

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Gamuda Berhad (“Gamuda” or “Company”) presents this statement to provide shareholders and investors with an overview of the corporate governance practices of the Company under the leadership of the Board during the financial year ended 31 July 2023 (“FY2023”) and up to the date of this statement. This overview takes guidance from the key corporate governance principles as set out in the Malaysian Code on Corporate Governance (“MCCG”).

The Corporate Governance Overview Statement is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and guidance is drawn from Practice Note 9 of the Listing Requirements and the Corporate Governance Guide (4th Edition) issued by Bursa Securities. This overview statement, which sets out a summary of the Group’s corporate governance practices during FY2023 is based on the following three (3) key principles of the MCCG:

COMMITMENT FROM THE BOARD

The Board recognises the importance of maintaining adequate corporate governance practices within Gamuda and its subsidiary companies (collectively “Group”) and devotes considerable 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. The Board views corporate governance as an integral part of the Group’s business strategy.

The Board believes that sound and effective corporate practices are fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of shareholders and stakeholders and enhance shareholders’ value.

The Board will continuously evaluate the status of the Group’s corporate governance practices and procedures with a view to adopt and implement the best practices in so far as they are relevant to the Group, bearing in mind the nature of the Group’s businesses and the size of its business operations.

SUMMARY OF CORPORATE GOVERNANCE PRACTICES

To demonstrate Gamuda commitment to good corporate governance, the Group has benchmarked its practices to both MCCG and industry best practices. In FY2023, Gamuda has applied all MCCG-recommended practices.



This statement is to be read together with the Corporate Governance Report 2023 (“CG Report”) of the Company prepared based on a prescribed format as set out in Paragraph 15.25(2) of the Listing Requirements, which is available on the Company’s website at www.gamuda.com.my and Bursa Malaysia’s website.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

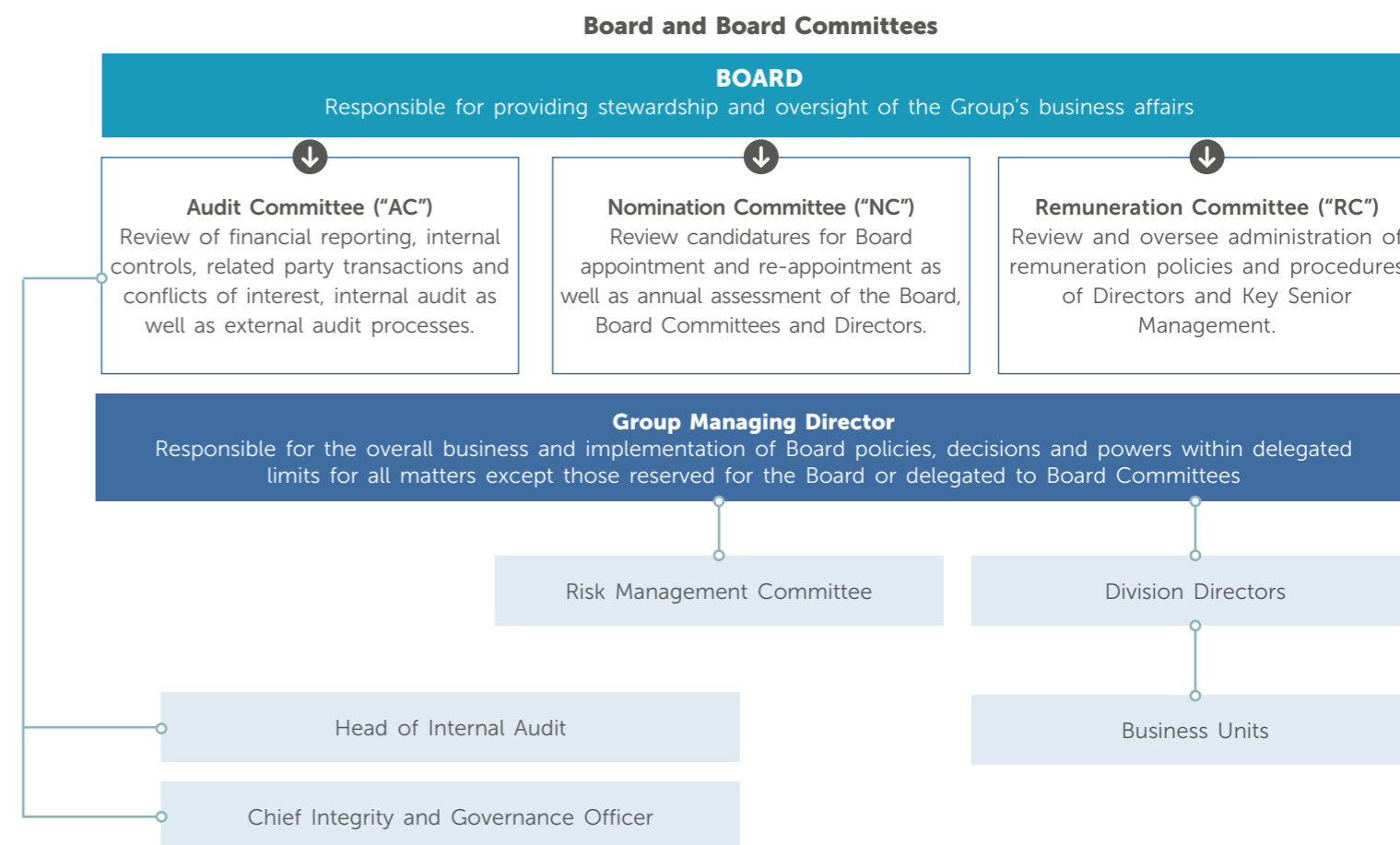
The Board is responsible for the long-term success of the Group and the delivery of sustainable value to stakeholders. Hence, the primary role of the Board is to protect and enhance long-term stakeholder value. It sets the overall strategy for the Group of which the executive management implements and operates. It also ensures that good corporate governance policies and practices are implemented within the Group. While discharging its duties, the Board acts in good faith, with due diligence and care and in the best interests of the Company and its shareholders.

