CORPORATE GOVERNANCE REPORT

STOCK CODE **:** 6173
COMPANY NAME **:** BINA DARULAMAN BERHAD ("the Company" or "BDB")
FINANCIAL YEAR **:** December 31, 2025

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	:	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 undertake the following measures:
		
		• 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, new business ventures 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 the Board Charter which outlines the duties and responsibilities of the Board and matters specifically reserved for the Board as well as delegated to the Board Committees, the Group Chief Executive Officer ("the GCEO") and C-Level Management:
		  • Raja Shahreen Bin Raja Othman – The Executive Director/Group Chief Executive Officer (Contract expired w.e.f 31 October 2025).
		  • Encik Che Abdul Khalid Bin Md Din – The Group Chief Executive Officer (Appointed as Group Chief Executive Officer w.e.f 1 November 2025).
		  • Encik Mohd Sobri Bin Hussein – The Chief Operating Officer (Resigned w.e.f 31 December 2025)
		  • Encik Mohd Nasir Bin Ismail – The Chief Financial Officer
		  • Encik Abdul Shukor Bin Abdul Rahman – The Chief Support Officer
		  • Encik Mohd Hudzaifah Bin Mohamad Sam – The Chief Business Strategy Officer
		  • Encik Mohd Taufik Bin Abdullah – The Chief People

	Officer • The GCEO and C-Level Management are also guided by the Delegated Authority Limit ("DAL"). • The Board is assisted by six (6) Board Committees, namely the Board Audit Committee ("the BAC"), the Board Nomination, Remuneration & ESOS Committee ("the BNREC"), the Board Risk Committee ("the BRC"), the Board Procurement Committee ("the BPC") , the Board Sustainability Committee ("the BSC") and the Board Investment Committee ("the BIC"). • The ED/GCEO and the C-Level Management as well as the Senior Management, monitored the Group's performance where the performance is measured and tracked against the approved Business Plan and Corporate Scorecard through Management Committee Meeting held on a monthly/weekly basis as well as board meetings. • Quarterly, the financial performance, including key highlights, issues, concerns, and achievement targets for public disclosure, will be updated to the Board. Results will be discussed at BAC and board meetings, focusing on business segment performance, growth areas, concerns, and regulatory updates. • During the 133rd BAC meeting convened on 24 August 2025, the BAC requested that the Management provide regular updates on the current financial status from the start of the year to August, to be delivered by the second week of each month. • The BAC supports the Board in oversight responsibilities by providing unbiased and independent review on the effectiveness and efficiency of the internal control systems to ensure the implementation of appropriate internal control systems, supported by Audit Report from the Internal Auditors and annual review by the external auditors. • In the financial year, the BAC assists the Board in fulfilling its fiduciary responsibilities relating to the governance,internal controls, accounting, and reporting practices of the Group. • The BAC promotes the practices of good governance by ensuring that adequate internal control systems are in place and that appropriate standards of responsibility, integrity and accountability are maintained across the Group. • The Board, through the BRC, oversees, monitors, and assesses the Company's risk Management framework and constantly engages the C-Level Management and Senior Management in managing,

	mitigating, and eliminating inherent risks that may impact the Group. • The Board, via the BIC, evaluates potential new business developments that could be advantageous to the Company as a whole. • The Board, through BSC, continues to strengthen the foundations of our sustainability framework and journey (Business Sustainability Plan), recognizing that robust governance, internal capabilities, and regulatory preparedness are fundamental pillars for long-term resilience and value creation. • The Board, through BNREC, is responsible for ensuring there is effective and orderly succession planning and reporting on the achievement of Key Performance Indicators and Corporate Balanced Scorecard.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	As the Chairman of the Board, Tuan PMgr. Sr. Haji Che Had Bin Dhali ("The Chairman") assumes the leadership role of the Board. The Chairman was appointed as Non-Independent and Non-Executive Director on 1 February 2022 and re-designated as Executive Chairman on 14 April 2022 until 15 October 2022. The re-designation as the Executive Chairman is temporary until the Board decides on the appointment of a new Group Chief Executive Officer ("GCEO"). Tuan PMgr. Sr. Haji Che Had's contract ended as the Chairman of the Company on 31 January 2026. The Chairman's seat is now vacant, and in the Chairman's absence, YBhg Dato' Haji Mohd Sahil Bin Zabidi has been appointed by the Board to chair the meeting until a new Chairman is appointed. The Chairman leads the Board on the following: • 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 fulfill 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. Given his last experience in the diversified field, the Chairman of BDB is able to provide effective leadership for the Board to constructively work together with the ED and Key Senior Management to formulate strategies as well as address key issues and challenges. The Chairman also leads in the creation of effective corporate governance practices in the Company. In the absence of the Chairman, YBhg Dato' Haji Mohd Sahil Bin Zabidi was appointed to chair all Board meetings until a new Chairman is appointed. YBhg Dato' Haji Mohd Sahil Bin Zabidi chaired the Board meetings on 26th February 2026 (152nd Board of Directors meeting) and on 18 March 2026 (153rd Board of Directors meeting).	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	To maintain a balance of authority and power, the roles of Chairman and Executive Director are held by two different individuals. The position of Chairman of the Board is held by Tuan PMgr. Sr. Haji Che Had Bin Dhali, who was appointed on 14 April 2022 until 31 January 2026. The Executive Director/Group CEO position is held by YM Raja Shahreen Bin Raja Othman, who was appointed on 1 November 2022, for a term of 1 November 2022 to 31 October 2025. The Board has subsequently appointed Encik Che Abdul Khalid Bin Md Din as the new Group Chief Executive Officer of Bina Darulaman Berhad, effective 1 November 2025.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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

