

CORPORATE GOVERNANCE REPORT

STOCK CODE : GDEX
COMPANY NAME : GDEX Berhad
FINANCIAL YEAR : December 31, 2023

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 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.

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>The Board of Directors ("Board") of GDEX Berhad plays its governance's role by setting the corporate goals and strategies for the Group and its businesses. In doing so, the Board provides leadership and direction through effective delegation, review and oversight to ensure that sufficient resources are available to accomplish its goals and long-term sustainability.</p> <p>The Company is led and managed by an experienced Board. Through the leadership of the Chairman, the Board sets the Company's strategic goals and oversees its implementation to ensure that obligations to its shareholders and stakeholders are met. The Executive Directors are responsible for making and implementing the operational and corporate decisions while the Independent Non-Executive Directors ensure corporate accountability by providing unbiased and independent views, advice and judgment and challenging the Management's assumptions and projections in safeguarding the interests of shareholders and other stakeholders. The Board delegates the implementation of its strategies to the Management of the Group and the Company. However, the Board remains ultimately responsible for corporate governance and affairs of the Group and the Company.</p> <p>The Group has clear reporting lines and authority limits govern its approval process including a clear organisation structure. The matters of strategic, business, acquisitions and capital investment plans are discussed and deliberated by the Executive Committee of the Company prior to appropriate recommendations are being made to the Board for review and approval. The Board is also supported by two (2) Board Committees namely Audit and Risk Management Committee and Combined Nomination and Remuneration Committee. Each Board Committee operates under a clear written terms of reference which sets out the members' role, responsibilities, structure and processes necessary to carry out their duties effectively and efficiently.</p>

	<p>In carrying out its duties and responsibilities and providing strategic guidance for the Group, a Board Charter has been developed and adopted by the Board with a formal schedule of matters reserved for its deliberation and decision making. The Board Charter will be reviewed by the Board from time to time to ensure that it continues to reflect the spirit of all applicable laws and regulations and the Company's commitment to its staff, community, shareholders and stakeholders.</p>	
Explanation for departure	:	N/A
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	N/A
Timeframe	:	N/A

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>The Chairman is responsible for instilling, good corporate governance practices, leadership and effectiveness of the Board.</p> <p>Tan Sri Muhammad bin Ibrahim (“Tan Sri Muhammad”), who is the current Chairman of the Board provides strong leadership and is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board. He actively seek opinions of the Board members and allows dissenting views to be freely expressed during the Board Meetings.</p> <p>Being the former Governor of Bank Negara Malaysia, Tan Sri Muhammad brings his knowledge, experience and visionary thinking to the Board.</p> <p>As the Chairman of the Board, Tan Sri Muhammad is responsible for leading the Board and focusing it on strategic matters, overseeing the Group’s business and setting high governance standards as well as being the Chair of the Board.</p> <p>The Chairman shall have the following responsibilities:</p> <ul style="list-style-type: none">• ensuring all Directors are adequately informed about Board matters in a timely manner to facilitate rigorous, effective and accurate decision making in all business of the Board;• guiding the meetings to facilitate open discussion and managing the conduct of, and frequency and length of such meetings, in order to provide the Board with an opportunity to arrive at a detailed understanding of the Company’s performance, financial position, operations and challenges and each Director is fully participating in meetings;• liaising with the Company Secretaries concerning matters of compliance, companies act, corporate governance;• encouraging engagement and compliance by Board members with their duties as Directors; and• engaging with shareholders of the Company to ensure that their views and concerns are known by the Board. <p>The detailed roles and responsibilities of the Chairman are set out in the Board Charter which is available on the Company’s website at www.gdexpress.com.</p>