A framework of delegated authority is in place consistent with the structure of delegation below the Board level. The Board reserves to itself certain key matters to approve, including the Group’s strategic plans, major capital expenditure, corporate governance issues, dividend policy and external financial reporting.

The Board delegates responsibility for the day-to-day operation of the businesses to the Group Managing Director, who is assisted by the Deputy Group Managing Director and Key Senior Management and recognises his responsibility for ensuring that the Company operates within a framework of prudent and effective controls. In discharging his duties in leading the Group with due care, skill and diligence, the Group Managing Director is driven and guided by the Value Creation Strategy as illustrated in pages 44 to 45 of this Integrated Report.

This Value Creation Strategy has been formalised and disseminated to employees and continuously reinforced throughout the employees’ tenure with the Group.

As depicted in the illustration below, Board Committees have been established to assist the Board in its oversight function where each Committee has specific areas of responsibility.



It should, however, be noted that at all times, the Board retains collective oversight over the Board Committees. These Board Committees have been constituted with clear terms of references, and they are actively engaged to ensure that the Group is in adherence with good corporate governance.

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The Board remains committed to assessing its overall responsibility for risk oversight, consistently gauging whether it should embrace the recommended step-up approach outlined in the MCCG. This entails a continuous evaluation of whether risk oversight is best conducted by the full Board itself or entrusted to standing committees comprising majority of independent directors.

The Board receives the minutes of all Board Committee meetings at the Board meeting following the Board Committee's meeting. The Chair of the respective Committees will also verbally report on significant areas of discussion and key decisions. To assist each committee in discharging its responsibilities, each committee has an annual meeting planner that sets out the scheduled items of business and reports to be considered during the year.

The Board articulates its roles and responsibilities in its Directors' Handbook, and describes those areas reserved for the Board's determination. The Board had adopted the Directors' Handbook in 2002. The Board will be reviewing the Directors' Handbook with the aim of replacing it with a more contemporary Board Charter, aligning its governance practices with updated standards and practices.

There is a clear division of responsibilities at the helm of the Company to ensure a balance of authority and power. The roles of the Chairman and the Group Managing Director are distinct and separate.

The Chairman of the Company is an Independent Non-Executive Director who, through the Board, provides overall oversight of the Management and reflects the Company's commitment to uphold corporate governance.

The Chairman leads the Board by setting the tone at the top and managing the Board effectiveness by focusing on strategy, governance and compliance. Where necessary, the Chairman will conduct separate sessions with the Non-Executive Directors ("NEDs") to allow for discussion on any pertinent issues raised by the NEDs and/or issues from the Management.

For the financial year under review, one such separate session with the Chairman and NEDs was held on 28 July 2023. This session was held to provide a platform for comprehensive technical briefings by both the Environmental, Social, and Governance ("ESG") Unit and the Integrity & Governance Unit ("IGU"). In the session, the Chairman and the NEDs were able to delve deeply into matters related to the ESG initiatives and the governance framework of the Group as well as the IGU framework with the tagline #Beyond Compliance.

The Board is supported by suitably qualified and competent Company Secretaries who are members of the relevant

professional bodies. They are accountable directly to the Board on all Board and governance matters. The Company Secretaries also have an internal reporting line to the Group Managing Director on corporate secretarial and legal matters in respect of the business. The appointment of Company Secretaries is based on the capability and proficiency determined by the Board. The Constitution of the Company permits the removal of Company Secretaries by the Board.

All members of the Board, whether as a whole or in their individual capacity have access to the advice and services of the Company Secretaries on all matters relating to the Group to assist them in the furtherance of their duties. The Board is regularly updated and kept informed by the Company Secretaries and the Management of the regulatory and governance requirements, such as restrictions 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.

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.

The Board recognises the importance of prompt and timely dissemination of accurate and sufficient information concerning the Company and its Group to shareholders, investors and other stakeholders to enable them to make an informed decision. A Corporate Disclosure Policy for the Group was adopted on 28 September 2016 to set out the policies and procedures on disclosure of material information of the Group following emphasis by Bursa Securities as outlined in Bursa Securities' Corporate Disclosure Guide. Accordingly, the Group Managing Director and/or the Executive Director evaluates the release of all major communications to investors or Bursa Securities. The Corporate Disclosure Policy is also available for reference on Gamuda's corporate website at www.gamuda.com.my.

The Board views procurement as a critical area that needs to undergo transformation to a more strategic discipline and value-adding function to Gamuda's business. To survive the current industry volatility and responding to the pressure to deliver projects in a more transparent and cost-effective manner, steps have been undertaken to re-invent procurement and to ensure that the Group stays resilient. Procurement and supply chains are of the highest importance from the very beginning of every project that Gamuda undertakes as a

Group. The Group-wide Digital Procurement Platform was rolled out in financial year 2018 to make procurement more transparent and effective; by using a consistent, collaborative approach leveraging on the SAP Ariba platform that embraces supply chain and procurement best practices to improve value and sustainable savings. The Digital Procurement Platform is available for reference on Gamuda's corporate website at www.gamuda.com.my.

