

GOVERNANCE

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Governance is an integral part of how we conduct our business responsibly that includes evaluation of our risk matters, compliant to local expectations and delivering with integrity



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 2022 ("FY2022") 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 was drawn from Practice Note 9 of Bursa Securities' 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 FY2022 based on the following three (3) key principles of the MCCG:



This statement is to be read together with the Corporate Governance Report 2022 ("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.

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-run through the ever changing regulatory and market environment. The Board sees 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 shareholder 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

In manifesting the Group's commitment towards sound corporate governance, the Group has benchmarked its practices against the relevant promulgations as well as other best practices. Gamuda has applied all the Practices encapsulated in the MCCG for the FY2022 with the exception of the following Practices:-

Recommended CG Practices in MCCG

Practice 1.4

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

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

The explanations on the above departures are disclosed in the CG Report

In line with the latitude accorded in the application mechanism of MCCG, the Company has provided forthcoming and appreciable explanations for the departure from the said Practices. The explanations on the departures are supplemented with a description on the alternative measures that seek to achieve the Intended Outcome of the departed Practices, measures that the Company has taken or intends to take to adopt the departed Practices as well as the timeframe for adoption of the departed Practices. Further details on the application of each individual Practice of MCCG are available in the CG Report.

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 and supervises executive management. 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 Directors and Key Senior Management and recognises his responsibility for ensuring that the Company operates within a framework of prudent and effective controls. In discharging its duties with due care, skill and diligence, the Company led by the Group Managing Director are driven and guided by the Value Creation Strategy as illustrated on pages 40 to 41 of this Integrated Report.

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



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As depicted in the above illustration, Board Committees have been established to assist the Board in its oversight function with reference to specific responsibility areas. 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.

As a step up on overall responsibility for risk oversight, the Board will continue to assess whether this oversight is to be carried out either by the full Board or through delegation to one or more standing committees comprising majority of independent directors.

The Board receives the minutes of all Board committee meetings at the following Board meeting and is presented with a verbal report from each committee Chair 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 adopted the Directors' Handbook in 2002 and will review the said handbook by the next financial year. The Board believes that the Directors' Handbook, which sets out the roles, duties and responsibilities of the Company Directors and the broader issues of directors' ethics, amongst others, collectively with the various policies, procedures and practices that have been in place for a long time, the Constitution of the Company and statutory and regulatory requirements, have effectively encapsulated the essence of the suggested contents of a Board charter.

There is a clear division of responsibilities at the helm of the Company to ensure a balance of authority and power, as 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 effective oversight over 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 a separate session with the Non-Executive Directors ("NEDs") to allow for discussion on any pertinent issues raised by the NEDs and/or issues from the Management, as may be shared by the Chairman with the other NEDs.

For the financial year under review, the Chairman conducted one separate session with the NEDs on 18 April 2022 to discuss on a property deal in Ho Chi Minh City, Vietnam sourced under the Quick Turnaround Project ("QTP") Strategy of the Group which was part of the approved 5-year Business Plan for Gamuda Land.

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

through the Chairman of 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 furtherance of their duties. The Board is regularly updated and kept informed by the Company Secretaries and the Management of the 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.

Besides the Directors' Handbook, 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 is being addressed, following emphasis by Bursa Securities as outlined in Bursa Securities' Corporate Disclosure Guide. Accordingly, the Group Managing Director and/or the Executive Director evaluate 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.

Recognising the importance of Information Technology ("IT") Governance, information security and cybersecurity to the Group, the Enterprise-Wide Information Security Policy ("EWISP") was developed to ensure a consistent company-wide process approach for the establishment, implementation, operation, review, maintenance and improvement towards Information Security Management System (ISMS). Through a comprehensive suite of information security control objectives and supporting policy statements, the EWISP explains how ISO27002, the international standard code of practice for information security management, applies within the Group. Its purpose is to communicate management directives and standards of care to ensure consistent and appropriate protection of information throughout the Group.

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 undertake as a Group. The Group 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.

Gamuda has implemented the first phase of its new generation cloud-based enterprise resource planning (ERP) system, which is on the SAP S/4HANA platform. This enables the Group to have:

A single source of truth

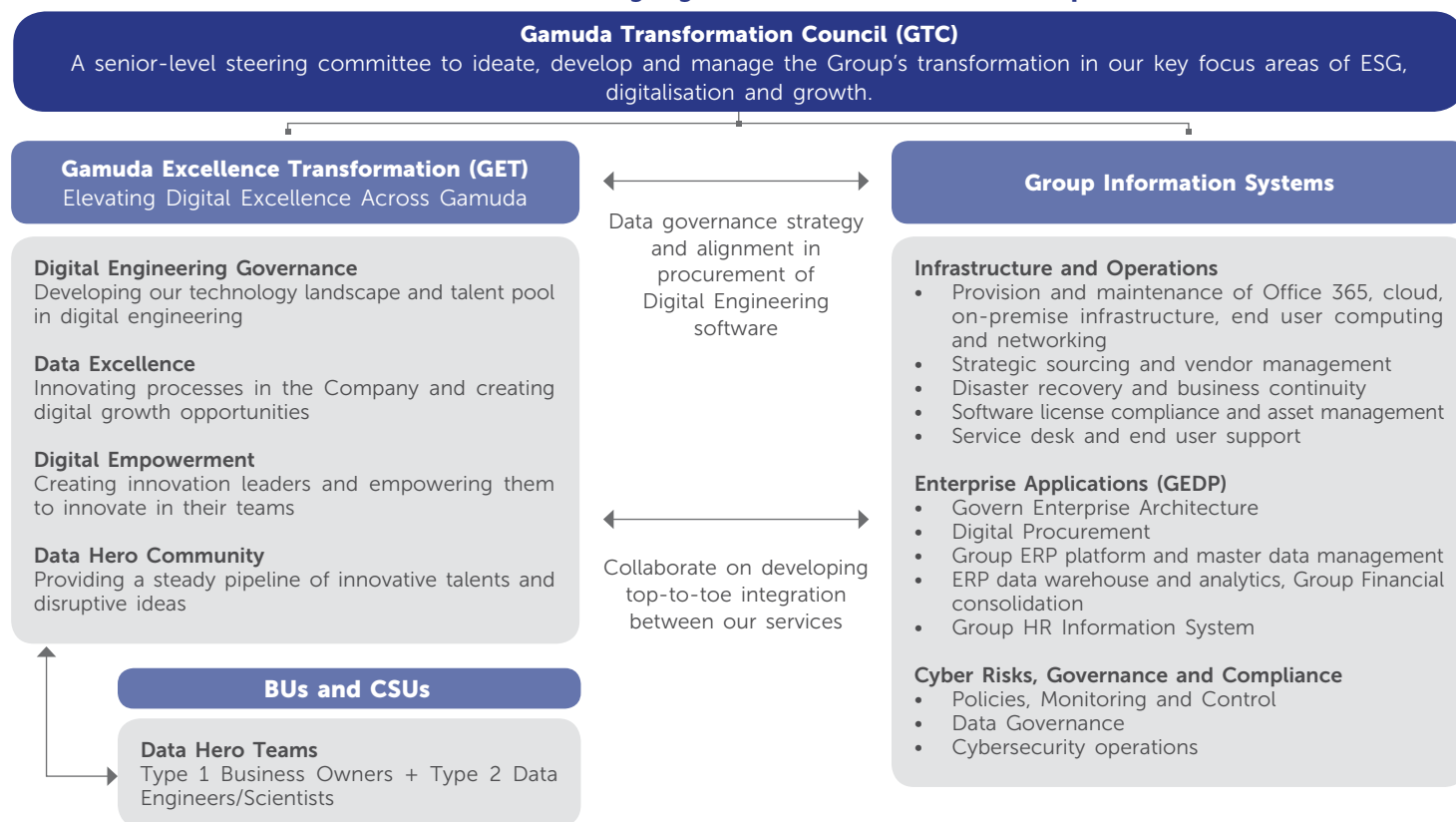
Better organisational efficiency through streamlined processes & automation

Improved governance, compliance and risk reduction

As the Company expands 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 award winning BIM (Building Information Modelling) and DE (Digital Engineering) initiatives have become a common part of Gamuda project delivery and a dedicated team has been established to further drive leadership in this area.

As the culture of innovation grows, GET has also been strengthening relationships with major digital partners such as Google Cloud, a leader in Cloud AI and Data services. This year, the Company and Google jointly hosted a special hackathon to explore different ways to harness AI and data as part of daily work. The Group’s employees have shown great interest with over 30 young engineers across the Group showcasing their talents to find advanced solutions to their daily deliverables. GET aims to continually elevate digital excellence and catalyse the development of real, people-driven solutions across the Group.

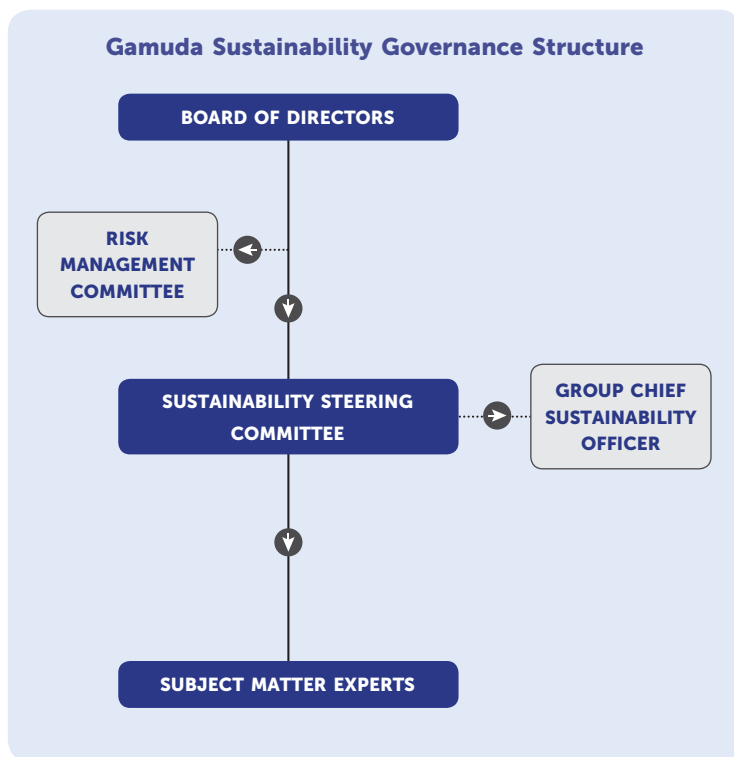
GET’s Role: Elevating Digital Excellence in Gamuda Group



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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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 127 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 Environmental, Social and Governance (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 emissions 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:

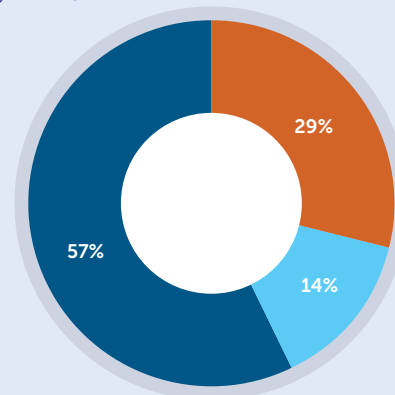


A full Sustainability Report is set out on pages 122 to 223 of this Integrated Report.

II. Board Composition

During the financial year under review, the Board comprises one Group Managing Director, one Deputy Group Managing Director, and a significant presence of five NEDs of whom four are Independent Directors. Hence, the Board's composition has fully complied with the provisions of the Listing Requirements of Bursa Securities for independent non-executive directors to make up at least one-third (1/3) of the Board membership and for a director who is qualified under Paragraph 15.09 (1) (c) of Bursa Securities' Listing Requirements to sit on the Audit Committee.

Balance of Independent and Non-Independent Directors
(as at 31 July 2022)



Executive Directors	2	Independent Directors	4
Non-Executive Director	1		

Length of Tenure of Independent Directors (as at 31 July 2022)

7 – 9 years	2
4 – 6 years	1
1 – 3 years	1

Age Diversity (as of 31 July 2022)



Nationality/Ethnicity (as of 31 July 2022)

Malaysian	7
Malay	4
Chinese	3

The Board composition which comprises majority Independent Directors also conforms with Practice 5.2 of the MCCG namely, Gamuda, being classified as a Large Company is recommended to maintain a Board that is significantly independent.

In compliance with the Listing Requirements, the Board has on the recommendation of the Nomination Committee, approved the adoption of 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 Chairman, YBhg. Dato’ Mohammed Hussein will be retiring as an Independent Chairman at the conclusion of the Forty-sixth (“46th”) Annual General Meeting (“AGM”) of the Company scheduled for 8 December 2022 as he will reach his 9-year term with Gamuda at the 46th AGM. The 9-year term for Independent Directors is in line with the recommendation of the MCCG and any retention of Independent Directors beyond the 9-year term would require shareholders’ approval at AGMs on an annual basis.

The biographical particulars of the Directors are set out in the Profile of Board of Directors section of this Integrated Report. An updated list of Directors of the Company and their respective roles and functions has been maintained on the website of the Company together with their updated biographical particulars.

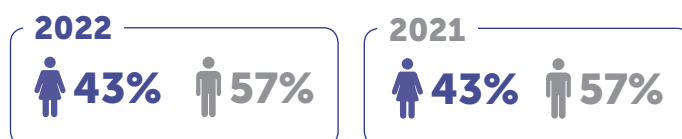
The Board is satisfied that the current composition with majority Independent Directors does fairly represent the investment of the majority and minority shareholders in the Company. The current Board brings with it a broad range of business, financial, technical and public service background.

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 effective functioning of the Board.

Recognising the benefits of diversity in its broad spectrum, the Board adopted a Diversity and Inclusion Policy on 28 September 2016. The Board has consistently maintained the 30 percent women directors on its Board as it believes that women directors will add value to Board discussions by bringing new perspectives, approaches and ideas to help the Group succeed. Under the current Board composition, women representation on the Board is 43 percent, which has exceeded the 30 percent requirement.

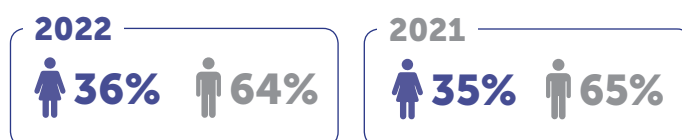
Across the Group, the respective proportions of male and female representation on the Board, in the workforce and across the business (now reported at a global level) as of 31 July 2022 are as illustrated below:

Proportion of Women on the Board



	FY2022	FY2021
Women	43%	43%
Men	57%	57%
Number of Women	3	3
Number of Men	4	4

Proportion of Women in the Workforce



	FY2022*	FY2021*
Women	36%	35%
Men	64%	65%
Number of Women	1,410	1,257
Number of Men	2,485	2,358

Note:

* The numbers presented refer to permanent and contract employees from all our companies local and overseas excluding joint ventures and associates (except for Australia).

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For details on ethnic, age and gender diversity in Gamuda's workforce, please refer to the Sustainability Report set out on pages 122 to 223 of this Integrated Report.

The Company Directors are professionals in the fields of construction and 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:-

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

 The profiles of the Board members are set out on pages 83 to 91 of this Integrated Report.

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 FY2022, an annual evaluation of the effectiveness of the Board as a whole and the Board Committees were conducted via a survey method by an independent external consultant. A Director Peer's Evaluation where all Directors were required to evaluate all members of the Board was also undertaken.

The evaluation process is led by the Nomination Committee's Chairman and supported by the Company Secretaries. The evaluation results were considered by the Nomination Committee, which then makes recommendations to the Board and were aimed at helping the Board to discharge its duties and responsibilities.

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's Committees – composition, expertise, support and communications; and
- Director's Peer Evaluation – individual Directors' qualification and experience, contribution, performance, calibre and personality.

Factors relevant to issues on Board matters globally were also reviewed by the independent external consultant.

From the Board Effectiveness Report prepared by the independent external consultant, 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.

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 remain 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, drawing from outside

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

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

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

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

From the findings, it appears that the remuneration for the top three Executive Directors namely, Group Managing Director and the two Deputy Group Managing Directors are comparable with most public listed companies benchmarked.

After due consideration on market trends together with the Company's performance and market comparison with other Executive Directors occupying similar positions from other public listed companies, the Board on the recommendation of the Remuneration Committee has decided that:

- a. the Executive Directors' and Alternate Director's salaries for FY2022 remain unchanged as per FY2021; and
- b. the salary/benefits of one of the Deputy Managing Director be reinstated upon completion of the toll highway deal.

The Board (saved for the NEDs) has decided that the Directors' fees of the NEDs (including Independent Directors) remain unchanged in respect of FY2022.

Detailed information on the Directors' remuneration for the FY2022 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 Group Senior Management on a named basis are disclosed under Practice 8.2 of the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 effectively 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 117 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 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 the FY2022 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 16 June 2022 and 22 September 2022, 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 of Bursa Securities. 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 approves EY's re-appointment at the 46th AGM.

EY has attended two out of the four Audit Committee Meetings of the Company held to discuss their audit plan, audit findings and the financial statements. EY would highlight to the Board through the Audit Committee matters that require the Audit Committee's or the Board's attention together with the recommended corrective actions thereof. 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 2021 and June 2022) 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 RM2,111,000/- (2021: RM1,690,000/-). The non-audit fees incurred for services rendered to the Group by the external auditors and its affiliates for FY2022 was RM643,000/- (2021: RM655,000/-). The non-audit fees are mainly in relation to the provision of the following services:-

- Company taxation services and tax advisory;
- Sustainability reporting services.

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 and policy issues 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 pages 115 to 116 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 113 to 114 of this Integrated Report.

III. Integrity and Governance Unit (“IGU”)

In line with the Strategic Plan of Integrity and Governance Unit (IGU) 2019 – 2021 designed by the Malaysian Anti-Corruption Commission (MACC), the establishment of 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 121 of this Integrated Report.

The following two policies have been adopted by the Group, namely:-

- The Anti-Bribery and 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 in 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 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.

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 78 to 80 of this Integrated Report.

II. Conduct of General Meetings

Gamuda 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 credible information so that they can make informed decision.

To ensure effective participation of and engagement with shareholders at the Forty-fifth (“45th”) AGM of Gamuda held on 8 December 2021, all members of the Board were present at the 45th AGM. The 45th AGM was conducted virtually via video conferencing.

The Chairman of the Board chaired the 45th AGM in an orderly manner and allowed the shareholders or proxies to raise questions at the 45th 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 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 46th AGM scheduled for 8 December 2022, the Notice is issued on 9 November 2022. The notification of the publication of the Integrated Report 2022 and the Notice of 46th AGM are published 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. In view of the COVID-19 pandemic which has yet to be eradicated for the Company to convene a face-to-face meeting, the forthcoming 46th 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 29 September 2022.

DIRECTORS' TRAINING

For the financial year ended 31 July 2022, all Directors have attended the following training programmes:-

Director	Topic
Dato' Mohammed Hussein	<ul style="list-style-type: none"> Takaful Malaysia MFRS 17 BNM-FIDE FORUM Dialogue: Risk-Based Capital Framework for Insurers and Takaful Operators BURSA-FIDE FORUM Dialogue on Sustainability FIDE FORUM Dialogue on The 2050 Net Zero Carbon Emissions Target: Finance's Role 33rd ACSIC 2021 Conference Secretariat Sustainability Challenge Accelerator: Understanding the Rise of Sustainability Fintech Anti-Money Laundering/Counter Financing of Terrorism (AMLA/CFT) BNM-FIDE Dialogue with Tan Sri Nor Shamsiah Binti Mohd Yunus, Governor of Bank Negara Malaysia Malaysia's Corporate Taxes and Incentives Updates KPMG Board Leadership Center Exclusive: Insights into Task Force on Climate-related Financial Disclosures ("TCFD") and Sustainable Finance Global Information Security (GIS) MFRS17 Refresher Course TechTalks by GET – Digital Businesses in the Next Decade SC' Audit Oversight Board Conversation with Audit Committees TechTalks by GET – Inside the World's Largest Tidal Energy Project
Dato' Lin Yun Ling	<ul style="list-style-type: none"> TechTalks by GET – Digital Businesses in the Next Decade TechTalks by GET – Inside the World's Largest Tidal Energy Project
Dato' Ir Ha Tiing Tai	<ul style="list-style-type: none"> TechTalks by GET – Inside the World's Largest Tidal Energy Project
Raja Dato' Seri Eleena binti Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah	<ul style="list-style-type: none"> TechTalks by GET – Digital Businesses in the Next Decade
Tan Sri Dato' Setia Haji Ambrin bin Buang	<ul style="list-style-type: none"> TechTalks by GET – Digital Businesses in the Next Decade
Nazli binti Mohd Khir Johari	<ul style="list-style-type: none"> 2021 MFRS Updates Seminar SC' Audit Oversight Board Conversation with Audit Committees
Chan Wai Yen	<ul style="list-style-type: none"> TCFD Climate Disclosure Training Program Governance in Groups Creating a Resilient Organisation: Crisis & Incident Readiness The Malaysian Code on Corporate Governance 2021 & the Securities Commission Guidelines on Directors' Conduct – Implications to the Board of Directors and Management Audit Oversight Board Conversation with Audit Committees Plan Your ESG Journey: Lesson for the Boardroom Why Investors Care About ESG Sustainability & Its Impact on Organisations – What Directors Need To Know PowerTalk ESG Series #4 – ESG Disclosure at a Glance: Key Developments and Future Trends TechTalks by GET – Inside the World's Largest Tidal Energy Project
Mohammed Rashdan bin Mohd Yusof (Alternate to Dato' Lin Yun Ling)	<ul style="list-style-type: none"> TechTalks by GET – Digital Businesses in the Next Decade Virtual Invest Malaysia 2021 Series 1, "Economic Reform" RAM Investor Conference/Credit Summit MARC360: Sustainable Infra 2021 Virtual Conference PNB Knowledge Forum 2022 – Sustainable Investing ESG at the Forefront
Justin Chin Jing Ho (Alternate to Dato' Ir Ha Tiing Tai)	<ul style="list-style-type: none"> Mandatory Accreditation Programme TechTalks by GET – Digital Businesses in the Next Decade TechTalks by GET – Inside the World's Largest Tidal Energy Project TechTalks by GET – A Look into Google's Innovation Culture Work Health and Safety Due Diligence in Australia Cities of the Future and Sustainability Contractual Structures of Power Purchase Agreements TechTalks by GET – The Challenges of Building a Digital-First Business TechTalks by GET – Digitisation vs Digitalisation – Know the Difference!

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

BOARD'S RESPONSIBILITY

The Board of Gamuda Berhad (the Group and the Company) affirms the overall responsibility for maintaining a sound system of risk management and internal control so as to safeguard shareholders' interests and the Group's assets. The system of risk management and internal control is designed to manage but may not totally eliminate the risk of failure to achieve business objectives. Accordingly, such systems can only provide reasonable and not absolute assurance against material error, misstatement or losses.

The Board confirms that there is an ongoing process of identifying, evaluating and managing all significant risks faced by the Group that has been in place for the year and up to the date of approval of this Statement for inclusion in the Integrated Report. The process is regularly reviewed by the Board and is in accordance with the Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers (SRMICG) and the Group's Risk Management Policies and Procedures.

RISK MANAGEMENT

The risk management framework, which is embedded in the management systems of the Group, clearly defines the authority and accountability in implementing the risk management process and internal control system. The Management assists the Board in implementing the process of identifying, evaluating and managing significant risks applicable to their respective areas of business and in formulating suitable internal controls to mitigate and control these risks.

The business development team is responsible for assessing and evaluating the feasibility and risk impact that prospective investments would have on the Group. For ongoing business operations, risk assessment and evaluation are an integral part of the annual business planning and budgeting process.