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

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 Company's Chairman and the Managing Director/Group Chief Executive Officer are held by two (2) different individuals with clear distinct and separate functions. This is to ensure that there is an appropriate balance of power, accountability, decision-making in the Company.</p> <p>Tan Sri Muhammad is currently the Chairman of the Board. He is responsible for the leadership of the Board and ensuring its overall effectiveness on all aspect of its role.</p> <p>Mr Teong Teck Lean ("Mr Teong"), who serves as the Managing Director/Group Chief Executive Officer of the Company, is responsible for the running of the Company's day-to-day operations and implementation of Board's decisions in line with the strategy and objectives approved by the Board as well as making decisions in matters affecting the Group's operations and businesses, with the exception of those matters reserved for the Board and Board Committees. Mr Teong is assisted by Management and supported by two (2) Executive Directors, a Chief Financial Officer and a Chief Investment Officer in implementing of board decisions.</p> <p>The respective roles and responsibilities of the Chairman and the Managing Director/Group Chief Executive Officer are clearly articulated in the Board Charter which is available on the Company's website at www.gdexpress.com.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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 of the Board, Tan Sri Muhammad Bin Ibrahim, is not a member of the Audit and Risk Management Committee, Combined Nomination and Remuneration Committee of the Company as to ensure that there is a proper check and balance as well as objective review by the Board on deliberations emanating from the committees.
Explanation for departure	: N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: N/A
Timeframe	: N/A

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>The Company Secretaries are qualified Chartered Secretaries under Section 235(2)(a) of the Companies Act 2016, and a member of the Malaysian Institute of Chartered Secretaries and Administrators.</p> <p>All Directors have access to the advice and services of the Company Secretaries, who are responsible to the Board in providing sound governance advice and ensuring that the Board complies with the necessary rules and regulation.</p> <p>The Company Secretaries circulated the relevant guidelines on statutory and regulatory requirements from time to time and update the Board on the same at Board meetings. The Company Secretaries also notified the Directors and Principal Officers on the closed period for trading in the Company's securities, in accordance with Paragraph 14 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company Secretaries also ensure that deliberations at Board and Board Committee meetings are well captured, minuted and documented.</p> <p>The roles and responsibilities of the Company Secretaries have been set forth in the Board Charter of the Company which is available on the Company's website.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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	:	The notice of the Directors' meeting is given in writing at least seven (7) days prior to the meeting together with the relevant agenda items in order for the Board to have sufficient time to go through the meeting materials in order to have a conducive and meaningful discussion in the meeting. Upon conclusion of the meeting, the minutes are prepared and circulated to the Board and the Board Committees for review/comments in a timely manner.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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	:	In performing its duties, the Board is guided by the Board Charter that sets out amongst others its roles, composition, responsibilities, powers and the Board and the Board Committees meeting procedures. The key elements of governance principles embedded in the Board Charter regulate the Board's conducts and guide the business strategic initiative of the Group. There is a formal schedule of matters reserved for the Board's consideration and decision which is set out in the Board Charter. A copy of the Board Charter is available on the Company's website.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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 Company has established a Code of Conduct and Ethics (“the Code”) which serves to emphasize the Group’s commitment to ethics and compliance with the law in its business operations. It provides a framework for all employees and directors of the Group, ensuring the observance to and compliance with the standards of integrity and behaviour that the Group is committed to.</p> <p>Subsequent to the implementation of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 which came into force in 2020 to introduce corporate liability for corruption offences involving commercial organisations, the Company had adopted the Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”).</p> <p>A copy of the Code and ABAC Policy are available on the Company’s website.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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>The Board had established a Whistleblowing Policy and Procedures to enhance corporate governance practices across the Group and to provide Directors, Employees, Shareholders or any parties with a business relationship of the Group with an avenue to report suspected wrongdoings that may adversely impact the Group.</p> <p>The aim of the Whistleblowing Policy and Procedures is to encourage the reporting of such matters in good faith, with the confidence that the person filing the report, as far as possible, be protected from reprisal, harassment or subsequent discrimination.</p> <p>The Whistleblowing Policy and Procedures of the Company is available on the Company's website.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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 plays a vital role in ensuring that the Group embeds sustainability goals as part of the business strategy to build business resilience, sustained outcomes, enhance value to our stakeholders and a positive impact in society.</p> <p>The role of Senior Management is also critical in integrating sustainability considerations in the day-to-day operations of the Group and ensuring the effective implementation of the Group's sustainability strategies and plans.</p> <p>In its sustainability journey, the Company has formed a Sustainability Working Committee in July 2020 to look into Materiality Matrix, FTSE4G Scorecard, as well as Environmental, Social, and Governance initiatives to reduce environmental impact and accomplish other objectives of benefit to society. The Group Sustainability Policy, Strategy, and Plan, have been tabled by the senior management and approved by the Combined Nomination and Remuneration Committee in February 2022. In line with this, the Company has also mapped the 12 United Nations Sustainable Goals that are best aligned to the Group's sustainability journey.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A

