are required to make a fit and proper declaration. The Directors' Fit and Proper Policy is available for reference on the Company's website at https://www.gbg.com.my/. During the financial period under review, Dato' Sri Azizan bin Jaafar and Y.M. Tunku Alizan bin Raja Muhammad Alias who were subjected to retire from the office under Clause 119 of the Constitution, were both recommended by NC and the Board for re-election at Thirteenth AGM ("**13th AGM**") held on 16 June 2023. Based on the Fit and Proper Assessment completed by the retiring Directors, the NC was satisfied that these Directors remain committed to their roles and would continue to be effective and valuable members of the Board. The NC also observed that these Directors have consistently demonstrated strong commitment and proactivity in providing crucial support to management in steering the Group. Therefore, all respective Directors who were subject to retirement pursuant to Clause 119 of the Constitution at the 13th AGM subsequently obtained shareholder approval.
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 5.2
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	:	During the FPE 2024, Dato' Ow Chee Cheoon retired from his positions as Executive Director and Group Deputy Chief Executive Officer of the Company on 28 April 2023. Following Dato' Ow Chee Cheoon's resignation, the Board size of the Company has been reduced to six (6) Directors, consisting of four (4) Independent Non-Executive Directors, one (1) Executive Director, and (1) Non-Independent Non-Executive Director of which the Executive Director also holds the position of Group CEO. The presence of the four (4) Independent Non-Executive Directors out of the total number of the Board's member ensures that at least half of the Board members are independent directors.	
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	:	Applied	
Explanation on application of the practice	:	None of the Independent Non-Executive Directors have served on the Board for more than 9 years during the FPE 2024.	
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 5.4 - Step Up
The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.		
Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Practice 5.5
Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

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

Application	:	Applied
Explanation on application of the practice	:	The Board acknowledges the importance of diversity in terms of skills, profiles, age, ethnicity, gender, business experience and personal skills of the Directors and Senior Management. Having a range of diversity brings the necessary perspective, experience and expertise required to achieve effective stewardship and management of the Company's operation. The NC is responsible for leading the process for the nomination of new Board appointments and making the necessary recommendations to the Board of Directors. Therefore, in making its recommendations, the NC should considers the following criteria of the candidates:- • qualification; • skills, knowledge, expertise and experience; • specialist knowledge and technical skills; • professionalism; • integrity; and • in the case of candidates for the position of independent non-executive directors, the NC should also evaluate the candidate's ability to discharge such responsibilities/ functions as expected from independent non-executive directors and time commitment to the Company. Appointments are based on each candidate's merits and evaluated against objective criteria, with consideration for the benefits of diversity in the Board and workforce. The selection process, overseen by the NC and the Board, does not set targets for gender, ethnicity, or age diversity. However, efforts are made to enhance the overall balance of the Board through inclusive appointments. Similarly, key Senior Management appointments are made with attention to diversity in skills, experience, age, cultural background, and gender.

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 5.6
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	:	The Board explores various channels to identify suitable candidates. Recommendations for Director appointments come from existing Directors, Management, or external parties, including the Company's contacts in related industries, finance, legal, and accounting professions. All Director appointments adhere to merit-based standards outlined in Paragraph 2.20A of the Listing Requirements of Bursa Securities. During the FPE 2024, no new directors were appointed. The Board acknowledges the guideline and may, through its NC, consider potential candidates from external sources such as professional advisory firms/associations and independent search firms if necessary. When appointments are recommended by existing Board members, decisions are made objectively in the Company's best interest, taking into account the diverse skills, expertise, board composition, and perspectives of current members.
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 5.7