The Management of each business unit, in establishing its business objectives, is required to identify and document all possible risks that can affect their achievement, taking into consideration the effectiveness of controls that are capable of mitigating such risks.

Operational Managers or Heads of Departments are responsible for identifying risks that may have an impact on meeting their unit's business objectives. Risks identified are evaluated in accordance with the likelihood of occurrence and significance. Thereafter, risks are ranked according to the impact on the Business Unit, and control measures are formulated to mitigate these risks. Identified risks and control measures are reviewed by the Head of the respective Business Unit. Each business unit's identified risks and the controls and processes for managing them are tabulated in a risk assessment report.

During the year, the significant risks of business units were presented to the Risk Management Committee for their deliberation.

KEY RISK MANAGEMENT AND INTERNAL CONTROL FEATURES

The Group's risk management and internal control systems comprise the following key processes:

- Clearly defined operating structure, lines of responsibilities and delegated authority. Various Board and Management Committees have been established to assist the Board in discharging its duties. The committees are:

Board Committees

01 Audit Committee

02 Nomination Committee

03 Remuneration Committee

04 ESOS Committee

Management Committees

01 Risk Management Committee*

02 Budget Committee

03 Group Personnel Committee

04 Information Technology Steering Committee

05 COVID-19 Steering Committee

* **Note:**
with Board representation

- Feasibility study, risk impact and assessment of new investments/projects are evaluated by the business development team for the Board's deliberation.
- Internal control activities have been established in all business units with clearly defined lines of responsibilities, authority limits for major capital expenditure, contract awards and other significant transactions, segregation of duties, performance monitoring and safeguarding of assets.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- Systematically documented Policies and Procedures, Standard Operating Procedures are in place to guide employees in their day-to-day work. These Policies and Procedures are reviewed regularly and updated when necessary.
- As part of managing the day-to-day business operations, the Group uses a budgetary control system whereby all business units prepare business plans, budgets and control measures to mitigate identified risks. These business plans and budgets are reviewed and approved by the Budget Committee, which is chaired by the Group Managing Director and subsequently presented to the Board.
- A comprehensive reporting system comprising budgets, key business indicators and performance results on operations are made available to the Senior Management. This flow of information is for the Senior Management to review the business unit's performance against budgets and performance indicators on a monthly basis.
- An Integrated Management System incorporating ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 requirements have been established and implemented to enable high-quality, cost-effective, reliable, safe and environmentally friendly products and services.
- A performance management system with clearly defined business objectives and targets set for relevant employees. Employees' performances are monitored, appraised and rewarded according to the achievement of targets set.
- Training and development programmes are identified and scheduled for employees to acquire the necessary knowledge and competency to meet their performance and job expectations.
- An adequately resourced Internal Audit Department, which reports directly to the Audit Committee, conducts regular reviews on the integrity and effectiveness of the Group's system of internal controls.
- The Board of our associated companies include our representatives. Information on the financial performance of these associated companies is provided regularly to the Management and Board of the Company via regular management reports and presentations at Board meetings.
- In respect of joint ventures entered into by the Group, the Management of the joint ventures, which consist of representations from the Group and other joint venture partners, are responsible to oversee the administration, operation and performance of the joint venture. Financial and operational reports of these joint ventures are provided regularly to the Management of the Company.

The Group Managing Director and the Group Chief Financial Officer have provided the Board with the assurance that the Group risk management and internal control system is operating adequately and effectively. All internal control weaknesses identified during the period under review have been or are being addressed. There were no major internal control weaknesses that required disclosure in the Integrated Report. The Management continues to review and take measures to strengthen the risk management and control environment.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have performed limited assurance procedures on the Statement in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information' and AAPG 3, 'Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Integrated Report'. They have reported to the Board that nothing has come to their attention that causes them to believe the Statement intended to be included in the Integrated Report is not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of SRMICG, nor is the Statement factually inaccurate.

This Statement is made in accordance with the resolution of the Board dated 29 September 2022.

RISK MANAGEMENT COMMITTEE REPORT

MEMBERSHIP

The Risk Management Committee (RMC) is chaired by the Group Managing Director and comprises not less than five members. The members of the RMC are Executive Directors, Heads of Business Divisions and an Independent Director.

01 YBHG DATO' LIN YUN LING
Chairman/Group Managing Director

02 YBHG DATO' IR HA TIING TAI
Member/Deputy Group Managing Director

03 YBHG DATO' HAJI AZMI BIN MAT NOR
Member/Executive Director

04 PUAN NAZLI BINTI MOHD KHIR JOHARI
Member/Independent Non-Executive Director
(Appointed on 30 June 2022)

05 MR. SOO KOK WONG
Member/Group Chief Financial Officer
(Appointed on 30 June 2022)

06 MR. NGAN CHEE MENG
Member/Chief Executive Officer, Gamuda Land
(Appointed on 30 June 2022)

07 MR. JUSTIN CHIN JING HO
Member/Managing Director, Gamuda Engineering
(Appointed on 30 June 2022)

08 YBHG DATO' GOON HENG WAH
Member/Group Executive Director
(Retired on 31 December 2021)

09 MR. SAW WAH THENG
Member/Group Executive Director
(Retired on 30 June 2022)

10 YBHG DATO' UBULL DIN OM
Member/Executive Director
(Retired on 30 June 2022)

11 YBHG DATO' IR CHOW CHEE WAH
Member/Technical Director
(Retired on 30 June 2022)

12 YM TUNKU AFWIDA BINTI TUNKU A.MALEK
Member/Independent Non-Executive Director
(Retired on 08 December 2021)

TERMS OF REFERENCE

The RMC shall meet at least once a year or at any time deemed appropriate by the RMC Chairman to discharge its duties. The quorum for any meeting of the RMC shall not be less than half of its composition.

The principal duties and responsibilities of the RMC are as follows:



- Identify current and potential business, operational and sustainability risks that have a major impact on the Group's projects and businesses, which prevent it from achieving its goals and objectives.



- Advise the Board on risk-related issues and recommend strategies to mitigate critical risks.



- Provide oversight, direction and guidance on the Group's risk management structure, process and support system.



- Review and assess the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks.

RISK MANAGEMENT COMMITTEE REPORT

MANAGING OPERATIONAL RISK

Risk Management Framework

Risk Management activities are guided by the Group's Risk Management Policies and Procedures. The risk universe covers a range of activities that determine the risk profile inherent in the nature of the business, which would compromise the business objectives and sustainability if it is not properly addressed.

Risk factors of Business Units and Projects are associated with the environment faced and the Management's operating style and can be broadly classified into five main categories:

Strategic Risk

Regulatory/Compliance Risk

Financial Risk

Reputational Risk

Operational Risk

Risk Identification, Evaluation and Ranking

The Management of each Business Unit and Project, in establishing its business objectives, is required to identify and document all possible risks that can affect their achievement, taking into consideration the effectiveness of controls that are capable of mitigating such risks.

Operational Managers or Heads of Departments are responsible to identify risks that may have an impact on meeting their unit's business objectives.

The risk identification process shall also take into consideration the:

Risk specific to the achievement of business objectives

Risk with potential impact on the success and continuity of the business

Thereafter, identified risks are evaluated as follows:

Probability or likelihood of occurrence

Significance of the risk

Risk Mitigation Measures

Identified risks and risk mitigation measures are reviewed and finalised by the Heads of Business Units and Projects before being presented to the RMC and the Board.

 For more details on the Key Risks and Mitigation, kindly refer to pages 61 to 66.

Risk Reporting and Monitoring

Each Business Unit's and Project's identified risks, the controls and processes for managing them are tabulated in a risk assessment report. Significant risks of Business Units and Projects are presented to the RMC for their deliberation.

Risk monitoring is an ongoing process. The RMC and the Board are monitoring the Group's business risks as part of their annual assessment for proper disclosure in the Integrated Report.

AUDIT COMMITTEE REPORT

MEMBERSHIP

The current composition of the Audit Committee is as follows:

1. **TAN SRI DATO' SETIA HAJI AMBRIN BIN BUANG**
Chairperson/Independent Non-Executive Director
(Appointed on 08 December 2021)
2. **YBHG DATO' MOHAMMED HUSSEIN**
Member/Independent Non-Executive Director
3. **PUAN NAZLI BINTI MOHD KHIR JOHARI**
Member/Independent Non-Executive Director
4. **YM TUNKU AFWIDA BINTI TUNKU A.MALEK**
Independent Non-Executive Director
(Retired on 08 December 2021)

ATTENDANCE OF MEETINGS

During the financial year ended 31 July 2022, the Audit Committee met four times. The attendance of the Committee members is as follows:

Name of Directors	Attendance
Tan Sri Dato' Setia Haji Ambrin bin Buang	3/3
YBhg Dato' Mohammed Hussein	4/4
Puan Nazli binti Mohd Khir Johari	4/4
YM Tunku Afwida binti Tunku A.Malek	1/1

TERMS OF REFERENCE

The information on the terms of reference of the Audit Committee is available on the Company's website.

SUMMARY OF AUDIT COMMITTEE'S ACTIVITIES

During the financial year, the Audit Committee met four times. Activities carried out by the Audit Committee included the deliberation and review of:

- i. the Group's quarterly and year-end financial results prior to submission to the Board for consideration and approval, focusing particularly on matters relating to changes in major accounting policies, significant and unusual events, compliance with accounting standards and other disclosure requirements;
- ii. the audit planning memorandum of the External Auditors in a meeting to discuss their audit strategy, audit focus and resources prior to commencement of their annual audit;
- iii. matters arising from the audit of the Group in a meeting with the External Auditors without the presence of any executive officer of the Group;
- iv. the performance of the External Auditors and the recommendations to the Board on their reappointment and remuneration;
- v. the Audit Committee Report and its recommendation to the Board for inclusion in the Integrated Report;
- vi. the Statement of Corporate Governance, Statement on Risk Management and Internal Control and its recommendation to the Board for inclusion in the Integrated Report;
- vii. the risk-based annual audit plan and resource requirement proposed by the Internal Auditors for the Group;
- viii. the audit reports presented by the Internal Auditors on major findings, recommendations and Management's responses thereto;
- ix. the results of follow-up audits conducted by the Internal Auditors on the Management's implementation of audit recommendations;
- x. related party transactions as required under the Listing Requirements to ascertain that the transactions are conducted at arm's length prior to submission for the Board's consideration and, where appropriate, shareholders' approval;
- xi. share option allocations pursuant to the ESOS of the Company during the financial year under review that was verified by the Internal Auditors in respect of compliance with the criteria set out in the ESOS by-laws and by the ESOS Committee;
- xii. reports submitted to the Malaysian Anti-Corruption Commission (MACC) by the Integrity and Governance Unit (IGU).

STATEMENT ON INTERNAL AUDIT



The Internal Audit function of the Company is performed by the in-house Internal Audit Department (IAD). IAD reports directly to the Audit Committee and maintains its impartiality, proficiency and due professional care. The Internal Audit Charter defines the authority, duties and responsibilities of IAD. ”

The principal roles of IAD are to evaluate and improve the effectiveness of internal control, governance and risk management processes. Furthermore, IAD provides independent and objective assurance to the Board and Management on the adequacy and integrity of the Company's internal control systems.

IAD adopts a risk-based audit approach when preparing its annual audit plan. The main factors to be taken into consideration are Risk Assessment, Budget and Business Plan, Senior Management's input and results of previous audits. The annual audit plan covers the business units and projects of the Group and is approved by the Audit Committee.

PRACTICES AND FRAMEWORK

IAD is guided by the internal policies and procedures as well as the Professional Practices Framework and the Internal Control Framework of the Committee of Sponsoring Organisation of the Treadway Commission (COSO) in assessing and reporting on the adequacy and effectiveness of the internal control, governance and risk management processes.

SCOPE AND COVERAGE

During the year, IAD has undertaken independent audit assignments on business units and projects of the Group in accordance with the approved annual audit plan. Among the scope of coverage are:

- i. Marketing and Sales;
- ii. Collection and Credit Control;
- iii. Customer Service;
- iv. Public Relations and Communications;
- v. Contracts Management;
- vi. Procurement Management;
- vii. Project Management;
- viii. Production Management;
- ix. Human Resource Management;
- x. Office Administration;
- xi. Management of Assets;
- xii. Environmental, Social and Governance;
- xiii. Statutory Compliance.

The relevant audit reports were presented to the Audit Committee for deliberation and forwarded to the Management for the necessary corrective actions to be taken.

The Internal Audit activities during the financial period are summarised below:

- i. prepared annual audit plan for deliberation and approval by the Audit Committee;
- ii. performed operational audits on business units and projects of the Group to ascertain the adequacy and integrity of their system of internal controls, governance and risk management;
- iii. performed statutory compliance audits, including related party transactions;
- iv. made recommendations for improvement where weaknesses and/or non-compliances were found;
- v. conducted follow-up reviews to determine the adequacy, effectiveness and timeliness of actions taken by the Management on audit recommendations and provided updates on their status to the Audit Committee.

RESOURCES AND CONTINUOUS DEVELOPMENT

IAD is led by Mr. Wong Siew Ping, a Chartered Accountant and a Certified Member of the Institute of Internal Auditors. There are 13 Internal Auditors in the Group and the total cost incurred during the year was RM1,972,760 (This includes six auditors based at business units and projects. Cost incurred: RM580,450).

A majority of the staff have relevant qualifications and all staff are encouraged to continuously enhance their knowledge, skills and competencies through relevant professional courses, webinars, training courses and on-the-job training.

ADDITIONAL COMPLIANCE INFORMATION

1. MEETING RECORDS OF DIRECTORS FOR FINANCIAL YEAR ("FY") 2022

Name of Director	Board Committee					Risk Management Committee
	Board of Directors	NED [¶]	Audit Committee [#]	Nomination Committee	Remuneration Committee	
Dato' Mohammed Hussein	8/8	1/1	4/4	2/2	Nil	
Dato' Lin Yun Ling	8/8				Nil	1/1
Dato' Ir Ha Tiing Tai	8/8					1/1
Raja Dato' Seri Eleena Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah	8/8	1/1			Nil	
Tan Sri Dato' Setia Haji Ambrin Buang	8/8	1/1	3/4	1/2		
Nazli Mohd Khir Johari	8/8	1/1	4/4	2/2		1/1
Chan Wai Yen, Millie ¹	3/8	1/1				
Tunku Afwida Tunku A.Malek ²	4/8		1/4	1/2		
Total number of meetings for FY2022	8	1	4	2	Nil	1

Chairman

Member

Non-Member

Appointed as Chairman of Audit Committee & member of Nomination Committee on 8 December 2021

Appointed as a member of Risk Management Committee on 30 June 2022

Ceased as Chairperson of Audit Committee & member of Nomination Committee & Risk Management Committee following retirement as an Independent Director on 8 December 2021

Notes:-

¹ Appointed as an Independent Director on 1 January 2022.

² Retired as an Independent Director at the conclusion of the 45th Annual General Meeting held on 8 December 2021.

¶ One Non-Executive Directors' session was held on 18 April 2022.

Two private sessions were held between the Audit Committee and the external auditors, Ernst & Young PLT i.e. on 22 September 2021 and 16 June 2022.

2. AUDIT AND NON-AUDIT FEES

The amount of the external audit fees and non-audit fees incurred for the FY2022 were as follows:

Type of Services	Company (RM'000)	Group (RM'000)
Audit services	732	2,111
Non-audit services	229	643
Total	961	2,754

The non-audit services rendered relate mainly to (i) company taxation services and tax advisory and (ii) sustainability reporting services.

ADDITIONAL COMPLIANCE INFORMATION

3. MATERIAL CONTRACTS INVOLVING DIRECTORS'/CHIEF EXECUTIVES'/MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed under Note 41 of the Financial Statements in this Integrated Report, there were no material contracts entered into by the Company or its subsidiaries involving the interest of its Directors, Chief Executive who is not a Director or major shareholders still subsisting at the end of the FY2022.

4. UTILISATION OF PROCEEDS

The Company completed the disposal of all the securities in the following concession companies on 13 October 2022:-

- Kesas Sdn Bhd by Kesas Holdings Berhad, a 70.0 percent owned subsidiary of Gamuda;
- Sistem Penyuraian Trafik KL Barat Sdn Bhd by Sistem Penyuraian Trafik KL Barat Holdings Sdn Bhd, a 51.3 percent associate company of Gamuda;
- Lingkar Trans Kota Sdn Bhd by Lingkar Trans Kota Holdings Berhad, a 42.7 percent associate company of Gamuda; and
- Syarikat Mengurus Air Banjar & Terowong Sdn Bhd by Projek SMART Holdings Sdn Bhd, a 50.0 percent joint venture company of Gamuda;

(collectively referred to as the "Disposals" and each as the "Disposal").

The proceeds from each Disposal will be distributed to the shareholders of each respective holding company of the above concession companies in its entirety whereby Gamuda's share of the proceeds amounted to approximately RM2,354 million. The Company has not received the proceeds from the Disposals as at 31 July 2022.

The proposed utilisation of proceeds raised from the Disposals as at 31 July 2022 are as follows:

	Proposed Utilisation of Proceeds		Estimated timeframe from completion date
	RM'million	%	
Dividend distribution	1,000.0	42.5	Within 12 months
Repayment of borrowings	900.0	38.2	Within 12 months
General corporate and working capital	445.6	18.9	Within 24 months
Estimated expenses for the Disposals	8.4	0.4	Within 3 months
Total	2,354.0	100.0	

5. EMPLOYEES' SHARE OPTION SCHEME

The Employees' Share Option Scheme (2021/2027) of the Company ("ESOS") was implemented on 8 December 2021 and is effective from 8 December 2021 to 31 January 2027.

The total number of share options granted, exercised and outstanding under the ESOS, are set out in the table below:-

Description	Number of Share Options (since commencement of ESOS to 31 July 2022)	
	Grand Total	Directors
(a) Granted	191,150,000	50,850,000
(b) Exercised	-	-
(c) Outstanding	191,150,000	50,850,000

Percentages of share options applicable to Directors and Senior Management under the ESOS:-

Directors and Senior Management	During the financial year 2022	Since Commencement up to 31 July 2022
(a) Aggregate maximum allocation	50%	50%
(b) Actual granted	27%	27%

The Company did not grant any share options over ordinary shares pursuant to the ESOS to the Non-Executive Directors of the Company.

STATEMENT ON INTEGRITY AND GOVERNANCE



The Group's commitment to an ethical business environment, strong governance and prudent management that builds resilience to the threats of corruption, abuse of power and malpractices is sighted by the Integrity and Governance Unit (IGU). ”

FRAMEWORK AND FOCUS

The IGU, led by a certified Chief Integrity and Governance Officer (CIGO) and assisted by two Integrity and Governance Officers (IGO), reports directly to the Audit Committee. IGU maintains impartiality in performing its core functions, guided by the Malaysian Anti-Corruption Agency (MACC) Act 2009, Government directives, and the Group's relevant policies, procedures and controls to circumvent the risks of corruption, fraud, malpractices and unethical conduct within the Organisation.

The **four IGU core functions** are:

01 Complaints Management

02 Detection and Verification

03 Integrity Strengthening

04 Governance

IGU's role is to regulate the Group's continuous efforts in promoting high-level integrity culture, good governance, operational efficiency and transparency. These initiatives shall be strengthened by continual training and communication programmes to instil awareness and prevent the elements of corruption and malpractices amongst Gamudians and stakeholders when conducting business.

During the financial period, IGU in collaboration with the business heads/entities, undertook the following initiatives:

• Operational efficiency and transparency enhancement

The activities undertaken include reviewing and improving the policies, work procedures and processes, and verifying the initiatives done for effective internal control. The current operational efficiency is enhanced through effective systemic review, monitoring and enforcement measures. These activities were also reinforced by virtual awareness training/webinar and established communication with employees, business associates and relevant external personnel.

• Gamuda (OACP) 2021-2024

The Organizational Anti-Corruption Plan focuses on the priority areas/activities identified in the CRA Report. The OACP describes an integrated anti-corruption framework, combining governance and integrity strengthening and anti-corruption initiatives, implemented as corruption prevention efforts/solutions in these priority areas.

• Engagement with MACC

IGU's commitments to Anti-Bribery and Corruption measures are shown in its biannual reporting to MACC as a compliance stance. The engagement between IGU and MACC best be described as "beyond compliance" as there is continual engagement between MACC and IGU.

No.	FY2022 Milestones	Remarks
1	The signing of Directors and Employee Integrity Pledge	Kickstarted on 16 September 2021, renewable once a year
2	Completion and endorsement of Gamuda Organisational Anti-Corruption Plan (OACP) 2021-2024	Endorsed on 25 October 2021
3	Implementation of Group-wide Conflict of Interest Declaration	17 January 2022
4	Roll-out Anti-Bribery and Corruption Policy, Whistleblowing Policy and Procedure, Employee Integrity Pledge and Code of Business Ethics to Gamuda Australia, Gamuda Singapore, Gamuda Vietnam and Gamuda Taiwan	24 February, 17 and 25 May 2022, respectively
5	Certified Integrity and Governance Officer (CeIO) Training programme 22 February – 17 March 2022	Attended by CIGO and one IGO
6	Mandatory Bi-annual Report to Malaysian Anti-Corruption Commission (MACC)	Submissions 2 January 2022 and 18 July 2022
7	Seminars attended by CIGO and IGOs	7
8	In-house Awareness and Communication programmes for employees/stakeholders	33



Advance tree planting programme (part of Gamuda #1MillionTrees)
- Bandar Gamuda Cove, Selangor, Malaysia

SUSTAINABILITY REPORT

Gamuda's Alignment to
Global Aspirations:

We are committed to:



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

We are an official supporter of:



We are members of:



Our programmes support:



THE GLOBAL GOALS
For Sustainable Development

Chapter 1:
Sustainability Integration

Chapter 2:
Our Governance and Value
to Economy

Chapter 3:
Investing in Our People and
Communities

Chapter 4:
Our Decarbonisation
Pathway

Chapter 5:
Our Global Alignment

SUSTAINABILITY REPORT

SUSTAINABILITY INTEGRATION VIA OUR MANAGEMENT LENS

SHORT-TERM: ACTUATION AND DELIVERING

At every level of our business decision-making, we are committed to carrying out our operations in a manner that is socially and environmentally responsible. Led by our ambitious governance, we strive to make a meaningful impact on communities and the environment where we operate. Our Gamuda Green Plan 2025 was launched in FY2021, which sets out very clear carbon emissions targets while strengthening our social stewardship. We have also aligned our reporting to the Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and Carbon Disclosure Project (CDP).

This year, we furthered our commitment to the Science Based Targets initiative (SBTi). Adopting a science-based approach, we have begun conducting scenario analyses of global temperature increases of 1.5 degrees Celsius and beyond, ensuring we incorporate relevant climate adaptation measures into our project planning and design. This is ongoing in Gamuda Cove, Gamuda Gardens and Penang South Islands. We are also using the Low Carbon Cities Framework as a guideline to build smart, sustainable and low-carbon townships.

MEDIUM-TERM: DRIVING DECARBONISATION TOWARDS NET ZERO

Under the Gamuda Green Plan 2025, we have set ourselves the target of reducing our carbon emissions intensity by 45 percent compared to the baseline year of 2022 by the year 2030.

To achieve this, we are intensifying our investments in the renewable energy (RE) space, specifically solar and hydropower. We aim to grow our RE asset portfolio to a capacity exceeding 800MW, which would position us as Malaysia's largest private RE producer.

This is in addition to the green financing programmes that we are involved in, including nature-based and technology-based carbon reduction projects such as the sustainability-linked loan with Sustainability Performance Targets (SPTs) relating to our emissions reduction targets. We are also building our carbon credits through tree planting. To date, we have planted and nurtured more than 600,000 trees and saplings across our developments. Our goal is to plant one million trees and saplings by 2023.

