

CORPORATE GOVERNANCE REPORT

STOCK CODE : 6173
COMPANY NAME : BINA DARULAMAN BERHAD (“the Company” or “BDB”)
FINANCIAL YEAR : December 31, 2021

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Bina Darulaman Berhad (“BDB/the Company”) is managed in line with the corporate governance framework and commercial principles that would normally be expected of a public listed company. In this regard, the Company and its management undertakes the following measures: -</p> <ul style="list-style-type: none">• The Board meets every quarter with additional meetings convened as and when necessary. The Board devotes much of its time to overseeing the Company's strategy, governance, risk and policy, the approval of business plans and significant capital expenditure, acquisitions and disposals and monitoring of performance.• The key governance, risk and internal control, financial and operational related policies are periodically reviewed by the Board to ensure they are aligned with the Company's requirements.• The Board is guided by Board Charter which outlines the duties and responsibilities of the Board and matters specifically reserved for Board as well as delegated to the Board committees, The President & Group Chief Executive Officer (“Group CEO”), Executive Vice President I (“EVP I”) - Strategy, Finance & Corporate Services @ Chief Corporate Officer and Executive Vice President II (“EVP II”) – Operation @ Chief Operating Officer, (Referred as C-Level management). The power is delegated under approved Delegated Authority Limit (“DAL”) of the Company.• The Board is assisted by Four (4) Board Committees namely the Board Audit Committee (“the BAC”), the Board Nomination, Remuneration & ESOS Committee (“the BNREC”), the Board Risk Committee (“the BRC”) and the Board Procurement Committee (“the BPC”).
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	<p>We have a clear division of the roles and responsibilities between the Chairman and the President & Group Chief Executive Officer ("Group CEO").</p> <p>As chairman of the Board, Tuan Sr. Haji Che Had Bin Dhali ("Tuan Sr. Haji") assumes the leadership role on the Board.</p> <p>Tuan Sr. Haji was appointed as Independent Director on 1 February 2022 and re-designate as Executive Chairman on 14 April 2022. The re-designation as Executive Chairman is temporary until the Board decides the appointment of new CEO. The selection process is on-going at the moment. Tuan Sr. Haji's profile can be found on page 20 of the Annual Report 2021.</p> <p>As Chairman, Tuan Sr. Haji provides leadership for the Board so that the Board can perform its responsibilities effectively.</p> <p>The Chairman leads the Board on the following:</p> <ul style="list-style-type: none">• Providing leadership for the board so that the board can perform its responsibilities effectively; Leading the board in the adoption and implementation of good corporate governance practices in the company. Also, to oversee and review the Company's strategic matters, risk and corporate governance practices.• Deliberate and evaluate proposals put forward by the committees and executive team.• Deliberate and maintain a proper process and ensure adequate resources are available to ensure effective implementation of the Board Policies.• Identify and fulfil the development needs of directors and the Board to continuously enhance their effectiveness as a team.• Sets the board agenda and ensures that board members receive complete and accurate information in a timely manner to ensure the Board is well equipped before the meeting.• Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the board as a whole.

	<p>Given his last experience in the diversified field he is able to provide effective leadership for the Board to constructively with management to formulate strategies as well as address key issues and challenges.</p> <p>Tuan Sr. Haji also leads in the creation of effective corporate governance practices in the company.</p> <p><u>Explanation Note:</u> Tuan Sr. Haji Che Had continued the Chairmanship after the resignation of Dato' Mohamed Sharil Tarmizi w.e.f. 1 November 2021. Tuan Sr. Haji Che Had was appointed on 1 February 2022. In the absent of chairman, Dato' Abdul Rahman Bin Abdullah chaired the Board Meetings.</p>	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