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'.			
Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Board is not invited to participate in any Board Committee meetings nor will be involved in any decision-making process of the Board Committees.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	The Company's in-house Company Secretary, Khairulmuna Binti Abd Ghani, is a qualified secretary registered with the Companies Commission of Malaysia and a member of MAICSA. She is supported by her team of three (3) members. All Directors have unrestricted access to her advice on Board policies, compliance, and governance practices. The Board values the Secretary's advisory role and will appoint a Secretary to provide governance advice, ensure legal and procedural compliance, and promote best practices. The Company Secretary shall have the following roles and responsibilities: a. Manage all Board and Committee meeting logistics, attend and record minutes of all Board and Committee meetings, and facilitate board communications; b. Advise the Board on its roles and responsibilities; c. Facilitate the orientation of new directors and assist in director training and development; d. Advise the Board on corporate disclosures and compliance with company and securities regulations and BMLR; e. Manage processes pertaining to the annual shareholders' meeting; f. Monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; g. Serve as a focal point for stakeholders' communications and engagement on corporate governance issues.

	All Board members have unrestricted access to the advice and services of the Company Secretary. The Company Secretary possesses the necessary qualifications and competence to perform her duties effectively and commits to ongoing professional development.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	The Board meetings are scheduled and planned in advance. The Company Secretary will distribute the Annual Meeting Planner in advance for the Board to plan Annual Board Meeting Planner will be circulated in December for each calendar year. A total of nine (9) meetings were held in FY2025. The attendance record of Directors is set out in the Corporate Governance Overview Statement of the Annual Report 2025. Please refer to pages 147 to 149. The Board and Board Committee meetings were conducted either physically or in hybrid meetings in order to allow the Board members to participate in discharging their duties and responsibilities effectively. The Board Committee meetings are not combined with the Board Meeting to enable objective and independent discussion during the meeting. The Board Policy Manual, approved by the Board following the BAC's recommendation, clearly outlines the timing for distributing the Board Papers and the Board minutes. The notice of a meeting of the Board has been sent to each Director in a stipulated time seven, (7) working days, except in the case of urgent matters, whereby a special meeting is required to be held five (5) working days is encouraged. The notice includes the 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. Depending on the issues and agendas to be deliberated, all relevant materials and information will generally be prepared and distributed to board members in accordance with the Board Policy Manual, seven (7) working days prior to the scheduled meeting for the Main Board and five (5) working days for the Board Committees. Since the Board Policy Manual was adopted on 28 May 2025, there may be occasions when papers are distributed later than the stipulated time. However, the Company Secretary will keep the Board informed and distribute the papers in batches. Occasionally, core papers are uploaded in batches for the Board to review and request further clarification (if any). The Board Papers consist of a comprehensive Management report, proposals, minutes of meetings, updates on previous board decisions, and supporting documents that enable the Board to discharge its responsibilities professionally and effectively.

	The pre-council meeting with the Chairman will take place at least two (2) days prior to the board meetings. The Board Papers are uploaded onto a secure digital platform for the Board's review. As part of the Company's green initiative and to improve the efficiency of meetings, a paperless board papers portal has been implemented for all Board and Board Committee Meetings since 2016. This portal enables digital access to meeting materials instead of distributed hard copies. This initiative has enhanced mobility, storage, time-saving, and convenience. Records and minutes of meetings will be circulated to all board members for confirmation of accuracy and verification. The directors may raise their concerns 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. Prior to that, the Executive Summary of key decisions shall be prepared by the Company Secretary and distributed to the Board within a reasonable timeframe before the full minutes of the meeting are ready.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
There is a 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	:	The Board is guided by the Board Charter, which clearly defines the respective roles and responsibilities of the Board Committees and individual directors. The latest copy of the Board Charter is available at the BDB company website at https://www.bdb.com.my/bdbpolicies/ for public viewing.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	The Board of Directors of BDB is dedicated to fostering exemplary business practices and upholding a healthy, ethical corporate environment. Its members are seasoned professionals and experts representing diverse industries, who have consistently adhered to the Company's ethical standards and regulatory obligations throughout their tenure. In response to recent regulatory developments, the Company has formally established a Code of Conduct and Ethics, which serves as a set of guidelines and principles for the Company's Directors, Management, and employees. This Code must be observed by all employees in the performance of their duties. The Code of Conduct and Ethics, as endorsed and adopted by the Board, will undergo periodic review and updates. The most recent revision received approval on 24 November 2025, during the 145th Board Meeting. The latest copy is available on BDB's website https://www.bdb.com.my/bdbpolicies/ for public viewing.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	A Whistle Blowing Policy ("WBP") and Procedures has been implemented by the Company since 1 January 2014. It reflects the Company's dedication to maintaining high standards of workplace behaviour. The WBP offers a secure and confidential platform for employees to report any incidents of law or regulation violation, as well as immoral or illegal behaviour. The Policy ensures that all allegations or reports are thoroughly investigated by the Group. Like all policies, WBP is also subject to continuous review and update. In 2018, the WBP incorporated principles of the 10 Integrity Pledge Guidelines issued by SSM, where applicable. Since the Company established the Integrity and Governance Unit (IGU), the IGU has been entrusted with ensuring that the reporting channel for whistleblowing is available. The IGU units have also conducted training sessions and awareness initiatives for employees on integrity and governance enhancement. The latest reviewed version was made and tabled on 24 November 2025 during the 145th Board Meeting, and the effective date for implementation was approved on 1 June 2025. The WBP is published and is made available at the company's website at https://www.bdb.com.my/bdbpolicies/.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