LONG-TERM: BUILDING PERFORMANCE THROUGH LEADERSHIP AND GOVERNANCE

By 2050, we seek to be a net zero carbon organisation contributing to a low-carbon, climate-resilient environment. We are enhancing our Scope 1, 2 and 3 emissions monitoring and reporting with an Internet of Things (IoT) system implemented in 2022. This improves the integrity of our data mining and also allows for a clear auditable trail (reflecting good governance).

As part of our continuous efforts in Scope 3 traceability, we have started monitoring and disclosing our construction emissions. We hope to further expand our traceability efforts to our supply chain. To manage these emissions, we have set targets from 2026 onwards. We have embarked on ESG training for our over 3,000 supply chain partners comprising financiers, government agencies and regulators, builders, suppliers and consultants. We have also obtained pledges from our suppliers on their commitment to enhancing sustainability in their operations.

Within our internal community, we continue to make great strides in providing competitive wages, better working conditions and ensuring freedom of association.

Externally, we continue to invest in the development of sustainable cities and communities – guided by partnerships with the United Nations Development Programme (UNDP), CEO Action Network (CAN), Malaysian Green Technology and Climate Change Corporation (MGTC), Infrastructure Sustainability Council (ISC) and trade associations. We are also intensifying our programmes to empower marginalised communities via Yayasan Gamuda. Through our foundation, we have been training individuals with autism in preparation for employment, providing scholarships for deserving students, and engaging with the *Orang Asli* to enhance their income generation.

ABBREVIATIONS

AB&C Policy	– Anti-Bribery and Corruption Policy	GWEN	– Gamuda Women Empowerment Network	PSI	– Penang South Islands
A-TBM	– Autonomous Tunnel Boring Machine	IBS	– Industrialised Building Systems	QLASSIC	– Quality Assessment System for Building Construction Works
BIM	– Building Information Modelling	GIBS	– Gamuda Industrialised Building System	QSHE	– Quality, Safety, Health and Environment
CDP	– Carbon Disclosure Project	IGU	– Integrity and Governance Unit	RAP	– Reconciliation Action Plan (Gamuda Australia)
CIDB	– Construction Industry Development Board	IIRC	– International Integrated Reporting Council	RE	– Renewable Energy
CIVac	– Construction Industry Vaccination Programme	ILO	– International Labour Organisation	RMC	– Risk Management Committee
CLQs	– Centralised Labour Quarters	IMS	– Integrated Management System	SASB	– Sustainability Accounting Standards Board
CO₂e	– carbon dioxide equivalent	IUCN	– International Union for Conservation of Nature	SBTi	– Science Based Targets initiative
CREST	– Crisis Relief Services and Training	ISAE 3000	– International Standard on Assurance Engagements	SC	– Securities Commission
CQQs	– Centralised Quarantine Quarters	ISC	– Infrastructure Sustainability Council (Australia)	SDGs	– Sustainability Development Goals
CTU	– Construction Training Unit	ISO	– International Organization for Standardization	SGHA	– Star Golden Hearts Award
DJSI	– Dow Jones Sustainability Indices	KVMRT	– Klang Valley Mass Rapid Transit	SHASSIC	– Safety and Health Assessment System in Construction
DOE	– Department of Environment	LCCF	– Low Carbon Cities Framework	SHE	– Safety, Health and Environment
EA	– Enabling Academy	LTI	– Lost Time Injury	SIMP	– Social Impact Management Plan
EIA	– Environmental Impact Assessment	LTIFR	– Lost Time Injury Frequency Rate	SIRIM	– Standard and Industrial Research Institute of Malaysia
ESG	– Environmental, Social and Governance	MCCG	– Malaysian Code on Corporate Governance	SLL	– Sustainability-Linked Loan
ETP	– Employment Transition Programme	MGTC	– Malaysian Green Technology and Climate Change Corporation	SMART	– Stormwater Management and Road Tunnel
FRIM	– Forest Research Institute Malaysia	MyCREST	– Malaysian Carbon Reduction and Environmental Sustainability Tool	SME	– Subject Matter Experts
FTSE	– Financial Times Stock Exchange	NatHERS	– Nationwide House Energy Rating Scheme	SPTs	– Sustainability Performance Targets
GBC	– Green Building Council (Malaysia)	NEM	– Net Energy Metering Malaysia	SMP	– Sustainable Management Plan
GBI	– Green Building Index	NIOSH	– National Institute for Occupational Safety and Health	SSC	– Sustainability Steering Committee
GET	– Green Electricity Tariff	OSH	– Occupational Safety and Health	SUSTAINABLE INFRASTAR	– Sustainable Infrastructure Rating Tool
GGP 2025	– Gamuda Green Plan 2025	OHSAS	– Occupational Health and Safety Assessment Series	SWC	– Sustainability Working Council
GHG	– Greenhouse gases	PDA	– Project Differently-Abled	TBM	– Tunnel Boring Machine
GHG Protocol	– GHG Protocol Corporate Accounting and Reporting Standard	PCMD	– Project Construction Management Department	TCFD	– Task Force on Climate-related Financial Disclosures
GIA	– Gamuda Inspiration Award	PMS	– Performance Management System	TTA	– Tunnelling Training Academy
GLC	– Gamuda Learning Centre	PPSN	– Pusat Perkhidmatan Setempat Nelayan	UN SDGs	– United Nations Sustainability Development Goals
GPOS	– Gamuda Plant Operator School			VD TBM	– Variable Density Tunnel Boring Machine
GQUAS	– Gamuda Land Quality Unit Assessment System			WIM	– Wetlands International Malaysia
GRI	– Global Reporting Initiative Standards			YSD	– Youth Skills Development
GS	– Green Star certification rating by Green Building Council of Australia				

SUSTAINABILITY REPORT

INTEGRATING THE UN SDGs

At Gamuda, we have strategically aligned our Group Sustainability Framework “Build Right. For Life” journey towards the following Sustainable Development Goals.



Our Governance and Value to Economy

Goal 4

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

4.4. and 4.5 Promote equality for both women and men, regardless of age to have technical skills for preparation before any employment or entrepreneurship

Goal 5

Achieve gender equality and empower all women and girls

5.5 Promoting the participation of women for all levels at Gamuda

Goal 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.2 The economic growth for the Group fuels socio-economic multiplier effect resulting in job creation, entrepreneurial opportunities, repayment to financiers, increased tax revenues for the government and support local supply chain development

Goal 17

Strengthen the means of implementation and revitalise the global partnership for sustainable development

17.14 Development of the Gamuda Group ESG Policy to provide a clear framework for the incorporation of ESG principles into key practices

Investing in Our People and Communities



Goal 3

Ensure healthy lives and promote well-being for all at all ages

3.8 Ensuring the employee’s health is taken into account for by including health (especially during a COVID-19 wave) as one of the benefits of being employed with Gamuda

Goal 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.5 Prepare differently-abled people to adapt and thrive in working environment

8.7 and 8.8

Recognises and respect the rights of all employees including migrant workers by committing to eradicate forced labour, modern slavery, human trafficking, child labour, discrimination, harassment, bullying and retaliation

Goal 16

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

16.2 Committed to human rights and ethical recruitment practices by refraining from hiring and deploying child labour in all business operations

16.3 Abide to all relevant law, regulations and best practices that the Group operate in to ensure everyone is treated in humanely manner

Our Decarbonisation Pathway



Goal 7

Ensure access to affordable, reliable, sustainable and modern energy for all

7.1 and 7.2 The adoption of renewable energy and low-carbon alternatives (green mobility) to increase energy efficiency of the whole Group including in townships and developments towards carbon net zero in 2050

Goal 9

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

9.4 Adoption of energy-efficient technology to be utilised in all buildings (offices, properties etc)

Goal 11

Make cities and human settlements inclusive, safe, resilient and sustainable

11.1 and 11.3 Ensuring sustainable and best management practices is implemented in any development and project pertaining to inclusive urbanisation

Goal 12

Ensure sustainable consumption and production patterns

12.2, 12.3, 12.4 and 12.5 Reporting of the Group’s direct and indirect GHG emissions, water management and waste management which also includes the food-to-waste programmes

Goal 13

Take urgent action to combat climate change and its impacts

13.1 Implementation of SMART tunnel as flood mitigation for the city

13.2 Promote national carbon reduction targets and policies through various technological and implementation and initiatives such as conservation and carbon offset programme

Goal 14

Conserve and sustainably use the oceans, seas and marine resources for sustainable development

14.7 Development of PSI Project aligning to the ESG commitment of the Group

Goal 15

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

15.1 and 15.2 Committed to continue and ensure conservation of flora and fauna is carried out by promoting and educating communities on the importance of environment conservation

15.9 Integrate systems such as wetlands into local planning and development processes

GAMUDA GREEN PLAN 2025

Gamuda Green Plan 2025 is our strategic roadmap towards driving ESG within the Group. It empowers the Group to strategically address ESG risks and opportunities with the ultimate objective of delivering positive impact and value.

Gamuda Green Plan 2025 comprises four pillars: Sustainable Planning and Design for Construction, Our Community is Our Business, Environmental and Biodiversity Conservation and Enhancing Sustainability via Digitalisation.



<p>PILLAR 1</p> <p>SUSTAINABLE PLANNING AND DESIGN FOR CONSTRUCTION</p> <p>To facilitate sustainable masterplanning featuring climate-responsive design, integrated transport and Super Low Energy (SLE) buildings with smart features.</p>	<p>PILLAR 2</p> <p>OUR COMMUNITY IS OUR BUSINESS</p> <p>To equip ourselves with the right ESG knowledge, become SMEs in our respective domains and cultivate good governance in ESG.</p>	<p>PILLAR 3</p> <p>ENVIRONMENTAL AND BIODIVERSITY CONSERVATION</p> <p>To drive impactful efforts in nature conservation and biodiversity stewardship in our developments.</p>	<p>PILLAR 4</p> <p>ENHANCING SUSTAINABILITY VIA DIGITALISATION</p> <p>By leveraging on technology and data management that will enhance and enable Group-wide efforts in sustainable development.</p>
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These four pillars were agreed upon after taking into account Gamuda’s business model, the geographic location of our operations, emerging ESG issues, ongoing trends and the interests of our diverse stakeholders. Beyond high-level macro strategic direction and objectives, the Gamuda Green Plan 2025 also provides specific targets and goals over the next four years, with an extended view to 2030 and beyond.

The plan 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.



For more information, please scan this QR code to visit Gamuda Green Plan webpage.



About This Report



REPORTING PERIOD

Our Sustainability Report (SR) is published annually. This year's report covers information on our sustainability performance for the period from 1 August 2021 to 31 July 2022 (FY2022).

Our previous Sustainability Report was published on 9 November 2021.



STATEMENT OF USE

The Board of Directors (Board) of Gamuda, which is the Group's highest decision-making body, acknowledges the responsibility for the following statement of use: The information reported by Gamuda for FY2022 has been prepared in reference to the Global Reporting Initiative (GRI) Standards and <IR> Framework.



REPORTING SCOPE AND BOUNDARIES

SR2022 is scoped to the business operations and activities of the holding Company and all major Group subsidiaries in Malaysia only, for which Gamuda has direct managerial control, unless otherwise specified. Accordingly, the following entities have been excluded:

Our joint ventures and associate companies;

Our water concession, Gamuda Water Sdn Bhd; and

Our expressway concessions, KESAS Sdn Bhd, Syarikat Mengurus Air Banjir dan Terowong Sdn Bhd, Sistem Penyuraian Trafik KL Barat Sdn Bhd and Lingkaran Trans Kota Holdings Sdn Bhd.



REPORT QUALITY AND DATA INTEGRITY

In deciding on the content for this report, we have been guided by the Global Reporting Initiative (GRI) and International Integrated Reporting Framework (IIRF) principles. The report also includes extensive carbon reporting using GHG Protocol methodology and elements of Task Force on Climate-related Financial Disclosures (TCFD). In addition, the report is aligned with the expectations of the Carbon Disclosure Project (CDP) and the Sustainability Accounting Standards Board (SASB).

All data contained within this report has been sourced internally, verified and validated by the respective business units. We continue to enhance our data collection and analysis processes towards improving data accuracy and quality and to strengthening disclosures going forward.

The reporting principles covered in this report include:

Stakeholder Inclusiveness:
capturing our stakeholder's expectations and concerns;

Sustainability Context:
presenting our performance in the wider context of sustainability;

OUR SUSTAINABILITY REPORT 2022 (SR2022) COVERS ASPECTS THAT ARE MATERIAL TO GAMUDA AND THAT COULD HAVE A SIGNIFICANT IMPACT ON STAKEHOLDERS FROM AN ESG PERSPECTIVE. IT ALSO HIGHLIGHTS INITIATIVES UNDERTAKEN TO MANAGE THESE MATERIAL MATTERS IN A MANNER THAT CREATES VALUE FOR ALL STAKEHOLDERS.

FOR A MORE COMPREHENSIVE ACCOUNT OF GAMUDA'S BUSINESS AND OPERATIONAL PERFORMANCE, READERS ARE ENCOURAGED TO READ THE SR2022 TOGETHER WITH THE REST OF THIS INTEGRATED REPORT.

Materiality:

identifying and prioritising the key sustainability issues that our Group encounters;

Completeness:

reporting all sustainability topics that are relevant to our Group, and those that influence our stakeholders.

 The full GRI Standards Content Index is provided on pages 208 to 212 of this report.

Other referenced frameworks and guidelines include:

- Bursa Malaysia Securities Berhad (Bursa Malaysia)'s Sustainability Reporting Guide (2nd and 3rd Edition)
- SASB Sector Specific Disclosures
- Task Force on Climate-related Financial Disclosures (TCFD)
- United Nations Sustainable Development Goals (UN SDGs)
- GRI Standard and International Integrated Reporting Framework (IIRF)
- International Federations of Accounts for ISAE 3000



ASSURANCE

We recognise the value of independent verification to ensure the accuracy and integrity of our sustainability disclosures. We have sought third-party assurance from PricewaterhouseCoopers PLT, Malaysia ("PwC") for our sustainability disclosures this reporting year.

The exercise was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 Revised, assurance engagement other than audits or review of historical financial information, over selected key performance indicators (KPIs).

 Kindly refer to pages 220 to 223 for the Independent Limited Assurance Report.



FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements such as targets, prospects, plans and reasonable expectations made in terms of expected performance. Such forward-looking information has been made based on presently available data and information as well as current operating environment conditions. These could possibly change in line with a wide range of developments that are beyond Gamuda's control.

Readers are advised not to place undue reliance on such statements as our business is subject to risks and uncertainties beyond our control. Actual results may differ from those indicated.



REFERENCES

All references to 'Gamuda', 'the Company', 'the Organisation', 'the Group', 'we' and 'our' refer to Gamuda Berhad.



REPORT AVAILABILITY AND FEEDBACK



This SR2022 can be downloaded by scanning the QR code here. We welcome feedback from our stakeholders to continually improve our sustainability reporting and practices.



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SUSTAINABILITY REPORT

KEY SUSTAINABILITY HIGHLIGHTS

For the 4th consecutive year, Gamuda is voluntarily assessed by the Dow Jones Sustainability Indices (DJSI)

The Group's S&P Global ESG Score is 41, while the global construction and engineering industry average score is 21

Amongst the first companies in Malaysia in the construction and engineering sector to be **committed to Net Zero by 2050 via SBTi, and an official supporter of TCFD**

Women in Workforce

36% (Overall) and 43% (Board)



Won the **UN Women WEPs Award 2022** for Gender Inclusive Workplace (Malaysia) and **ACES Awards** for Top Workplaces in Asia



Zero NCR

from SIRIM ISO audit recorded for the last 13 years

Five Star Occupational Health and Safety Audit (Five Stars), British Safety Council ratings for four consecutive years, three with Sword of Honour

Invested **RM13 million** on 58 international and local scholarships for year 2022

60% of progress to meeting our **one million trees and saplings planting** commitment by 2023

ESG KPI is now part of all **employees' performance appraisal**, which includes senior management

99% spending on local suppliers

Increased minimum wage to **RM1,600** for foreign workers, **RM1,800** for local workers **RM3,200-RM3,500** for fresh graduates



The Group continues its long-standing policy to **provide complimentary accommodation to foreign workers** at purpose-built centralised labour quarters (CLQs)



Expanded on Scope 3 traceability efforts by providing ESG awareness training to over **3,000 suppliers** via a series of complimentary sessions

Completed Scope 1 and Scope 2 carbon accounting, with the recorded intensity of **6 tonnes** CO₂e per million revenue with about **~1,700kWp** solar PV installed

SUSTAINABILITY REPORT

OUR ESG AND NET ZERO JOURNEY

ESG Journey

Established our Sustainability Governance structure

Initiated stakeholder engagement activities and ESG materiality assessment

Enabling Academy (EA)

Malaysia's first Employment Transition Programme (ETP) that trains and places individuals with autism for gainful and sustainable employment

Published Gamuda's first Sustainability Statement in our Annual Report

Yayasan Gamuda

Foundation arm that focuses primarily on educational aid, empowering social enterprises and individuals for community improvement

Sustainability Report in reference to GRI Guidelines

ESG alignment with UN SDGs

Formalised Group-wide sustainability-related policies

1994-2001

2002

2016

2017

2018

Net Zero Journey

Stormwater Management and Road Tunnel (SMART)

- A climate mitigation innovation – flood prevention and emissions reduction from traffic

Gamuda Digital IBS

- The future of construction with digital design tools and robotic construction
- Safer and more sustainable construction method with minimal wastage

Climate Action has been included as one of our Material Matters

Gamuda Parks was formed

- Ensure biodiversity and communal space is integrated
- Part of our carbon sequestration efforts



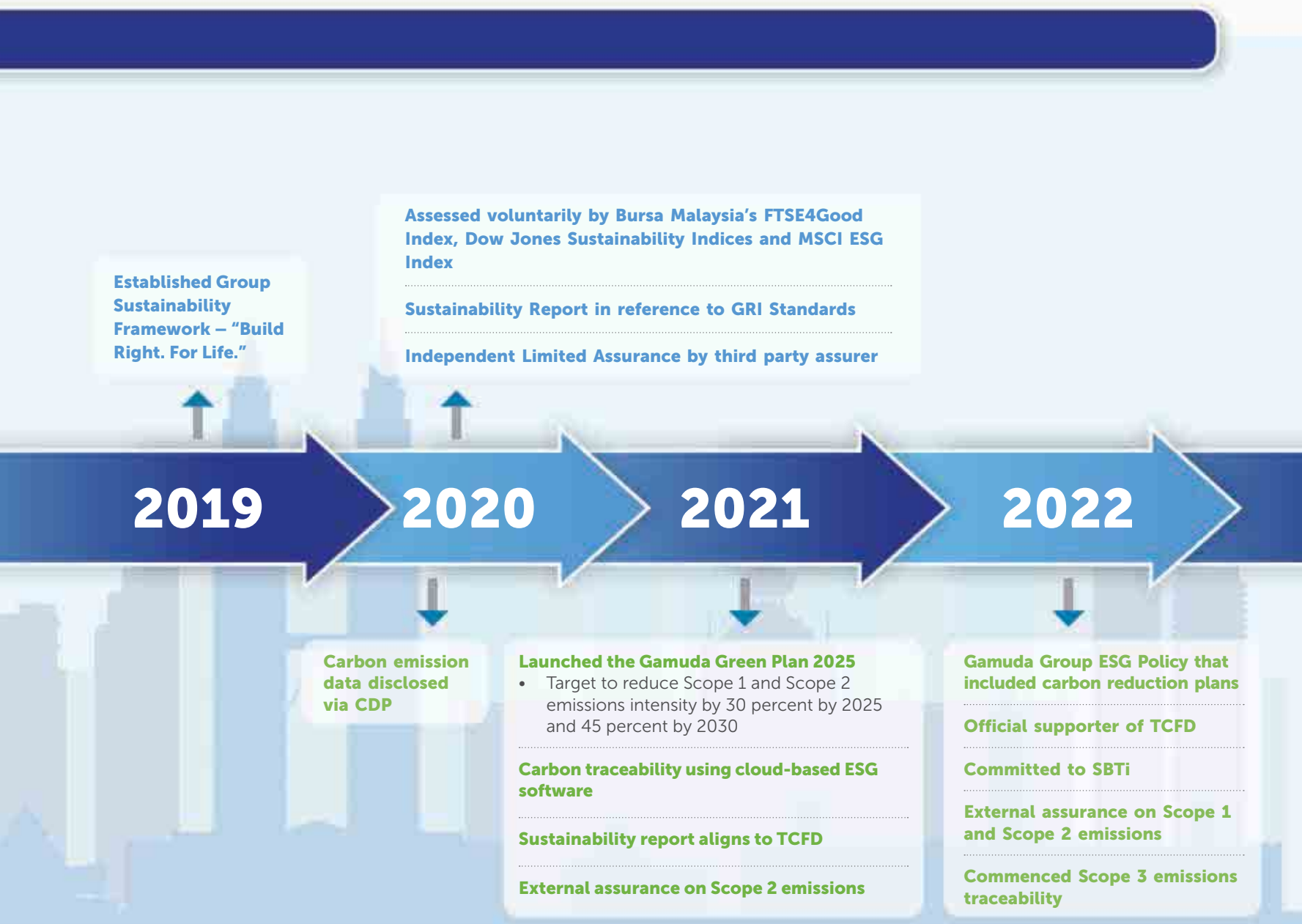
Boost construction efficiency through innovation and sustainable solutions

- ▶ A Memorandum of Understanding (MoU) with Schneider Electric Malaysia introduced the EcoStructure Asset Advisor for better maintenance of TBMs



Green Electricity Tariff (GET) programme

- ▶ Gamuda is one of the first nine companies in Malaysia to commit to the Green Electricity Tariff (GET) programme, launched by the Ministry of Energy and Natural Resources (KeTSA).