Timeframe	:	N/A	
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Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Group has a good understanding and awareness of sustainability and has integrated sustainability risks and opportunities into business and strategy planning to support long term strategy and success. The shareholders have a right to material and timely information on the financial performance and viability of the companies in which they invest. The Company has reported on its activities and sustainability efforts undertaken by the Group in its sustainability statement. The sustainability policy of the Company been developed to manage the sustainability issues in the Group and business' commitment towards all areas of sustainability.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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 Board believes that well-managed companies will deal effectively with sustainability issues relevant to their businesses.</p> <p>Given the increased understanding of material sustainability risks and opportunities and the need for better information to assess the potential impacts of climate related risks on the Company’s business model, the Board supports sustainable investments and continued improvement in companies’ reporting, where necessary.</p>	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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	:	Departure	
Explanation on application of the practice	:	N/A	
Explanation for departure	:	During the financial year under review, the Combined Nomination and Remuneration Committee has completed the Board's evaluation questionnaire relating to environmental, social and governance or sustainability, however, the performance evaluations of Senior Management of the Group did not cover sustainability performance evaluation.	
		Currently, the Board reviews the Group's sustainability performance as a whole and holds relevant Management personnel accountable for addressing sustainability risks and opportunities through the Company's monitoring and reporting process.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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	:	A designated person i.e. Mr Teoh Cho Min, Chief Sustainability Officer, has been appointed by the Company to provide dedicated focus to manage sustainability strategically in the operations of the Company.

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 has undertaken a formal and objective annual evaluation of the effectiveness of Board and Board Committees, the performance of individual Directors, Board composition against a matrix of desired competencies and the independence of Directors. The assessment took into account the contribution and performance of the Directors in relation to their competencies, time commitment, experience in meeting the needs of the Company.</p> <p>The evaluation forms are completed by each director annually. Upon completion of the assessments, the evaluation forms will be submitted to the Company Secretary for tabulation and the results will be presented to the Combined Nomination and Remuneration Committee together with agreed action plans to address the gaps/areas for improvement, if any, for deliberation and onward submission to the Board.</p> <p>For Board review, the Chairman of the Combined Nomination and Remuneration Committee will lead in a discussion and will discuss and assess the extent to which the Board, Committees and individual directors have met each performance criterion.</p> <p>Based on the annual Board performance assessment carried out this year, the Board is satisfied with the current composition, diversity and size of the Board. The Board is also satisfied with the effectiveness of the Board, Board Committees and individual Directors, who have the requisite knowledge, skills and range of experiences to discharge their duties and responsibilities effectively.</p> <p>In accordance with the Company's Constitution, one-third (1/3) or the number nearest to one-third (1/3) shall retire from office at each Annual General Meeting ("AGM"). A retiring Director is eligible for re-appointment. Directors shall retire from office at least once every three (3) years but shall be eligible for re-election at the AGM. Any new or additional Director appointed by the Board during the year to fill a casual vacancy or as an addition shall hold office only until the next AGM and shall then be eligible for re-election. The election of each Director is voted separately.</p>

	The Combined Nomination and Remuneration Committee will recommend to the Board for the Board's recommendation to the shareholders for the re-election of Directors at the AGM.	
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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>As at the date of this report, half of the Board comprise of Independent Directors. The Board comprised of ten (10) Directors, of which five (5) are Independent Directors.</p> <p>Independent Directors are expected to challenge management proposals constructively and to examine and review management performance in meeting agreed objectives and targets. In addition, they are expected to draw on their own experience and knowledge, where appropriate, in respect of any challenges facing the Group and in relation to the development of proposals on strategy.</p> <p>The current size and composition of the Board is within a range which is appropriate. The Board believe that the current size is sufficiently structured to enable its Board Committees to properly assist the Board in the execution of its duties and responsibilities.</p> <p>The spread of nationalities, age and gender of the Directors reflects the geographical reach of the Group and we consider that the Board as a whole has the appropriate blend of skills, knowledge and experience, from a wide range of industries and backgrounds, necessary to lead the Group.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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	:	<p>None of the Directors of the Company has served a cumulative term limit of more than nine (9) years. Nonetheless, Independent Directors who have served the Company for a cumulative term of more than nine (9) years will submit themselves for annual shareholders' approval at the Annual General Meeting of the Company to be retained as Independent Directors.</p> <p>The justifications for retention would be provided in the notes to the notice of the Annual General Meeting for shareholders' consideration. The recommendation by the Board for retaining such Independent Directors would be based on their independence, incumbent knowledge and contributions to the strategic objectives and stewardship of the Company.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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.

