

BOARD CHARTER

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Board Charter

Revision No.

NA

Issue Date

26 September 2024

DOCUMENT DETAILS

Effective Date	26 September 2024
Document Owner	Legal & Company Secretarial Department
Document Classification	Internal

DOCUMENT REVISION HISTORY

Version	Date of Update	Summary of Change	Created By	Endorsed By
00	01.02.2002	Directors' Manual	Company Secretary	Board
01	26.09.2024	Board Charter <i>(supersede and replaces the Directors' Manual)</i>	Company Secretary	Board

1.0 Introduction

- 1.1 The Board of Directors (“**Board**”) of Gamuda Berhad (“**Gamuda**” or “**Company**”) recognises the importance of maintaining adequate corporate governance practices within Gamuda and its subsidiary companies (collectively “**Group**”) and devotes much effort to identify and formalise best practices. Good corporate governance is crucial to sustain the Group in the long term through the ever changing regulatory and market environment.
- 1.2 The Board views corporate governance as an integral part of the Group’s business strategy and, is therefore committed in ensuring that the principles of good governance are applied in all the Company’s dealings.
- 1.3 This Board Charter is not an “all inclusive” document and should be read as a broad expression of principles and shall constitute and form an integral part of each Director’s duties and responsibilities.

2.0 Objectives

- 2.1 The objectives of this Board Charter include ensuring that all Board members are aware of their duties and responsibilities, as well as the various laws and regulations affecting their conduct. It also ensures that the principles and practices of good corporate governance are applied in all their dealings on behalf of the Company.
- 2.2 This Board Charter is also designed to provide guidance and clarity for Directors and Senior Management regarding the role of the Board and its Committees, the responsibilities of Directors in fulfilling their roles and fiduciary duties to the Company, and the Board’s operating practices.

3.0 The Board

3.1 Role and Responsibility of Board and Directors

- 3.1.1. The Board is in charge of leading the Company in an effective and responsible manner. Each Director has a legal duty to act in the best interests of the Company. The Directors, collectively and individually, are expected to be aware of their responsibilities to the shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Company’s values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.

- 3.1.2. The Directors understand that the responsibility for good Corporate Governance rests with them and therefore strive to apply the broad principles and specific recommendations on structures and processes as stated in the Malaysian Code on Corporate Governance and any revisions thereto (“**MCCG**”). The Board is to include a narrative statement in the Annual Report of the Company on the extent of compliance with the principles and best practices in Corporate Governance, pursuant to the Main Market Listing Requirement and MCCG.
- 3.1.3. The Company complies with various guidelines and recommendations issued by Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”), the Securities Commission (“**SC**”) and Corporate Governance Guide and MCCG. The Board’s roles, responsibilities and composition are also governed by the Company’s Constitution and the laws and regulations governing companies in Malaysia.
- 3.1.4. The Board meets in person and/or virtually at least once every quarter to facilitate the discharge of its responsibilities. Members of the Management who are not Directors are invited to attend and speak at meetings on matters relating to their sphere of responsibility.
- 3.1.5. The duties of the Board include establishing the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the management and monitoring the performance of the management.
- 3.1.6. Duties of the Board generally include the following:-
- (a) providing guidance on the corporate strategic direction, governance, challenges assumption, priorities and options as put forward by the Management in the review of the business plan and budget and sets targets for the Management to ensure integration of sustainability considerations in upholding its underlying environmental, social as well as governance (“**ESG**”) issues;
 - (b) together with management takes responsibility for the governance of sustainability in the Company including setting the Company’s sustainability strategies, priorities and targets;
 - (c) reviews and provides feedbacks on corporate targets and results quarterly, discusses material variances, and ensures that corrective actions are taken, if required;