Vendors partnership programme

- ▶ Providing Gamuda Digital IBS services to UEM Sunrise Berhad to better manage material utilisation and indirectly contain rising cost of buildings



Biodiversity R&D

- ▶ Collaborating with Universiti Malaya, Universiti Kebangsaan Malaysia and Universiti Kuala Lumpur on wetlands conservation and waste management

SUSTAINABILITY REPORT

Sustainability Achievements

ACES Awards 2022

- *Top Workplaces in Asia*
Gamuda Berhad

UN Women WEPs Award 2022

- *Gender Inclusive Workplace – Malaysia (Winner)*
Gamuda Berhad

Public Construction Golden Safety Award 2022

- *Excellent Honour*
Gamuda-Dong Pi JV

CIDB Malaysia SHEQ Day 2022

- *SHASSIC (Package PMW.INFRA.05 and Belfield Tunnel)*
Gamuda Berhad
- *Sustainable Infrastar (MRT Putrajaya Line – Design and Construction Stage)*
MMC Gamuda KVMRT (PDP SSP) Sdn Bhd

National Occupational Health and Safety Awards 2020/2021

- *Top Honours – Construction Category (Engineering)*
MMC Gamuda KVMRT (PDP SSP) Sdn Bhd

Malaysia Green Building Council (Malaysia GBC) 2022

- *Best New Green & Sustainable Township (Leadership in Sustainable Design & Performance)*
Gamuda Gardens

FIABCI World Prix D'Excellence Awards 2022

- *Batu Patong Eco Village (World Silver Winner), Resort Category*
- *Gamuda Gardens (Environmental Restoration)*
Gamuda Land

Malaysia Technology Excellence Awards 2022

- *Digital Engineering*
Gamuda Engineering
- *Digital Industrial Construction*
Gamuda Engineering
- *Information Management – Heavy Civil Construction*
MMC Gamuda

Malaysian Green Technology and Climate Change Centre (MGTC) 2022

- *Low Carbon City 2030 Challenge with 5-Diamond Recognition*
Gamuda Cove

FIABCI Malaysia Property Awards 2021

- *Environmental*
Gamuda Land – Gamuda Gardens Central Park
- *Batu Patong Eco Village, Resort Category*

The Edge Billion Ringgit Club Corporate Awards 2021

- *Best CR Initiatives (Below RM10B Market Capitalisation)*
Gamuda Berhad

The Edge Property Excellence Awards 2021

- *The Edge Top Property Developers Awards (Joint Rank No 3)*
Gamuda Land
- *Property Development Excellence Award 2021*
Gamuda Gardens

International Tunnelling Association (ITA) Awards 2021

- *Major Project of the Year*
MRT Putrajaya Line

New Civil Engineer Tunnelling Festival 2021

- *Tunnelling Project of the Year*
MRT Putrajaya Line

Singapore's Workplace Safety and Health Council 2021

- *bizSAFE*
Gamuda Singapore

Ground Engineering Awards 2021

- *International Project of the Year*
MRT Putrajaya Line

BSI (British Standard Institution) Kitemark™

- *Design, Construction and Commissioning*
Gamuda Engineering

StarProperty.my Awards 2021

- *The Landscape Award (Township) (Excellence)*
Gamuda Gardens
- *The Full Circle Award (Excellence)*
twentyfive.7
- *The Business Estate Awards (Honours)*
Townsquare, Gamuda Cove
- *All-Stars Award*
Gamuda Land

Sustainability Attainments

Committed to SBTi



SCIENCE
BASED
TARGETS





DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Business Ambition for
1.5°C Campaign Member



Official supporter of TCFD



	Latest rating	Previous rating
	Total value score of 41 (2022)	Total value score of 38 (2021)
	ESG Rating of Public Listed Companies Assessed by FTSE Russell (3 out of 4 Stars) (2022)	ESG Rating of Public Listed Companies Assessed by FTSE Russell (3 out of 4 Stars) (2021)
	BB rating (2022)	BB rating (2021)
	D (2021)	F (2020)

Scores for MSCI: AAA, AA, A, BBB, BB, B, CCC (highest to lowest)
 Scores for CDP: A, A-, B, B-, C, C-, D, D-, F (highest to lowest)

International Certifications received:

ISO 9001:2015
Quality Management Systems

ISO 14001:2015
Environmental Management Systems

ISO 45001:2018
Occupational Health and Safety Management Systems

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

As our stakeholders are important to us, we have been engaging them to better understand their expectations of Gamuda and how we can best serve their needs. Insights from several engagement platforms are used in determining the Group’s material ESG topics, helping us to stay ahead of global developments.

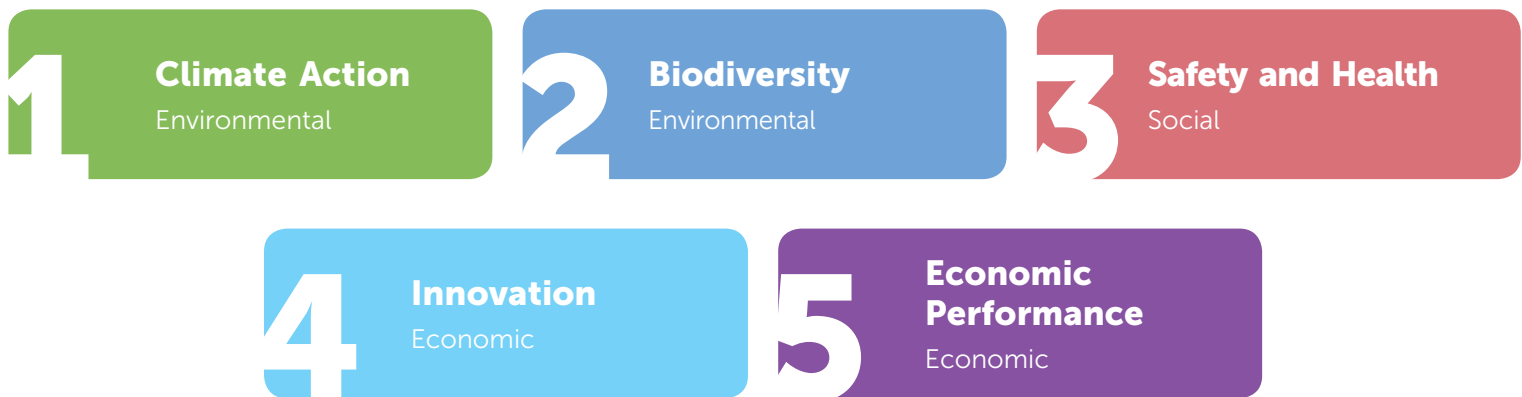
In order to continue maintaining strong relationships with our stakeholders especially at our project sites, we have formalised comprehensive stakeholder management as outlined in our Public Relations and Stakeholder Management Policy.

In FY2022, due to COVID-19 restrictions, most of our stakeholder engagements were carried out via e-engagements that included online video conferences, calls and emails. We continue to grow our stakeholders as we expand our businesses across the region. A good example, we are continuously in conversation with various NGOs in our community and environmental initiatives. In FY2022, we have engaged more than 50 NGOs, on aspects such as climate technology, indigenous peoples, environment, human rights, water, waste, women empowerment and differently-abled people.

 For more information on our stakeholder engagement, please refer to pages 46 to 49 of this Integrated Report.

MATERIALITY

In FY2022, our management reviewed the material matters that guided our sustainability efforts in the previous year and determined that all 17 topics continued to remain relevant.



The Group’s top five material topics have also remained unchanged, namely: Climate Action, Biodiversity, Safety and Health, Innovation, and Economic Performance. In this sustainability report, we provide comprehensive disclosure on all 17 topics, which have been classified under the three Environmental, Social and Governance/Economic (ESG) categories. In our disclosure, we describe the actual and potential implications of these topics on the Group, while outlining our management’s approach to managing the issues and how well we have performed in addressing them. Other than that, we have indicated our plans going forward where relevant.

Also, we continued to refer to our Materiality Matrix to determine our ESG risks and opportunities.

 For further information on Materiality, kindly refer to page 59.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Gamuda recognises that ESG topics present both risks (if they are not properly managed) as well as opportunities. We have therefore incorporated our ESG risks into our corporate risk register, and continuously monitor the related risks while leveraging various opportunities to create greater value for our stakeholders. This is reflected in our ESG Framework – “Build Right. For Life.” - and the Gamuda Green Plan 2025.

 For a full list of Risks and Opportunities, please refer to pages 50 to 53 of our Integrated Report.

CLIMATE-RELATED RISKS

POLICY AND LEGAL

- Increased pricing of GHG emissions
- Enhanced emissions reporting requirements
- Regulatory requirements on existing products and services
- Exposure to litigation

Potential Financial Impacts

- Increase in operating costs
- Write-offs, asset impairment, and early retirement of existing assets due to policy changes
- Increased costs and/or reduced demand for products and activities such as increasing cost for waste segregation and disposal due to latest requirements

TECHNOLOGY

- Substitution of existing products and services with lower emission options
- Cost to transition to lower emissions technology

Potential Financial Impacts

- Write-offs and early retirement of existing assets
- Reduced financial demand for products and services
- Capital investments in technology development
- Costs to adopt/deploy new practices and processes

MARKET

- Customer changing behaviour
- Increased cost of materials

Potential Financial Impacts

- Reduced demand for goods and services due to shift in consumer preferences
- Increased production costs due to changing input prices and output requirements
- Abrupt and unexpected shifts in energy costs
- Change in revenue mix and sources, resulting in decreased revenues
- Re-pricing of assets
- Rising energy prices due to high demand in high temperature climate

REPUTATION

- Shifts in customer preference
- Stigmatisation of sector
- Increased stakeholders' concerns

Potential Financial Impacts

- Reduced revenue from decreased production demand for goods/activities
- Reduced revenue from decreased production capacity
- Reduced revenue from negative impacts on workforce management and planning
- Reduction in capital availability

SUSTAINABILITY REPORT

CLIMATE CONDITION

- Increased severity of extreme weather such as floods, water pollution and drought can cause disruptions to the entire business operation
- Changes in precipitation patterns and extreme variability in weather patterns
- Rising ambient temperatures
- Rising sea levels

Potential Financial Impacts

- Reduced revenue from decreased production capacity
- Reduced revenue and higher costs from negative impacts on workforce
- Write-offs and early retirement of existing assets
- Increased operating and capital costs
- Reduced revenues from lower sales/output
- Increased insurance premiums and potential for reduced availability of insurance on assets in 'high-risk' locations

CLIMATE-RELATED OPPORTUNITIES

RESOURCE EFFICIENCY

- Use of more efficient production and distribution processes
- Use of recycling method and food waste composting on-site
- Reduce natural resources consumption by recycling rainwater harvested for other activities

Potential Financial Benefits

- Optimise operating costs with Gamuda Digital IBS
- Increased production capacity, resulting in increased revenues
- Increased value of fixed assets

ENERGY SOURCE

- Use of low emissions sources of energy with renewable energy
- Use of supportive policy incentives
- Use of new technologies
- Participation in carbon market e.g. Bursa Malaysia Voluntary Carbon Market
- Shift toward decentralised energy source and transitioning to low emissions technology such as solar panels

Potential Financial Benefits

- Reduced operational costs
- Reduced exposure to future price increase in natural resources
- Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon
- Returns on investment of low emissions technologies
- Increased capital availability and increased demand for goods/services due to positive reputation

MARKET

- Access to new markets
- Use of public sector incentives
- Access to new assets and locations needing insurance coverage

Potential Financial Benefits

- Increased revenues through access to new and emerging market
- Increased diversification of financial assets such as green bonds from financial institutions/investors

PRODUCTS AND SERVICES

- Development and/or expansion of low emissions products and activities
- Development of climate adaptation and mitigation plans
- Ability to diversify business activities
- Shifting consumer preferences to robust products and services

Potential Financial Benefits

- Increased revenue through demand for low emissions products and services
- Increased revenue through new solutions to adaptation needs
- Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

RESILIENCE

- Participation in renewable energy programmes and adoption of energy efficiency measures
- Resource substitutes/diversification

Potential Financial Benefits

- Increased market valuation through resilience planning
- Increased reliability on supply chain and ability to operate under various conditions
- Increased revenue through new products and services related to ensuring resiliency

CHAPTER 2

OUR GOVERNANCE AND VALUE TO ECONOMY



Horizon Hills, Iskandar Puteri, Johor, Malaysia

CHAPTER HIGHLIGHTS

PAGE 143

Board Oversight

The Board plays a role in ensuring sustainability matters are integrated into the Group's strategic direction

PAGE 147

Governing Policies

Gamuda established a number of robust ESG-related and adherence to local legislation and global expectations

PAGE 149

Economic Value

In FY2022, the sustained economic performance for the Group is RM1,635 million generated and distributed

PAGE 150


Supply Chain Management

99.41 percent total procurement in FY2022 was from local suppliers

PAGE 153

Gamuda Digital IBS

Digital IBS is implemented 100 percent in Gamuda Land developments, and is extended to external markets for both residential and commercial buildings



"Sustainable development is the pathway to the future we want for all. It offers a framework to generate economic growth, achieve social justice, exercise environmental stewardship and strengthen governance."

Ban Ki-Moon, Former Secretary-General of The United Nations

SUSTAINABILITY REPORT



REMUNERATION INCORPORATES CLIMATE CHANGE PERFORMANCE

Good governance underlines sustainability. Through good governance, Gamuda is able to stay the course with our sustainability strategy and achieve the environmental, social and economic goals that we have set. In the process, we establish our accountability and strengthen our relations with our stakeholders.

Given its critical role, we continuously seek to strengthen our sustainability governance. In FY2021, ESG KPIs were introduced for all levels of employees including our senior management. These KPIs include the reduction of Gamuda's energy intensity, diverting waste from landfills, water conservation, safety performance, and compulsory annual training on mandatory policies. Linking ESG KPIs to performance has been made possible by the digitalisation of our ESG platforms as we have started to use a cloud-based ESG software to track and archive all ESG data across the Group.

SUSTAINABILITY GOVERNANCE AND FRAMEWORK

GAMUDA SUSTAINABILITY GOVERNANCE STRUCTURE



For further information on our corporate governance and risk management, kindly refer to:

- Corporate Governance Overview Statement – pages 102 to 111.
- Integrity and Governance Unit – page 121.
- Risk Management – pages 113 to 116.

BOARD OVERSIGHT OF ESG TOPICS

Based on our commitment to sustainability, ESG matters are overseen by the highest level of authority at Gamuda, namely our Board of Directors (Board). In line with the latest updates to the Malaysian Code on Corporate Governance (MCCG), the Board has direct oversight of ESG matters, related risks and opportunities over the short, medium and long-term.

In carrying out its responsibility, the Board ensures that sustainability matters such as climate change, biodiversity, human rights and supply chain management are integrated into the Group’s strategic direction. It also links ESG targets with the performance evaluation and remuneration of all our management and employees. The Board is supported in its sustainability governance by various individuals and committees, including the Risk Management Committee (RMC), Group Chief Sustainability Officer (GCSO), Sustainability Steering Committee (SSC) and Subject Matter Experts (SMEs). Their roles and responsibilities are outlined below:

ROLE	RESPONSIBILITIES
Board of Directors (Board)	<ul style="list-style-type: none"> • Has overall responsibility for the Group’s sustainability strategy and direction, sets sustainability goals and objectives, and regularly reviews the progress that has been made
Risk Management Committee (RMC)	<ul style="list-style-type: none"> • Incorporates ESG matters in Gamuda’s risk register, and ensures effective risk mitigation response • Approves all disclosures relating to the management of the Group’s ESG matters
Group Chief Sustainability Officer (GCSO)	<ul style="list-style-type: none"> • Oversees stakeholder engagement and the materiality assessment in order to identify Gamuda’s material matters, and collaborates with the RMC, SSC and SMEs to determine the risks and opportunities related to these material matters • Ensures processes and controls are in place across the Group for the successful implementation of sustainability strategies, and reports on the Group’s ESG performance
Sustainability Steering Committee (SSC)	<ul style="list-style-type: none"> • Comprises Business Unit Heads who work closely with project units to implement ESG plans, ensuring robustness of systems and processes in sustainability management • Approves targets and ESG disclosures • Monitors economic, environmental and social (EES) risks related to our business operations and strategy • Meets on a quarterly basis with the GCSO to monitor progress on sustainability performance
Subject Matter Experts (SMEs)	<ul style="list-style-type: none"> • Provide the SSC with technical knowledge to help deliver the Gamuda Green Plan 2025 • Explore new market opportunities for sustainable growth

SUSTAINABILITY REPORT

Gamuda Group ESG Framework BUILD RIGHT. FOR LIFE.

<p style="text-align: center;">VISION</p> <p>We lead the region in innovative breakthrough solutions for large scale public infrastructure and property developments.</p>	<p style="text-align: center;">MISSION</p> <p>We reliably deliver innovative infrastructure solutions and premier townships for our stakeholders through our core businesses in engineering and construction, property developments and infrastructure concessions.</p>	<p style="text-align: center;">STRATEGY</p> <p>To achieve sustainable growth through our 3C's approach – Capacity, Capability and Competitiveness.</p>	
GAMUDA GREEN PLAN 2025			
<p style="text-align: center;">Pillar 1</p> <p>Sustainable Planning and Design for Construction</p>	<p style="text-align: center;">Pillar 2</p> <p>Our Community is Our Business</p>	<p style="text-align: center;">Pillar 3</p> <p>Environmental and Biodiversity Conservation</p>	<p style="text-align: center;">Pillar 4</p> <p>Enhancing Sustainability via Digitalisation</p>

OUR FOCUS

GOVERNANCE		
<p style="text-align: center; background-color: #004a99; color: white; padding: 5px;">Economic</p> <ul style="list-style-type: none"> Economic Performance Innovation Supply Chain Management Governance Indirect Economic Impacts Marketing and Labelling 	<p style="text-align: center; background-color: #4caf50; color: white; padding: 5px;">Environmental</p> <ul style="list-style-type: none"> Climate Action Biodiversity Effluents and Waste Water Management Materials Land Remediation, Contamination or Degradation 	<p style="text-align: center; background-color: #e53935; color: white; padding: 5px;">Social</p> <ul style="list-style-type: none"> Safety and Health Employee Management Customer Satisfaction Stakeholder and Community Relations Customer Privacy

OUR GLOBAL ALIGNMENT

						
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OUR APPROACH

GAMUDA VALUES				
Take Personal Ownership	Walk the Talk	Adopt Open and Honest Communication	Demonstrate Real Teamwork	Develop Our People

GOVERNANCE THROUGH ROBUST POLICIES AND ADHERENCE TO LOCAL LEGISLATION

Gamuda strives to uphold the highest standards of ethical behaviour at all times in all aspects of our business. We abide by all of the relevant laws, regulations and industry best practices in the jurisdictions that we operate in.

The Group's corporate governance practices are guided by the MCCG. Corporate governance is also instilled through an extensive monitoring system, policies, standard processes, training and effective communication.

This is reflected in practices and procedures across all of our business operations and activities as well as dealings with stakeholders. The Group ensures alignment with the local governance expectations of the different countries where we have a business presence.

CODE OF BUSINESS ETHICS

This Code of Business Ethics has been developed to guide and support Gamuda Group's business operations and governance policies which include the General Administration Policy and Procedures, Group Human Resources Policy and Procedures, Anti-Bribery and Corruption Policy and Whistleblowing Policy and Procedures.

This Code builds on the Group's five core values – Take Personal Ownership, Walk the Talk, Adopt Open and Honest Communication, Demonstrate Real Teamwork and Develop Our People to ensure that all of our operations and dealings are conducted ethically. This Code applies to all Employees of Gamuda.

Gamuda requires its contractors, sub-contractors, consultants, agents, representatives and others performing work or services for or on behalf of the Gamuda Group of companies to observe the relevant parts of this Code.

GROUP ESG POLICY STATEMENT

In FY2021, Gamuda developed Gamuda Group ESG Policy Statement which provides a clear framework for the incorporation of ESG principles into key practices.

GOVERNANCE THROUGH STRONG ANTI-CORRUPTION PRACTICES

The Board and Management of Gamuda are fully committed to ensuring a conducive work environment in which we uphold strong ethical values and good corporate governance, free from corruption, as embodied in our Managing Director's Anti-Bribery and Corruption Policy Statement. The Board's commitment to ethics and integrity in our dealings with all stakeholders was manifested when each Board member signed the Director's Integrity Pledge.

On 25 October 2021, Gamuda established own Organisational Anti-Corruption Plan (OACP) which was a requirement by the National Anti-Corruption Plan headed by the Prime Minister's Office. The timeline for this plan is three years and shall be renewed every three years.

The OACP represents Gamuda's proactive commitment to ensure resilience to the threat of corruption, aligned with Initiative 6.2.1 under strategy 6 of the National Anti-Corruption Plan (NACP). The Board, management and employees of Gamuda are fully committed to ensuring a conducive working environment free from corruption as embodied in the Gamuda OACP and the signing of the Director's Integrity Pledge and the Employee Integrity Pledge.

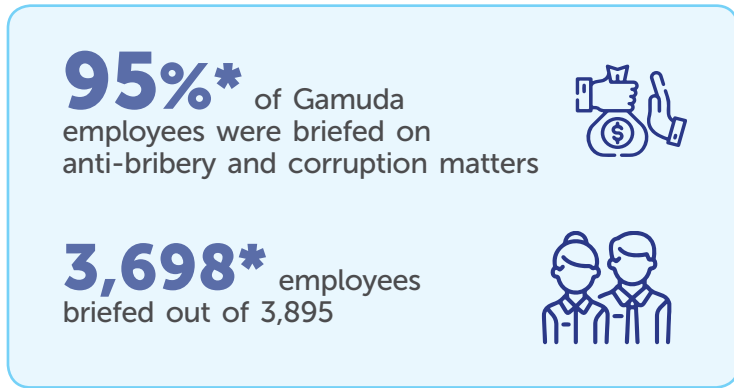
The Integrity and Governance Unit (IGU), approved by the Board on 13 December 2019, is responsible for championing the Board and Senior Management's anti-corruption agenda all across Gamuda. IGU is headed by our Chief Integrity and Governance Officer (CIGO), who is responsible for promoting and sustaining an ethical work culture while averting any form of bribery, corruption or other malpractice.

We also required suppliers to provide their written commitment to abide by the Group's AB&C Policy using the Group's SAP Ariba-based digital supplier platform. In effect, these suppliers have agreed to conduct business in a fair and ethical manner and to uphold good corporate integrity and accountability in their dealings with Gamuda and others.

The Group continues to educate our suppliers on our zero tolerance with regard to bribery and corruption, stressing the criticality of embedding corporate integrity into their business culture, operations, and strategies.

SUSTAINABILITY REPORT

The total number of employees communicated on anti-bribery and anti-corruption matters is as shown below. The five percent difference is due to employee movement.



* The number and percentage of employees communicated on anti-bribery and anti-corruption matters have been independently assured. Refer to independent limited assurance report on pages 220 to 223.

GIFTS AND BENEFIT POLICY

Gamuda practises No Gift Policy across all our businesses and operations. Our Gifts and Benefits Policy provides guidance on how to recognise and deal with the different forms of gifts and benefits which may lead to bribery and corruption issues.

It aims to protect those involved by clarifying what forms of gifting are permissible and what are not, to avoid any conflict of interest with individuals and organisations with whom we come into contact or conduct business with.

HUMAN RIGHTS POLICY

Gamuda believes that everyone has the right to be treated with fairness, respect and dignity at the workplace. As an equal-opportunity employer, we are committed to protecting and promoting labour rights in running our business, which is covered by our Human Rights Policy detailed in Chapter 3.

DIVERSITY AND INCLUSION POLICY

In Gamuda, we have a Diversity and Inclusion Policy in place to ensure that:

We promote diversity and an inclusive culture in the workplace premised on mutual trust and respect.

We employ a diverse workforce, tapping into a wide talent pool with different backgrounds and expertise, thereby generating creative solutions and ensuring that the Gamuda maintains its competitiveness in the ever-challenging and globalised business environment.

We avoid practices and policies that discriminate against one's gender, marital status, race, nationality, ethnicity or age. The overall guiding principles are to promulgate basic human and labour rights and values to achieve organisational goals and maintain sustainable growth through a healthy, harmonious and professional workplace.



The Policy applies to all employees including Directors of the Group.

WHISTLEBLOWING MECHANISM

Gamuda's Whistleblower Policy and mechanism are available for the reporting of irregularities within the Group's operations. It encourages and facilitates employees and members of the public to disclose genuine concerns of improper conduct within the Group, whilst protecting the person making such disclosures from any reprisal.

Whistleblowing reports are directed to the Chief Integrity and Governance Officer (CIGO) via e-mail at admin.igu@gamuda.com.my. Upon receiving a report, the CIGO will review and evaluate the disclosure and decide on the next course of action. Whistleblowers

are advised to provide in-depth details of the incident, such as the parties involved, in addition to their own details and the reason(s) why they are particularly concerned about the matter.

At the same time, all reports and the identity of the whistleblower will be kept confidential unless otherwise required by law. More importantly, the whistleblower should not attempt to personally conduct any investigation, interview, or interrogation related to the matter being disclosed. An independent investigating team will be formed to investigate the case.