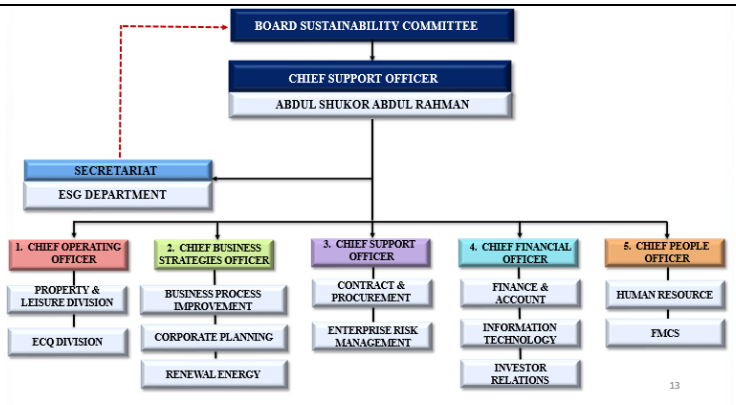
Intended Outcome
The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

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.

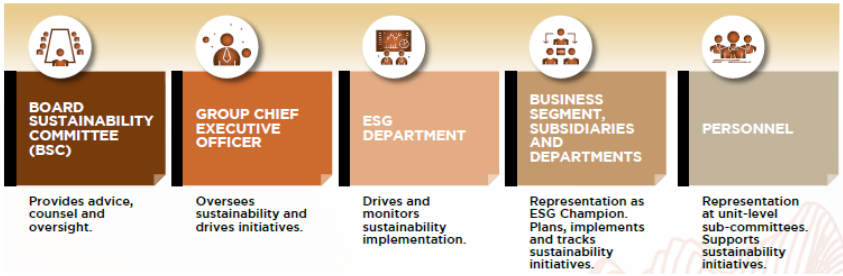
Application	:	Applied
Explanation on application of the practice	:	The Board considers sustainability in the Company strategies, plans, and risk Management. The Board of Directors of the Company has started the process of gathering data related to sustainability matters as part of their governance and risk Management functions. The Board members are extremely competent professionals who possess vast industry experience and expertise along with financial and other relevant skills to guide the Company towards the accomplishment of its long-term objectives. The Board has formalised the Board Sustainability Committee ("BSC") on 1 January 2023 and together with the Management is committed to drive sustainability agenda on ESG upfront across the Board. For FY2025, three (3) meetings have been held to discuss the following agendas: a. Management Sustainability Journey. b. Statement Assurance and Sustainability Report. c. Quarterly updates. d. Sustainability Policy The Sustainability Committee, which comprises the Company's Group Management, drives the strategic management of material sustainability matters. The Committee convenes monthly to review and make executive decisions on crucial issues and business strategies, including those related to ESG (Environmental, Social, and Governance) matters.

		
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	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. <u>Sustainability Report</u> The Sustainability Report elaborates on the initiative of the Group to increase its Environment, Social & Governance ("ESG") disclosures each year progressively and gradually. BDB has released a Sustainability Statement for 2025, which was prepared in accordance with Bursa Malaysia's Sustainability Reporting Guide and with reference to the FTSE 4Good bursa Malaysia Index. The new guidelines of the GRI Standards were also taken into consideration. Moreover, BDB has aligned its GRI indicators with the relevant United Nations Sustainability Development Goals (UNSDGs) to provide a more transparent understanding of its sustainability initiatives. The Annual Report 2025 includes information on the same set of GRI indicators as the Sustainability Statement. **4 Sustainability Pillars** The Company aims to build a strong ESG proposition by focusing on four (4) Sustainability Pillars: **Pillar 1: Supporting Government Aspirations for Sustainable Growth** • Sustainable Model in Engineering & Property Development Design. • Training (Employee Upskilling & Reskilling) for economic upskilling, feasibility & viability in green economy. • Green Financing. **Pillar 2: Preserving The Environment** • Procurement Policies. • Energy Management Roadmap (Business & Products). **Pillar 3: Enabling and Powering Employees & Communities** • Employee Safety, Health & Well-being. • Community Development.