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	:	The NC would evaluate the candidates based on the "Fit and Proper" standards as set out in the Directors' Fit and Proper Policy by taking into consideration diversity, including gender, skills, talents and experience, where appropriate, and recommends to the Board for appointment and reappointment. Shareholders may refer to the following sections in the Annual Report for information of directors who are standing for election: a) Profile of Directors; b) Explanatory Notes under the Notice of AGM; and c) Statement Accompanying Notice of AGM.	
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 5.8
The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The NC is chaired by Puan Masleena binti Zaid, an Independent Non-Executive Director.	
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 5.9
The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	During the FPE 2024, the Company had two (2) female Directors out of six (6) Directors on the Board, which represents 33% of women directors. This reflects the Board's commitment to achieving a more gender-diverse Board. Moving forward, the Board will endeavour to maintain a minimum of 30% female Directors in its composition. The Board will also take necessary measures to ensure that female candidates are sought whenever the Board undertakes recruitment exercises to refresh its composition.	
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	:	The Board recognises the importance of gender diversity in allowing different perspectives to be included in decision-making. The Board's primary focus in appointing new Directors is the strength of the Board members and the contributions they would bring to the Company. Therefore, the overriding aim in any new appointment would be to select the best candidate available to achieve a balanced composition of the Board and ensure that Board decisions are made objectively and in the best interests of the Company, taking into account diverse perspectives and insights. The Company also recognises the value of developing and increasing the number of women on the Board, especially by improving female representation in Senior Management roles in the Company. This is illustrated in the diversity of the key Senior Management team of the Company, which is available in the Annual Report 2024. As such, the Company will continue to promote diversity in its widest possible sense, and the Board and NC remain committed to ensuring that the Company's policies and practices support this approach, with a view to harnessing the potential of its workforce and driving the success of the business. Thus, the Board has developed a Group's Gender Diversity Policy, which is available on the Company's website at http://www.gbg.com.my/.
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
Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1
The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

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

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.	
Application :	Applied
Explanation on application of the practice :	The NC carries out an annual evaluation of the effectiveness of the Board as a whole, the Board Committees and the contribution or performance of each individual Director. The NC also assists the Board in assessing the independence of the Independent Directors annually. The annual evaluation, which was internally facilitated, involves individual Director and Committee members completing separate evaluation performance questionnaires regarding processes of the Board and its Committees, their effectiveness and where improvements could be considered. The evaluation results of the following assessment made for the FPE 2024 were presented to the Board on 29 August 2024: • Performance Evaluation Sheet – Section A: Declaration for Fitness & Propriety; Section B : Individual Director's Self/Peer Evaluation; Section C : Board Evaluation Questionnaire relating to ESG or Sustainability; • Board and Board Committee Evaluation Form; • AC Evaluation Form; • AC Members' Self and Peer Evaluation Form; and • Independent Directors' Self-Assessment Checklist. The assessment and comments by all Directors were summarised and discussed at the NC meeting which were then reported to the Board at the Board meeting held thereafter. These assessments and evaluations carried by the NC are properly documented. During the aforesaid Board meeting, the Board reviewed the evaluation results and concluded that:-

	• All Directors were of the view that each of them performed their respective roles and functions effectively and responsibly. • The Directors were satisfied with the performance of the Board as a whole. • Each Director was satisfied with each other's contribution in terms of sharing their insights and actively participating in Board and Board Committees discussion. All the Board Committees have discharged their roles and responsibilities as per their Terms of Reference.	
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

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	:	The Board has in place a Remuneration Policy to determine the remuneration of its Directors and Senior Management. The details as set out in the said policy is available on the Company's website at http://www.gbg.com.my/. The remuneration of Executive Directors and Senior Management are determined at levels which enabled the Company to attract and retain Executive Directors and Senior Management with the relevant experience and expertise to manage the business of the Group effectively. The RC is also responsible to review the remuneration packages of the Non-Executive Directors of the Company and thereafter recommend to the Board for their consideration. During the financial review, Non-Executive Directors are paid by way of the following components:- • Directors' fees – A fixed retainer sum to be paid monthly to the Non-Executive Directors for their on-going contribution to the Board; and • Board Committee Meeting attendance allowance – A payment shall be made to the Non-Executive Directors on a per Board Committee meeting basis with the condition that attendance is prerequisite for remittance. Determination of benefit packages of Non-Executive Directors is a matter of the Board as a whole. Hence, an individual Director is not allowed to participate in the discussion of his / her own remuneration. The Company had obtained its shareholder's approval for payment of Directors' fees and payment of Directors' benefit to the Independent Non-Executive Director from 17 June 2023 until the date of the next

	annual general meeting to be held in year 2024 at the Thirteenth AGM ("**13th AGM**") held on 16 June 2023.	
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
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 :	The Board has in place a RC which comprises solely of Non-Executive Directors. The RC's primary responsibilities include establishing, reviewing, and recommending to the Board the remuneration packages of each individual Executive Director and Senior Management to ensure that their remuneration is commensurate with their responsibilities and commitment. The authority, duties and responsibilities of RC are provided in the Terms of Reference, which is available on the Company's website at http://www.gbg.com.my/.	
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