- (d) selects and proactively plans the Group Managing Director's ("**Group MD**") succession and evaluates the Group MD, endorses the development plan to those in pivotal positions, understands the pool of future leaders as well as reviewing the philosophy of the Company;
 - (e) supports the promotion and inculcation of good ethical practices and corporate governance in the Group and vendors, suppliers, service providers and other business partners to the Group;
 - (f) sets the Company's risk parameters, understands major risk exposure and ensures appropriate risk mitigation approach is in place and considers the risk factors in all major decisions;
 - (g) ensures that all views of the shareholders are represented and shareholders are treated equally;
 - (h) balances and manages economic impact of stakeholders' interests on shareholders' values, with the support of the Management in managing key stakeholders.
 - (i) 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.
 - (j) 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.
 - (k) ensuring that shareholders have the information they require to make an informed decision on the appointment and re-appointment 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 Company as a whole.
- 3.1.7. All Directors should objectively discharge their duties and responsibilities at all times as fiduciaries in the interest of the Company.
- 3.1.8. To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board should, among others:-
- (a) together with Senior Management, promote the culture of integrity, led by example and high standards of corporate governance within the Group which will reinforce ethical, prudent and professional behaviour to be adopted;

- (b) review, challenge and decide on the Management's proposals for the Company, and monitor its implementation by the Management;
 - (c) ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental, governance and social considerations underpinning sustainability;
 - (d) 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;
 - (e) oversee and assess the Management's performance to determine whether the business is being properly managed;
 - (f) ensure there is a sound framework for internal controls and risk management;
 - (g) understand the principal risks of the Company's business and recognise that business decisions will involve taking appropriate risks;
 - (h) ensures that Management operates within an appropriate risk management framework designed to identify, analyse, evaluate, manage, and monitor significant financial and non-financial risks.
 - (i) ensure that Senior Management has the necessary skills and experiences and there are measures in place to provide for the orderly succession of the Board and Senior Management;
 - (j) ensure that the Company has in place procedures to enable effective communication with stakeholders;
 - (k) ensure the integrity of the Company's financial and non-financial reporting; and
 - (l) ensure that the Company has in place procedure for the purpose of identifying, evaluating, approving, reporting and monitoring conflict of interest or potential conflict of interest situation and the measures taken to resolve, eliminate or mitigate such conflicts.
- 3.1.9. The Board has determined issues that require decisions of Board members and issues that can be delegated to Board Committees or the Management.
- 3.1.10. The Board may from time to time establish Board Committees to assist in the discharge of its responsibilities.

3.1.11. The Board reserves full decision-making powers on the following matters:-

- (a) key corporate strategies and plan involving acquisitions and disposals of material assets;
- (b) major investment decisions affecting the Group's direction and policies and approvals of all financial results and announcements; and
- (c) Conflict of interest issues relating to a substantial shareholder or Director.

3.1.12. The Board may seek independent professional advice (collectively or individually) in furtherance of their duties at the Company's expense.

3.2 Composition and Board Balance

3.2.1. The Board consists of a mix of qualified and experienced professionals with diverse experiences, backgrounds and perspectives. The composition and size of the Board is such that it facilitates the making of informed and critical decisions by the Board members in order to strengthen board leadership, value creation for shareholders and oversight of sustainability issues.

3.2.2. At any one time at least two (2) or one-third (1/3), whichever is higher, of the Board members are Independent Directors. If the number of Directors is not three (3) or multiple of three (3), then the number nearest one-third (1/3) shall be used for the purpose of determining the requisite number of Independent Directors.

3.2.3. The Constitution provides that the Company shall have no fewer than four (4) and no more than fifteen (15) Directors, including the Group MD and Deputy Group MD. Additionally, all Directors must be natural persons.

3.2.4. The Group MD is responsible for implementing policies of the Board, overseeing the Group's operations and developing the Group's business strategies, which include performance targets and long-term goals in the interest of the Group.

3.2.5. The Non-Executive Directors do not participate and do not engage in the daily management of the Company and do not engage in any business transaction or other relationships with the Company so as to ensure that they exercise independent judgments and act in the best interests of the Company.

3.2.6. The Non-Executive Directors are encouraged to meet among themselves at least annually to discuss among others strategic, governance and operational issues.

3.2.7. The Board discloses in its Annual Report the Company's policies on gender diversity, its targets and measures to meet those targets.