Intended Outcome

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

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman, Tuan Sr. Haji Che Had Bin Dhali was appointed as the Chairman of the Company on 1 February 2022 and re-designate as Executive Chairman on 14 April 2022. The re-designation is temporary arising from the "casual vacancy" following the resignation of the President & Group Chief Executive Officer ("Group CEO"), Encik Faris Najhan Bin Hashim who resigned on 3 February 2022. The Company is in its best effort to source for replacement, a suitable candidate to fill into the position.</p> <p>Temporarily, the position of Acting Group CEO is held by Encik Mohd Sobri Bin Hussein, and he has full authority in line with the Delegated Authority Limit ("DAL") as approved by the Board to lead and manage the business. Encik Mohd Sobri is currently holding a position as Executive Vice President II ("II") – Operations @ Chief Operation Officer.</p> <p>The Group CEO proposes, implements and reports on the strategic direction of the Company's business.</p> <p>The Group CEO brings forward to the Board business plans, budgets and updates on key strategic issues annually or periodically as required. Once matters are adopted, the Group CEO is responsible for the implementation, delivery and reports on progress at frequent and regular intervals.</p> <p>All members of the key senior management team report directly to the Group CEO. He is responsible for appraising the performance of each member of the team as well as developing and training of resources, where necessary.</p> <p>The Group CEO and the Chairman, represent the Company with all external audiences. The Group CEO takes lead responsibility for the maintenance and development of the Company's operational matters, reputation and relationships with the media, regulators, governments, local communities, suppliers, customers, trade bodies and all other stakeholders.</p> <p>The Group CEO is supported by Executive Vice President I & Chief Corporate Officer ("EVP I") and the Executive Vice President II & Chief Operating Officer ("EVP II") known as C-Level management.</p>
	:	

Explanation for departure		
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Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Chairman, Tuan Sr. Haji Che Had Bin Dhali remains independent as he is not a member of any of the Company's committees.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	: Applied
Explanation on application of the practice	<p>We have an in-house licensed Company Secretary who is an affiliate member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). She has more than 20 years of experience in corporate secretarial, compliance, legal and governance related matters as well as due diligence exercises for a special project.</p> <p>She also has a Bachelor Degree in Law from International Islamic University. She was called to the Malaysian Bar in 1994 and spent the early years of her career in legal practice before joining BDB.</p> <p>Adequate training and support including resource and external expertise are furnished for continuous improvement and efficiency in discharging her duty.</p> <p>The Company Secretary support the Board in providing sound governance advice, ensuring adherence to rules and procedures, and advocating adoption of corporate governance best practices.</p> <p>The roles and responsibilities of the Secretaries include, but are not limited to the following: -</p> <ul style="list-style-type: none">• Manage all Board and Board Committees' meeting, logistics through the Management, attend and record the minutes of all Board and Board Committees' meetings and facilitate Board communications;• Ensure timely communication of the decision of the Board or Board Committees to be conveyed to the relevant parties and whether any follow-up actions are required;• Advise the Board on its roles and responsibilities, particularly the additional or changes in obligations arising from the implementation of the new laws and regulations or any amendments thereof;• Co-ordinate with Management to identify relevant training and development programs for the Directors;• Advise the Board on requirements of corporate disclosures and compliance with the MMLR of Bursa Securities, Capital Market and Services Act 2007 and the Companies Act 2016;• Ensure that all the proceedings of the general meetings are in order and the general meetings are properly called and convene, record the minutes of the general meetings, as well