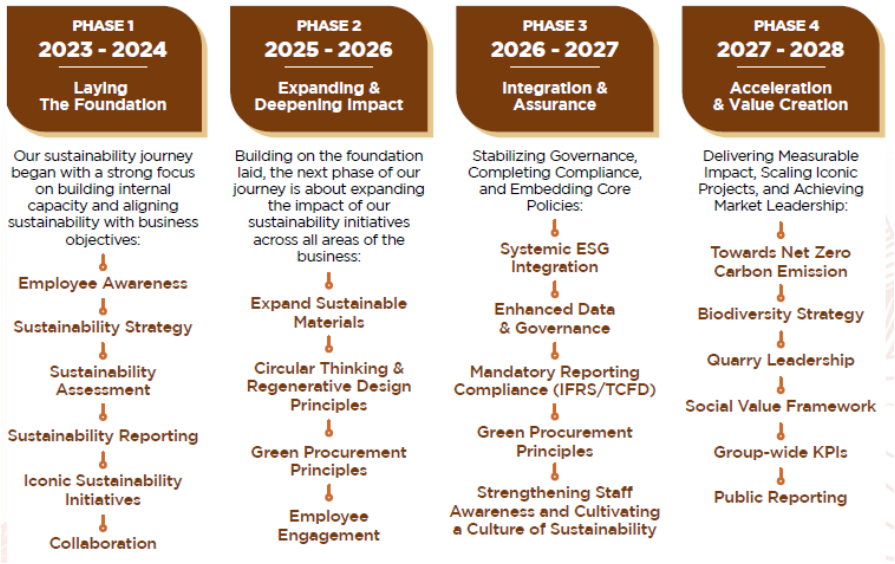
	Pillar 4: Engaging Effectively with Stakeholders • MCCG Requirements. • Bursa Malaysia Requirements. • Pursue and maintain industry recognised certifications (Branding and Reputation) • Smart Partnerships. • Sustainable Financing (for customers). **Sustainability Governance Structure** The Sustainability Governance Framework establishes a clear foundation for effective oversight, accountability, and execution of the Group's sustainability agenda. Since its initial endorsement by the Board in 2023, the framework has continued to evolve to ensure that ESG considerations are systematically embedded into corporate governance and decision-making processes. It delineates defined roles, reporting lines, and performance monitoring mechanisms that support structured and transparent management of sustainability matters. Through this strengthened approach, alignment between sustainability priorities, business strategy, and operational delivery is enhanced, enabling consistent and responsible value creation across the Group.  The Sustainability Report is referred to on pages 74 to 132 of the 2025 Annual Report.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	The Board received a quarterly update from the Board Sustainability Committee on the ESG initiatives and journey. In FY2025, the Company updated the Sustainability Journey by extending the roadmap, including revisions to Phase 3 and the introduction of a new Phase 4 to reflect the Group's evolving sustainability priorities and maturity. <u>Sustainability Journey 2.0 Framework</u>  **Phase 3 (2026 – 2027): Integration, Governance and Compliance** The third phase focuses on fully integrating sustainability into day-to-day operations, governance structures and decision-making processes, while strengthening compliance and assurance readiness. Systemic ESG integration is supported by enhanced data governance, clearer ownership and controls, and assurance-ready reporting processes. Governance frameworks are further strengthened to ensure alignment with applicable laws, regulations and listing requirements, including mandatory sustainability and climate-related reporting in line with IFRS and TCFD. Green Procurement Principles are further operationalised, and sustained emphasis is placed on strengthening staff awareness and cultivating a consistent, organisation-wide culture of sustainability grounded in discipline, accountability and compliance. The Board, to show its support for the Sustainability agenda, has established a Sustainability Committee and cascaded it to the Management to carry through the Sustainability agenda.

	The Board has appointed an Independent Director as Chairman and members of the BSC since 1 January 2023. The structure provides greater assurance to the Board that the Sustainability Journey agenda is to support the Company's initiatives for the Group.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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 rolled out in phases starting in 2022. The formation of the Sustainability Unit / Department has been the kickstart of the Group initiative to show seriousness in supporting the ESG agenda across the board. Since then, the Company especially through the Sustainability Unit / Department has proceeded with plans to ensure employee's knowledge on the subject as disclosed in the Sustainability Report 2025.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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 has created a Sustainability Department responsible for managing this area. Its performance will be regularly reviewed to ensure effective handling of all issues. Additionally, the Company will explore new ways to collaborate with experts and enhance staff skills through training. The Management receives oversight from the Board Sustainability Committee, which ensures the implementation of sustainable business practices across the Group. Puan Nawal Binti Hanafiah was appointed Chairperson of the Board Sustainability Committee on 1 January 2023, to lead the Group's Sustainability efforts, focusing on: a. Supporting Government Goals for Sustainable Growth. b. Protecting the Environment. c. Empowering Employees and Communities. d. Effective Stakeholder Engagement. A new Business Unit has been created to develop a sustainability plan that supports the Company's sustainability goals and generates revenue. Several areas have been identified, and a dedicated team has been formed to focus on achieving net-zero carbon emissions and waste management. These initiatives align with the Company's growth trajectory and keep net zero emissions and waste management high on the agenda. The unit will collaborate with the Sustainability team to advance these efforts. The Company also established Darulaman Sanctuary Sdn Bhd to support its sustainability initiatives and central pillar for the sustainability strategy. In parallel, the Company are also embarking a structured approach to carbon and energy management.The Sustainability Unit has involved in developing a Group wide roadmap for reducing baseline emissions across Scope 1 and 2 and relevant Scope 3 categories.Detailed report is referred to in pages 72 to 132 of the Annual Report 2025.