KEY POLICIES IN GAMUDA



Code of Conduct of Directors



Anti-Bribery and Corruption Policy



Corporate Disclosure Policy



Enabling Academy Policy



Gamuda Group Procurement Policy



Investor Relations Policy



Remuneration Policy for Directors and Key Senior Management



Public Relations and Stakeholder Management Policy



Directors' Fit and Proper Policy



Code of Business Ethics



Diversity and Inclusion Policy



Gamuda ESG Policy Statement



Gifts and Benefits Policy



Quality, Safety, Health, and Environment Policy



Whistleblower Policy



Gamuda Parks Policy



External Auditor Policy



Human Rights Policy

The detailed policies are available at our website



SUSTAINABILITY REPORT

GOVERNANCE THROUGH COLLABORATION AND MEMBERSHIP OF ASSOCIATIONS

Gamuda’s approach to governance is further strengthened via membership in industry bodies and associations. As an active member of these bodies, we abide by their codes and regulations, which promotes good business conduct and ESG practices in various forms.

Gamuda also seeks to actively promote sustainability via our links with fellow industry players. By creating a greater awareness of pertinent issues, we hope to affect a stronger sense of responsibility towards prioritising sustainability industry-wide.

Gamuda continues to create discussion platforms with various trade associations and other stakeholders on trending aspects to further enhance policies with the business, industry and country.

MEMBERSHIPS AND PARTNERSHIPS

American Malaysian Chamber of Commerce (AMCHAM) 	Infrastructure Sustainability Council (ISC) 	Roads Australia (RA) 
Australian Industry Group 	International Society for Soil Mechanics and Geotechnical Engineering (ISSMGE) 	TAFE NSW 
CEO Action Network (CAN) 	Kuala Lumpur Business Club (KLBC) 	Taiwan Regional Engineering Contractors Association 
Civil Contractors Federation (CCF) 	Malaysian Investment Development Authority (MIDA) 	The Australian Airports Association (AAA) 
Committee for Economic Development of Australia (CEDA) 	Master Builders Association Malaysia (MBAM) 	The Singapore Contractors Association Limited (SCAL) 
GOANNA Services 	National Association of Women in Construction (NAWIC) 	Tunnelling and Underground Construction Society Singapore (TUCSS) 
Health & Safety Advisory Service P/L 	Real Estate and Housing Developers' Association (REHDA) 	Women in Rail (WIR) Malaysia 
Infrastructure Partnerships Australia (IPA) 		Women’s Empowerment Principles 

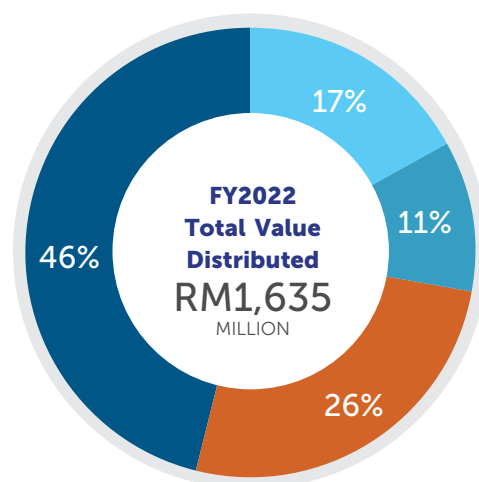
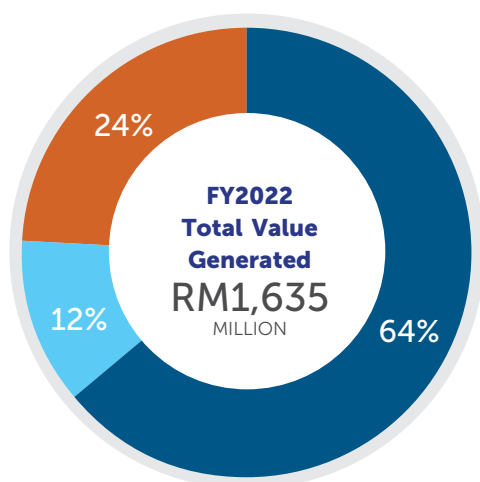
DATA PRIVACY

We continue to ensure the confidentiality of our stakeholders’ personal information, in line with the Personal Data Protection Act (PDPA 2010).

The Group has invested in optimum data protection systems, which are enabled by a robust firewall and other information technology (IT) systems.

ECONOMIC VALUE GENERATED AND DISTRIBUTED

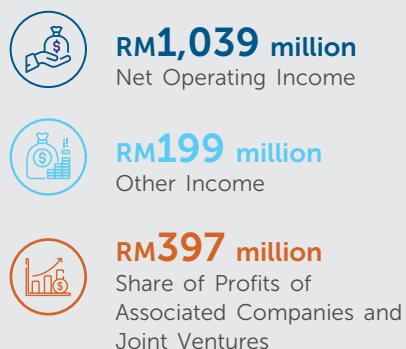
Gamuda's financial performance is essential for our business sustainability and is our catalyst to drive the Group's ESG agenda. Our revenue and earnings enable us to create economic value for a wide range of stakeholders, mainly our shareholders, investors, employees, social enterprises and non-governmental organisations (NGOs). Through financial growth, we are able to create jobs and entrepreneurial opportunities, increase our tax contribution to the government, support the local supply chain, and meet our obligations to financiers.



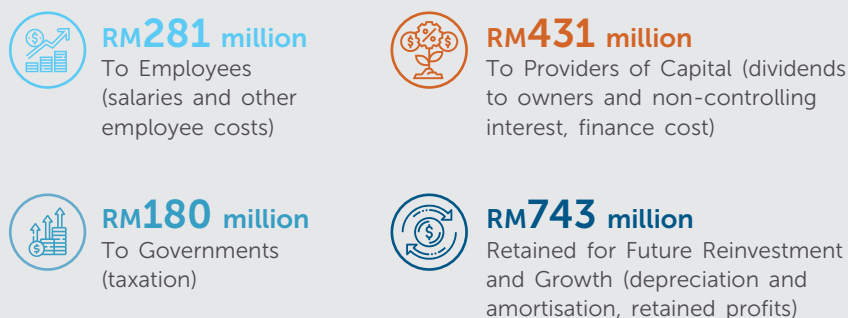
● Net Operating Income ● Other Income
● Share of Profits of Associated Companies and Joint Ventures

● To Employees ● To Government ● To Providers of Capital
● Retained for Future Reinvestment and Growth

Value Generated



Value Distributed



Our direct economic value distributed to stakeholders in FY2022.

- Further information on our economic performance can be found in:
- Statement from Group Managing Director on pages 22 to 27.
 - Group Five Years Financial Highlights on pages 72 to 73.
 - Group Segmental Performance on page 74.
 - Statement of Value Added and Distribution on page 77.
 - Financial Statement on pages 226 to 260.

SUSTAINABILITY REPORT

SUPPLY CHAIN MANAGEMENT

Companies not only outsource production, services and business processes but also responsibilities, risks and opportunities. While outsourcing generally increases a company's flexibility, there are certain downsides: supply chain risks might become less apparent; new dependencies may arise; and the identification, monitoring and management of risks and opportunities may become more difficult.

At Gamuda, we integrate ESG objectives into our supply chain to ensure its sustainability. All of our suppliers are required to abide by the Gamuda Code of Conduct and related policies including our Human Rights Policy, and Quality, Safety & Health, and Environmental Policy. To manage our risks, we review our critical suppliers (based on monetary value, volume, unique deliverables and impact on Gamuda) every year. We also focus on the following sustainability KPIs:

<p>100% adoption of e-procurement system for transparency</p>		<p>Prioritisation of local suppliers – targeting at least 95% of local suppliers every year</p>		<p>Ensure suppliers have good track record, for example with ISO certification</p>	
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PROCUREMENT

Guided by the Group's Procurement Policy and Procurement, Auction and Supplier Management Procedure, we support local suppliers and conduct our procurement procedures in an ethical and transparent manner. We also make a conscious effort to empower women and underrepresented groups to create equitable and sustainable supply chains.

By supporting local suppliers, we are not only contributing to the development of the local economy but also lessen our carbon footprint as transport needs are greatly reduced. Gamuda itself stands to benefit from various factors through local procurement, including:

- quicker delivery compared to overseas shipments
- greater quality control
- better budget forecasting and risk mitigation from reduced currency exchange fluctuations, tax implications, shipping and fuel surcharges, as well as knowledge of local market conditions
- ability to forge strong relationships with our suppliers, and ensure their practices are aligned with local and international regulations and standards

Having adopted the e-procurement systems (e.g. SAP Ariba and BuildSpace), our procurement practices are fair and objective, with tenders awarded to the most competitive bidders. As part of the selection process, potential suppliers are required to provide the Group with their policies, company code of conduct and sustainability certificate, where applicable. In FY2022, we introduced ESG evaluation in our procurement to drive sustainability awareness across all of our supply chains while developing strong alliances among vendors.

Through e-procurement systems, we have also obtained written commitments from our suppliers to adhere to our AB&C Policy. Further underlining the sustainability of our supply chain, our Internal Audit Department conducts annual audits on our suppliers by assessing criteria that are aligned to ISO 45001 Occupational Health and Safety Management Systems.

In FY2022, no less than

99.41%* of our total procurement spending was on local suppliers, exceeding our target of 95 percent.



* The proportion of procurement spending on local suppliers of Gamuda within Malaysia (excluding joint ventures) have been independently assured. Local suppliers are defined as companies registered in Malaysia. Refer to independent limited assurance report on pages 220 to 223.

EXPANDING SCOPE 3 TRACEABILITY WITH SUSTAINABLE SUPPLY CHAIN TRAINING AWARENESS

It is important that our suppliers have similar ESG aspirations as Gamuda in order for us to deliver a more meaningful impact to both the environment and society. As part of the Group's climate action strategy (Gamuda Green Plan 2025) and net zero commitment via SBTi, Scope 3 traceability effort is important.

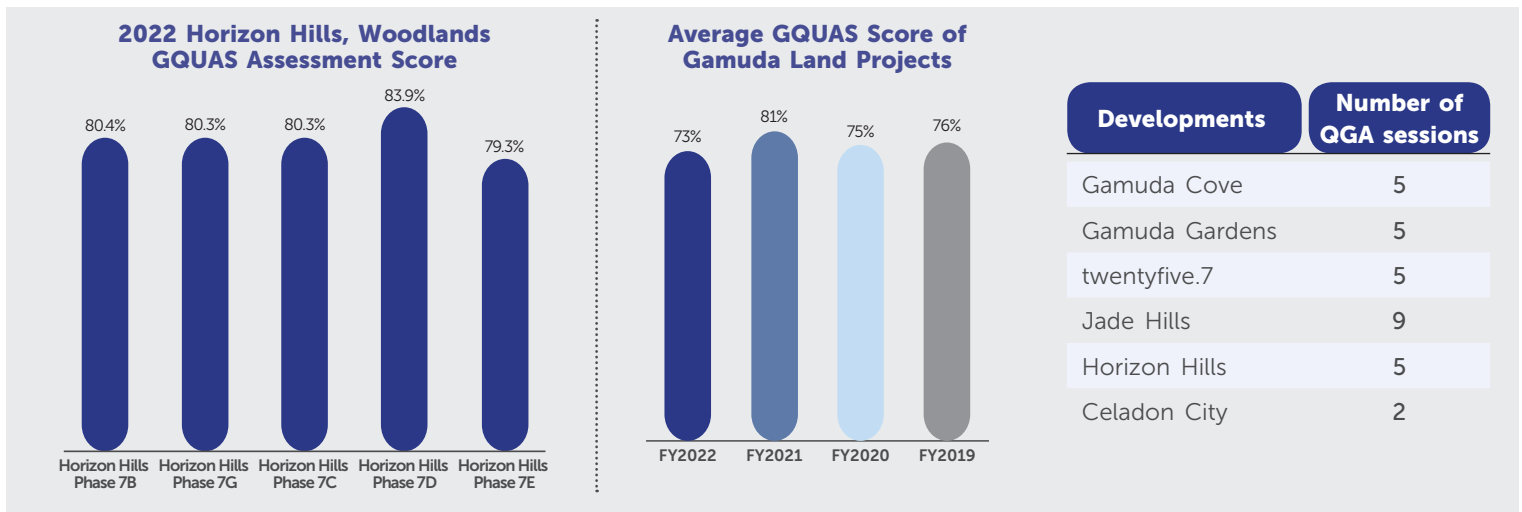
In 2022, we have started to provide complimentary ESG training sessions to our active suppliers. We are targeting more than 3,000 suppliers to participate in this programme. This is part of our process towards supply chain readiness in embracing ESG as part of their business processes, especially working together towards an integrated carbon reduction programme. We have taken the opportunity to share the Gamuda Green Plan 2025 and carbon reduction commitments with our supply chain while having them pledge to support said commitments. We strive to guide our supply chain to ensure that they are also a part of a bigger change.

ENABLING SUSTAINABLE CONSTRUCTION VIA DIGITALISATION

IMPROVING BUILD QUALITY

Gamuda Land continues to build upon the high scores we have been receiving under the Quality Assessment System in Construction (QLASSIC) system, as stipulated by the Construction Industry Development Board (CIDB). As our projects are still ongoing progress, no QLASSIC assessment was conducted in FY2021 and FY2022. For the year 2022, all our projects underwent the Gamuda Land Quality Unit Assessment System (GQUAS) evaluations and Quality Gate Assessments (QGA).

QGA is currently conducted for all of our Klang Valley, Horizon Hills, Bukit Bantayan as well as our projects in Vietnam. The objective is to measure completed and in-progress construction works against set GQUAS workmanship standard, safety, environmental, and digitisation compliance and other specification, identify issues, and provide solutions to promote continuous improvement.



BIM ENABLES INTELLIGENT PROJECT PLANNING AND PROGRAMMING

Gamuda is a leader in designing and using the latest technology and tools across all of our infrastructure and development projects. This technology includes our digital industrialised building system (IBS) and 4D Building Information Modelling (BIM) systems.

BIM is an intelligent process that gives architecture, engineering, and construction professionals the insight and tools to collaboratively plan, design, construct, and manage buildings and infrastructure. It combines technology with a set of work processes that involve designing a building or piece of infrastructure collaboratively using one coherent system of virtual models rather than as separate sets of drawings.

This leads to cost savings, increased productivity, and allows for better collaboration, communication, and risk mitigation.

Gamuda is the first main contractor in Malaysia to receive the prestigious BSI (British Standard Institution) Kitemark™ certificate for Design, Construction, and Commissioning. The Certification recognises our milestone in digital construction and demonstrates our high compliance with ISO 19650.



3D Laser Scan-BIM Method

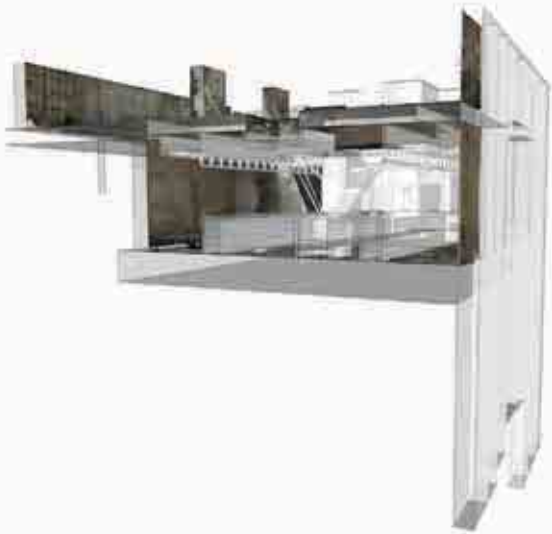
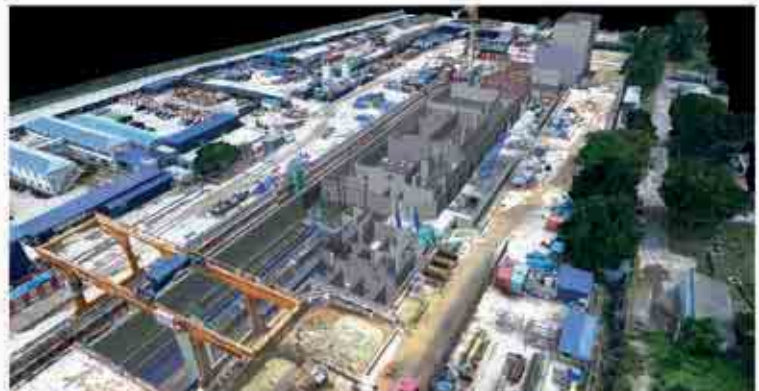
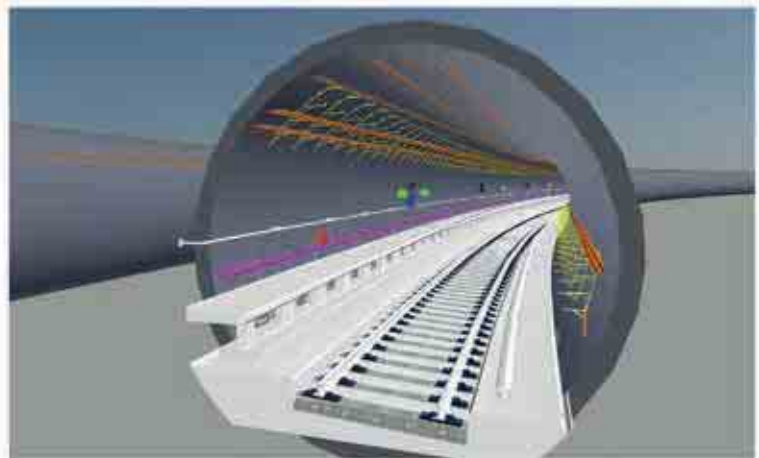
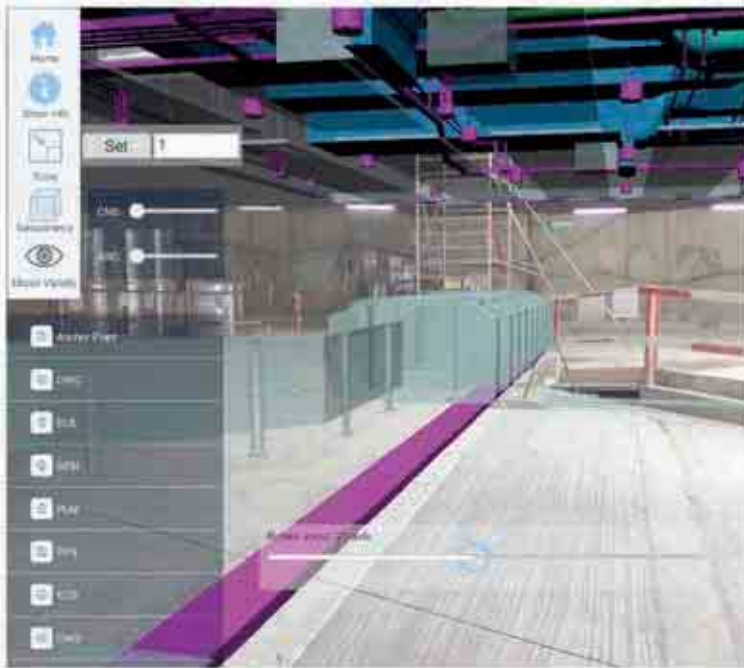
In furthering BIM innovation, we revolutionised construction checking through a holistic strategy combining the 3D Terrestrial Laser Scanning and Building Information Modelling (BIM-TLS method) technologies. A first in Southeast Asia of such interdisciplinary fields, the technique led to a significant reduction in the legwork, human error, and safety concerns by unlocking the three-dimensional visualisation of project information which was previously unattainable.

Committed to transforming rail construction with digital solutions, we envision that the BIM-TLS method will be a turning point for many of the industry's age-old problems, such as an over-reliance on manual labour and low project visualisations.

SUSTAINABILITY REPORT

Building Information Modelling Augmented Reality (BIMAR)

Continuing our efforts to enhance sustainability via digital construction towards a resilient future, we have developed our own augmented reality platform, called BIMAR, in which we can overlay virtual design and construction elements with real-time worksite images. The BIMAR app also allows us to undertake a site visit with clients before construction even begins, which allows us to identify and rectify any issues early and efficiently.



BIMAR is a first-generation augmented reality application for buildings, construction sites and infrastructure projects. Along with various cloud-enabled functions which allow direct reporting from the field, BIMAR is scalable and customisable to facilitate seamless, large-scale roll-out across mega infrastructure projects in a short amount of time in line with IR 4.0 trends.

Tunnelling Via ESG Lens

Gamuda is making a name for itself as a pioneer in cutting-edge tunnelling technology. We introduced the world’s first variable density tunnel boring machines (VD TBMs) to manage risks associated with tunnelling, especially in challenging geological formations. The first of its kind in the industry, the VD TBM continues to be optimised and updated, resetting the boundaries of underground construction.

Further building on this successful platform, our team of young engineers developed the Autonomous Tunnel Boring Machine (A-TBM), another industry first. This has created unprecedented capabilities for a TBM to drive itself with minimal human input. This results in greater quality and accuracy for our tunnelling drives.

Our multiple award-winning A-TBM has not only enabled Gamuda to complete our projects faster, safer and at lower costs, it has also opened doors for us overseas. In FY2022, we introduced this technology in Australia. Meanwhile, we are investing in further building our tunnelling expertise through the acquisition of Australia-based Tunnelling Solutions.

GAMUDA DIGITAL IBS



Gamuda Digital IBS is an end-to-end digital IBS solutions provider, pioneering digital IBS adoption in Malaysia with the country’s first digital IBS facility in Sepang. Leveraging on today’s digital design tools and robotic construction, digital IBS means flexibility in design, fast construction and superior quality finish.

Digital IBS is able to easily build a wide range of products, from affordable homes, luxurious landed homes, high-rise buildings and even public facilities like schools and hospitals. Every component is produced in our controlled factory environment and fully tested, which means that the quality of the components is assured through this safer and more sustainable construction method with minimal wastage.

Digital IBS is a powerful production system to deliver end products that are error-free with high precision and quality. This enables designs to be completed online amidst a shared platform, thus eliminating errors and enhancing efficiency throughout the construction process.




State-of-the-art robotics and a high degree of automation are also significant aspects of Digital IBS. These enable the manufacturing of high-quality end products that meet stringent tolerance levels. The system also enables the use of a wide range of precast products towards accommodating a variety of building applications including precast bathroom pods.

Our high quality control standard is already seeing Digital IBS rapidly expanding into several Gamuda Land projects, including Amber Residence at twentyfive.7, Gaia Residences at Gamuda Gardens and Maya Bay Residences at Gamuda Cove.

As the future demand for Digital IBS increases with expected government incentives and increasing emphasis on ESG for green certified projects, this has led to an improvement in the Gamuda Digital IBS FY2023 order book. This is due to the recent supply and installation of precast panels for a government project in Negeri Sembilan and an increase in-house Gamuda Land projects.

SUSTAINABILITY REPORT

Our Digital IBS track record are as follows:

 HIGH-RISE	GEMS Residences, Putrajaya Expected year of completion: 2023	Gamuda Gardens, Gia Residence Completed
	RSKU Gamuda Gardens, Danau Ria Completed	RSKU Cybervalley (PKNS), Idaman Residensi Completed
	RSKU Jade Hills, Gapura Bayu Completed	RSKU Kota Kemuning, Pangsapuri Aranda Completed
	RSKU Kundang Estates, Laman Adonis Completed	RSKU Puncak Bestari, Seri Seraya Completed
	twentyfive.7, The Amber Residence Completed	
 LANDED	Gamuda Cove, Palma Sands Expected year of completion: 2023	Gamuda Gardens, Illaria Hilltop Expected year of completion: 2023
 INFRASTRUCTURE	MRT Line 2 (Underground) Escape Shaft 3 Completed	Tun Razak Exchange (TRX) Central Plant Room Walls Completed

CERTIFICATES RECEIVED BY GAMUDA DIGITAL IBS



OUR GREEN BUILDING INDEX CERTIFICATION

The practice of sustainable design at Gamuda starts within the masterplan and building architecture considering the viability of a building that can provide energy savings, water savings, better connectivity to public transport, and others.