	<p>as coordinate with Management and Share Registrar / Poll Administrator to manage the processes of the poll voting.</p> <ul style="list-style-type: none"> • Identify the corporate governance initiatives which are applicable to the Group and highlight the same to the Board for consideration. Monitor the corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and • Serve as a focal point for stakeholders' communication and engagement on corporate governance issues. • 	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board meetings are scheduled and planned in advance. Due to Covid-19 pandemic all meetings are conducted virtual and occasionally on physical or hybrid meetings with a structured formal agenda prepared in advance.</p> <p>The notice of a meeting of the Board has been sent to each Director in a stipulated time (7 working days except in the case of urgent matters whereby a special meeting is required to be held 5 working days is encouraged). The notice which includes time, venue of the meeting and agendas to be discussed during the meeting. In order to ensure the notice has been provided in an effective and timely manner, the Company Secretary will e-mail the notice to all Directors as a method of delivery of notice to facilitate the transfer of information.</p> <p>Depending on issues and agendas to be deliberated, generally all materials and relevant information will be prepared, circulated to board members at least 5 days prior to a standard meeting.</p> <p>Records and minutes of meetings will be circulated to all board members for confirmation of accuracy and verification. The directors may raise their concern on any amendment to the minutes to the Company Secretary. Thereafter, all documents and minutes will be safely kept by the Company Secretary at the registered address.</p> <p>The minutes and other statutory records are kept at the registered office of the companies.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>BDB formalised its Board Charter on 25.5.2015 and last reviewed on 17.3.2019. The Board Charter is reviewed periodically, updates and/or revisions will be done to incorporate the latest applicable rules and regulations, as well as updates to the Code of Corporate Governance. The latest review was made on 17 March 2019.</p> <p>The latest copy of the Board Charter is available at BDB company website at https://www.bdb.com.my/bdbpolicies/ for public viewing.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied	
Explanation on application of the practice	:	<p>The BDB's Board is committed to promoting good business conduct and maintaining a healthy and ethical corporate culture. The Board Members are experienced professionals and experts from various industries, they have been adhering to the Company's ethical values and regulatory requirements when carrying out their duties all these years.</p> <p>In view of the latest regulatory development, the Company has established a formal Code of Conduct and Ethics which is serve as guidelines and principles for the BDB's directors, managements and employees which is to be observed by the employees of the Company in the performance and exercise of their responsibilities.</p> <p>The Code of Conduct and Ethics as approved and adopted by the Board, will be subject to periodic review and update. The latest copy is available on BDB's website https://www.bdb.com.my/bdbpolicies/ for public viewing.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>A formal Whistle-Blowing Policies and Procedures (“WBP”) has been implemented in the Company since 1st January 2014. The WBP highlights the Company’s commitment in achieving and maintaining high standards with regards to behaviour at work.</p> <p>The WBP provides an avenue for employees to communicate any instances of breach or suspected breach of any law or regulation, illegal and/or immoral conduct in a safe and confidential manner. It also provides proper investigation to be initiated on all allegations or reports about the Group.</p> <p>Like all policies, WBP is also subjected to continuous review and update. In 2018, the WBP incorporated principles of the 10 Integrity Pledge Guidelines issued by SSM, where applicable.</p> <p>The WBP is published and is made available at company’s website at https://www.bdb.com.my/bdbpolicies/.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company’s sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.</p> <p>The Company's Board of Directors has initiated plan to collect data for sustainability matters as part of its corporate governance and risk management functions. The Board members are highly qualified professionals who bring a wealth of industry experience and expertise combined with financial and related skills to lead the Company towards achieving its long-term goals.</p> <p>The Board has established the Board Committees comprising the Board Audit Committee, Board Risk Committee, Board Nomination Remuneration & ESOS Committee carry out its duties and responsibilities.</p> <p>The strategic management of material sustainability matters is driven by the Management Risk Committee, comprising the senior management of the Company. The Management Risk Committee meets every month to review and make executive decisions on material issues and business strategies, including ESG (“Environmental, Social and Governance”) related matters.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company is committed to building strong relationships with its key stakeholders to ensure that their interests and concerns help inform the Board and management in their decision making.</p> <p>This serves to ensure that our business strategies continue to meet the evolving expectations of our stakeholders. Our teams regularly engage with our stakeholders to obtain their insights on issues that they deem important to our businesses.</p> <p>We have established a range of communication channels to foster frequent engagement. All of the Company's material company announcements are published through Bursa Securities. Stakeholders and the public can access these company announcements on the corporate website (www.https://www.bdb.com.my) to gain the latest information about the Company and the Group. Its corporate website has a dedicated investor relations section that shareholders and other interested parties can find information relating to the Company's share price, financial results, announcements, annual reports and other news.</p> <p>Additionally, the Company keeps abreast on regulatory updates and shareholders' concern through</p> <ul style="list-style-type: none"> a) The Company's Annual General Meeting ("AGM") which is an important yearly forum for dialogue with its shareholders, whereby shareholders can ask the directors and senior management on any relevant questions pertaining to the Company and the proposed resolutions of the meeting. b) In light of the COVID-19 pandemic, the AGM was held virtually in 2021 for the second consecutive.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company has initiated training and engaged with external professional in its initiative to embrace sustainability issues that are relevant to the Company and its business. The plan has been reviewed and approved by the Board to kick start in 2022.</p> <p>The Covid-19 impact in 2020 to 2021 has cause many actions plan in this area have to be postponed to commence in 2022, currently, the Company has kick start its initiatives like internal discussion, training and awareness programmes for action plan in sustainability issues that are relevant to the Company and its business, including climate-related risks and opportunities.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	The Board and senior management have undertaken performance evaluations to address the Company and its unlisted subsidiaries’ material sustainability risks and opportunities as the sustainability works are still ongoing and the action will be roll out in phases starting from 2022. We have conducted the awareness session with management in October 2021 and the Board in April 2022.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