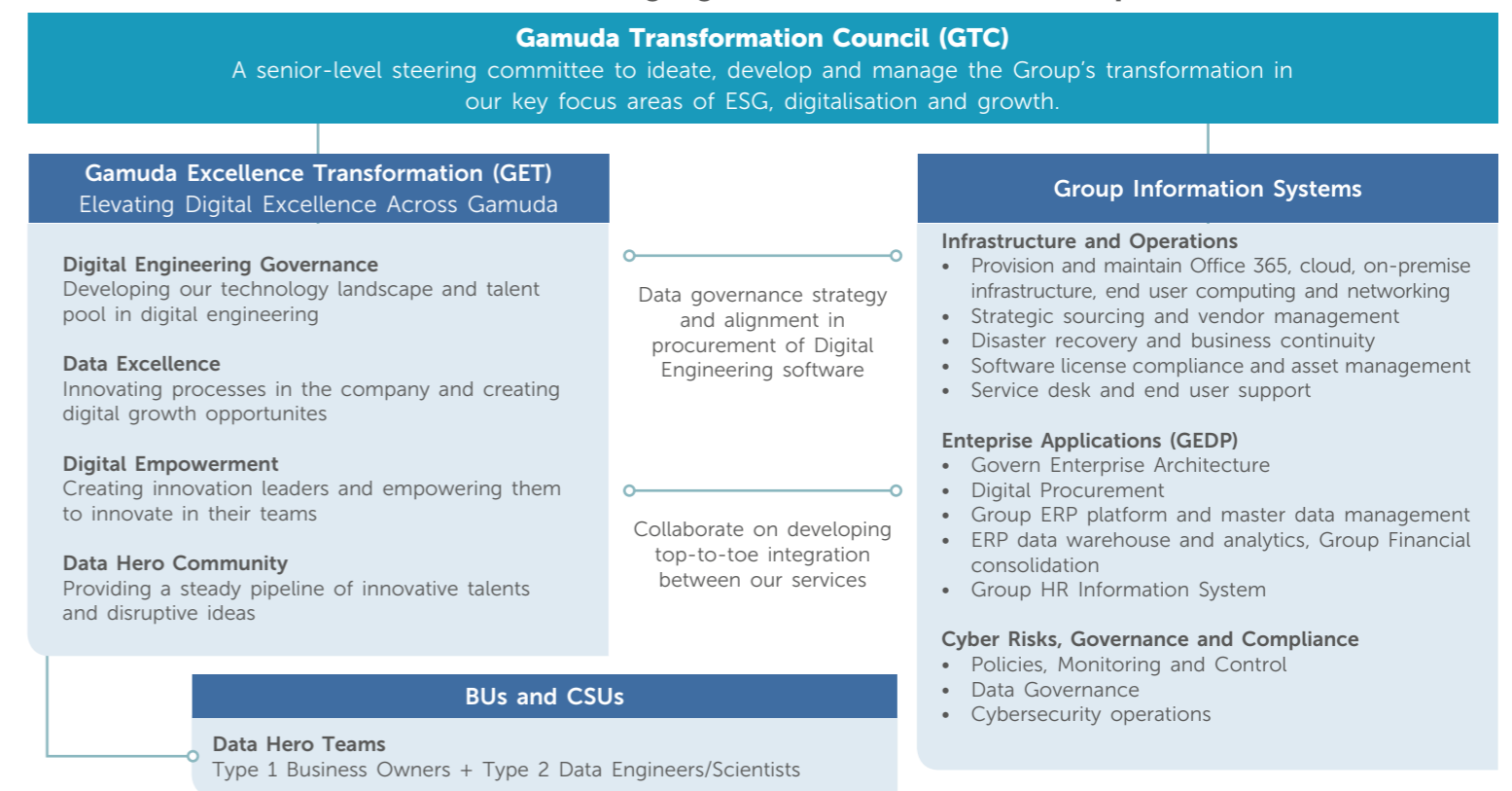
Recognising the importance of Information Technology ("IT") Governance, information security and cybersecurity to the Group, the Group is currently undergoing ISO 27001 – Information Security Management Systems certification, which was kicked-off on 18 September 2023 with a target completion by end of 2023. An IT Centre of Excellence Steering Committee comprising senior management of the business has been formed to ensure adequate levels of authority for enforcement of compliance with IT policy throughout the Group.

Gamuda has adopted SAP S4/Hana as our global cloud-based Enterprise Resource Planning ("ERP") system. This system has been successfully rolled out to a majority of subsidiaries across Gamuda Group. This enables the Group to have:

- A global system for financial accounting and governance.
- Better organisational efficiency through streamlined process and automation.
- Enables cost efficiencies through offshoring & centralisation of work in the HQ back office.

As the Company expands its operations overseas, there is a growing need to harness technology to enable cross border work, promote project visibility and strengthening our innovative brand image. GET (Gamuda Excellence Transformation) has been driving the uptake of key digital tools at the intersection of the various project disciplines to promote digital collaboration as well as upskilling the workforce. For example, the Company's award winning BIM (Building Information Modelling) and DE (Digital Engineering) initiatives have become a common part of Gamuda's project delivery and a dedicated team has been established to further drive leadership in this area.