<i>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.</i>	
Application	: Not Adopted
Explanation on adoption of the practice	: N/A

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>The current composition of the Board reflects a sufficient mix of individuals with relevant knowledge, independence, competence, industry experience and diversity of perspectives to generate effective challenge, discussion, objective decision-making and effective governance. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance as well as to support the attainment of its strategic objectives.</p> <p>The Board has adopted a policy on appropriate diversity within the Board and Senior Management. The Board is committed to provide fair and equal opportunities and to nurture diversity (including gender, age and ethnicity, educational background, professional experience, skills, knowledge and length of service) within the Group. The candidates for Board appointments will be considered, taking into account, a range of diversity perspectives, including gender, cultural, competency, skills, character, time commitment, integrity and experience that the selected candidates will bring to the Board.</p> <p>All Board appointments will be based on meritocracy in the context of skills and experience ensuring the Board as a whole required to be effective.</p> <p>The Board's Combined Nomination and Remuneration Committee reviews and assesses the Board composition on behalf of the Board and recommends the appointment of new Directors. The candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.</p> <p>In evaluating the suitability of individual Board members and senior management, the Board takes into account several factors, including appropriateness of Board size, independence, range of directors' qualifications, knowledge, skills and experience, and level of commitment available to fulfil Board responsibilities, background, character, integrity and competence before making its</p>

	<p>recommendation to the Board. The Board is mindful of the importance of gender, age and ethnic diversity in the composition of the Board.</p> <p>A copy of the Diversity Policy is available on the Company's website at www.gdexpress.com.</p>	
Explanation for departure	:	N/A
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	N/A
Timeframe	:	N/A

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	:	<p>The Board appreciates the importance of using a variety of approaches and sources to ensure that it is able to identify the most suitable candidates. In this regard, the Combined Nomination and Remuneration Committee (“CNRC”) is charged with the responsibility of identifying, selecting and recommending to the Board suitable candidates, taking into account factors such as personal attributes, skills, experience, competence, capability, time and commitment to effectively discharge the fiduciary duties and functions with due consideration of diversity required of Directors.</p> <p>As there is no “one size fits all” and taking into account the business environment that the Company operates in, the Board authorises the CNRC the option of using external independent sources, if required, in the recruitment of candidates for directorship above and beyond referrals from shareholders, Directors and Senior Management. Evaluation of candidates include the review of resumes, reference checks and interviews based on criteria established in Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The CNRC will then recommend chosen candidates to the Board for consideration. This Practice is specified in the Terms of Reference of the CNRC.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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 profiles of the Directors are enclosed in the Annual Report of the Company.</p> <p>As at the date of this Annual Report, none of the Independent Non-Executive Directors has any business relationship nor conflict of interest with the Group which would influence their independent judgement to act in the best interest of the Group.</p> <p>The Board of Directors via the Combined Nomination and Remuneration Committee had assessed the suitability and performance of the Directors prior to recommending their re-election to shareholders for approval at the Annual General Meeting (“AGM”) of the Company.</p> <p>A statement is included in the notice of the AGM to detail the support and rational on the resolution pertaining to the re-election of Directors.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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	:	As at 31 December 2023, the Chairman of the Combined Nomination and Remuneration Committee is Puan Nuraini Binti Ismail (" Puan Nuraini "), an Independent Non-Executive Director of the Company. Being the Chairman of the CNRC, she would represent the CNRC to report to the Board after each meeting on all matters within its scope of duties and responsibilities and shall make recommendations to the Board for approval.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	For the financial year ended 31 December 2023, there are three (3) female directors on the Board. The Company has achieved 30% female Directors.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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	:	<p>The Board recognises gender diversity at the boardroom and in its senior management as an essential component of good corporate governance. The Board has a policy of strictly adhering to the practice of non-discrimination in any form, whether based on race, age, religion and gender throughout the organisation, which includes the selection of Board members. The Board Diversity Policy is available on the Company's website at www.gdexpress.com.</p> <p>Composition by Gender</p> <table border="1"> <thead> <tr> <th>Gender</th> <th>Board Level</th> <th>%</th> <th>Senior Management</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>7</td> <td>70</td> <td>5⁽¹⁾</td> <td>83</td> </tr> <tr> <td>Female</td> <td>3</td> <td>30</td> <td>1</td> <td>17</td> </tr> <tr> <td>Total</td> <td>10</td> <td>100</td> <td>6</td> <td>100</td> </tr> </tbody> </table> <p><i>Note:-</i> ⁽¹⁾ 2 out of 6 of the senior management are Executive Directors of the Company.</p> <p>The disclosure on gender diversity of the Group is set out in the Corporate Governance Overview Statement of the Annual Report.</p>				Gender	Board Level	%	Senior Management	%	Male	7	70	5 ⁽¹⁾	83	Female	3	30	1	17	Total	10	100	6	100
Gender	Board Level	%	Senior Management	%																					
Male	7	70	5 ⁽¹⁾	83																					
Female	3	30	1	17																					
Total	10	100	6	100																					
Explanation for departure	:	N/A																							
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>																									
Measure	:	N/A																							
Timeframe	:	N/A																							