3.2.8. Being classified as Large Companies by Bursa Malaysia, the Board must have at least 30% women Directors.

3.3 Independent Director

3.3.1. Prior to the appointment of an Independent Non-Executive Director, a self-assessment of the independence of an Independent Director is conducted to re-affirm that that the candidate:-

- (a) is independent of the Management, free from any businesses or other relationships which may interfere with the exercise of independent judgement or ability to act in the best interest of the Company;
- (b) is not, and has not been within the last three (3) years, an officer¹ of the Company or its related corporation²;
- (c) is not a major shareholder of the Company;
- (d) is not a family member of any Executive Director, officer or major shareholders of the Company;
- (e) is not acting as a nominee or representative of any Director or major shareholder of the Company;
- (f) has neither been engaged as adviser by the Company nor is a Partner, Director or major shareholders of a firm/corporation which provides professional advisory services to the Company; and
- (g) has not engaged in any transaction with the Company under circumstances outlined by Bursa Malaysia Securities Berhad, and is not currently a partner, director, or major shareholder of a firm or corporation (other than the Company's subsidiaries) that has engaged in such transactions.

3.3.2. The Independent Directors fulfil a pivotal role in corporate accountability by providing independent view, advice and judgment to ensure a balanced and unbiased decision-making process and objectivity without being subordinated to operational considerations. The views of the Independent Directors shall carry significant weight in the Board's decision-making process.

Note:

1. "Officer" has the same meaning given in Section 2 of the Companies Act 2016 but excludes a director who has served as an independent director in any one or more of the said corporations for a cumulative period of less than 12 years.
2. "Related corporation" means the holding company, subsidiary company and sub-subsidiary.

3.3.3. The Independent Directors help to ensure that the interests of all shareholders, and not only the interests of a particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.

3.4. Appointment of Company Director

3.4.1. The appointment of a new Director is a matter for consideration and decision by the full Board upon appropriate recommendation from the Nomination Committee. In making these recommendations, the Nomination Committee will consider the required mix of skills, experiences, core competencies, other qualities and diversity in terms of gender, ethnicity and age, which the Director brings to the Board.

3.4.2. Candidates for selection may be recommended by existing Board members, Management, or major shareholders. The Nomination Committee may also consider engaging an independent party or outsourcing to a third party to identify suitably qualified candidates.

3.4.3. New Directors are expected to possess the expertise necessary to contribute effectively to the Board's performance of its duties and to dedicate sufficient time and attention to the Company's affairs.

3.4.4. All Directors must notify the Chairman before accepting any new external directorships in listed companies. This notification should include an indication of the time that will be dedicated to the new appointment and a declaration that the Director's duties and responsibilities to the Company will not be diminished.

3.4.5. Upon the appointment of a new Director, the Company Secretary shall:

- inform the Director of his/her principal duties and responsibilities, including restrictions related to price-sensitive information and dealings in the Company's securities; and
- provide briefings on the Company's affairs and current Corporate Governance materials.

3.4.6. The Company will identify relevant educational and training programs to keep the Board members updated on new developments in laws, regulations, and evolving commercial risks that may impact the Board and/or the Company.

- 3.4.7. In addition to the two (2) Mandatory Accreditation Programmes (“**MAP**”) required by Bursa Malaysia Securities Berhad, Board members are encouraged to attend training sessions conducted by properly qualified and highly competent professionals that are pertinent to the Company’s operations and business. The Board will assess the Directors’ training needs and disclose the training programs attended by the Directors in the Annual Report.
- 3.4.8. Executive Directors should not assume any non-executive directorships outside the Group without prior approval from the Board.

3.5. Re-election of Company Director

- 3.5.1. All Directors are subject to retirement by rotation and/or by casual vacancy in accordance with the provisions Company’s Constitution and the Main Market Listing Requirements of Bursa Malaysia (“**Listing Requirements**”).
- 3.5.2. The tenure of an Independent Non-Executive Director shall not exceed a cumulative term limit of nine (9) years. Upon reaching this limit, the Director shall retire at the Annual General Meeting (“**AGM**”) held immediately following the completion of the nine-year term.