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 a satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	The Board Nomination, Remuneration & ESOS Committee ("BNREC") has been established to evaluate the characteristics, relevance, and performance of its board members. The terms of reference of the BNREC specifically ensure that the selection and appointment of the best candidates to the board are in place to meet the regulatory standards. The duties of the BNREC, as stated in terms of reference of the BNREC, include the following: 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 non-executive, 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 meetings and attendance of members over the course of the year.

i) To develop criteria and oversee the annual assessment of Directors with the appropriate criteria.
j) To develop criteria to assess the 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 the Board (in areas for which the Directors may be lacking).
m) Facilitate the achievement of board gender diversity policies and targets.
n) To consider the Board's appointment is guided by the Director's Fit & Proper Policy.

The current composition of BNREC consists as follows:

a. Dato' Zakiah Binti Kassim – Chairman
b. Puan Nawal Binti Hanafiah – Member
c. Dato' Wira Haji Isahak Bin Murat – Member
(Resigned w.e.f 3 February 2026)

On 8 March 2026, BNREC, during its 58th Meeting, discussed the proposal for the rotation of directors. The following directors were subject to retirement at the forthcoming 31st AGM.

Article	Directors	Directorship	Length of Service
88(ii)	Dato' Zakiah Binti Kassim	Senior Independent director	5 years, 6 months
	Tuan Mohammad Ibrahim Bin Ghazali	Independent Director	5 years, 3 months
88 (i)	Dato' Haji Mohd Sahil Bin Zabidi	Non - Independent - Director	2 month

Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	BDB currently consists of a total of seven (7) Directors, including five (5) Independent Directors Non Executive Directors and two (2) Non-Independent Non-Executive Directors. Our objective is to uphold an effective board composition and ensure compliance with regulatory standards. To this end, BNREC will persistently review the board size and implement improvements as deemed necessary. In the Group's operations, the Independent Directors have an essential role in providing independent judgement and ensuring that all issues proposed by the executive Management are thoroughly discussed and examined. Their primary aim is to consider the long-term interest, not only of the shareholders but also of other stakeholders, such as employees, customers, and business associates.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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 directors does not exceed a cumulative term limit of nine (9) years, and the board has no plan to retain any independent directors beyond nine years at this juncture.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	A fit and proper policy was established on 17 July 2022 to guide BNREC and the Board in reviewing candidates for appointment. The appointment of the Chief Executive Officer follows proper procedures. Psychometric assessments were conducted for the first-tier management. The Company recognizes that diversity benefits the team. Its resource needs and performance are regularly reviewed and monitored. Training programs are provided to develop internal candidates for larger roles. When proposing new candidates to the Board, the Company conducts background checks to ensure credibility and commitment. A closed session for assessment will typically be conducted, particularly concerning the appointment of an Independent Non-Executive Director.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	The Board profiles of the Retiring Directors by rotation who are standing for re-election at the forthcoming 31st Annual General Meeting are set out in the Board Profiles of the Annual Report on pages 26 to 28. The profiles are also available at the Company's website at www.bdb.com.my/31st-agm.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	The Board profiling of the retiring Directors who are standing for re-election at the forthcoming 31st AGM is set out in the Board Profiles on pages 26 to 27 of the 2025 Annual Report. The 2025 Annual Report and the 31st AGM Notice are available on the Company's website at **www.bdb.com.my/31st-agm.**	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	The Chairman of the Board Nomination Remuneration and ESOS Committee ("BNREC") is Dato' Zakiah Binti Kassim, who is also a Senior Independent Director ("SID") of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	The Board currently has two (2) female Directors. Dato' Zakiah Binti Kassim, Senior Independent Director and Puan Nawal Binti Hanafiah, Independent Director.
Explanation for departure	:	The Board has not fully applied Practice 5.9 of the MCCG during the financial year 2025. As at 31 December 2025, the Board comprises eight (8) Directors, of whom two (2) are woman Directors. The Company operates in the property development, engineering construction and quarry sectors, a business segment that is less attractive to many qualified female talent. This could be due to a steep learning curve or possibly mobility issues, as the main operation is in Kedah. The Board recognises the challenges in achieving the right balance of gender diversity on the Board. This will be done over time, taking into account the present size of the Board, the valuable knowledge and experience of the present Board members and the evolving challenges to the Company over time. The Board will continuously search for additional women candidates in its recruitment exercise.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	We are in the process to source for suitable candidates for evaluation and assessments, the process will subject to competency, experience, likely contribution and value add to the Company. The Board targets to achieve the recommended 30% women Directors within the next three (3) years, subject to suitable Board renewal opportunities and business needs.
Timeframe	:	Within three (3) 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 is committed to ensuring a balanced representation of genders on its board. To achieve this goal, the Company has implemented a Policy on Gender Diversity for the Board and Senior Management. However, due to various factors such as human resource movement, particularly in the industry that BDB operates in, achieving this balance can be challenging and may fluctuate from time to time. Despite this, BDB will continue to make its best efforts in this regard.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