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	: <p>The Board has undertaken a formal and objective annual evaluation of the effectiveness of Board and Board Committees, the performance of individual Directors, Board composition against a matrix of desired competencies and the independence of Directors. The assessment took into account the contribution and performance of the Directors in relation to their competencies, time commitment, experience in meeting the needs of the Company.</p> <p>The evaluation forms are completed by each director annually. Upon completion of the assessments, the evaluation forms will be submitted to the Company Secretary for tabulation and the results will be presented to the Combined Nomination and Remuneration Committee together with agreed action plans to address the gaps/areas for improvement, if any, for deliberation and onward submission to the Board.</p> <p>For Board review, the Chairman of the Combined Nomination and Remuneration Committee will lead in a discussion and will discuss and assess the extent to which the Board, Committees and individual directors have met each performance criterion.</p> <p>Based on the annual Board performance assessment carried out this year, the Board is satisfied with the current composition, diversity and size of the Board. The Board is also satisfied with the effectiveness of the Board, Board Committees and individual Directors, who have the requisite knowledge, skills and range of experiences to discharge their duties and responsibilities effectively.</p>
Explanation for departure	: N/A

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

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 Board has put in place the Directors' Assessment and Remuneration Policy to determine the level of remuneration package of Managing Director/Group Chief Executive Officer, Executive Directors and Senior Management to ensure that the Company is able to attract, develop and retain high performing and motivated Executive Directors and Senior Management with a competitive remuneration and they are paid a remuneration commensurate with the responsibilities of their position.</p> <p>The Senior Management are those "C" level Key Officers namely, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Sustainability Officer, Chief Information Officer, and others who carries the title and senior position of "C", if any.</p> <p>The Company's Combined Nomination and Remuneration Committee will assist the Board in fulfilling its corporate governance responsibilities with respect to remuneration by reviewing and making appropriate recommendations to the Board on the Company's remuneration framework for Directors and Senior Management.</p> <p>The remuneration of Senior Management is based on performance, experience, expertise, skills and industry benchmarks.</p> <p>The Directors' Assessment and Remuneration Policy is available on the Company's website at www.gdexpress.com.</p>
Explanation for departure	:	N/A

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:	N/A	
Timeframe	:	N/A	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The Remuneration Committee comprises of three (3) Independent Directors. The roles and responsibilities of the Remuneration Committee are provided in its term of reference which is available on the Company's website.
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	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 8.1