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	:	In line with the Code, the disclosure of the remuneration of Directors of the Company is made on a named basis. Details of the nature and amount of each major element of the remuneration for each Director during the FPE 2024 are set out in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Sri Azizan bin Jaafar	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	2,502,000	417,000	64,375	Input info here	2,983,375
2	Tunku Alizan bin Raja Muhammad Alias	Independent Director	216,000	1,500	Input info here	Input info here	Input info here	Input info here	217,500	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Dato' Kamisah binti Johan	Non-Executive Non-Independent Director	144,000	1,000	Input info here	Input info here	Input info here	Input info here	145,000	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Dato' Muraly Daran A/L M. Narayana	Independent Director	90,000	12,000	Input info here	Input info here	Input info here	Input info here	102,000	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Datuk Ir. Mohd Dom bin Ahmad	Independent Director	90,000	11,500	Input info here	Input info here	Input info here	Input info here	101,500	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	Puan Masleena binti Zaid	Independent Director	90,000	10,500	Input info here	Input info here	Input info here	Input info here	100,500	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Dato' Ow Chee Cheoon *(Retired on 28 April 2023)*	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	330,000	Input info here	9,205.48	Input info here	339,205.48
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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

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

Practice 8.2
The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board has decided not to disclose the remuneration of Senior Management personnel on a named basis due to personal security concerns of the individuals involved. The Board believes that such disclosure is not favourable to the Group, as talent poaching is common in the construction and property industries.	
		The remuneration packages of Senior Management are evaluated and reviewed annually. Adjustments to their remuneration are based not only on their individual performance and contributions in the preceding year but also on the Group's performance.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	The Board will continue to review the application of this practice from time to time and consider the appropriateness of such disclosure.	
Timeframe	:	Choose an item.	

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	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	:	During the financial period review, the Chairman of the AC, Dato' Muraly Daran A/L M. Narayana Menon, is an Independent Non-Executive Director and is not the Chairman of the Board.	
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
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	:	At present, none of the Board members was former key audit partners of the External Auditors. The External Auditor Independence Policy of the Company provides that a former key audit partner shall observe a cooling period of at least three (3) years before being appointed as a member of the AC. The External Auditor Independence Policy is made available for reference on the Company's website at http://www.gbg.com.my/.	
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
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	:	The external audit function, under the purview of the AC is essential for all shareholders in ensuring the reliability of the Group's financial statements. The Board maintains a formal and transparent professional relationship with the Group's independent external auditors through the AC. In supporting their independence, the External Auditors provide the AC with written assurance confirming their independence throughout the conduct of the audit engagement, in accordance with relevant professional and regulatory requirements. Such declaration is provided in their annual audit plan presented to the AC of the Company during the financial period. For the FPE 2024, the AC undertook an assessment of the suitability and independence of the external auditors, utilising an evaluation form guided by the 3rd Edition of the Corporate Governance Guidebook issued by Bursa Malaysia by obtaining inputs from the external auditors, officers who have contact with the team of external auditors and as well as from the AC. Based on the results of the evaluation, the AC and the Board are satisfied with the performance, competence, and independence of the external auditors. The Board has recommended their re-appointment for shareholders' approval at the forthcoming AGM.
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
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	:	The independent directors are important in ensuring the effectiveness of corporate governance practices of the Company. At present, the AC comprised solely of independent directors.