3.6. Board Evaluation

- 3.6.1. The Board, upon appropriate recommendation from the Nomination Committee shall undertake a formal and objective annual evaluation to determine the effectiveness of the Board and its committees, including Independent Non- Executive Directors, based on parameters set for the evaluation.
- 3.6.2. The evaluation is based on specific criteria, covering several aspects of Board governance, structure, processes and composition including:
- (a) Board’s structure, operations, roles and responsibilities and others; and
 - (b) Board’s Committees – composition, expertise, support and communications.
- 3.6.3. Factors relevant to issues on Board matters globally will also be reviewed.
- 3.6.4. The Board may engage independent experts at least once every three years to conduct objective and candid evaluations. The identity of the third party should be disclosed each time an independent expert is engaged for these evaluations.
- 3.6.5. The Annual Report should disclose the following information pertaining the annual Board evaluation:

- (a) The methodology of the evaluation, including criteria used such as the assessment of fit and properness, contribution and performance, and the caliber and personality of Directors;
 - (b) Whether the evaluation was conducted by an independent expert or facilitated internally;
 - (c) Key strengths and/or weaknesses identified during the evaluation; and
 - (d) Proposed steps or enhancements to address or mitigate the identified weaknesses.
- 3.6.6. The Board, following appropriate recommendations from the Nomination Committee and based on established evaluation parameters, shall review the performance of each Board Committee and its members annually. This review will assess whether the Board Committee(s) and its members have effectively fulfilled their duties as outlined in the Terms of Reference.

3.7. Supply of Information

- 3.7.1. The Company is committed to providing all Directors with timely and high-quality information, presented in a format and manner that supports their effective discharge of duties. Both Executive and Non-Executive Directors have equal access to this information.
- 3.7.2. Management is responsible for delivering the necessary information to the Board in a timely, complete and appropriate manner. If the information provided is insufficient, the Board will seek additional details, and those responsible will respond as comprehensively and promptly as possible.
- 3.7.3. To facilitate robust Board discussions, the Chairman and Company Secretary must ensure that Directors receive sufficient information and time to prepare for Board meetings. Meeting materials should be circulated at least five days before the meeting.
- 3.7.4. The Board documents by way of minutes of meeting, its deliberations, including the issues discussed and the conclusions reached, to ensure a comprehensive record of decisions and the rationale behind them.
- 3.7.5. All decisions made including all issues discussed in arriving at decisions are to be properly recorded to provide a historical record and insight into those decisions.
- 3.7.6. The Company Secretary keeps the minutes of each Board meeting, which are available for inspection by any Director.

- 3.7.7. All Board members should ensure that the minutes accurately reflect the Board's discussions and decisions, including any instances where a Director abstained from voting or deliberation on a particular matter.

4.0 ROLE OF CHAIRMAN AND GROUP MD

- 4.1. To ensure a balanced distribution of power and authority between the Chairman and the Group MD, a clear separation of roles is maintained. This structure promotes accountability and delineates responsibilities, preventing any single individual from unduly influencing Board discussions and decisions.

4.1.1. Chairman

- (a) The Chairman is tasked with leading the Board in overseeing the Management of the Company, ensuring robust and impartial governance.
- (b) The Chairman plays a crucial leadership role in guiding the Board's activities and managing its relationships with shareholders and other stakeholders.
- (c) The Chairman through the Board, provides overall oversight of the Management and reflects the Company's commitment to uphold corporate governance.
- (d) The Chairman leads the Board by setting the tone at the top, and managing the Board effectiveness by focusing on strategy, governance and compliance.
- (e) The Chairman's role, duties, and responsibilities include:
 - (i) Leadership of the Board and in ensuring its effectiveness on all aspects of its role as well as governance of the Board.
 - (ii) The orderly conduct of meetings and that adequate time is allocated for discussion of all agenda items in particular strategic issues.
 - (iii) Encourages open and productive as well as effective communications between the Company and its investors.
 - (iv) Promotes a culture of openness and debate by facilitating the effective contribution of Independent Directors, in particular ensuring constructive relationships between Executive, Non-Executive and Independent Directors.
 - (v) Ensuring that the Directors receive accurate, complete, timely and clear information.

- (vi) Act as point of contact for shareholders and other stakeholders particularly when concerns cannot be resolved through normal channels.