Received Certification

- Landed:
1. Gamuda Cove Herons (Provisional GBI Certified)
 2. Gamuda Cove Waterlily (Provisional GBI Certified)

- High-rise:
1. The Robertson (GBI Gold)
 2. HighPark Suites (GBI Gold)

Ongoing Certification

- Landed:
1. Gamuda Garden Monarc (pending approval)
 2. Gamuda Garden Illaria (pending approval)

- Commercial building:
- Gamuda Cove office building (Submitting for platinum standard)

The Group has set a target that all future residential and commercial projects will be at least GBI Certified and Silver rated respectively.



Inside view of Gamuda Digital IBS factory at Banting



Overview of Gamuda Digital IBS factory



Example of completed high-rise project using Gamuda Digital IBS components

CUSTOMER SATISFACTION

Our customers are very important to us, and we strive to meet their expectations through our projects. Customer surveys are conducted annually as a means of determining any gaps in our products as well as services.

In the previous survey, carried out at the end of 2021, our customer satisfaction score dipped to 56 percent from 85 percent in FY2021. This was due to certain issues related to newly handed over residential units in the first phases of Gamuda Gardens and twenty-five.⁷ Residents in Gamuda Gardens experienced water contamination and a water cut which lasted approximately a month, while Lucent Residence in twentyfive.⁷ faced water leaks. In addition to immediate rectification when the issues surfaced, our Customer Experience team worked with the respective project general managers and Township Management to conduct thorough reviews of the underlying problems and put in place measures to prevent their recurrence. We also conducted SOPs refresher courses for our township teams to ensure our ability to respond to complaints in a timely manner. Each project general manager is responsible for monitoring initiatives undertaken to safeguard our customers' comfort level and overall satisfaction.

INVESTING IN OUR PEOPLE AND COMMUNITIES



*Gamuda works with various indigenous communities around the region.
The generic picture showcasing Orang Asli was taken in Malaysia.*

CHAPTER HIGHLIGHTS

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Safety and Health

Zero NCR for 13th consecutive year

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Gamuda Scholarship

RM13 million in scholarships had been awarded to 58 students pursuing a variety of tertiary education programmes in 2022

PAGE 161

Training and Development

The average training hours per employee for FY2022 was 14.2 hours

PAGE 171

Enabling Academy

82 percent of EA graduates had secured jobs in various industries

PAGE 168

COVID-19 Management

In FY2022, a total of 914,601 tests had been conducted and 99 percent of the Group's employees had received the booster shots

PAGE 173

Orang Asli

To date, 37 *Orang Asli* have been employed to be a part of our workforce



"The greatness of a community is most accurately measured by the compassionate actions of its members."

*Coretta Scott King,
author, activist and civil rights leader*

SUSTAINABILITY REPORT



Our people are our most important asset, and we seek to bring out their best by providing a conducive work environment that encourages productivity and safety.

As an equal opportunity employer, we embrace diversity. Women in Gamuda have access to the Gamuda Women Empowerment Network (GWEN), and are further empowered by extended maternity leave as well as flexible work arrangements. They have many role models within the Group, from the Heads of Group Human Resources and Administration, Group Corporate Communications and Sustainability, Legal and Company Secretarial, and the Integrity and Governance Unit (IGU) to the Executive Directors of Gamuda Engineering and Gamuda Land – all of whom are women. We also provide training to individuals on the autism spectrum to gain full-time employment.

Other than to prepare the differently-abled for employment, we involve the *Orang Asli* in our projects and provide other forms of support to the underprivileged or marginalised in order to create greater social equity.

We are a keen advocate of human rights and in FY2022, launched our own Human Rights Policy, defining the Group's commitment in relation to diversity and inclusion, child labour, modern slavery (forced or compulsory labour), safety and health, workplace security, freedom of association, human trafficking, rights of the community and rights of indigenous peoples. The policy is aligned with the International Labour Organisation (ILO) Core Conventions on Labour Standards.

OCCUPATIONAL SAFETY AND HEALTH



Providing a safe working environment and paying extra attention to the welfare of our workforce are vital in ensuring sustainable business operations. In Gamuda, this is accomplished by having a comprehensive and systematic approach towards managing occupational safety and health (OSH).

Health and Safety Policy and Commitment

Gamuda's Integrated Management System (IMS) which includes OSH Management System forms the foundation for this systematic approach. This framework conforms to the international standards of ISO 45001 Occupational Health and Safety Management Systems. Gamuda has migrated to ISO 45001 from OHSAS 18001 since December 2018 as the latter is no longer recognised internationally from March 2021. This commitment is reflected in our Gamuda Quality, Safety, Health and Environment (QSHE) Policy, and it is monitored for continuous improvement.

KPI-linked Safety Performance and Risk Assessment

The OSH Objectives are based on measurable Key Performance Indexes (KPIs) consisting of leading and lagging indicators. These form the foundation for the OSH Objectives whereby individuals at all levels within Gamuda are responsible towards the achievement of these KPIs at their respective business units. The effective implementation of the ISO 45001 Occupational Health and Safety Management Systems across the Group including potential new operations/projects are monitored and guided by a dedicated team of competent personnel.

The KPIs (may include striving towards annual zero LTI, zero NCR, to achieve more than 85 percent of internally set QSHE Objectives and Targets and compliance with regulator requirements) are monitored and reported on monthly basis by the respective projects. The overall OSH performance analysis is presented at Management Review Meetings. Continual improvement and innovations such as the incorporation of technological advancement into Gamuda's businesses towards OSH implementation are part of the outcomes of these review meetings.



The OSH performances are also benchmarked against best practices in Malaysia, Singapore, Taiwan and Australia. As Gamuda is committed towards zero injuries, any incidences reported within Gamuda are shared across the Group with the aim of preventing recurrences.

Our annual and quarterly SHE committee meetings are conducted with representatives from Board or executive directors to ensure the performances and direction are discussed at all levels. In addition, management discussions are regularly held on health and safety with worker representatives.

Key Aspects of OSH Management

We have a structured framework for OSH monitoring and evaluation, as indicated below:

- i) Daily, weekly and monthly inspection by Safety, Health and Environment personnel at project sites
- ii) Safety and Health Committee inspections
- iii) Internal audits by project team to subcontractors
- iv) Internal audits by HQ QSHE team on project teams
- v) External audits by certification bodies such as SIRIM
- vi) Third-party inspections
- vii) Safety and Health Assessment System in Construction (SHASSIC)

Safety and Health Highlights for Gamuda Engineering

Zero NCR since 2009, marking our 13th year of such an achievement

Four 'opportunities for improvement' (OFI) in audit findings by SIRIM for Integrated Management System (IMS), lowest ever since 2008



Five Star Occupational Health and Safety Audit (Five Stars), British Safety Council rating for four consecutive years, three with Sword of Honour

Incidents Reporting

We encourage all employees/workers to report any incidents that occurred without the fear of repercussions for reporting. A structured incident reporting line had been established to cascade information up to the top management levels based on the severity and magnitude of the incident.

Safety Training

Developed together with Construction Industry Development Board (CIDB) and National Institute for Occupational Safety and Health (NIOSH), the KVMRT Safety Training Centre continues to distinguish itself as a pioneering institution towards elevating safety and health performance in Malaysian construction sites.

The centre provides competency and safety training for specific high-risk jobs and electrified rail infrastructure construction. Working at height, electrical safety, and crane operation are among the specific high-risk job training offers. Gamuda provides safety training to both our employees and contractors. In FY2022, a total of 1,598 participants have attended various safety training courses at the KVMRT Safety Training Centre.

In addition, a total of 528 and 3,533 participants from Gamuda Engineering and Gamuda Land respectively were given various on-site safety trainings.

SUSTAINABILITY REPORT

SAFETY AND HEALTH PERFORMANCE

Menara Gamuda

Menara Gamuda	
Total Hours Worked	1,477,584
Number of Fatalities	0
Number of Reportable Injuries	0
Number of Days Lost	0
Rate of Fatalities	0
Rate of Injuries	0
Rate of Lost Days	0
Lost Time Injury Frequency Rate (LTIFR*)	0*

Taiwan Public Construction Golden Safety Award

Guantang Marine Bridge – a joint venture project between Gamuda and Dong-Pi Construction Co. Ltd received one of Taiwan’s most acclaimed safety awards. The 16th Public Construction Golden Safety Award ceremony is conferred by the Taiwan’s Ministry of Labour.

The award serves to recognise companies who are doing well in safety practices in areas such as safety risk management, use of technology, capability in safety planning, amongst others. Gamuda is also the **first and only Malaysian company to have won this award.**

Gamuda Land

	Gamuda Cove	Gamuda Gardens	twentyfive.7	Jade Hills	Horizon Hills	Bukit Bantayan Residences	Vietnam – Celadon City	Vietnam – Gamuda City	Gamuda City Clubhouses
Total Hours Worked	233,376	219,648	192,192	112,112	167,024	48,048	617,760	283,712	368,368
Number of Fatalities	0	0	0	0	0	0	0	0	0
Number of Reportable Injuries	0	0	0	0	0	0	0	0	0
Number of Days Lost	0	0	0	0	0	0	0	0	0
Rate of Fatalities	0	0	0	0	0	0	0	0	0
Rate of Injuries	0	0	0	0	0	0	0	0	0
Rate of Lost Days	0	0	0	0	0	0	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	0*	0*	0*	0	0	0	0	0	0

Gamuda Engineering

	Gamuda Digital IBS – Banting	Belfield ¹	Gems Residences ¹	Look@118 ¹
Total Hours Worked	392,226	96,592	194,930	27,416
Number of Fatalities	0	0	0	0
Number of Reportable Injuries	0	0	0	0
Number of Days Lost	0	0	0	0
Rate of Fatalities	0	0	0	0
Rate of Injuries	0	0	0	0
Rate of Lost Days	0	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	0	0	0	0



Gamuda strives to have

0 LTIFR

We are on track to have zero accidents or incidents leading to injuries or fatalities.

Note:
* The lost-time injury frequency rate (LTIFR) for Menara Gamuda, twentyfive.7, Gamuda Cove, Gamuda Gardens has been independently assured. Refer to independent limited assurance report on pages 220 to 223.

¹ Belfield is owned by Sunway Berhad; Gems Residences is owned by IOI Properties Group Berhad; Look@118 is owned by Permodalan Nasional Berhad (PNB).

Rates of Fatalities, Injuries, and Lost Days were calculated based on Global Reporting Initiative (GRI) recommendation of per 200,000 hours worked. LTIFR were calculated based on Construction Industry Standard of Australia (per 1,000,000 hours worked).

The safety and health data was calculated based on all Gamuda’s employees at sites and offices, excluding third-party contractors hours.

LTIFR 3-YEAR DATA

	GB	GL	GE
FY2022	0	0	0
FY2021	0	0	2.18
FY2020 ¹	1.27	-	-

¹ The data disclosed in FY2020 was combined across all business operations and project sites, and reported under Gamuda Berhad (GB).

GB – Gamuda Berhad, GL – Gamuda Land and GE – Gamuda Engineering

TRAINING AND DEVELOPMENT

Recognising that we are only as good as our people, we seek to hire the best talent and enable all our employees to realise their true potential through continuous training and development. In addition to management and leadership training, we invest significantly into enhancing the technical skills of our workforce to be able to undertake our infrastructure and property development projects at optimal efficiency and safety.

Training not only enhances our organisational competencies which better enables us to achieve our business goals, it also serves to increase employee satisfaction – providing them career growth opportunities while also engendering a sense of belonging and of being valued by the Company.

Our Talent Management and Organisation Development team under the Group Human Resources Department is responsible for determining critical competencies required by the Group in order to fulfil our corporate strategies. It also identifies any skill gaps and delivers relevant trainings through its training arm Gamuda Learning Centre (GLC). Training is conducted either at GLC’s premise or at a third-party centre.

An annual training calendar is shared with employees, while monthly updates are disseminated via email and Workplace. Management’s commitment to training is reflected in increasing budgets for in-house and external programmes, as well as the continual introduction of new channels of learning.

Gamuda Learning Centre

GLC is our centralised learning centre. It offers reading resources, training rooms, computers and other training facilities. In FY2022, GLC organised various trainings on the following areas:

Leadership Competencies and Soft Skills*		Technical Competencies*	
Data and Digital Skills*		ESG-related Trainings*	

* The type and scope of programmes implemented by GLC have been independently assured. Refer to independent limited assurance report on pages 220 to 223.

Gamuda also offers specialised developed programmes at these dedicated training centres:

Gamuda Plant Operator School (GPOS)		KVMRT Safety Training Centre	
Tunnelling Training Academy (TTA)		Gamuda Parks Academy	
Construction Training Unit (CTU)		English Learning Unit (ELU)	

Collaboration with LinkedIn Learning

In FY2022, the Group collaborated with LinkedIn to offer our employees free subscription to LinkedIn Learning. Through the LinkedIn Learning app, our employees are able to acquire new skills and knowledge at their own pace. There are more than 18,000 courses available, ranging from leadership management, engineering, accounting, climate modelling, and communication, among others. Our training expenditure and number of training hours achieved are monitored monthly, and a Learning and Development (L&D) report is circulated among Business Unit Heads every year.

To determine the effectiveness of trainings conducted, evaluations are carried out at the end of every programme. We have developed an in-house e-form to gather feedback on various aspects of the training, e.g. effectiveness of the trainer, relevance of training, course and mode of delivery.

Gamuda Parks Academy

Gamuda Parks Academy aims at educating and inspiring children between 5-12 years old on environmental conservation and protection. Some of the ranger types that junior can register for are GParks Rangers, Junior Peatland Forest Rangers and GParks Youth (open for university students). All memberships are complimentary, an initiative by Gamuda Parks, which is a part of the Gamuda Group.



SUSTAINABILITY REPORT

Average Learning Hours per Employee

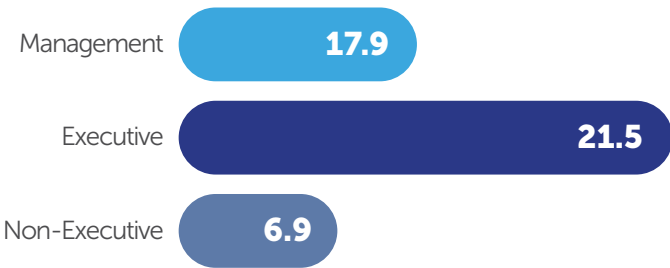
14.2



Average Learning Hours by Gender



Average Learning Hours by Employee Level



Total Investment in Employee Learning and Development:



RM1.85 million

Target Total Training Hours for FY2023 (average per employee)



16

DIVERSITY AND EQUAL OPPORTUNITIES

Diversity in the workforce enriches the Group by broadening our perspective and enhancing our decision-making. We strive to bring together a good mix of talents representing different age groups and ethnic races while striking a good balance between the genders.

Our quest for diversity is supported by our approach of being an equal opportunity employer; we recruit based on individual merit as opposed to religion, race, gender or background. Subsequently, career progression and promotions are based on performance and the leadership potential demonstrated by individual employees. Gamuda’s meritocracy is reflected in the racial composition of recipients of our scholarship programme. Gamuda did not employ any temporary employees in FY2022.

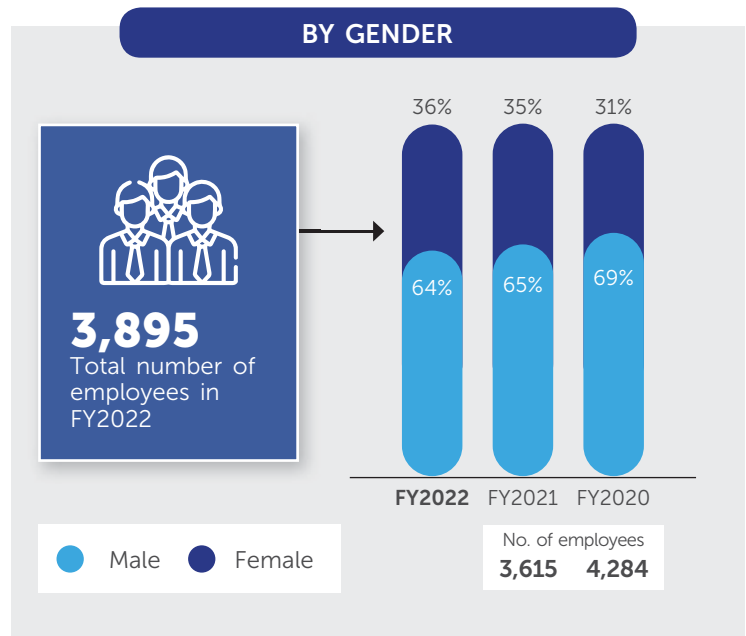
Further enriching our workplace, we seek to empower differently-abled persons through our Enabling Academy, which prepares them for employment. Not only does this contribute towards their financial self-sufficiency and therefore heightened confidence as well as self-esteem, but it also nurtures an inclusive culture in Gamuda, where everyone respects everyone else despite their differences, and where there is no tolerance for any form of discrimination.

As per our spirit of inclusivity, we have in place a grievance channel for anyone to report being bullied or harassed. Alternatively, employees who are harassed can speak to their immediate superior or to a member of HR. All cases of harassment are dealt with by our HR department.



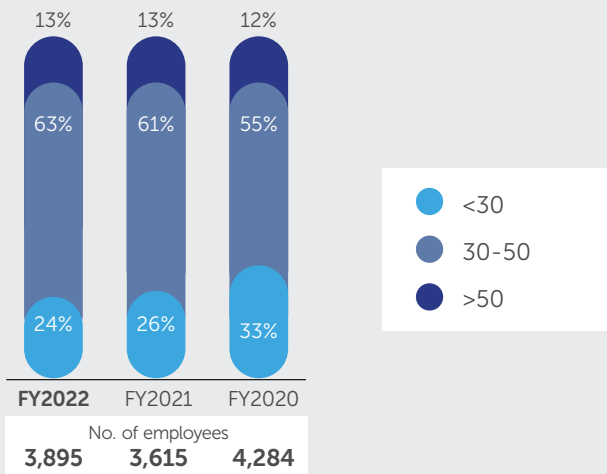
The detailed policy is available at our website

GROUP EMPLOYEE DATA

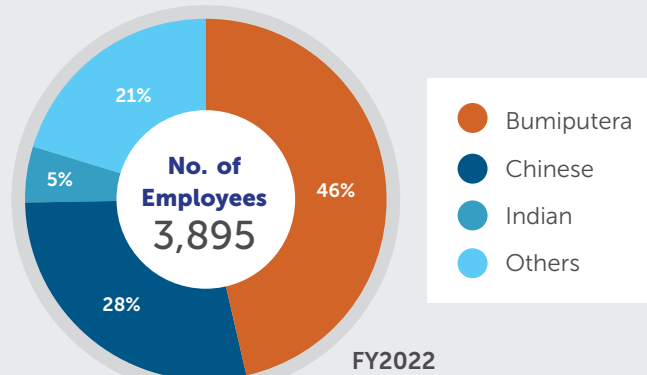


The numbers presented refer to permanent and contract employees from all our companies local and overseas excluding joint ventures and associates, except for Australia.

BY AGE

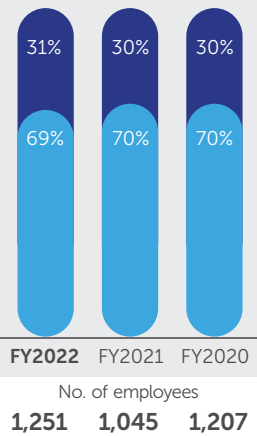


BY ETHNICITY

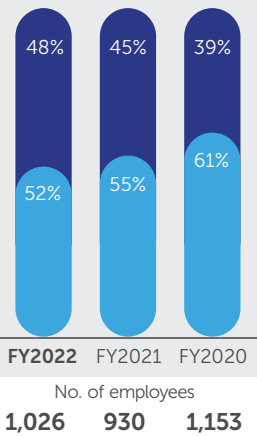


GENDER DIVERSITY BY EMPLOYEE LEVEL

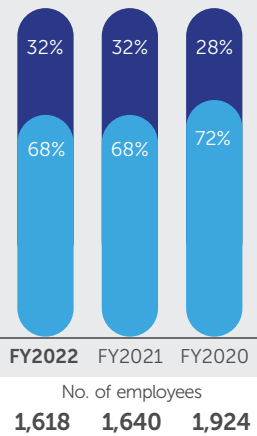
MANAGEMENT



EXECUTIVE



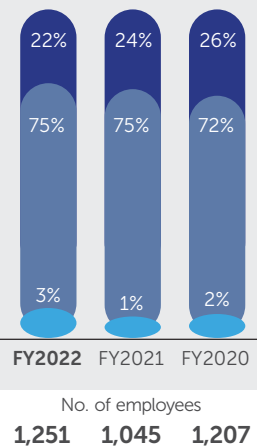
NON-EXECUTIVE



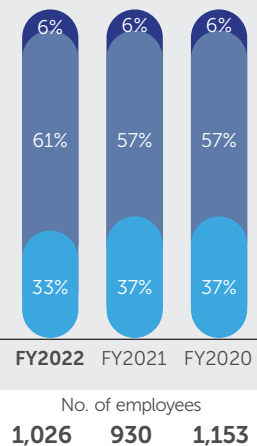
Male
Female

AGE DIVERSITY BY EMPLOYEE LEVEL

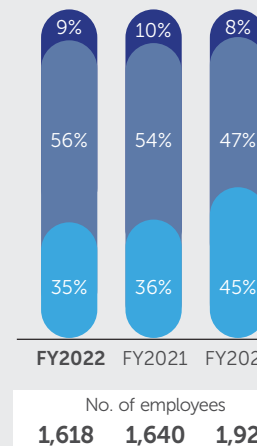
MANAGEMENT



EXECUTIVE



NON-EXECUTIVE



<30 30-50 >50

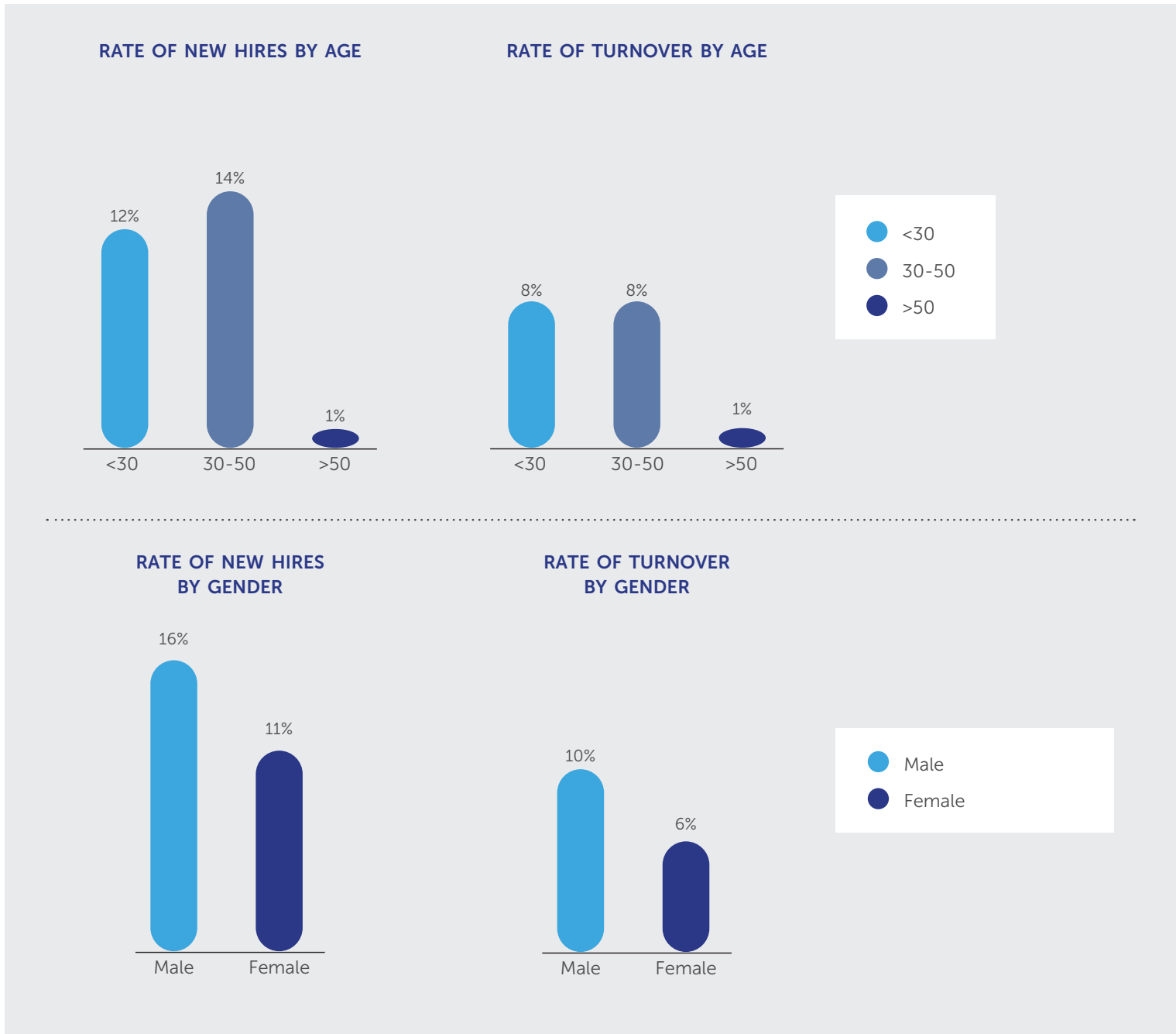


43%
Gamuda Board
women
representation

SUSTAINABILITY REPORT

New Employees Hires and Turnover

In FY2022, the Group welcomed 1,044 new employees and recorded average turnover and hiring rates at 16 percent* and 27 percent*, respectively.