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.			
Application	:	Departure	
Explanation on application of the practice	:	The Company has not fully complied with Practice 6.1 of the MCCG. The current board evaluation is conducted primarily based on the Company's financial performance, reflection the expectations of the majority shareholder. Full compliance is expected in the next financial year. The expiry of Chairman's contract also is one of the key reasons contribute to the delay in assessment. As for the evaluation process, BDB has established the format and framework for assessment as guided by the MCCG.	
Explanation for departure	:		
Large companies are required to complete the columns below., Non-large companies are encouraged to complete the columns below.			
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	:	The Company has policies and procedures in determining the 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. In addition, the Company disclosed the remuneration of its board members and Senior Management on a named basis in the Corporate Governance Report, which is available on the Company's website at https://www.bdb.com.my/corporate-governance. At the Board level, as a matter of regulatory requirements, the remuneration and fees of Board members will also be put for shareholders' approval during the general meeting.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	The Board Nomination, Remuneration and ESOS Committee ("BNREC") is guided by appropriate policies and procedures when reviewing and recommending remuneration of the Board and Senior Management. Generally, the Company's framework on Directors' remuneration has the underlying objectives of attracting and retaining Directors of the high calibre needed to run the Company successfully. In the case of Non-Executive Directors and Executive Director, the level of remuneration reflects the expertise, experience, and level of responsibilities undertaken by a particular Non-Executive Director and Executive Director concerned. Where applicable, the BNREC also considers any relevant information provided by independent consultants or from survey data. The Terms of Reference for board committees were published on the company's website at https://www.bdb.com.my/bdbpolicies/.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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 a 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 the table below. Remuneration package paid during the Year 2025.

No	Name	Directorate	Company ('000)							Group ('000)						
			Salary (RM)	Fees (RM)	Meeting Allowances (RM)	Allowance (RM)	Benefit in Kind (RM)	Other Emolumens (RM)	Total cash & Benefits (RM)	Salary (RM)	Fees (RM)	Meeting Allowances (RM)	Allowance (RM)	Benefit in Kind (RM)	Other Emolumens (RM)	Total cash & Benefits (RM)
1	Sr Haji Che Had Bin Dhali (Appointed: 01.02.2022 & Resigned: 31.01.2026)	Chairman	-	72,000	35,000	120,000	6,000	16,000	249,000	-	-	-	-	-	-	-
2	Dato' Zakiah Binti Kassim	Senior Independent Director	-	72,000	60,500	-	-	-	132,500	-	-	-	-	-	-	-
3	Dato' Wira Haji Isahak Bin Murat	Non-Independent Non-Executive Director	-	72,000	53,500	-	-	-	125,500	-	-	-	-	-	-	-
4	YM Raja Shahreen Bin Raja Othman	Executive Director	624,268	60,000	26,000	40,000	4,340	-	745,608	-	-	-	-	-	-	-
5	Tuan Mohamad Ibrahim Bin Ghazali	Independent Non-Executive Director	-	72,000	64,500	-	1,750	-	138,250	-	-	-	-	-	-	-
6	YB Ir. Ts. Khairil Nizam Bin Khirudin	Independent Non-Executive Director	-	72,000	60,500	-	8,000	12,602	153,102	-	-	-	-	-	-	-