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

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	The Company's resource currently has identified a suitable management person for this function. The resource issue will be reviewed continuously to see if that the matters are being managed appropriately and the Company also will consider added strategies to engage with relevant experts and training to continuously improve on the competency of our resources.

Intended Outcome

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

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	: Applied
Explanation on application of the practice	<p>The Board Nomination, Remuneration & ESOS Committee ("BNREC") has been established to evaluate the characteristics, relevance and performance of its board members.</p> <p>The terms of reference of the BNREC specifically ensures that the selection and appointment of the best candidates to the board are in place to meet the regulatory standards.</p> <p>The duties of the BNREC, as stated in terms of reference of the BNREC, include the following:</p> <ul style="list-style-type: none">a) Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.b) Evaluate the balance of skills, knowledge and experience on the Board, and in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment of Director.c) Review the time required from a Non-Executive Director. The performance evaluation should be used to assess whether the Non-Executive Director is spending enough time to fulfil their duties.d) Consider candidates from a wide range of backgrounds and look beyond the "usual suspects".e) Give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are needed on the Board in the future.f) Regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes.g) Keep under review the leadership needs of the organisation, both executive and nonexecutive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.h) Make a statement in the annual report about its activities; the process used for appointments and explain if external advice or open advertising has not been used; the membership of the Committee, number of Committee

	<p>meetings and attendance of members over the course of the year.</p> <ul style="list-style-type: none"> i) To develop criteria and oversee annual assessment of Directors with the appropriate criteria. j) To develop criteria to assess independence of Directors. Such assessment will then be conducted by the Board. k) Facilitate Board induction and training for newly appointed Directors. l) Review training programs for Board (in areas for which the Directors may be lacking). m) Facilitate achievement of board gender diversity policies and targets. 	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>Currently, BDB has seven (7) Directors out of which three (3) are Independent Directors. In our mission to ensure an effective board composition and compliance with regulatory requirements, the board size will continuously be reviewed and if necessary, improvements will be made.</p> <p>Although all the Directors have equal responsibilities for the Group's operations, the roles of Independent Directors are particularly important in bringing independent judgement and ensuring all issues proposed by the executive management are fully discussed and examined to consider the long-term interests, not only for the shareholders, but also for other stakeholders such as the employees, customers and business associates.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	The tenure of all the independent director does not exceed a cumulative term limit of nine years and the board has no plan to retain any independent director beyond nine years at this juncture.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step-Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e., shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Adopted
Explanation on adoption of the practice	:	BDB has been practising this matter even though there were no explicit requirements to do so. In view of the regulatory requirements for greater disclosure, the Company will continue to disclose its policy in its CG Statement, Annual Report and Website.