Note: The rates presented refer to permanent and contract employees from all our companies local and overseas excluding joint ventures and associates, except for Australia.

* The total and rate of new hires/turnover by age group and gender for Gamuda Group have been independently assured. Refer to the independent limited assurance report on pages 220 to 223.

Employee Compensation and Benefits

Gamuda is constantly reviewing its compensation and benefits to ensure employee well-being is looked after and their needs are met.

Benefits in Gamuda

LEAVES Annual Leave, No Pay Leave, Sick or Hospitalisation Leave, Marriage Leave, Paternity Leave, Maternity Leave, Family Care Leave, Examination Leave, Compassionate Leave, Prolonged Illness Leave, Replacement Leave and COVID-19 Vaccination Leave	
ALLOWANCE AND SUBSIDY Professional Membership Subsidy, Childcare Subsidy, Business Travel Reimbursement (BTR)	FLEXI-WELLNESS Outpatient, Additional Pre- and Postnatal Expenses, Annual Medical Check-up, Wellness Membership, Optical, Dental, Vaccination
FLEXI-WORK ARRANGEMENT Staggered Working Hours, Flexi-Time, Seasonal Flexi-Time, Flexi Place, Flexi Lunch Hours, Replacement Hours, Work from Home (WFH)	INSURANCE Group Term Life Insurance, Hospitalisation and Surgical Insurance, Personal Accident Insurance
OTHERS Car Park Facility, Retirement Benefits, Bona Fide Benefits, Employee Education Assistance	

MINIMUM WAGE

Considering the nature of Gamuda’s business, the Group decided to increase the minimum wages for foreign and local workers, and fresh graduates to align with the rates stipulated by the government. Aside from that, with higher wages, foreign and local workers, and fresh graduates are better able to navigate through the incessant increase in costs of living.

The increase in wages also enables the foreign workers to take home a higher rate of wages as compared to those who are represented by agents where a percentage of their salary will be deducted for processing or service fees.

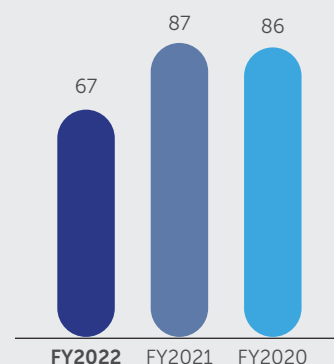
In May 2022, Gamuda increased the minimum wage for foreign workers from RM1,200 to RM1,600 per month and for local workers from RM1,200 to RM1,800 per month, exceeding the revised minimum of RM1,500 set by the government.

We also raised the entry level salary for fresh graduates joining the Company from RM3,300 to RM3,500 for engineers and from RM3,000 to RM3,200 for non-engineering graduates. We have reviewed our entry level salary packages to be competitive and within the top quartile of our industry. This is important to attract the necessary talent for our business growth, as well as to help our employees to cope with the ever-rising costs of living.

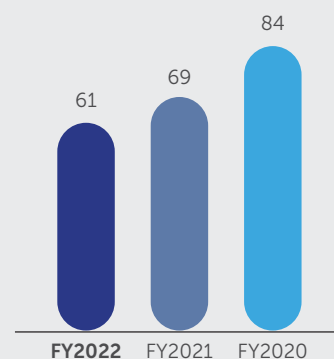
Along with the minimum wage and graduate entry level salary hikes, the Group’s entire baseline pay has increased, with all employees in salary bands up to RM5,000 also enjoying higher incomes, adjusted for internal equity.

Number of Employees who Utilised Parental and Family Care Leaves

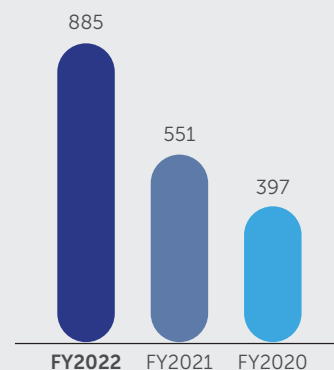
Paternity Leave



Maternity Leave



Family Care Leave



SUSTAINABILITY REPORT

HUMAN RIGHTS AND LABOUR PRACTICES



In Gamuda, we are committed to upholding and respecting human rights across all of our business operations. We do not tolerate any form of discrimination and treat all employees the same regardless of nationality, race, or gender.

As our contractors rely heavily on foreign labour, Gamuda has taken it upon ourselves to ensure that these workers are treated with respect and dignity. Not only does this contribute to better quality work and higher productivity, but it is simply the right thing to do.

We are guided in this regard by labour laws and regulations in the different countries where we operate. In Malaysia, these include the Employment Act (which protects employees' rights and prohibits child labour), the Factories and Machinery Act (which sets a minimum age of 21 years for the operation of machinery at work sites), and Act 446 of the Minimum Standards of Housing and Amenities (Amendment) Act 2019 in Malaysia.

It is the responsibility of our project managers, business heads and HR to ensure responsible labour practices among our subsidiaries, subcontractors and third-party contractors.

As a measure of our commitment to upholding human rights in the workplace, and to ensure that Gamuda's practices go beyond regulatory requirements, we are currently reviewing our existing policies for alignment with amendments to the Employment (Amendment) Act 2022.

Among the key components of best labour practices are:

- 1) to provide workers with decent salaries;
- 2) to provide them with comfortable accommodation that meet their needs; and
- 3) to ensure that workers are sufficiently trained to carry out their work safely and efficiently.

In terms of salary, we have always adhered to local minimum salary recommendations. We have also been a pioneer in providing workers with quality centralised labour quarters (CLQs). As for training, this is provided at our GLC, ELU, TTA, GPOS and CTU. Aside from that, project-specific training is also organised by site HR teams, wardens and supervisors.

In order to ensure that all of our employees are treated fairly and with dignity, we have communicated with them about our grievance handling process and Whistleblowing Policy.

Gamuda targets to have

ZERO

socio-economic
non-compliance
incidents

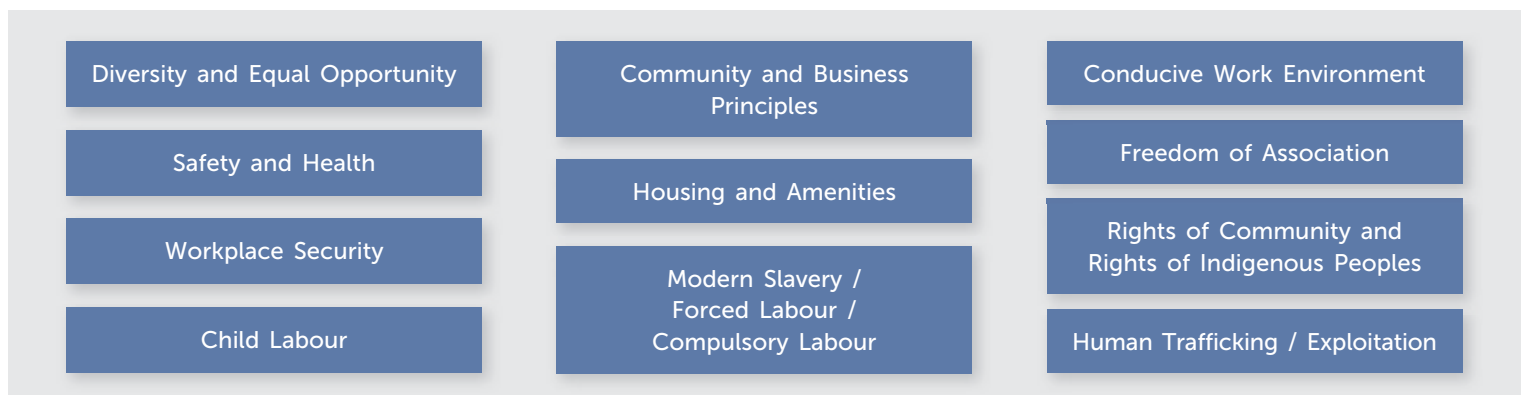




Group Human Rights Policy

Gamuda believes that everyone has the right to be treated with fairness, respect, and dignity in the workplace where their knowledge, skills and abilities are critical factors determining their success. It is our aim to avoid contributing to adverse human rights impacts and mitigate any such impacts when they occur. We see human rights matters as a concern and responsibility of all. Employees of the Group have the responsibility to treat everyone with dignity, courtesy and to respect their human rights. The Board and management are responsible to walk the talk by modelling appropriate standards of behaviour to further educate and promote awareness of this policy to the employees. Any breach of this policy/inappropriate behaviour reported will be taken into account and resolved in a timely manner.

To ensure we respect the rights of all our employees and workers, the Group introduced our Human Rights Policy in FY2022. The policy covers the Group’s alignment on key human rights matters including:

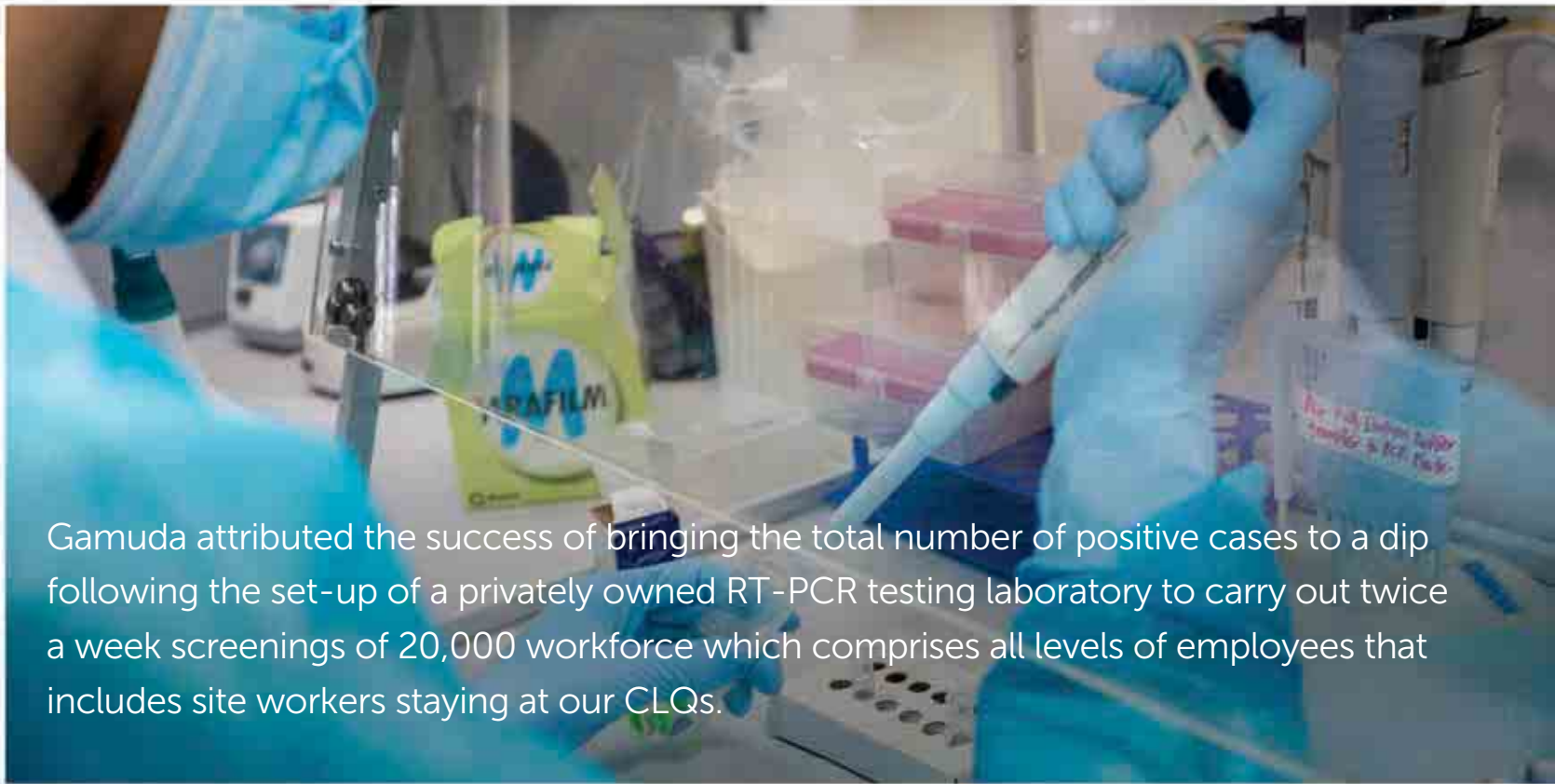


The detailed policy is available at our website

CHILD LABOUR

Committed to human rights and ethical recruitment practices, Gamuda takes a strong stance against child labour. The Group shall refrain from hiring and deploying child labour in all of our business operations. The minimum age for employment shall be guided by the Children and Young Persons (Employment) (Amendment) Act 2010.

CONTROL OF A GLOBAL HEALTH ISSUE



Gamuda attributed the success of bringing the total number of positive cases to a dip following the set-up of a privately owned RT-PCR testing laboratory to carry out twice a week screenings of 20,000 workforce which comprises all levels of employees that includes site workers staying at our CLQs.

COVID-19 Management

A key development in FY2022 was the gradual winding down of social and movement restrictions imposed to manage COVID-19 as the country transitioned from treating the outbreak as a pandemic to being endemic. Even so, Gamuda continued to place the well-being of our employees as a top priority and maintained various initiatives that we had embarked on when COVID-19 first unravelled in the country.

This was especially important as all of our employees returned to the workplace as of May 2022, with the exception of those under quarantine, or who had specific medical or safety reasons such as being in close contact with a patient or being asymptomatic carriers.

Guided by the Steering Committee, we have continued to observe SOPs such as social distancing, frequent use of hand sanitisers/hand washing, workplace sanitation, wearing face masks and COVID-19 testing under the new "norm" in Gamuda.

During the year, our in-house reverse transcription polymerase chain reaction (RT-PCR) laboratory, managed by Gamuda Healthcare, conducted 914,601 tests, recording a total of 9,155 positive cases among our workforce. The frequency of tests was increased from

fortnightly to weekly, and in certain units to twice a week, based on COVID-19 risk assessment and feedback from other COVID-19 monitoring mechanisms within the Group. Gamuda remains the first and only private company in Malaysia to have in-house RT-PCR testing laboratories.

Centralised Quarantine Quarters and Triage Centre

As per the previous year, we also continued to operate Centralised Quarantine Quarters (CQQs) at our CLQs for COVID-19 positive employees. A total of 647 admissions were recorded at our CQQs. These employees also received support from our medical team stationed at the Gamuda Triage Centres set up in the CLQs. The local authorities recognised these facilities as a "gold standard" that was covered by local media for other players to follow in ensuring the welfare of the workers is always taken care of.

In addition, the medical team conducted daily teleconsultation with employees under home quarantine. If any employee was found to require close monitoring, the medical team would recommend that he/she be admitted to the Gamuda Triage Care Centre. During the year, a total of 14 patients were admitted to the Triage Care Centre, including three employees' family members.

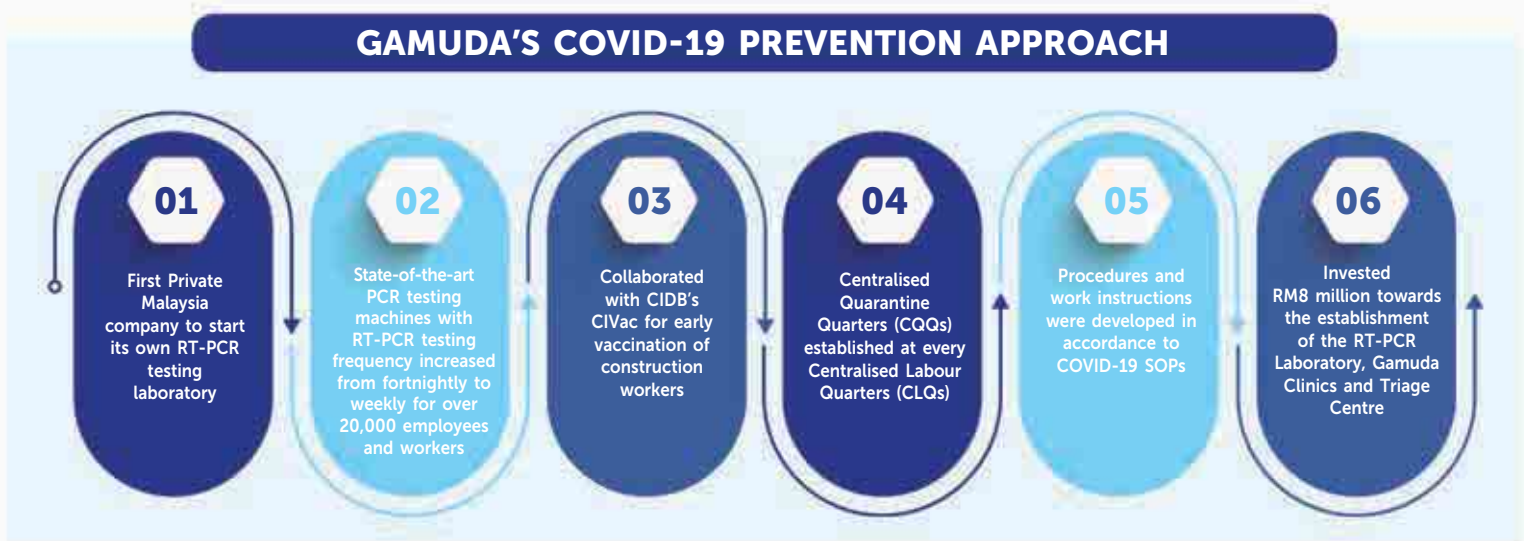
RT-PCR Testing and CIVac

The frequency of screening supplemented by stringent SOPs played an imperative role to prevent the rise of new COVID-19 clusters. The authorities acknowledged the effort taken by Gamuda despite having the nationwide lockdown in force and the construction was listed as essential service, allowing Gamuda to continue work.

In 2021, Gamuda collaborated with CIDB on the Construction Industry Vaccination Programme (CIVac) to elevate the vaccination rate amongst workers and employees to minimise the work stoppage perpetrated by the pandemic.



GAMUDA'S COVID-19 PREVENTION APPROACH



Partnering with ProtectHealth, booster vaccination booths were set up at project sites and Gamuda offices to allow employees to walk in for free shots. ProtectHealth has been tasked by the Ministry of Health to organise booster vaccinations under the national COVID-19 vaccination programme. As a result of this partnership, more than 99 percent of our employees received boosters, with the remaining one percent opting out due to health reasons, as per advice by doctors.

Making good on plans reported in the previous year, we set up two Gamuda Clinics in FY2022 to provide various outpatient medical services, including vaccinations. The objective has been to help reduce the strain on our public healthcare system.

Our investments into the provision of testing, quarantining and care for our employees have led to a significant drop in the number of COVID-19 cases Group-wide, preventing the formation of any work clusters and enabling business continuity, thus increasing the Group's productivity.

Gamuda does not monitor other global health issues such as HIV/AIDS, Tuberculosis, and Malaria. This is because these health issues are less prevalent in countries where we operate.



SUSTAINABILITY REPORT

YAYASAN GAMUDA



Yayasan Gamuda was established in 2016 to continuously enhance the Group's community investments, which are focused on educational aid and empowering social enterprises in line with our ESG commitment, particularly Pillar 2. Having successfully grown our three flagship programmes, namely our Enabling Academy, Gamuda Scholarship and Star Golden Hearts Award, we are committed to scaling up our community outreach efforts through our foundation. This year we have added a special focus on indigenous people as our fourth programme.

Gamuda Scholarship

The Gamuda Scholarship was established in 1996 to provide financial support to outstanding Malaysian students, thus enabling them to pursue tertiary studies in fields related to Gamuda's needs. In the year 2022, we have disbursed a total of 58 scholarships – 43 local and 15 international – valued at a total of RM13 million, a substantial increase from RM3.9 million from the previous year. The scholarships were granted to students pursuing programmes in Engineering (Civil, Electrical, Mechanical, Mechatronics, Software), Environmental Science and Sustainability, Quantity Surveying, Property and Real Estate Management, Finance/Accounting, Business, Architecture, Data Science and Psychology. In comparison to FY2021, we have awarded more scholarships to students from the B40 families. The scholarships awarded were inclusive of tuition fees, living expenses, accommodation, book and laptop allowances, airfare, and arrival fees for foreign students.

The Group has a commitment to set aside 2% of the Group's profits towards Yayasan Gamuda (YG).

**YG has invested
RM6.6 million for FY2022.**



In 2022 (FY2023), RM13 million was awarded to 58 students. The Gamuda Scholarship investment will increase to RM20 million for 2023 (FY2024).





The Gamuda Scholarship is normally presented in September annually, which the investment amount is recorded in the current financial year. Gamuda's financial year ends on 31 July every year.

Enabling Academy



Gamuda broke new ground in Malaysia by becoming the first organisation to train young adults on the autism spectrum in order to help them gain sustainable employment. This is achieved through the Employment Transition Programme (ETP) offered at our Enabling Academy (EA), which was set up in 2017.