No	Name	Directorate	Company ('000)							Group ('000)						
			Salary (RM)	**Fees** (RM)	**Meeting Allowances** (RM)	**Allowance** (RM)	**Benefit in Kind** (RM)	**Other Emolumens** (RM)	**Total cash & Benefits** (RM)	**Salary** (RM)	**Fees** (RM)	**Meeting Allowances** (RM)	**Allowance** (RM)	**Benefit in Kind** (RM)	**Other Emolumens** (RM)	**Total cash & Benefits** (RM)
7	YB Ts. Dr. Mohd Suffian Bin Yusoff	Independent Non-Executive Director	-	72,000	44,500	-	5,000	-	121,500	-	-	-	-	-	-	-
8	Puan Nawal Binti Hanafiah	Independent Non-Executive Director	-	72,000	60,500	-	-	16,000	148,500	-	-	-	-	-	-	-
9	Tuan Haji Junaidi Bin Abidin	Non-Independent Non-Executive Director)	-	56,323	38,500	-	-	-	94,823	-	-	-	-	-	-	-
GRAND TOTAL (RM)			**624,268**	**620,323**	**443,500**	**160,000**	**25,090**	**44,602**	**1,917,783**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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 components including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure	
Explanation on application of the practice	:	Due to confidentiality concerns and the competitive nature of the industry, disclosing detailed remuneration could expose the Company to talent retention risks or safety, as the Company is a small organisation where full disclosure may compromise privacy. As an alternative, the Company is disclosing remuneration bands for key senior management. The remuneration is determined by the Policy and tabled to the Board Nomination, Remuneration & ESOS Committee, which comprises a majority of independent directors. This alternative approach achieves the intended outcome of ensuring transparency, fairness, and paper oversight.	
Explanation for departure	:		
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:		

No	Range of Remuneration (RM)	Key Senior Management		
		Che Abdul Khalid Bin Md Din **Group Chief Executive Officer (GCEO)** Appointed with effect from 1 November 2025)	**Mohd Nasir Bin Ismail** **Chief Financial Officer (CFO)**	**Encik Mohd Hudzaifah Bin Mohd Sam** **Chief Business Strategy Officer (CBSO)**
1	150,000 & Below	✓	-	-
2	150,001 - 200,00	-	-	-
3	200,001 - 250,000	-	✓	✓
4	250,001 - 300,00	-	-	-
5	400,001 - 450,000	-	-	-
6	500,000 - 550,000	-	-	-
7	700,000 - 750,000	-	-	-
8	1,500,000 - 1,600,000	-	-	-

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	:	

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	:	The Chairman of BAC is Tuan Mohamad Ibrahim Bin Ghazali, who is not the Chairman of the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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 ("BAC") assessment of the suitability of external auditors, 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. The Board on 29 March 2023, approved the Policy on Non-Audit Services provided by the External Auditors.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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.

<table>
<tr><td>Application :</td><td>Adopted</td></tr>
<tr><td>Explanation on adoption of the practice :</td><td>Currently, the Board Audit Committee consists of three (3) independent directors.

The members of BAC are as follows:

<table>
<tr><th>No.</th><th>BAC Members</th><th>Position</th></tr>
<tr><td>1.</td><td>Tuan Mohamad Ibrahim Bin Ghazali</td><td>Chairman</td></tr>
<tr><td>2.</td><td>Dato' Zakiah Binti Kassim</td><td>Member</td></tr>
<tr><td>3.</td><td>YB Ir. Ts. Khairil Nizam Bin Khirudin</td><td>Member</td></tr>
</table>
Notes: Dato' Wira Haji Isahak Bin Murat resigned with effect from 3 February 2026.</td></tr>
</table>

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 Board Audit Committee ("BAC") Chairman is Tuan Mohamad Ibrahim Bin Ghazali. He is an MIA member and effective from January 2025, he has been granted as a Senior Member of the Institute of Internal Auditor Malaysia(IIAM). Tuan Mohamad Ghazali Bin Ibrahim started his career as an auditor in May 1988 where he was involved in the audits of various governmental agencies, legal firms, and conglomerates. Two years later, he joined the Shapadu Group of Companies as an internal auditor. In January 1995, Tuan Mohamad Ibrahim was appointed as Finance Manager at METC Holdings Sdn. Bhd. before assuming greater responsibilities as Senior Finance Manager from September 1996 to October 1999. He subsequently took on the role of Financial Controller at ARZ Group of Companies in November 1999. Promoted to General Manager in 2005, he was responsible for identifying future business opportunities, reviewing corporate planning, and handling all legal and secretarial matters for the group. In 2009, Tuan Mohamad Ibrahim formed his own firm MIG Associates (NF 0974), focusing on tax, corporate secretarial, accounting, and management advisory services. The other three (3) BAC Members have undertaken their relevant training and continuous personal development that enable them to support the function of the BAC and their personal development.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	The Board is assisted by the Board Risk Committee ("BRC/the Committee") in decision-making, especially with regards to any future projects, proposed investments or acquisitions. The BRC has its guidelines, and 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. The Board through its BRC has taken necessary actions to ensure business continuity and business planning are reported to the Board periodically.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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 Department's Enterprise Risk Management ("ERM") practices are generally aligned with the principles of ISO 31000. The ERM will evaluate and study the risk profiles 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. Recommendations and assessments will be put to the BRC and the Board of Directors, especially on key risk issues for further deliberation and decision if necessary.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

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

Currently, the BRC comprises an Independent Director:

<table>
<tr><th>No.</th><th>BRC Members</th><th>Position</th></tr>
<tr><td>1.</td><td>YB Ir. Ts. Khairil Nizam Bin Khirudin</td><td>Chairman</td></tr>
<tr><td>2.</td><td>Tuan Mohamad Ibrahim Bin Ghazali</td><td>Member</td></tr>
<tr><td>3.</td><td>Tuan Haji Junaidi Bin Abidin
(Appointed as Member on 20.03.2025)</td><td>Member</td></tr>
</table>
</td></tr>
</table>

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 the Internal Audit and Integrity Department. They operate within a prescribed policy and guidelines. The performance, effectiveness, and competency are subject to continuous review and monitoring by the Board Audit Committee.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

<table>
<tr><td>Application :</td><td>Applied</td></tr>
<tr><td>Explanation for application of the practice :</td><td>The internal auditors' personnel will be subjected to periodic review. The internal auditors are required to declare any conflict of interest, at least once a year or when it occurs to the Board Audit Committee (BAC).