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>Appointments and recruitment of senior management will be subjected to policies and proper due process. Psychometric assessment was conducted to the first tier and second tier management of BDB Group as part of a succession planning programme. Appropriate strategy and measures are used to identify the best possible candidates for the respective position. We will take into consideration the Company's current team's strengths and weaknesses, so that we can focus on best fit such as complimentary skills, knowledge, experience, age, cultural background and gender.</p> <p>The Company take cognisance that diversity in the team is beneficial to the Company. As such, the resource requirements and performance are continuously being reviewed and monitored. Appropriate training and development programmes for internal resource are provided, especially those with potential to be developed for bigger roles and responsibilities in the Company.</p> <p>In selecting new candidates to be proposed to the Board, the Company undertakes the necessary background screening where the credibility of the candidates will be checked to have good standing and able to commit satisfactorily.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied	
Explanation on application of the practice	:	We have engaged with head-hunters, professional advisory firms, professional bodies as well as external organisations such as the Institute of Corporate Directors Malaysia (“ICDM”) to source and identify suitable qualified candidates when it comes to identifying candidates for appointment as directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has provided a statement accompanying the Notice of AGM as required under Paragraph 8.27(2) of the MMLR of Bursa Securities. For director's rotation and re-election, BDB's standard process pursuant to the Company's constitution will be carried and the motion will be passed through an AGM.</p> <p>As a normal practice, the Company will conduct an annual evaluation as disclosed in Practice 6.1, each director will carry out an annual evaluation and assessment.</p> <p>The details of each director's interest, position or any relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the listed company as a whole are disclosed in various parts of the Annual Report.</p> <p>Directors who are subjected to retirement by rotation for 26th AGM held on 23 September 2021 namely YB Senator Ir. Ts. Khairil Nizam Bin Khirudin, Dato' Zakiah Binti Kassim, Tuan Haji Mohd Sobri Bin Osman, Dato' Haji Syed Yussof Bin Syed Othman and Tuan Mohamad Ibrahim Bin Ghazali and their re-election was noted and supported by the Board.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of Board Nomination Remuneration and ESOS Committee (“BNREC”) is Datuk Seri Asri Bin Hamidin @ Hamidon who is also a Senior Independent Director (“SID”) of the Company. Dato’ Seri resigned as SID and Chairman of BNREC on 31 October 2021.</p> <p>The new Chairman of BNREC is Dato’ Zakiah Binti Kassim with effect of 6.12.2021.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company is in the process of identifying and selecting more potential women candidates to be proposed to the Board. The selection process is ongoing at the moment. BDB is in construction and property development sector in the Northern region of the country, suitable female board member who are fit for the purpose, is a challenge to source for BDB.	
		The Board currently has Dato' Zakiah Binti Kassim as the Senior Independent Non-Executive Director.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The selection process is ongoing at the moment.	
Timeframe	:	Within 2 years	

Intended Outcome

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

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied
Explanation on application of the practice	:	The Company take board balance with gender diversity dedicatedly. Though the Company has put in place a Policy on Gender Diversity for the Board and senior management. However, due to various factors, including human resource movement, especially the industry BDB is in, this can be a moving target for BDB from time to time, BDB will continue with best effort. Please refer to Practice 5.9 on Board's effort taken and challenges in meeting this objective.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: For overall board effectiveness, the Board has been doing its own self-evaluation and peer review approach on an annual basis. The board conducts annual board assessments against clear evaluation criteria and performance and sustainability indicators.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has policies and procedures in determining remuneration of directors and senior management. In this regard, a guideline on the Terms of Reference ("TOR") for each board committee has also been put in place to ensure that remuneration is commensurate with skills and experience. Every board committee is governed by their respective TOR.</p> <p>In addition, the Company had disclosed the remuneration of its' board members on named basis and senior management in bands of RM50,000.00 in its' Annual Report at Corporate Governance Statement.</p> <p>At Board level, as a matter of regulatory requirements, the remuneration and fees of Board member will also be put for shareholder's approval during the general meeting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Nomination, Remuneration and ESOS Committee ("BNREC") is guided by appropriate policies and procedures when reviewing and recommending remuneration of board and senior management.</p> <p>Generally, the Company's framework on Directors' remuneration has the underlying objectives of attracting and retaining Directors of high calibre needed to run the Company successfully. In the case of Non-Executive Directors, the level of remuneration reflects the expertise, experience and level of responsibilities undertaken by a particular Non-Executive Director concerned. The Company has no Executive Director on board.</p> <p>Where applicable, the BNREC also considers any relevant information provided by independent consultants or from survey data.</p> <p>The Terms of Reference for board committees were published at company's website at https://www.bdb.com.my/bdbpolicies/.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The details of the disclosure are as per table below. Remuneration package paid during 2021.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Sr Haji Che Had Bin Dhali (Appointed : 1 Feb 2022 & Re-designated: 14 April 2022)	Chairman	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	Dato' Zakiah Binti Kassim	Senior Independent Director	48,000	60,500	N/A	N/A	N/A	40,000	148,500	N/A	N/a	N/A	N/A	N/A	N/A	N/A
3	Mohamad Ibrahim Bin Ghazali	Independent Non-Executive Director	48,000	53,000	N/A	N/A	N/A	40,000	141,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	YB Senator Ir. Ts. Khairil Nizam Bin Khirudin	Independent Non-Executive Director	48,000	49,500	N/A	N/A	N/A	40,000	137,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Dato' Haji Syed Yussof Bin Syed Othman	Non-Independent Non-Executive Director	48,000	42,000	N/A	N/A	N/A	40,000	130,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A