4.1.2. Group MD

- (a) The Group MD is tasked with implementing the strategic program that aligns with the Company's vision and objectives, as approved by the Board. Reporting directly to the Board, the Group MD is responsible for ensuring the effective execution of the Company's strategies, policies, and performance standards.
- (b) The primary aim of the Group MD is to drive the Group's and the Company's success by overseeing and developing all operational aspects. This pivotal role involves guiding the Group and the Company toward innovative and effective business practices which involves extensive industry expertise and a well-established reputation.
- (c) Additionally, the Group MD will lead a team of key senior management, each responsible for key functions essential to the Group's and the Company's overall success.
- (d) The responsibilities will include:
- (i) managing the day-to-day business operations of the Group and ensures that the appropriate standards of corporate governance permeate throughout the organisation;
 - (ii) A central part includes:
 - recommending key strategies/policies and implementing those agreed/approved by the Board;
 - planning the future direction of the Group; and
 - allocating decision-making and responsibilities among the key senior management accordingly.
 - (iii) acts as the Group's official spokesperson and manages communication with shareholders and employees; and
 - (iv) takes a leading role in the relationship with all external agencies and in promoting the Group.
- (e) In fulfilling the aforesaid responsibilities, the Group MD may delegate specific functions to any Executive Director or key senior management as deemed appropriate, ensuring effective management and operational efficiency.

5.0 COMPANY SECRETARY

- 5.1 The responsibility of the modern day Company Secretary has evolved from merely advising on administrative matters to now advising Boards on governance matters. The Company Secretary through the Chairman plays an important role in good governance by helping the Board and its Committees to function effectively and in accordance with their Terms of Reference and best practices.
- 5.2 The appointment and removal of the Company Secretary fall under the Board's collective responsibility. The Board recognises that the Company Secretary must be appropriately qualified and capable of executing the role's responsibilities effectively. The Company Secretary should undertake continuous professional development.
- 5.3 The key role of the Company Secretary is to provide seamless advice and support to the Directors as needed, enhancing the effective functioning of the Board and ensuring regulatory compliance.
- 5.4 Among the duties and responsibilities of the Company Secretary are as follows:-
- (a) Ensures that the dates for Board Meetings and Board Committees Meetings are scheduled well in advance and that the Board has formal schedule of matters specifically reserved for its discussion and approval. The schedule also ensures that the direction of these meetings is properly controlled and are in the hands of the Board.
 - (b) Manage the logistics of all Board and Board Committee meetings.
 - (c) All issues discussed and all decisions made during Board Meetings as well as attendances will be properly recorded by the Company Secretary to ensure completeness and accuracy.
 - (d) For annual general meetings with Company shareholders, the Company Secretary play an important role in overseeing the processes, ensuring that due processes and proceedings are in place and properly managed.
 - (e) During the meeting, the Company Secretary will assist the Chairman and the Board to conduct the meeting and ensure the minutes are properly recorded, particularly the questions raised by the shareholders.
 - (f) Provides support to the Board in fulfilling its fiduciary duties and its role in shaping the corporate governance of the Gamuda Group.
 - (g) Regularly keeps the Board updated and informed of compliance requirements such as restriction in dealing with the securities of the Company and updates as issued by the various regulatory authorities including the latest developments in the legislations and regulatory framework affecting the Group as well as best practices of the MCCG.
 - (h) Serving as a central point of contact for stakeholders' communication and engagement on corporate governance issues.

6.0 BOARD COMMITTEES

- 6.1 The Board may from time to time establishes Board Committees to assist the Board in the discharge of its responsibilities.
- 6.2 In this regard, the Board has established the following Board Committees from amongst the Board Members to ensure good governance in the decision-making process:-
- Audit Committee (“**AC**”);
 - Nomination Committee (“**NC**”);
 - Remuneration Committee (“**RC**”).
- 6.3. Independent and Non-Executive Directors play a crucial role in leading the Board Committees. Management and third parties may be involved in these Committees as needed. Membership details and summaries of the Terms of Reference for each Board Committee are available on Gamuda’s website and in the Annual Report.
- 6.4. These Committees are responsible for examining specific areas and issues, providing the Board with their findings and recommendations. However, the ultimate responsibility for all final decisions rests with the Board.
- 6.5. The roles and responsibilities of these Board Committees are detailed in their respective Terms of Reference, which can be accessed through the 'Board Charter' link on Gamuda’s website.
- 6.6. To ensure objective and independent discussions, Board Committee meetings should be held separately from the main Board meetings.