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	:	The members of the AC possess a mix of skills, knowledge, and appropriate levels of expertise and experience that enable them to discharge their duties and responsibilities in accordance with the Terms of Reference of the AC. The qualifications and experiences of individual AC members are disclosed in the Board of Directors' Profile in the Annual Report. All AC members are financially literate and capable of understanding, analysing, and grasping complex issues brought to their attention, including financial reporting standards and processes. Furthermore, all AC members are aware of the need to continuously develop and enhance their knowledge to stay updated on relevant developments. Additionally, AC members receive updates on developments in accounting and governance standards presented by the External Auditors during AC meetings.
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
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	:	The Board acknowledges its responsibility to maintain a sound and reliable system of internal controls within the Group, covering financial, operational, and compliance controls, as well as risk management. This is an ongoing process that includes risk assessments, reviews of internal controls, and internal audits within the Group. The system of internal controls of the Group is designed to provide reasonable but not absolute assurance against the risk of material errors, misstatements, fraud, or losses. The AC is responsible for assessing the Group's internal control environment to determine the adequacy and effectiveness of the internal control system implemented by Management. The review encompasses financial, operational, and compliance controls. The RMSC assists the Board in reviewing the adequacy and effectiveness of the Group's risk management process of the Group as a whole. The RMSC deliberates on risk reports and reviews responses to significant risks, including risk ratings, risk tolerance, and instances of non-compliance with applicable laws, rules, regulations, and guidelines. It also evaluates the outputs from monitoring processes. The RMSC will periodically review the identification of risks and the effectiveness of mitigation strategies and controls. The information on risk management and internal control are set out in the Statement on Risk Management and Internal Control in the Annual Report.
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
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	:	The Group has a structured risk management framework in place, adopting a systematic and logical methodology risk management model to ensure that key risks are identified, evaluated, properly prioritised, and assigned owners with established response times to allow for continuous improvement. The RMSC is supported by the Management in monitoring the implementation of the risk policy, providing risk education to all staff, ensuring that accountability for identified risks is assigned, and facilitating the reporting of risks to the Board. Details on the Group's risk management and internal control framework are outlined in the Statement on Risk Management and Internal Control included in the Company's Annual Report.	
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
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	:	During the financial review, the RMSC, comprising six (6) members with a majority of Independent Directors ("**IDs**"), with 4 IDs out of 6 committee members. The Terms of Reference of the RMSC is available for reference on the Company's website at http://www.gbg.com.my/.

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	:	The Group's internal audit function is conducted by the Group Internal Audit Department ("**Group IA**"), led by Encik Asfia Heikal bin Ali ("**Encik Asfia**"), the Manager of Group Internal Audit. Encik Asfia reports directly to the AC and administratively to the Group CEO, ensuring the independence of Group IA from the operations of the Group. Internal Audit Reports ("**IA Reports**") are issued to the Management, highlighting findings on any weaknesses in systems and controls of the audited operational units together with recommendations for improvement. The Management then implements corrective and preventive actions based on agreed deadlines. The Manager of Group Internal Audit regularly attends AC meetings on a quarterly basis to present these IA Reports, together with follow-up audit reports. These reports cover internal audit activities conducted across various operating units of the Group, detailing audit findings and the corrective actions to be taken by management within the specified timeframes. Encik Asfia also met with the AC without the presence of Management two (2) times during the FPE 2024. A summary of the activities carried out by the Manager, Group Internal Audit during the FPE 2024 are provided in the AC Report in the Company's Annual Report 2024.
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
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	:	The Group's Internal Audit Department has at present, two personnel comprising Encik Asfia the Manager, Group IA and one staff. Encik Asfia graduated from University Technology Mara (UiTM) with a Bachelor in Quantity Surveying (Hons.) in 2009 and is an associate member of IIAM. Encik Asfia has 12 years of experience in the field of internal audit. The Manager of Group IA reports functionally to the AC. This reporting relationship promotes independence and objectivity, which assures adequate consideration of audit recommendations and planned corrective actions and gives the internal audit staff the authority needed for full, free and unrestricted access to all operations, records, property and personnel within the Group. The AC reviews the Internal Audit functions and monitors its relationship with the statutory auditors, including plans and performance. It reviews and assesses the quarterly internal audit reports together with Management's actions on findings to gain assurance as to the effectiveness of the internal control framework throughout the Group. The AC had conducted an annual assessment of the performance of the Group IA for the FPE 2024. The AC was satisfied with the competency, experience and resources of the Group IA in discharging its role and responsibilities.
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

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	:	The Group believes that clear and consistent communication with investors promotes better appreciation of the Company's business and activities and allows the Group's business and prospects to be evaluated fairly. The Board communicates with stakeholders by way of: • the Annual Report, which contains the financial and operational review of the Group's business, corporate information, financial statements; • various announcements made to the Bursa Securities, which include announcements on quarterly results; • the Company website; • meetings with research analysts and fund managers if required to provide them with insight of business in Group and the industry. Furthermore, the AGM remains a principal forum used by the Company for communication with its shareholders. The AGM provides an opportunity for shareholders to raise questions and seek clarification on the resolutions being proposed, as well as on matters relating to the performance, developments, and future direction of the Group. Shareholders are encouraged to actively participate in the question-and-answer session. The Board, Key Senior Management, and the External Auditors will be present to answer questions and provide appropriate clarifications at the AGM. While the Company endeavours to provide as much information as possible to its shareholders and the investment community, it is also mindful of the legal and regulatory framework governing the release of material and price-sensitive information. Stakeholders are also encouraged to direct their inquiries via email at enquiries@gbg.com.my or info@gbg.com.my.
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
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	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
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