6	Dato' Haji Abdul Rahman Bin Abdullah	Non-Independent Non-Executive Director	48,000	61,500	N/A	N/A	N/A	40,000	149,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Haji Muhamad Sobri Bin Osman	Non-Independent Non-Executive Director	48,000	44,000	N/A	N/A	N/A	40,000	132,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Dato' Mohamed Sharil Tarmizi (Resigned w.e.f. 01.11.2021)	Independent Non-Executive Chairman	40,000	41,500	N/A	105,000	66,000	33,300	285,800	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Datuk Seri Asri Bin Hamidin @ Hamidon (Resigned w.e.f. 01.11.2021)	Senior Independent Director	40,000	28,000	N/A	N/A	N/A	33,300	101,300	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Intended Outcome

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

Practice 8.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>All top management remuneration, only 3 candidates in 2021 has been disclosed in the AR and details in the following table.</p> <p>The Company currently in 2021/2022 have casual vacant positions in the top management post, as such, BDB only have top three (3) Senior Management for disclosure purposes in the bands of RM50,000 in the Annual Report 2021 as stated on page 63 of the Annual Report.</p> <p>The Company takes cognisance on the Malaysia Code of Corporate Governance issued in 2017 and the enhancement in 2021, recommending such disclosure be made.</p>
Explanation for departure	:	<p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	: Not Adopted BDB is a small growing company and needs to take into consideration the importance of internal harmony, effective teamwork environment and competitive external factors that may affect the group's growth and survival in the industry. Such public disclosure may affect the Company's internal balance and function, BDB will review the appropriateness transparency with best effort. BDB will continue to ensure all senior management remuneration packages are fair, just and reasonable to the individual and the Company.
Explanation on adoption of the practice	:

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	In BDB, the Chairman of the Board and the Chairman of the Board Audit Committee are currently held by different individuals. The Chairman of the Board is Tuan Sr. Haji Che Had Bin Dhali while the Chairman of BDB's Board Audit Committee is Tuan Mohamad Ibrahim Bin Ghazali who is an Independent Non-Executive Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	The matter has been practiced by the Company. The TOR of the Board Audit Committee will be updated and this information will be incorporated into the Audit Committee policy.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied	
Explanation on application of the practice	:	The Board Audit Committee's assessment on suitability of external auditor, the BAC is guided by a set of guidelines such as the routine check on their registration, background check on the audit partner, audit firm capacity and assigned audit team competency.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	Currently, the Board Audit Committee consists of four (4) members and three (3) are independent directors and one (1) is non-independent director.