7.0 REMUNERATION OF DIRECTORS

- 7.1 The Board has in place a Remuneration Policy for Directors and Key Senior Management which is clear and transparent, designed to support and drive business strategy and long-term objectives of the Gamuda Group.
- 7.2. In this regard, the Remuneration Committee is responsible to review the said policy from time to time to ensure the same remain competitive, appropriate, and in alignment with the prevalent market practices.
- 7.3. The Remuneration Committee’s main responsibility is to review and recommend to the Board the framework of Executive Directors’ and Key Senior Management’s remuneration, in particular, the remuneration packages for the Executive Directors of the Company in all its forms and the fees payable to the Independent and Non-Executive Directors, drawing from outside advice where necessary.
- 7.4. The Remuneration Committee aims to ensure that Directors’ remuneration is competitive, motivates good performance and loyalty, and supports growth in shareholder’s value.

- 7.5. To ensure a strong link between remuneration and both individual and Group performance, as well as the achievement of organizational targets, performance-related elements make up a significant portion of the total remuneration package for the Group MD.
- 7.6. The Board also ensures that the remuneration and incentives for Independent Directors do not compromise their ability to provide objective and independent judgment on matters discussed at Board meetings.
- 7.7. In determining the compensation for the Group MD and other Directors, the Board is guided by prevailing market and industry practices.
- 7.8. No Director, other than the Group MD and Deputy Group MD, shall have a service contract with the Company.
- 7.9. A review of the Independent and Non-Executive Directors' remuneration is conducted every three (3) years.
- 7.10. Executive Directors should not participate in discussions regarding their own remuneration. Directors who are shareholders, controlling shareholders, or have a nominee or connected director on the Board should abstain from voting on resolutions to approve their directors' fees at the general meeting.
- 7.11. There is detailed disclosure of individual Directors' remuneration on a named basis, including a breakdown of fees, salary, bonus, benefits in kind, and other emoluments in the Company's Annual Report.

8.0 FINANCIAL REPORTING

8.1 Transparency

- 8.1.1. The Board shall ensure all its members are able to understand financial statements and carefully consider that the presented disclosure is consistent with that of the Company's affairs based on the knowledge made available to the Board.
- 8.1.2. An effective AC can bring transparency, focus and independent judgement needed to oversee the financial reporting process. However, the ultimate responsibility for the Company's financial reporting process rests with the full Board.
- 8.1.3. The Company aims to present a clear and balanced assessment of the Company's financial position and future prospects and other relevant reports submitted to regulators.
- 8.1.4. The Directors ensure that the financial statements are prepared so as to give a true and fair view of the current financial status of the Company in accordance with approved accounting standards.

- 8.1.5. The Company is to announce to Bursa Malaysia its quarterly financial results as early as possible within two (2) months after the end of each quarterly financial period or any period as may be set by the relevant authorities from time to time.
- 8.1.6. The Auditors Report shall contain a statement from the Company's external auditors (Company Auditors) explaining their responsibility in forming an independent opinion, based on their audit of the financial statements.

8.2. Company's Auditors

- 8.2.1. The Board has established formal and transparent arrangements to ensure the effective application of financial reporting and internal control principles, thereby supporting the integrity and reliability of the Company's financial statements.
- 8.2.2. The Board maintains an appropriate relationship with the Company's auditors through the AC, which is crucial for promoting open communication and oversight, thereby enhancing the overall governance of the Company.
- 8.2.3. The AC also keeps under review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the Company's Auditors. The Company's Auditor shall observe and comply with the By-Laws of the Malaysian Institute of Accountants in relation to the provision of non-audit services.
- 8.2.4. The appointment and re-appointment of the Company's Auditors are subject to shareholder approval at General Meetings. The Auditors shall retire at each Annual General Meeting ("**AGM**") but may be re-appointed by the shareholders for the following year.

8.3. Risk Management and Internal Control Framework

- 8.3.1. The Board must be satisfied that risk management policies and procedures designed and implemented by the Management of the Company through the Risk Management Committee is prudent in ensuring that an effective internal control and risk management systems are in place to enable risk to be assessed and managed.
- 8.3.2. The Risk Management Committee's focus is on the Group's key operational risks that could have an impact on the Group's viability and sustainability. The work of this Committee forms an important part of the Group's control function. Significant 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 were also identified.

- 8.3.3. The Board should determine the Company's level of risk tolerance and actively identify, assess and monitor key business risks to safeguard shareholders' investment and the Company's assets. Internal controls are important for risk management and the Board should be committed to articulating, implementing and reviewing the Company's internal control framework.