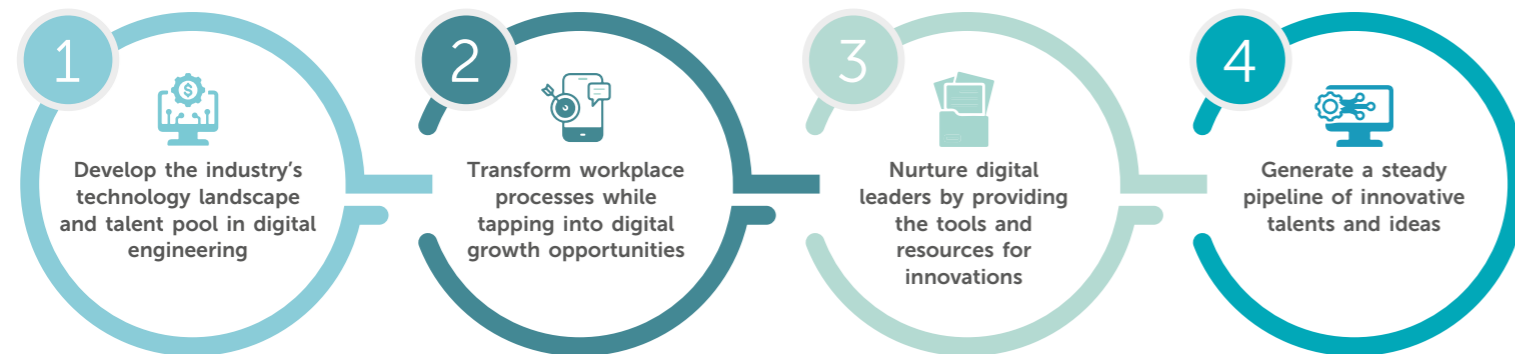
GET's Role: Elevating Digital Excellence in Gamuda Group



GET is an enabler and resource. Providing support to our project teams to meet their requirements and goals. Creating data hero teams and empowering our people to develop into Type 1 and Type 2 personalities.

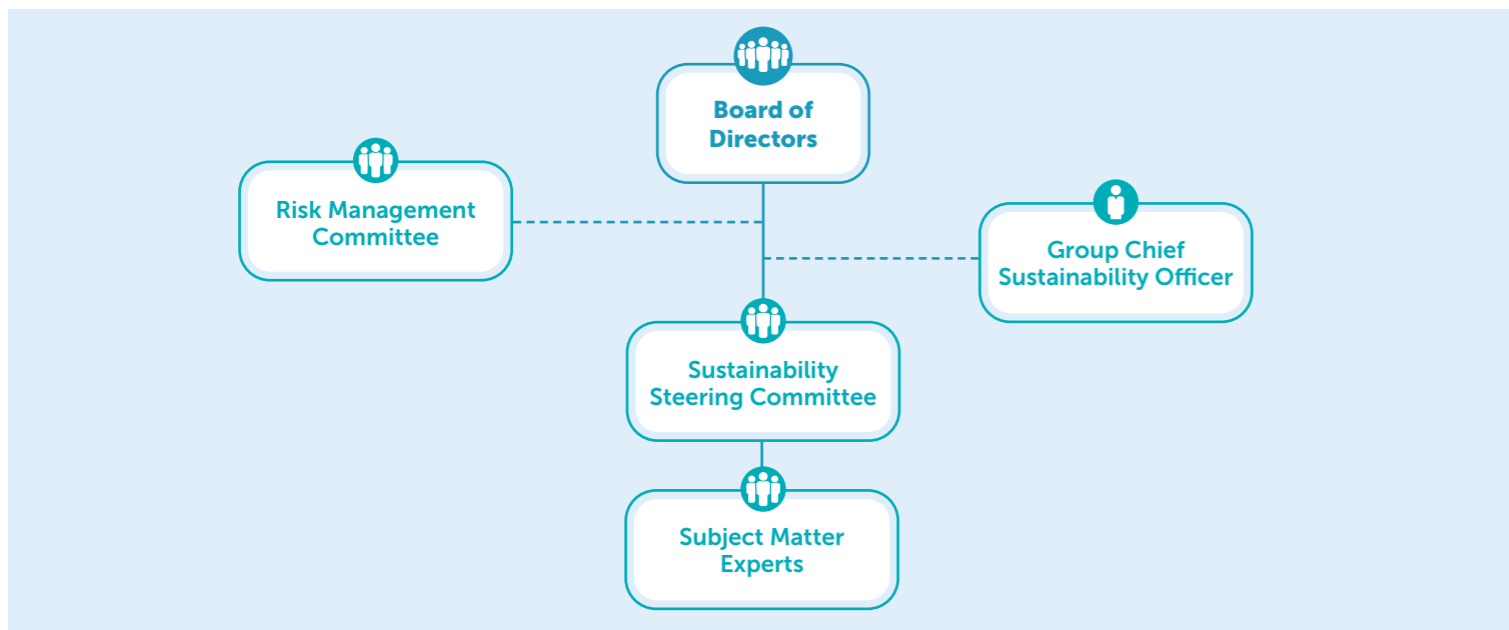
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GET'S FOUR MAIN PILLARS



As a Group, Gamuda commits to conducting its business in a sustainable manner by addressing climate change and establishing limits to our carbon emissions. The Gamuda Green Plan 2025 (as illustrated on page 116 of this Integrated Report) was launched in conjunction with World Environment Day on 5 June 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 gas emission intensity by 30 percent in 2025, and by 45 percent in 2030. Taking decisive action on climate change, our ESG Steering Committee is chaired by top-level leadership to aggressively drive our Green Plan forward. Gamuda governs its sustainability matters (Economic, Environment and Social) through a comprehensive governance structure firmly held by risk and business representation, as illustrated below:

GAMUDA SUSTAINABILITY GOVERNANCE STRUCTURE



A full Sustainability Report is set out in pages 110 to 232 of this Integrated Report.