Benefits and impacts from Enabling Academy towards different stakeholders:

 EA GRADUATES	 PARENTS OF EA GRADUATES	 EMPLOYERS	 GOVERNMENT
<ul style="list-style-type: none"> Gained employment, increased income Developed life and social skills Better and healthier lifestyle Better social acceptance Gained independence from family 	<ul style="list-style-type: none"> Relieved that their child has a career that leads to independent living Reduced financial burden Reduced anxiety Better lifestyle and living standards Improved family relationship 	<ul style="list-style-type: none"> Increased access to a wider pool of talents and untapped potential Improved diversity, equality and inclusion at the workplace Improved productivity and creativity 	<ul style="list-style-type: none"> Reduced healthcare expenses Reduced expenditure in welfare payment Improved employment rate of persons with disabilities



To date, EA has trained 76 candidates, 82 percent of whom were offered a job in property and construction, banking, IT, manufacturing, legal, retail and hospitality industries. Among the main reasons for non-employment of the remaining 18 percent are: pursuing further studies, health issues, not being sufficiently ready, waiting for more suitable job opportunities, or exploring the option of self-employment. As of 31 July 2022, Gamuda has 21 employees who are on the autism spectrum, under Project Differently-Abled. Eight of these employees were graduates of EA.

In FY2022, each of our EA graduates is estimated to have spent an average of 390 hours over their three month-long programme.

At EA, we undertake comprehensive assessments of different partner companies before placing EA graduates to ensure a good fit of the culture and working environment with the candidates. To date, 4,636 copies of our EA ETP Trainer’s manual have been distributed in order to equip more organisations nationwide to implement their own ETP.

SUSTAINABILITY REPORT

National ETP Outreach: Train the Trainers

To rope in more organisations to train the trainers with the aim of replicating more quality and effective Employment Transition Programmes (ETP) nationwide, which will equip more youths with disabilities for sustainable employment.

EA New Model: Other Industries training

To explore more job options for EA trainees in industries that best match their interests and aptitudes by collaborating with different industries such as hospitality, retail and manufacturing.

Social Well-being Programme for Project Differently-Abled (PDA) Colleagues and EA Graduates

To provide a platform for PDA colleagues and EA graduates to socialise, build friendships and develop better social well-being.

In FY2022, 96 participants attended the workshops that were conducted by EA with the Department of Social Welfare, Department of Polytechnic and Community College Education, and Youth Skills Development Division of the Ministry of Youth and Sports.

With the successful outreach, the Department of Social Welfare has invited EA to conduct training for their Community-Based Rehabilitation Centres nationwide to equip trainers and job coaches to run ETP in their respective centres.

82% of the EA graduates were offered a job in various industries

188 companies engaged



3,214 local communities reached – private and public sectors

GIA 2022 WINNER – ISKUL SAMA DILAUT OMADAL

Iskul is a community run project initiated in 2015 to provide basic literacy for stateless children at Omadal Island. They give the opportunity of education to children and youth whose stateless status denies them access to public schools.



Scan this QR code for a full list of current and past winners

Orang Asli and Indigenous Peoples of Australia

Gamuda is committed to establishing and maintaining respectful and meaningful relationships with the communities of indigenous peoples in which we have a business presence. The Group aligns with the principle of Free, Prior, and Informed Consent (FPIC) where the indigenous communities have the right to self-determine, consult and make decisions regarding their economic, socio-cultural, and political aspects. We are upholding our commitment to respecting and acknowledging the rights of indigenous peoples by empowering them via employment and education opportunities. The Group also ensure that the indigenous peoples are included in the Group's nature conservation initiatives.

Subsequently, the global and local support of instruments or frameworks referred to by the Group is the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), United Nations Permanent Forum on Indigenous Issues (UNPFII), UN Special Rapporteur on the Rights of Indigenous Peoples (UNSR), ILO Indigenous and Tribal Peoples Convention, Malaysia: Aboriginal Peoples Act 1954 and Australia: Australia's Indigenous Peoples and International Law: Validity of the Native Title Amendment Act 1988 (CTH). Malaysia is a signatory to the UNDRIP to respect, protect and fulfil the human rights of indigenous peoples, including the rights to free, prior and informed consent before actions are taken that will affect their lands and their rights to freedom of expression and assembly.

As outlined in our Gamuda Green Plan 2025, under Pillar 2 i.e. 'Our Community is Our Business', we complemented the environmental and biodiversity conservation aspects by ensuring that the native communities are able to actively participate in our conservation processes.

Star Golden Hearts Award

The Star Golden Hearts Award is a collaboration between Yayasan Gamuda and The Star Foundation by Star Media Group to acknowledge individuals and groups that have made exceptional contributions to society. The Star is Malaysia's English daily with the highest readership in the country. The award targets community projects related to environmental, economic and social enhancement, in line with the Group's ESG commitment.

The 2022 award had attracted 776 nominations nationwide, about 71 percent more than the 453 nominations received in 2021. Ten accolades will be presented in November 2022 to three individual winners and seven social enterprise winners who contributed meaningfully to society. The Star and Yayasan Gamuda are awarding a total of RM249,000 in cash to support the good work of the award winners:



Gamuda Inspiration Award (GIA) winner:
RM120,000
(only one winner)



Individual SGHA winner:
RM24,000
in total value to three selected winners



Organisation SGHA winner:
RM105,000
in total value to seven selected winners


Orang Asli Employment

Gamuda is committed to uplifting the lives of *Orang Asli* communities through education and employment. To date, we have included 37 *Orang Asli* within our workforce.

As part of our commitment to indigenous communities, we are collaborating with Asli Co and Binturong Alam Ventures to upskill local *Orang Asli* communities while also providing them with sustainable income for the benefit of their families and communities. This initiative provides them with the opportunity to venture into entrepreneurship businesses that they are most comfortable with (back to nature).

With Binturong Alam Ventures, for example, we launched the Wild Tree Seed Bank Project through which we purchase wild tree seedlings from the *Orang Asli* and use their expertise to nurture these seedlings in a nursery before the trees are replanted elsewhere. In other words, this project enables the *Orang Asli* to earn an income by putting their intimate knowledge of the forest to good use (i.e. protecting biodiversity).

Gamuda targets to create at least **200** employment opportunities at the arboretum and nurseries for *Orang Asli*



As of August 2022, this project benefitted 21 *Orang Asli* families. It has since been expanded to six more villages encompassing 39 families. At the moment, we have collected a total of 2,300 saplings of 69 local tree species.

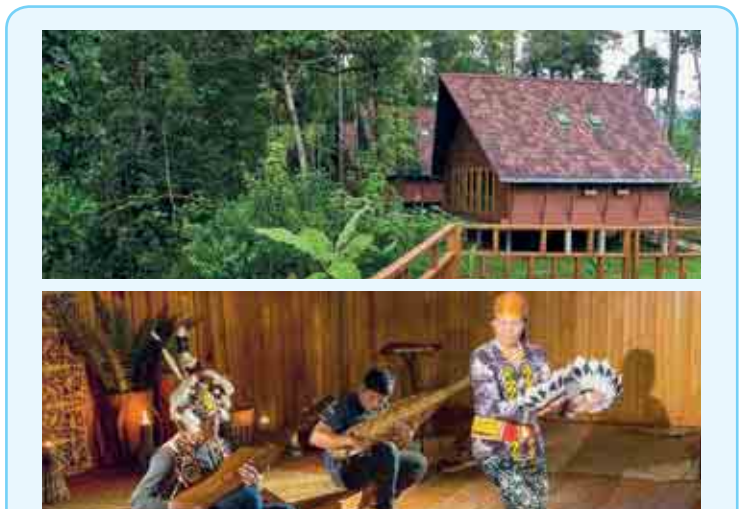


Orang Asli Education

According to UNICEF, over five million children in Malaysia were unable to attend school during the COVID-19 pandemic. This has led to a lack of motivation and interest in studies. The situation was worse for students with poor or no internet access, especially *Orang Asli* children. In response, 165 tablets were donated via the GL Cares programme. In addition, the Group's collaboration with ACE Education had provided tuition for 136 students from Sekolah Kebangsaan (Asli) Bukit Cheding and Sekolah Kebangsaan Asli Bukit Kemandol. Of the total, 34 of them are students with special needs. These teachers brought with them

experience in teaching children with Down Syndrome, cerebral palsy, attention deficit hyperactivity disorder (ADHD), dyslexia and autism. In addition, the teachers provided tuition classes to help students to catch up with missed schoolwork. ACE Education will regularly assess the students to gauge the effectiveness of its programme. Another three tablets were donated to a struggling father who made a call to a local radio station. The aim was to ensure that the students were able to attend online classes without depending on their parents' devices.

Eventually, we seek to expand the educational programme to include personal enrichment skills such as singing, arts and crafts, and public speaking, as these will help enhance the student's quality of life.



Batu Patong Eco Village

In line with the Gamuda Green Plan 2025, Pillar 2 states that Our Community is Our Business whereby Gamuda will include any community surrounding the Group's operations for development and social investments.

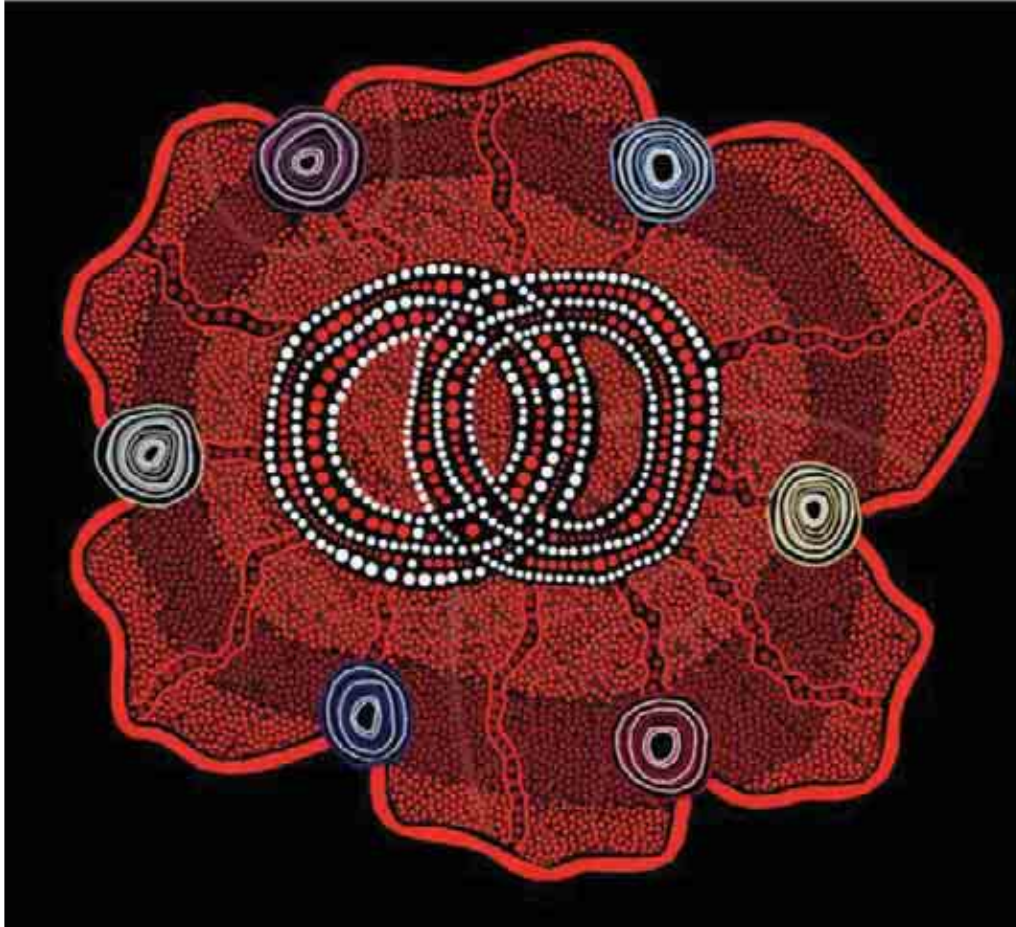
The Batu Patong Eco Village is located in the pristine jungle of the Bario Highlands in Sarawak. This project was jointly developed as a social effort between Gamuda and the local Batu Patong Kelabit community. The eco-village was built by incorporating a boutique scale eco-resort and a community homestay without impacting the unspoilt condition of Bario's green environment.

The entire resort is owned and managed by the villagers who are in charge of the housekeeping, meals preparation, logistics and transport arrangement, jungle guides for trekking and exploration around Batu Patong in order to share the culture and lifestyle of the Kelabit community with visitors.

In 2022, the Batu Patong Eco Village was accorded the Silver winner in the Resort category at the FIABCI World Prix D'Excellence Awards and in 2021 it was the winner of FIABCI's Malaysian Property Awards (MPA). These awards show that Gamuda and the Kelabit community have realised the vision of working with nature and 'listening to what the land has to tell us' in ensuring sustainability will always be incorporated in every planned endeavour.

SUSTAINABILITY REPORT

RECONCILIATION ACTION PLAN AND INDIGENOUS PEOPLES IN AUSTRALIA



Titled 'Together, Weaving Our Future' the artwork represents Gamuda's pledge to build and maintain strong connections, as well as the business's long-term commitment to Australia.

Gamuda is committed to having respectful and meaningful relationships with the Aboriginal and Torres Strait Islanders, Australia's First Nations Peoples.

Through building our business in Australia, we are contributing to the local infrastructure landscape with the aim of leaving a positive social legacy in the communities in which we operate. This includes ensuring our offices and worksites are culturally safe and welcoming places for the Aboriginal and Torres Strait Islander peoples and businesses. Developing a deeper understanding of reconciliation and supporting positive engagement with the Aboriginal and Torres Strait Islander peoples and communities are fundamental to achieving this.

Before our first major project win, and to proactively start on our journey towards reconciliation, Gamuda Australia developed and launched our first Reconciliation Action Plan (RAP). The RAP framework, including review and accreditation, is governed by Reconciliation Australia, the lead non-for-profit body for reconciliation in Australia. Reconciliation Australia's RAP Framework provides organisations with a structured approach to advance reconciliation utilising four types of RAPs



REFLECT

(Scoping Reconciliation)

This is the first step of the RAP that allows an organisation to determine the scoping parameter.



INNOVATE

(Implementing Reconciliation)

This RAP details out the workplan to achieve the organisation's vision for reconciliation.



STRETCH

(Embedding Reconciliation)

This RAP is best suited to organisation with developed strategies and has a strong approach in terms of advance reconciliation, internally and where they operate.

depending on where that organisation is in their reconciliation journey. The four RAP types are– Reflect, Innovate, Stretch and Elevate.

Gamuda Australia is currently in the first stage of our reconciliation journey – *Reflect*. Our Reflect RAP was accredited by Reconciliation Australia in Q4 2021 and provides our vision for reconciliation, determines our sphere of influence, and establishes the systems and processes we need to establish meaningful partnerships with the Aboriginal and Torres Strait Islander peoples to increase economic equity. Based on our core business values of relationships, respect, and opportunities, our Reflect RAP guides us as we start on our journey to facilitate First Nations self-determination in Australia.

As part of our RAP development, Gamuda Australia joined hands with Indigenous creative agency Gilimbaa and Wakka Wakka man, David Williams, to produce our reconciliation artwork. The artwork titled *“Together, Weaving Our Future”* represents our collective commitment to work together as a culturally diverse organisation for a collaborative, respectful and inclusive future in the Australian construction industry.

As a foundation of our Reflect RAP commitments, we focused on improving the understanding of Aboriginal and Torres Strait Islander histories, cultures, and knowledge across our operations. We have partnered with Aboriginal businesses such as Mirri Mirri and Tribal Warrior to facilitate Aboriginal cultural heritage training in all of our projects including in our head office. We have engaged with local Aboriginal and Torres Strait Islander organisations and businesses during the tender and delivery process with the objective of facilitating equitable opportunities and access to employment across all disciplines and down our supply chain. We have also partnered with the indigenous design house Balarinji to co-design



our urban design and landscape strategy for the Coffs Harbour Bypass bid, which was ultimately successful. Balarinji will now play a key role in the delivery of this major project by partnering with the local Gumbaynggirr people to contribute to the artistic themes, strategy, and vision for all significant elements of urban design.

The next stage for Gamuda Australia is to drive accountability in our business through the Innovate RAP. The Innovate RAP will outline our formal actions and objectives to achieve our visions for reconciliation. The Innovate RAP will come into effect in early 2023 and will run for two years. The Innovate RAP will include formal reporting against our objectives and targets, including Aboriginal and Torres Strait Islander peoples’ employment and business engagement.

The RAP framework entails a structured approach to reconciliation by the Group, while at the same time supporting Australia’s national reconciliation movement. There are four types of RAP that will be implemented by Gamuda Australia which were tailored to suit the Group’s business objectives.

The RAP Working Group (RWG) was established to drive positive initiatives across the business supporting the objectives of the plan, while ensuring accountability and transparency in reporting and governance.

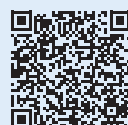


ELEVATE

(Leadership in Reconciliation)

This RAP is suitable for an organisation that has a proven track record of having successful implementation of RAP initiatives through the Stretch RAPs and are ready for the next step of taking a leadership position in progressively advancing towards national reconciliation.

The Group acknowledges that the reconciliation journey in Australia is a new initiative to be implemented. We took the first step in working together with Reconciliation Australia to further develop and identify the key elements to be implemented under the Reflect RAP. To ensure that our business objectives and reconciliation commitments are aligned, we will continue to engage with numerous representatives of the Aboriginal and Torres Strait Islander organisations to further inculcate the idea of cultural awareness in our people.



For more information on the Reconciliation Action Plan, please scan the QR code

GIVING BACK VIA GL CARES



In addition to the programmes supported by Yayasan Gamuda, we also carry out various corporate social responsibility (CSR) projects under the Gamuda Land (GL) Cares banner. GL Cares was established in July 2021 primarily to provide food and necessities to those severely impacted by the COVID-19 pandemic. As the pandemic has abated, its focus has changed to other, equally meaningful initiatives.

GL Cares (Flood Relief)

Towards the end of 2021, key personnel from Gamuda Cove, twentyfive.7 and Bandar Botanic partnered with the 2021 Gamuda Inspiration Award (GIA) award winner, Crisis Relief Services and Training (CREST), to extend much-needed support to victims of the floods in Dengkil and Hulu Langat.

No less than 6,000 meals were distributed across four locations within the span of seven days. Apart from meals, zipped wardrobes were donated to 80 *Orang Asli* families and 80 volunteers from Gamuda Cove got together to clean up 30 homes.



GL Cares (COVID-19 assistance)

During the pandemic, food aid stations were established in Gamuda Gardens, Kundang Estates, twentyfive.7, Horizon Hills and Jade Hills. Working with suppliers such as 99 Speedmart, we stocked these food aid stations with essentials such as rice, cooking oil, face masks, sanitisers and diapers, which could be picked up for free by those in need.

In addition, bags filled with essentials were personally packed and delivered to villagers and Centralised Labour Quarters (CLQs) by Gamuda Land employees. Through our food aid programme, we delivered food to over 1,700 workers in our CLQs, providing them with critical support in a time of need.



Science Lab Refurbishment for Orang Asli

To provide a more conducive learning environment, GL Cares refurbished an old building in Sekolah Kebangsaan (Asli) Bukit Cheding into a science lab. We pooled volunteers from the various project teams who took the time off to clean, build and do manual labour for the sake of the indigenous students.

What was once an abandoned building, it now has newly painted walls, windows and flooring that is fully furnished with lab equipment for the students to conduct experiments in a safe manner. The students were delighted to finally experience the practical aspect of science lessons.



SUSTAINABILITY REPORT

CASE STUDY: DELIVERING BEYOND A PROJECT – MRT PUTRAJAYA LINE



The MRT Putrajaya Line had recently been named project of the year by multiple prestigious associations. Below are key attributes that contributed to the project's accolades.

EFFECTIVE MANAGEMENT OF A LARGE-SCALE, COMPLEX PROJECT

17 construction sites, 13.5km twin tunnels, 12 Tunnel Boring Machines (TBM) deployed



Work scope includes comprehensive building protection, ground treatment, traffic diversion, utilities relocation and demolition of 12 major structures



Other unique works: cross passages, box jacked underpass, integration works (connecting two newly constructed tunnels to the Tun Razak Exchange Station)



The COVID-19 'new normal' was enforced on the 20,000 workforce, enabling the project to stay on track

INITIATIVES BEYOND DELIVERABLES

Local TBM refurbishment resulted in significant monetary and environmental gains



Use of material-efficient steel fibre reinforced concrete for tunnel lining



50% of total water demand met by using treated construction effluent



Pioneering institutions include:

Tunnel Training Academy > 1,000 graduates



Virtual 360 degrees site tours opened to the public post-pandemic



Adoption of IBS in a permanent structure of shafts over 40m high



BIM academy >5,000 employees upskilled



MRT Information Centre hosted >4,000 visitors since 2017



KVMRT Safety Training Centre >50,000 workers trained



CLIMATE ADAPTATION INITIATIVES

Rainwater Harvesting Harvest (1,600 litres tank)



Green landscaping



Air-con Timers



Solar Energy



Inverter appliances



Energy Saving Lighting (LED) - Replacement of fluorescent light tubes reduced usage from 40W to 5W



INNOVATIVE APPROACHES

In-house innovation and application of the world's first autonomous TBM



Use of augmented reality technology with BIM for construction validation



Novel applications of Building Information Modelling (BIM) Level 2 systems, Geospatial Information Systems and drone surveying



GEOTECHNICAL CAPABILITIES

Tunnelled smoothly across four highly variable geological conditions (abrasive granite, Kenny Hill formation, alluvium and Class 5 extreme karstic Kuala Lumpur limestone) set in high-traffic and densely populated urban areas



Development of bespoke deep excavation designs and ground treatment schemes



Completed refurbishment of **MRT1 TBMs** for deployment on **MRT2** with **RM400mil** cost savings versus purchasing new TBMS

125 workers upskilled and trained

Reduction of **12,000 tonnes** of CO₂ emissions

Created over **17,000 jobs** for locals on MRT1 and MRT2

SAFETY AND HEALTH

Lost time injury (LTI) frequency rate of 1.1 and 1.0 for 2019 and 2020, respectively



First adopters of the Construction Skills Certification Scheme



Provide UK-syllabus instructors' training for high-risk work such as Lifting Supervisors, Appointed Persons for Lift Planning, Mobile Elevated Working Platform (MEWP) operators and third-party thorough testing and examination

Five Star Occupational Health and Safety Audit (Five Stars), British Safety Council rating for four consecutive years, three with Sword of Honour



Continuously offered intensive specialist courses like sinkhole emergency drills and flashover instructors' courses to local agencies



Establishment of an internationally accredited laboratory with 40 technologists conducting over 90,000 RT-PCR tests on a monthly basis



Judges in the New Civil Engineer award attributed the win to various factors including:

- 1 the range of delivery approaches adopted
- 2 efficient methodology such as training, testing and safety initiatives
- 3 use of predictive technology and data management technology

INFRASTAR: MRT PUTRAJAYA LINE

At a more public level, we are involved as the project initiator and manager of the Klang Valley Mass Rapid Transit (KVMRT) system, which represents a greener, more affordable and accessible mode of transport which will lead to less congestion on roads and a reduced carbon footprint for commuting Malaysians.

The MRT Putrajaya Line, the second line of the extensive urban rail project, has been recognised by Malaysia's Construction Industry Development Board (CIDB) with a Five-Star Sustainable INFRASTAR certification for prioritising sustainability practices. It was awarded a Five-Star Sustainable INFRASTAR certification for its design in January 2021, followed by the same certification for both design and construction in December 2021.

Moving forward, we will seek to attain the Sustainable INFRASTAR certification for all applicable infrastructure projects, including the PSI project.

INFRASTAR assessment is undertaken at two stages in a project: its design (provisional rating) and construction. Projects that score above 40 percent are given one star, with five stars being the highest score.