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied
Explanation on application of the practice	:	<p>In 2021, the Board Audit Committee Chairman is Encik Mohamad Ibrahim Bin Ghazali. He is a MIA member and has started his career as an Auditor in May 1988 where he was involved in audits of various governmental agencies, legal firms and conglomerates. He left after 3 years to join Shapadu Group of Companies as Internal Auditor. In January 1995, Mohamad Ibrahim was appointed as the Finance Manager at METC Holdings Sdn Bhd before assuming greater responsibilities as Senior Finance Manager from September 1996 to October 1999. He then moved on to be Financial Controller of ARZ Group of Companies in November 1999 and was promoted as General Manager in 2005 where he was responsible for identifying future business opportunities, reviewing the corporate planning and handling all legal and secretarial matters. In 2009, he started his own tax, corporate secretarial, accounting and management advisory firm, MIG Associates.</p> <p>The other 3 Audit Committee Members have undertaken their relevant trainings and continuous personal development that enable them to support the function of the Audit Committee and their personal development.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is assisted by the Board Risk Committee ("BRC") in decision making especially with regards to any future projects, proposed investment or acquisition. The BRC has its guidelines, terms of reference in discharging its duties. Policies, procedures and performance of the said Committee will be reviewed periodically and enhancement be made where necessary.</p> <p>The Board through its BRC has taken necessary actions to ensure business continuity and business planning are reported to the Board periodically. The proven effort to protect survival of BDB in various situation including striving through challenging time during the Covid-19 episode.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	The Group's Risk Management practices are generally aligned with the principles of ISO 31000. The Group Risk Management will evaluate and study the risks profile that are affecting the Company. The BRC and the Board of Directors will be updated periodically on the assessment and feasibility study of possible pre-emptive measures or proposed solutions for key risks. Recommendation and assessment will be put to the BRC and the Board of Directors, especially on key risks issues for further deliberation and decision if necessary.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	We have a Board Risk Committee, which comprises the majority of independent directors. This Committee supports the Board with reasonable assurance on possible adverse impact from unexpected events. For practical reason and in view of the business environment we are operating, this Committee will evaluate the risk factors and deliberate issues, make recommendation to the Board as and when required.

Intended Outcome

Companies have an effective governance; risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied	
Explanation on application of the practice	:	BDB has established an in-house internal audit function known as Group Corporate Assurance. They operate within a prescribed policy and guidelines. The performance, effectiveness and competency are subjected to continuous review and monitoring by the Board Audit Committee.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies have an effective governance; risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application :	Applied																						
Explanation on application of the practice :	<p>The internal auditors' team and personnel will be subjected to periodic evaluation and review to ensure that they are free from any issues of conflict of interest that may jeopardise their independence and objectivity.</p> <p>Our current Internal Audit team has six (6) members. Their names and qualifications are as follows:</p> <table border="1" data-bbox="509 957 1406 1371"> <thead> <tr> <th>No.</th> <th>Staff</th> <th>Qualification</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Anuar bin Bahador (Acting Head of Group Corporate Assurance)</td> <td>CA(M), MIA Bachelor of Accountancy (UiTM)</td> </tr> <tr> <td>2.</td> <td>Mohd Firdaus Shah Bin Amar Shah</td> <td>CA (M), MIA Bachelor of Accountancy (Hons.) Associate Member, IIAM</td> </tr> <tr> <td>3.</td> <td>Siti Marlina Bt Ismail</td> <td>Bachelor of Accountancy (UPM)</td> </tr> <tr> <td>4.</td> <td>Nor Jani Zuriyati Bt Mohd Jamil</td> <td>Bachelor of Public Management (UUM)</td> </tr> <tr> <td>5.</td> <td>Zulfikri Zahini Haron</td> <td>Bachelor of Accountancy (Hons.), UNITEN Associate Member, IIAM.</td> </tr> <tr> <td>6.</td> <td>Muhamad Hafifi Bin Mohd Rusli</td> <td>Bachelor of Science (Hons.) Actuary Science (UiTM).</td> </tr> </tbody> </table> <p>We have adequate and qualified professional resources in the internal audit department to meet the objectives of the internal audit framework relevant and applicable for the industry we are operating in.</p>		No.	Staff	Qualification	1.	Anuar bin Bahador (Acting Head of Group Corporate Assurance)	CA(M), MIA Bachelor of Accountancy (UiTM)	2.	Mohd Firdaus Shah Bin Amar Shah	CA (M), MIA Bachelor of Accountancy (Hons.) Associate Member, IIAM	3.	Siti Marlina Bt Ismail	Bachelor of Accountancy (UPM)	4.	Nor Jani Zuriyati Bt Mohd Jamil	Bachelor of Public Management (UUM)	5.	Zulfikri Zahini Haron	Bachelor of Accountancy (Hons.), UNITEN Associate Member, IIAM.	6.	Muhamad Hafifi Bin Mohd Rusli	Bachelor of Science (Hons.) Actuary Science (UiTM).
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1.	Anuar bin Bahador (Acting Head of Group Corporate Assurance)	CA(M), MIA Bachelor of Accountancy (UiTM)																					
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Explanation for departure :																							
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																							
Measure :																							
Timeframe :																							