Recognising that Social Media usage may have an effect on Gamuda's business, interests and reputation, as well as trigger violations of certain laws, rules and regulations, a Social and Digital Media Policy was adopted by the Group on 1 April 2018 and revised on 13 September 2023. With the Social and Digital Media Policy in place, all employees are expected to act responsibly and ensures that their productivity are not affected. The Social and Digital Media Policy is available for reference on Gamuda's corporate website at www.gamuda.com.my.

II. Board Composition

During the financial year under review, the composition of the Board underwent changes to ensure alignment with Practices 1.4 and 5.2 of the MCCG. These changes are summarised as follows:

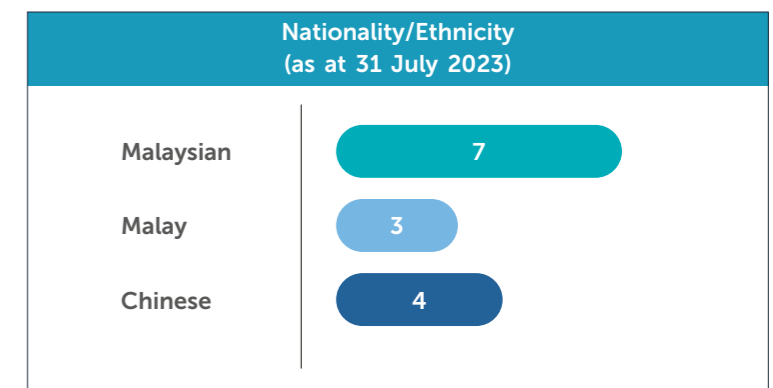
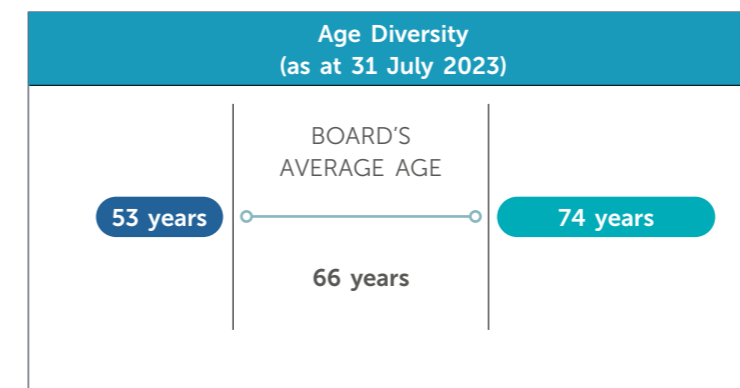
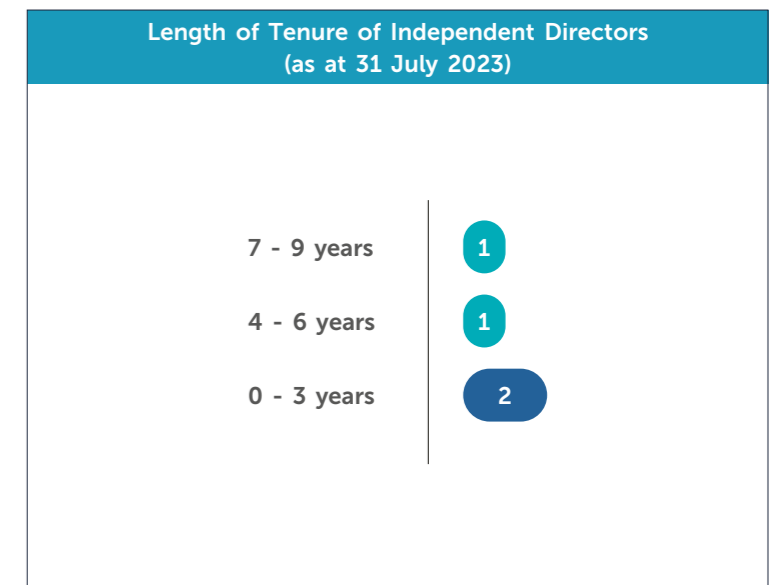
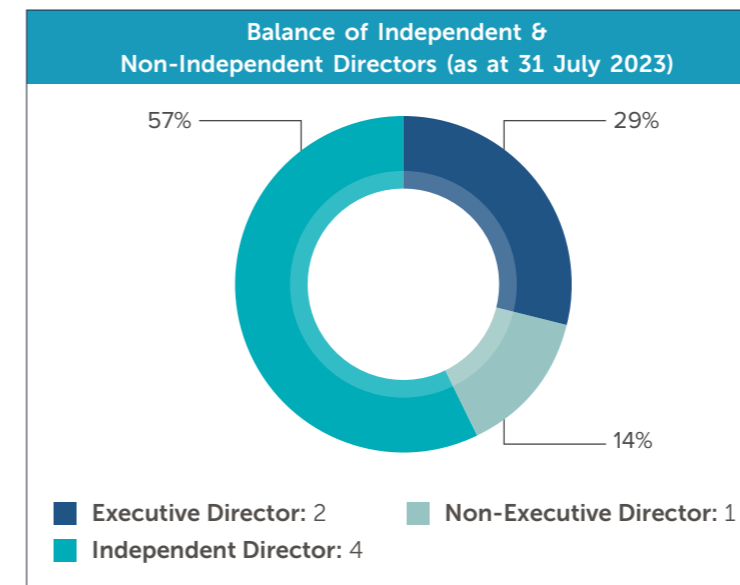
- On 1 February 2023, YBhg. Tan Sri Dato' Setia Haji Ambrin Buang was redesignated as the Board Chairman. Consequently, he relinquished his role as Chairman of the Audit Committee and his membership in the Nomination Committee to adhere to Practice 1.4 of the MCCG.
- On 1 February 2023, Ms. Chia Aun Ling was appointed as a new Independent Director. This appointment filled the Board vacancy that arose due to the retirement of the former Board Chairman. Ms. Chia's appointment results in the Board composition having more than 50 percent independent directors as per Practice 5.2 of the MCCG being maintained.