9.0 GENERAL MEETINGS

9.1 Annual General Meetings ("AGM")

- 9.1.1. The Company regards the AGM as the principal forum for dialogue with shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with, and constructive feedback from the Company's shareholders.
- 9.1.2. Notice for an AGM shall be given to the shareholders at least 28 days prior the meeting or as prescribed under law.
- 9.1.3. The Chairman encourages active participation by the shareholders during the AGM by allowing a meaningful engagement between the Board, senior management and shareholders. The engagement should be interactive and include robust discussion on matters including 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.
- 9.1.4. The Chairman and, where appropriate, the Group MD shall respond to shareholders' queries during the AGM. All pertinent questions and answers shall be made available on the Company's website together with the Minutes of the AGM.
- 9.1.5. The Board should take proactive measures to ensure that shareholders are able to participate at General Meetings. In facilitating greater shareholder participation, it is important for the Company to consider leveraging technology to facilitate electronic voting and remote shareholder participation. In addition, necessary steps will be undertaken to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.
- 8.1.6. 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 AGM itself.

8.1.7. Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting through the Company's website.

9.2. Extraordinary General Meeting ("EGM")

Where appropriate, the Directors will consider requisitions by shareholders to convene an EGM or any other urgent matters requiring immediate attention of the Company.

10.0 DIRECTORS' CODE OF ETHICS

The Board has adopted a Directors' Code of Conduct on 28 September 2016. In addition to the Company Directors' Code of Ethics established by the Companies Commission of Malaysia, the Directors' Code of Conduct is the Board's commitment towards establishing a corporate culture which prescribes ethical conduct that permeates throughout the Company and ensuring the implementation of appropriate internal systems to support, promote and ensure its compliance. The Directors' Code of Conduct is available for reference on Gamuda's corporate website at www.gamuda.com.my.

11.0 INTEGRITY AND GOVERNANCE UNIT

11.1. In line with the Strategic Plan of Integrity and Governance Unit 2019 - 2021 designed by the Malaysian Anti-Corruption Commission, the Company has established an Integrity and Governance Unit ("**IGU**") on 13 December 2019 to showcase its strong commitment towards upholding integrity.

11.2 To further strengthen the Group's integrity and governance framework, the following two policies have been adopted by the Group, namely: -

- The Anti-Bribery & Corruption Policy; and
- The Whistleblowing Policy and Procedures (supersedes the whistleblowing policy adopted by the Group in 2011).

11.3. The aforesaid policies are available for reference on Gamuda's corporate website at www.gamuda.com.my.

12.0 COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

11.1 The Company strives to maintain an open transparent channel of communication with its shareholders, institutional investors, analysts and the investing public at large with the objective of providing as clear and complete picture of the Group's performance and financial position as possible. Communication with shareholders and investors is of considerable importance to the Company.

11.2 As part of its corporate governance initiatives, the Company has set up a full-time Investor Relations ("**IR**") unit which primary role is to implement effective IR policies and programmes.

13.0 ENVIRONMENTAL AND SOCIAL, GOVERNANCE (“ESG”)

The Board acknowledges that the Company is committed to conducting its business in a sustainable manner by addressing climate change and establishing limits to our carbon emissions. The Gamuda Green Plan 2025 was launched in 2021. It is a comprehensive framework and roadmap that charts tangible targets driven on ESG dimensions set forth over the next five years, with an extended view to 2030 and beyond. It commits the entire Group to circular construction with specific steps to reduce direct and indirect corporate greenhouse gases emission intensity by 30% in 2025, and by 45% in 2030. The ESG Steering Committee, chaired by top-level leadership, drives the Gamuda Green Plan forward with decisive action on sustainability.

14.0 APPLICATION

14.1 The principles set out in this Board Charter are:-

- (a) to be periodically reviewed to suit the needs of the Company;
- (b) to be updated or amended from time to time to be in line with new developments and relevant best practices, as well as guidelines and changes made by relevant regulatory authorities;
- (c) to be applied in practice having regard to their spirit and general principles rather than to the letter alone; and
- (d) the principles are summarised in the Annual Report as part of a narrative statement by the Directors on Corporate Governance.