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	:	The Company's Thirteenth AGM ("13th **AGM**") was held on 16 June 2023 and the Notice convening the 13th AGM was sent to shareholders at least 28 clear days' notice before the AGM. This allows shareholders to make the necessary arrangements to attend and participate in person or through corporate representatives, proxies or attorneys. It also enables shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting.	
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

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	:	All Directors and the Chairman of every Board Committee were present, either physically at the broadcast venue or remotely via the online meeting facilities at the 13th AGM of the Company held on 16 June 2023 to address questions from shareholders. Shareholders were invited to ask questions by submitting their questions into the text box given via its online meeting platform about the resolutions being proposed before putting them to vote as well as matters relating to the Company's operations in general and meaningful responses were given to the questions raised. The minutes of the 13th AGM are published on the Company's website.	
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
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	:	The Company has held its 13th AGM virtually whereby shareholders were able to participate remotely via live streaming webcast and vote in absentia using the Remote Participation and Voting facilities ("**RPV**"). The 13th AGM of the Company was live streamed using the RPV provided by SS E Solutions Sdn. Bhd. via its online meeting platform, namely Securities Services e-Portal at https://sshsb.net.my/. A step-by-step administrative guide was issued to assist shareholders on the registration, participation and voting using the RPV. The administrative guide was also published in the Company's website to encourage shareholders' participation.	
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

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

Practice 13.4

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.	
Application :	Applied
Explanation on application of the practice :	The Chairman of the 13th AGM ensured that sufficient opportunities were given to shareholders to raise issues relating to the affairs of the Company by providing ample time for the Question and Answer session during the 13th AGM. The Group CEO had presented the following for the financial year ended 31 December 2022 to all participants of the 13th AGM prior to the Question and Answer session for their information:- • Milestones; • Group Highlights & Prospects; • Financial Highlights – Profit & Loss, Balance Sheet; • Group Highlights in terms of Construction, Property Development divisions and IBS Manufacturing; • Strategic Investments; • Key Environmental, Social and Governance (ESG) Achievements; and • Awards & Recognition. The shareholders and proxy holders can rely on real time submission of typed text to exercise their rights to speak or communicate in a virtual meeting by submitting questions or remarks in relation to the agenda items into the text box given via its online meeting platform, namely Securities Services e-Portal at https://sshsb.net.my/ and to vote remotely without attending the meeting. The results of the RPV have been duly verified by Commercial Quest Sdn Bhd, the independent scrutineer appointed by the Company, and announced by the Chairman at the 13th AGM. The details of the voting results were announced to Bursa Securities on the same day. Therefore, the intended outcome of this practice has been achieved as the shareholders were able to participate and engage with the Board

	and Senior Management effectively to make informed voting decisions at the 13th AGM.	
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
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5
The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.		
Application	:	Applied
Explanation on application of the practice	:	As mentioned under Practice 13.3, the 13th AGM of the Company was held virtually using RPV provided by SS E-Solutions Sdn. Bhd. via its online meeting platform, the SSeP at https://sshsb.net.my/. To ensure a smooth broadcast of the general meeting, the Company conducted a "Dry Run" prior to the 13th AGM to ensure that the required infrastructure, equipment and proper settings were in place for seamless meeting proceedings. An administrative guide on the procedures to register, participate and vote remotely via the RPV was issued to shareholders together with the notice of the 13th AGM. To ensure interactive participation by shareholders at the 13th AGM, shareholders, their proxies and corporate representatives were allowed to submit questions prior to the 13th AGM or during the meeting where they were able to view the live streaming of the 13th AGM, and vote remotely through the RPV. A video on the online voting module of the RPV was also played during the 13th AGM. Questions submitted by shareholders or proxies were read out and responded verbally during the meeting by either the Chairman of the 13th AGM or the CEO.
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
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.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	Minutes of the 13th AGM have been made available to shareholders no later than 30 business days after the AGM on its website at https://www.gbg.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

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