Following the Board composition revamp, the Board now consists of a significant presence of five (5) Non-Executive

Directors (NEDs), four (4) of whom are Independent Directors, one (1) Group Managing Director and one (1) Deputy Group Managing Director. As a result, the composition of the Board fully complies with the provisions of the Listing Requirements, which require independent non-executive directors to constitute at least one-third (1/3) of the Board membership and for a director who is qualified under Paragraph 15.09 (1) (c) of the Listing Requirements to sit on the Audit Committee.

Moreover, the composition of the Board, with a majority of Independent Directors aligns with Practice 5.2 of the MCCG. As Gamuda is classified as a Large Company, maintaining a Board that is significantly independent is recommended under this practice.

As a result of the revamp in the Board composition, the composition of the Board Committees, namely, the Audit, Nomination and the Remuneration Committees were also revamped to align with Practice 1.4 of MCCG.



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In compliance with the Listing Requirements, the Board has, on the recommendation of the Nomination Committee, adopted a Directors' Fit and Proper Policy on 29 June 2022 and the said policy is available for reference on Gamuda's corporate website at www.gamuda.com.my. The objective of the said policy is:

- to outline the approach for the appointment and re-election of Directors of the Group; and
- to guide the Nomination Committee and the Board in their review and assessment of candidates to be appointed on the Board of the Group as well as Directors who are seeking re-election at the annual general meetings of Gamuda.

The biographical particulars of the Directors are set out in the profiles of the Board members on pages 70 to 77 of this Integrated Report.

The list of Directors of the Company and their respective roles and functions has been maintained on the website of the Company, together with their biographical particulars.

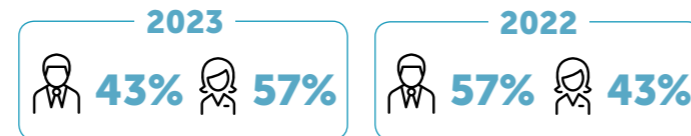
The Board is satisfied that the current composition with majority Independent Directors fairly represents the investment of the majority and minority shareholders in the Company. The current members of the Board bring with them a broad range of business, financial, technical and public service background.

The Board is a firm believer in promoting diversity in its membership, including gender, ethnicity and age, and strives to maintain the right balance for the effective functioning of the Board.

Embracing diversity, our Board established a Diversity and Inclusion Policy on 28 September 2016. We have consistently upheld a 30 percent representation of women directors, valuing their fresh perspectives and contributions. Currently, women make up 57 percent of our Board, exceeding the 30 percent requirement under the MCGG. This reflects our unwavering commitment to diversity and its role in our Group's success.

Across the Group, the proportions of male and female representation on the Board, in the workforce and across the business (now reported at a global level) as at 31 July 2023 are as illustrated below:

Proportion of Women on the Board



	FY2023	FY2022
Women	57%	43%
Men	43%	57%
Number of Women	4	3
Number of Men	3	4

Proportion of Women in Workforce



	FY2023*	FY2022*
Women	38%	36%
Men	62%	64%
Number of Women	1,588	1,410
Number of Men	2,631	2,485

Note:

*The numbers presented refer to permanent and contract employees from all our local and overseas companies, excluding joint ventures and associates, with the exception of Australia

For details on ethnic, age and gender diversity in Gamuda's workforce, please refer to the Sustainability Report set out in pages 110 to 233 of this Integrated Report.

The Company Directors are professionals in the fields of construction & engineering, finance, accounting, legal and experienced senior public administrators. Together, they bring a wide range of competencies, capabilities, technical skills and relevant business experience to ensure that the Group continues to be a competitive leader within its diverse industry segments with a strong reputation for technical and professional competence.

The Board composition in terms of each of the Director's industry and/or background experience, age and ethnic composition is as follows:-

Directors	Industry/Background Experience					Age Composition			Ethnic Composition		Gender	
	Construction & Engineering	Public Services	Finance	Accounting/ Auditing	Legal	50 to 59 years	60 to 69 years	70 to 79 years	Bumiputera	Non-bumiputera	Male	Female
Tan Sri Dato' Setia Haji Ambrin Buang		✓		✓				✓	✓		✓	
Dato' Lin Yun Ling	✓						✓			✓	✓	
Dato' Ir Ha Tiing Tai	✓						✓			✓	✓	
Raja Dato' Seri Eleena Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah					✓		✓		✓			✓
Nazli Mohd Khir Johari	✓		✓				✓		✓			✓
Chan Wai Yen, Millie					✓		✓			✓		✓
Chia Aun Ling			✓			✓				✓		✓

To ensure the continued effectiveness of the Board, the Company undertakes a formal evaluation each year in order to assess the effectiveness of the Board and the Board Committees.

During the financial year, an annual evaluation of the effectiveness of the Board as a whole and the Board Committees were conducted internally via a survey method. The evaluation process is led by the Nomination Committee's Chairperson and supported by the Company Secretaries. The evaluation results were considered by the Nomination Committee, which then make recommendations to the Board and were aimed at helping the Board to discharge its duties and responsibilities.