The internal audit function is carried out in accordance with the Global Internal Audit Standards.

Our current Internal Audit team has eight (8) members. Their names and qualifications are as follows:

<table>
<tr><th>No.</th><th>Staff</th><th>Qualification</th></tr>
<tr><td>1.</td><td>Mohd Fauzi Bin Adnan @ Mohamad Janan
(Head of Internal Audit)</td><td>Accreditation in Internal Quality Assessment/Validation (IIA Inc., USA)
CA (M), MIA
Bachelor of Accountancy (Hons.)
Associate Member, IIAM</td></tr>
<tr><td>2.</td><td>Mohd Firdaus Shah Bin Amar Shah
(Manager, Internal Audit)</td><td>CA (M), MIA
Bachelor of Accountancy (Hons.) (UiTM)
Associate Member, IIAM
Certified Integrity Officer (CIO)</td></tr>
<tr><td>3.</td><td>Siti Marlina Binti Ismail
(Manager, Internal Audit)</td><td>Bachelor of Accountancy (UPM)
Associate Member, IIAM</td></tr>
<tr><td>4.</td><td>Nor Jani Zuriayati Binti Mohd Jamil
(Assistant Manager, Internal Audit)</td><td>Bachelor of Public Management (UUM)
Associate Member, IIAM</td></tr>
<tr><td>5.</td><td>Siti Fauziah Binti Abd Hadi
(Senior Executive, Internal Audit)</td><td>Bachelor of Construction Management (Hons), UiTM</td></tr>
<tr><td>6.</td><td>Mohd Fadzri Bin Azizan
(Executive, Internal Audit)</td><td>Bachelor of Accountancy (Hons), UKM</td></tr>
<tr><td>7</td><td>Nur Asmira Binti Azmi
(Executive, Internal Audit)</td><td>Bachelor of Accountancy (Hons.), UiTM</td></tr>
<tr><td>8</td><td>Zaihazrina Binti Zilkifli
(Executive, Internal Audit)</td><td>Bachelor of Accountancy (Hons.), UPSI</td></tr>
</table>

We have adequate and qualified professional resources in the internal audit department to meet the objectives of the internal audit framework relevant and applicable to the industry we are operating.</td></tr>
</table>

Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	The Board with the support of Senior Management continuously engaged with all stakeholders internal and external on various platforms. 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. 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 the Bursa website. Internally, the Board communicates through various channels with its internal team via meetings, townhall events, emails, memos, circulars and periodicals. All stakeholders can freely access to the Company's official channels like phone and emails to provide suggestions and ideas.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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 resources and ability. BDB does not fall within the definition of a large company. The adoption of integrated reporting based on a globally recognised framework is an effort that BDB will pursue and adopt upon evaluation and at the appropriate time.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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 consistently met statutory requirements regarding the timeline for sending out notices of the Annual General Meeting to shareholders. Starting in 2018, the notice period has been extended to at least 28 days to ensure shareholders receive information in a timely manner. The notice of the 31st AGM, Administrative guide, proxy, and Annual Report 2025 are available on the Company's website. Sufficient time was given to the shareholders, which allowed them to make the necessary arrangements to attend and participate in person or by proxy for our 31st AGM.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	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 adhering to the said standard to facilitate our shareholders to have information on a timely basis. All Board Members, C-Level Management, Company Secretary, and External Auditors will attend the general meetings to engage with shareholders. In the event that a director is not able to attend in person, the Group will facilitate virtual attendance through the use of an appropriate online platform. When it is not possible to do so, the said director(s) will be updated on issues that require their attention and onward action.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	The 27th AGM held on 26 May 2022 was the Company's third 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 Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at https://tiih.online. 405 shareholders attended the virtual 27th AGM. 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 on the Company's website to encourage shareholder participants. All resolutions were voted by poll and verified by the scrutineer in compliance with the MMLR. 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.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

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.		
Application :	Applied	
Explanation on application of the practice :	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 adhering to the said standard to facilitate our shareholders to have information about the performance of the company on a timely basis. All the shareholders, their proxies, and/or corporate representatives in BDB AGM can raise questions either by writing 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.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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 27th Annual General Meeting was held virtually using the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd. The relevant regulatory requirements relating to virtual general meetings have been adhered to. The total number of logged-in shareholders and representatives is 405.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	The summary of the 30th AGM Minutes was uploaded on the Company's website on 23 June 2025, within 30 days from the conclusion of the 31st AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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.

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