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 detailed disclosure of the remuneration breakdown of Individual Directors of the Company received from the Company and the Group during the financial year ended 31 December 2023 are set out in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Azman Bin Mahmud	Independent Non-Executive Director	78	6	-	-	-	-	84	78	6	-	-	-	-	84
2	Hiroshi Etani (Resigned 1 February 2024)	Non-Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Low Ngai Yuen (f)	Independent Non-Executive Director	78	10	-	-	-	-	88	78	10	-	-	-	88	
4	Chua Put Moy (f)	Independent Non-Executive Director	78	13	-	-	-	-	91	78	13	-	-	-	91	
5	Tan Sri Muhammad bin Ibrahim	Independent Non-Executive Director	138	8	-	-	-	-	146	138	8	-	-	-	146	
6	Teong Teck Lean	Executive Director	-	-	276	78	-	13	367	-	-	276	78	-	13	367
7	Lim Chee Seong	Executive Director	-	-	274	68	-	39	381	-	-	274	68	-	39	381
8	Lee Kah Hin (Resigned 25 February 2024)	Executive Director	-	-	238	82	-	35	355	-	-	252	83	-	35	370

9	Nuraini binti Ismail	Independent Non-Executive Director	78	11	-	-	-	-	89	78	11	-	-	-	-	89
10	Yik Yen Shan, Vincent	Non-Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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 – the company discloses the remuneration of members senior management who are not members of the board	
Explanation on application of the practice	:	The remuneration package accorded to senior management of the Company during the financial year ended 31 December 2023 are set out in the table below.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Chong Hui Chuen	Chief Operating Officer	250,001-300,000	0-50,000	0-50,000	0-50,000	0-50,000	300,001-350,000
2	Teoh Cho Min	Chief Sustainability Officer	250,001-300,000	0-50,000	0-50,000	0-50,000	0-50,000	300,001-350,000
3	Melvin Foong	Chief Information Officer	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	150,001-200,000

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	N/A

No	Name	Position	Company ('000)					Total
			Salary	Allowance	Bonus	Benefits	Other emoluments	
1	Input info here							
2	Input info here							
3	Input info here							
4	Input info here							
5								
6								
7								

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	:	<p>The positions of the Chairman of the Board and Audit and Risk Management Committee (“ARMC”) are held by separate individuals, who are Independent Directors. This ensures that the Board is able to objectively review the audit and risk findings and recommendations.</p> <p>The Chairman of the ARMC is Chua Put Moy who is an Independent Non-Executive Director. The Chairman of the Board is Tan Sri Muhammad bin Ibrahim who is an Independent Non-Executive Director.</p>	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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	:	<p>As at 31 December 2023, the Audit and Risk Management Committee does not have any former key audit partner appointed as a member of the Audit and Risk Management Committee.</p> <p>The Terms of Reference of the Audit and Risk Management Committee provides that a former key audit partner shall observe a cooling period of at least three (3) years before being appointed as a member of the Audit and Risk Management Committee.</p> <p>The Terms of Reference of the Audit and Risk Management Committee is available on the Company's website at www.gdexpress.com.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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	:	<p>The Audit and Risk Management Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the Company's external auditor in terms of their knowledge, competence, objectivity, independence, the quality of the audit and the provision of non-audit services. Where non-audit services are provided by the external auditor, the Audit and Risk Management Committee should monitor the provision of such services to ensure that their performance does not impair the external auditor's objectivity and independence.</p> <p>The Audit and Risk Management Committee has formalised the External Auditors Assessment Policy which outlines the guidelines and procedures to review and assess the suitability, objectivity and independence of the external auditor.</p> <p>The Audit and Risk Management Committee has conducted an annual assessment of the performance and independence of Messrs. Deloitte PLT's qualifications, expertise, resources and their effectiveness as external auditor this year. The Audit and Risk Management Committee concluded that Messrs. Deloitte PLT is able to maintain their professionalism and effective in their role. The external audit function provided by Messrs. Deloitte PLT is independent and objective in both fact and appearance.</p> <p>After taking into account all above factors, the Audit and Risk Management Committee recommended to the Board the re-appointment of Messrs. Deloitte PLT for shareholders' approval at the forthcoming Annual General Meeting.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:	N/A	
Timeframe	:	N/A	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The Audit and Risk Management Committee comprise solely of Independent Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Audit and Risk Management Committee assists the Board in the effective discharge of its responsibilities in the areas of financial reporting, internal control and risk management systems and the internal and external audit functions. All the Audit and Risk Management Committee members have the relevant financial knowledge and commercial expertise and skills required to discharge their roles and responsibilities effectively. The members of Audit and Risk Management Committee attend the relevant seminars and training courses to keep abreast of the current technical developments and accounting issues and concerns.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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 assumes ultimate responsibility for the effective management of risk across the Group, determining its risk appetite as well as ensuring that each business area implements appropriate internal controls. In order to achieve such objective, a risk management policy has been adopted by the Group. The Group's risk management systems are designed to manage, mitigate and eliminate risks (where possible) to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.</p> <p>The Board is assisted by the Audit and Risk Management Committee ("ARMC") in reviewing the adequacy of the risk management and internal control system of the Group. This covers all material controls including financial, operational, compliance and risk management systems. The ARMC is further supported by a number of sources of internal assurance within the Group in order to determine the adequacy and effectiveness of the existing risk controls.</p> <p>The Board acknowledges its responsibility for maintaining a sound system of internal control which provides reasonable assurance in ensuring the effectiveness and efficiency of the Group's operations and to safeguard shareholders' investment and its assets and interests in compliance with the relevant law and regulations as well as the Group's internal financial administration procedures and guidelines.</p>
Explanation for departure	:	N/A
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	N/A
Timeframe	:	N/A