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The evaluation was based on specific criteria, covering several aspects of Board governance, structure, processes and composition including:

- Board's structure, operations, roles and responsibilities and others;
- Board Committees – composition, expertise, support and communications.

Following the internal evaluation, the Nomination Committee concluded that the Board as a whole and its Board Committees have been effective in their overall discharge of functions and duties.

The Board regularly reviews the independence of each Independent Director by undertaking annual assessment of the independence of its Independent Directors. The criteria for assessing the independence of an Independent Director were developed by the Nomination Committee with the support of the Company Secretaries which include the relationship between the Independent Director and the Company and his/her involvement in any significant transaction with the Company. In addition, all Directors are required to disclose to the Board any conflicts of interest or duty and material personal interest in any matter that relates to the affairs of the Company.

During the financial year under review, the Board, following the Nomination Committee's recommendation approved revisions to the Nomination Committee's Terms of Reference on 27 September 2023. The review was driven by the Nomination Committee's aim to align with the MCCG and bolster the Group's commitment to robust governance practices.

III. Remuneration

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.

In this regard, the Remuneration Committee is responsible to review the said policy from time to time to ensure the same remains competitive, appropriate, and in alignment with the prevalent market practices. The said policy was approved by the Board for adoption on 27 June 2018 and is available for reference on Gamuda's corporate website at www.gamuda.com.my.

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 fees payable to the NEDs, drawing from outside advice where necessary. The Remuneration Committee aims to ensure that Directors' remuneration is competitive, motivates good performance and loyalty, and supports growth in shareholder's value.

During FY2023, the Remuneration Committee undertook the following reviews of the remuneration packages prepared by the Human Resource Department:-

1. The Group Managing Director's and Deputy Group Managing Director's remunerations;
2. The NEDs' (include Independent Directors) remuneration; and
3. Key Senior Management's remunerations.

The objective of the above reviews was to align the Executive Directors' remuneration packages and NEDs' fees with the remuneration of Executive Directors and NEDs from peer companies in the same industries.

The result's of the reviews found that the remuneration of the top three Executive Directors namely, the Group Managing Director and the two Deputy Group Managing Directors (including the former Deputy Group Managing Director) is comparable to the benchmark of most public listed companies. After due consideration and the Group's outstanding financial achievement in FY2022, and based on the Remuneration Committee's recommendation, the Board approved the following pay-outs:

- a. Three months' bonus be granted and paid to the Group Managing Director and Deputy Group Managing Director;
- b. Performance bonus be granted and paid to the former Deputy Group Managing Director; and
- c. Annual increments and payment of bonuses to its Key Senior Management.

Concurrently, market benchmarking research conducted on companies both above and below Gamuda in terms of market capitalisation indicated that the Directors' fees for Board membership were below industry standards. Consequently, the Board (save for the NEDs) has recommended the following for shareholders' approval at the upcoming 47th AGM:

- a. the Directors' fee for the Board Chairman in respect of FY2023 be increased by RM30,000/- from RM180,000/- to RM210,000/-.

Additionally, a fixed allowance of RM100,000/- will be provided to the Board Chairman for FY2023 replacing

benefits that were previously provided separately. This adjustment will be pro-rated from the date of the Board Chairman's redesignation; and

- b. the Directors' fee for the NEDs (including Independent Directors) in respect of FY2023 be increased by RM30,000/- from RM130,000/- to RM160,000/-.

Detailed information on the Directors' remuneration for FY2023 on a named basis is disclosed under Note 6 of the Financial Statements section in this Integrated Report and Practice 8.1 of the CG Report while the detailed information of the Company's top five Key Senior Management on a named basis are disclosed under Practice 8.2 of the CG Report.

The Remuneration Committee is in the process of reviewing its Terms of Reference in line with the MCCG. This effort is aimed at ensuring continuous compliance with regulatory requirements, elevating corporate governance standards, and fostering a culture of transparency and accountability within the Group. This initiative underscores the Group's commitment to proactively fortify the organisation's governance framework.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee takes on the role of assisting the Board in the discharge of its fiduciary duties, the responsibility of overseeing the financial reporting process and ensuring that the results of the Company's operations are fairly presented in its financial statements.

In discharging its oversight roles on governance and internal controls, the Audit Committee is assisted by the Head of Internal Audit and the Chief Integrity Officer, who leads the Group's in-house internal audit (assurance) and integrity and governance functions, respectively.

The composition of the Audit Committee is in line with Practice 9.1 of the MCCG which requires that the Audit Committee Chairman and the Board Chairman to be held by different Independent Director of the Company.

A full Audit Committee Report is set out on page 104 of this Integrated Report.

The effectiveness, performance and independence of the external auditors i.e. Ernst & Young PLT ("EY") is reviewed annually by the Audit Committee. If it becomes necessary to replace the external auditors for performance or independence reasons, the responsibility for the selection, appointment and

removal of the external auditors has been delegated to the Audit Committee by the Board pursuant to the External Auditor Policy, which was approved by the Board on 28 September 2017. The said policy was revised twice by the Audit Committee on 23 September 2020 and 16 June 2022. The revision made on 16 June 2022 was to streamline the said policy with the MCCG. The External Auditor Policy is available for reference on Gamuda's corporate website at www.gamuda.com.my.

EY has provided the required confirmation of their independence to the Audit Committee that they are and have been independent throughout the conduct of the audit engagement during FY2023 in accordance with:

- By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants; and
- the International Code of Ethics for Professional Accountants (including International Independence Standards).