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board with the support of senior management continuously engaged with all stakeholders internal and external in various platform.</p> <p>General meetings especially AGM are held annually where BDB invites all its shareholders to engage with the Board Members and Top Managements for issues, amongst others relating to the Company's corporate affairs, finance and business development.</p> <p>BDB also continuously updated/published all the Company's latest news, business activities and developments on its website (www.bdb.com.my) and published all regulatory announcements on a timely basis on Bursa website.</p> <p>Internally, the Board communicates through various channel with its internal team via meetings, townhall events, emails, memos, circulars and periodicals.</p> <p>All stakeholders can freely access to the Company's official channel like phone and emails to provide suggestions and ideas.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Departure	
Explanation on application of the practice	:	N/A	
Explanation for departure	:	The Company would review the need to adopt the integrated reporting based on resource and ability. BDB does not fall within the definition of a large company. The adoption of an integrated reporting based on globally recognised framework is an effort that BDB will pursue and adopt upon evaluation and at the appropriate time.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied	
Explanation on application of the practice	:	The Company has complied with statutory requirements with regards to timeline in sending out notice of Annual General Meeting to shareholders all these years. With effect from 2018, the Company has improved the notice period up to at least 28 days to facilitate our shareholders to have the information on a timely basis.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied	
Explanation on application of the practice	:	<p>It has been the practice of the Company that all board members are present at the Annual General Meeting of the Company. BDB is committed to continuously adhere to the said standard to facilitate our shareholders to have information on a timely basis.</p> <p>In an unlikely event, if a director is unable to be present at the general meeting, his/her participation will be facilitated via digital tools/devices, if there are questions addressed to him/her personally, he/she can still respond to the members of the meeting via digital tools. If the affected director is totally unable to participate at all during a general meeting, the affected director will be updated on the matters discussed and actions required by him, if any.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Applied
Explanation on application of the practice	:	<p>The 26th AGM held on 23 September 2021 was the Company's first fully virtual general meeting. Shareholders were able to participate remotely via live streaming webcast and vote in abstention using the Remote Participation and Voting Facilities ('RPV') provided by Boardroom Share Registrars Sdn Bhd via its online meeting platform at https://investor.boardroomlimited.com. 300 shareholders attended the virtual AGM.</p> <p>A step-by-step administrative guide was issued to assist shareholders in registering participants and voting using the RPV. The administrative guide was also published in the Company & website to encourage shareholder's participants.</p> <p>All resolutions were voted by poll and verified by the scrutineer in compliance with the MMLR.</p> <p>All Board members will attend the meeting to engage with the shareholders. In the event they are not able to attend in person, electronic devices will be used for their participation. Unless it is not possible to do so, the Directors will be updated on issues that require his attention.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	<p>The Chairman chairs the Annual General Meeting (“AGM”) with the presence of all board members to answer any questions and concerns raised by the shareholders. BDB is committed to continuously adhere to the said standard to facilitate our shareholders to have information about the performance of the company on a timely basis.</p> <p>All the shareholders, their proxies and/or corporate representatives in BDB AGM can raise questions either by write in before the AGM or verbally during the AGM, all questions including but not limited to the Company’s financial and non-financial performance and long-term strategies.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Applied
Explanation on application of the practice	:	The 26 th Annual General Meeting was held virtually using the online meeting platform provided by Boardroom Share Registrars Sdn Bhd. The relevant regulatory requirements relating to virtual general meeting have been adhered to. Total logged in shareholders and representatives are 300.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Departure
Explanation on application of the practice	: N/A
Explanation for departure	: There was a delay in Year 2021 circulation of the AGM's minutes but undertake to improve it in Year 2022. This was mainly due to disruption during Covid-19 period where all are working from home and the challenges in the frequency of communication/engagement had caused some delay in the effort to circulate the document earlier
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: Continuous effort will be taken to improve on this.
Timeframe	: By year 2022. (27 th AGM Minutes)

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

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

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