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	:	<p>The Board has the overall responsibility for managing the risks and ensuring implementation of the effective/appropriate internal control systems to manage the risks of the Group. A sound system of internal control contributes to safeguarding the shareholders' investment and the Company's assets.</p> <p>To manage each risk, the Management has been tasked to identify and assess the risks faced by the Group and to put in place effective control measures to control/mitigate the risks. These processes are regularly reviewed by the Board through the Audit and Risk Management Committee who reviews the adequacy and effectiveness of the system of risk management and internal control framework.</p> <p>The Risk Management and Audit Department ("RIAD") of the Group is responsible to perform regular risk profile reviews and internal audit works per the risk based audit plan. The RIAD provides independent assurance to the Board regarding adequacy and effectiveness of the Group's risk management and internal control system. The RIAD's work covers all material controls, such as financial, operational, IT and compliance. External auditors evaluate internal controls as part of their audit planning process.</p> <p>Key features of its risk management framework and internal control framework are disclosed in the Statement on Risk Management and Internal Control contained in the Annual Report 2023.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A

Timeframe	:	N/A	
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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	:	<p>GDEX has a Risk Management Committee which is combined with Audit Committee and known as "Audit and Risk Management Committee" since year 2017.</p> <p>As at 31 December 2023, the Company's Audit and Risk Management Committee comprises the following members, all of whom are Independent Non-Executive Directors:</p> <p>Chairperson: Ms Chua Put Moy</p> <p>Members: Ms Low Ngai Yuen Puan Nuraini Binti Ismail</p> <p>This enables the Audit and Risk Management Committee to exercise their independent judgement objectively to oversee the company's risk management framework and policies.</p>

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	:	<p>The Group has established an in-house Internal Audit Department to improve the effectiveness of the control and governance process.</p> <p>All the personnel deployed by the Internal Audit Department are free from any relationships or conflicts of interest in the Group, which could impair their objectivity and independence during the course of their work.</p> <p>The internal auditors report directly to the Audit and Risk Management Committee (“ARMC”) and assists the ARMC in discharging its duties and responsibilities.</p> <p>The internal audit function was carried out by the Internal Audit Department based on the annual audit plan that was reviewed and approved by the ARMC. The audit plan includes review of the adequacy of operational controls, risk management and compliance with established policies, procedures, applicable law and regulations and management efficiency. The ARMC also reviews the adequacy of the scope, functions, competency and resources of the internal audit function to ensure that it is adequately resourced with competent and proficient internal auditors.</p> <p>For further details of the internal audit function, please refer to the ARMC Report of the Annual Report 2023.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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 in-house Internal Audit Department is headed and led by Chow Kim Wai, who is a member of professional members of some reputable professional bodies like Malaysian Institute of Accountant, CPA, Australia and Institute of Internal Auditors Malaysia. As at 31 December 2023, the Head of Internal Audit Department is supported by a team of three (3) internal auditors.</p> <p>All the personnel deployed by the Internal Audit Department are free from any relationships or conflicts of interest in the Group, which could impair their objectivity and independence during the course of their work.</p> <p>The internal auditors report directly to the Audit and Risk Management Committee (“ARMC”) and assists the ARMC in discharging its duties and responsibilities.</p> <p>The internal audit function was carried out by the Internal Audit Department based on the annual audit plan that was reviewed and approved by the ARMC. The audit plan includes review of the adequacy of operational controls, risk management and compliance with established policies, procedures, applicable law and regulations and management efficiency. The ARMC also reviews the adequacy of the scope, functions, competency and resources of the internal audit function to ensure that it is adequately resourced with competent and proficient internal auditors.</p> <p>The internal auditors carried out the internal audit activities within the framework of the Audit Charter and based on methodology which is consistent with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.</p>
Explanation for departure	:	N/A