The Audit Committee has on 15 June 2023 and 21 September 2023, reviewed the suitability and independence of EY and is satisfied that EY has met the relevant criteria prescribed under Paragraph 15.21 of the Listing Requirements. Thus, the Audit Committee has recommended that the Board endorses EY's re-appointment for the ensuing financial year and recommends that the shareholders of the Company approve EY's re-appointment at the 47th AGM.

EY has attended two out of the four Audit Committee Meetings of the Company to discuss their audit plan, audit findings and the financial statements. Through the Audit Committee, EY would highlight to the Board matters which require the Audit Committee's or the Board's attention together with the recommended corrective actions. The Management of the Company is held responsible for ensuring that all these corrective actions are undertaken within an appropriate time frame.

The Audit Committee also meets EY without the presence of the Executive Directors and Management, as this allows for free and honest exchange of views and opinions on matters related to external auditors' audit and their findings. For this purpose, the Audit Committee and EY met twice (September 2022 and June 2023) during the financial year under review.

The Audit Committee has considered the provision of the non-audit services by EY during the financial year under review and concluded that the provision of these services did not compromise their independence and objectivity. The total amount of audit fees paid/payable to the external auditors is RM3,587,000/- (2022: RM2,111,000/-). The non-audit fees incurred for services rendered to the

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Group by the external auditors and its affiliates for FY2023 was RM14,602,000/- (2022: RM643,000/-). The non-audit fees are mainly in relation to acquisition of new businesses, taxation services and advisory fees.

Significant related party transactions of the Group for the financial year are disclosed in Note 41 of the Financial Statements section in this Integrated Report. Except for those disclosed in the Financial Statements, there were no material contracts of the Group involving Directors' and major shareholders' interest during the period.

The Audit Committee has reviewed the related party transactions that arose within the Group to ensure that the transactions were fair and reasonable, not detrimental to the minority shareholders and were in the best interests of the Company.

II. Risk Management and Internal Control Framework

The Board is 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.

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. The Risk Management Committee Report is set out on page 103 of this Integrated Report.

The Board also takes into consideration advice from the Audit Committee and the Risk Management Committee, reports received from the external auditors and any other related matters which have come to its attention.

The Statement on Risk Management and Internal Control of the Group, which provides an overview of the state of internal control within the Group, is set out on pages 101 to 102 of this Integrated Report.

III. Integrity and Governance Unit

In line with the Strategic Plan of Integrity and Governance Unit 2019 - 2021 designed by the Malaysian Anti-Corruption Commission ("MACC"), the establishment of an Integrity and Governance Unit ("IGU") was approved by the Board on 13 December 2019 to showcase its strong commitment towards upholding integrity.

The Statement by IGU enumerating its activities during the financial year under review are set out on page 109 of this Integrated Report.

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).

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

Following the adoption of the above two policies, the IGU has implemented Integrity Pledges for Directors and the Company employees beginning in the financial year 2021. The pledge sets a clear leadership tone that there is no compromise on the issue of corruption and reinforces the will and corruption-free stand of the Board and the Management of Gamuda as well as the Group. It also demonstrates Gamuda's long standing commitment to promote integrity and good governance amongst its personnel and further reaffirms the Group's stand in ensuring that there are no corrupt practices or elements of corruption throughout the Group and that any abuse of power will not be tolerated.

During the financial year, IGU conducted a survey via Gamuda Workplace platform to gather honest and valuable feedback from the Group's employees about whistleblowing in Gamuda. This initiative was undertaken with the goal of identifying areas for improvement and enhancing the overall whistleblowing process within the organisation.

PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Shareholders and Investors

The Company strives to maintain an open transparent channel of communication with its shareholders, institutional investors, analysts and the 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.

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. A comprehensive IR report enumerating its policy, practices and programmes, during the financial year under review is as set out on pages 65 to 66 of this Integrated Report.

II. Conduct of General Meetings

Gamuda's Annual General Meeting ("AGM") provides a useful platform for direct communication between the Board and shareholders and a key medium used to disclose information to shareholders and stakeholders. Material information such as financial reports and audits are discussed at the AGM, giving shareholders and stakeholders a chance to get more information so that they can make informed decision.

To ensure effective participation of and engagement with shareholders at last year's Forty-sixth ("46th") AGM of Gamuda held on 8 December 2022, all members of the Board were present at the AGM. The 46th AGM was conducted virtually via video conferencing.

The Chairman of the Board chaired the 46th AGM in an orderly manner and allowed the shareholders or proxies to raise questions at the AGM. The Deputy Group Managing Director presented the Company's responses to the questions raised by the Minority Shareholder Watch Group and the Group's operation review and business outlook of the core businesses to the shareholders. The Group Chief Financial Officer and the Heads of Business Units i.e. Gamuda Engineering and Gamuda Land together with the Company's external Auditors, EY, were also present to respond to any enquiries from the shareholders and/or proxies.

In line with good corporate governance practice, more than 21 days' notice has always been given for AGMs every year. For this year's 47th AGM scheduled for 7 December 2023, the Notice was issued on 8 November 2023. The notification of the publication of this Integrated Report and the Notice of the 47th AGM is available on the Company's website, and on Bursa Malaysia's website respectively.

Commencing from the Fortieth AGM of the Company in 2016, poll voting using electronic voting system was conducted. Continuing the Company's commitment to sustainable practices and to promote eco-friendliness, the forthcoming 47th AGM of the Company will continue to be conducted virtually i.e. through live streaming and using Remote Participation and Voting Facilities to give shareholders and/or proxies opportunity to follow and participate in the AGM effectively.

This Corporate Governance Overview Statement was approved by the Board of Gamuda on 27 September 2023.