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

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 believes that stakeholders' communication is an essential requirement of the Group's sustainability. In view thereof, stakeholders are informed of all material business events and risks of the Group in a factual, timely and widely available manner. The Board has formalised a Corporate Disclosure Policy and Procedure not only to comply with the disclosure requirements as stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), but also sets out the persons authorised and responsible to approve and disclose material information to all stakeholders.</p> <p>The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analysts and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.</p> <p>The Group's corporate website includes a dedicated Investor Relations section which provides all relevant information on the Group, including announcements to Bursa Securities, share price information as well as the corporate and governance structure of the Group.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A

Timeframe	:	N/A	
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Intended Outcome

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

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

Practice 12.2

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

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:	N/A	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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 notice of the Annual General Meeting of the Company is given to the shareholders at least twenty eight (28) days prior to the meeting.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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>The Company is committed to promoting effective and open communication with shareholders. The use of Annual General Meeting serves as a platform for the Chairman and Directors to meet with shareholders, to hear their views and to answer their questions. Besides this, the Executive Directors and Senior Management are also available to meet with shareholders and investors.</p> <p>All Directors including the Chair of the Audit and Risk Management Committee and Combined Nomination and Remuneration Committee attended the last Annual General Meeting held on 8 June 2023.</p> <p>All shareholders of the Company are entitled to attend Annual General Meeting in person or represented by a proxy. The Company encouraged the shareholders to ask questions at the Company's Annual General Meeting with responses given to their questions.</p>
Explanation for departure	:	N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Company has leveraged on technology to conduct the Annual General Meeting virtually through live streaming and online remote voting using remote participation and voting facilities, which is in compliance with Section 327 of the Companies Act 2016.	
Explanation for departure	:	N/A	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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	: At the commencement of the Annual General Meeting (“AGM”) of the Company, the Chairman briefed the members, corporate representatives and proxies present virtually at the Meeting of their right to ask questions and vote on the resolutions set out in the notice of the AGM of the Company. Members were also encouraged to submit questions to the Company prior to the commencement of the AGM of the Company. During the questions and answers session of the AGM of the Company, the Chairman of the Company would engage with members by reading and answering to all questions submitted by members via the virtual meeting platform.
Explanation for departure	: N/A
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: N/A
Timeframe	: N/A

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.

<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. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Departure
Explanation on application of the practice	: N/A
Explanation for departure	: The Company did not make visible all questions posed by shareholders at the Annual General Meeting (“AGM”) of the Company. Despite not making visible all questions posed by shareholders, the Company had undertaken to answer all the questions submitted by shareholders. The Company had engaged KPMG Management & Risk Consulting Sdn. Bhd. (“KPMG”) as the poll administrators to provide the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. KPMG had verified the eligibility of shareholders/corporate representatives/proxies to attend the AGM based on the General Meeting Record of Depositors and upon the cut-off date and time for proxy form submission. The online platform provided was secured exclusively for the members with approved registration for the Remote Participation and Voting (“RPV”) at the AGM. The online platform has a moderator function to assist the Company in tracking the questions posed by the shareholders during AGM. Questions submitted by shareholders prior to the commencement of the AGM and during the AGM via the online platform had been captured and responded to by the Chairman during the AGM. A questions and answers session has been dedicated by the Company during the AGM to allow interaction between the Directors and the shareholders. Whilst the members were in attendance in the

	proceedings of the AGM, they would be able to cast their votes and submit any questions which they wish to raise.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	N/A
Timeframe	:	N/A

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	:	Applied
Explanation on application of the practice	:	Minutes of the Annual General Meeting was available on the company's website at https://gdexpress.com/ within thirty (30) business days after the AGM.
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	:	N/A
Timeframe	:	N/A

**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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