

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (“Board”) of Golden Land Berhad recognises the importance of adopting high standards of corporate governance throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and financial performance of the Group. The Board is therefore committed to formulate policies and to direct the Company to achieve its objectives. To promote and nurture the highest standards of corporate governance within the Group, the Board has put in place the framework designed to build sustainable financial performance and at the same time, ensure there are sufficient and credible transparency, integrity and accountability in its operations. This to ensure the Group is in the forefront of good governance and aims to be recognised as an exemplary organisation.

The Board is pleased to disclose the following statement on the Group’s application of the Principles and Recommendations of the Malaysian Code on Corporate Governance 2012 (“Code”) throughout the financial year ended 30 June 2016. The Board approved this Statement on 6 October 2016 and believes that it has in all material aspects complied with the Principles and Recommendations outlined in the Code.

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

CLEAR FUNCTIONS OF THE BOARD AND MANAGEMENT

The Board has overall responsibility in the stewardship of the Group’s direction and its performance inclusive of corporate governance, strategic planning and maintaining effective control over financial and operational matters. The Board is also primarily responsible for determining the Company’s strategic objective and policies and to monitor the progress toward achieving the objectives and policies.

To ensure the effectiveness in discharging its duties and responsibilities, the Board has also delegated certain responsibilities to the Management and Committees appointed by the Board. The delegation of authority includes responsibility for developing business plans, budgets and company strategies, identifying and managing operational risks and formulating strategies for managing these risks and managing the Company’s financial and operational mechanisms.

In this regard the Board is guided by a Board Charter which outlines the roles and responsibilities of Directors and other functions as recommended by the Code. The Board also delegates the authority and responsibility for managing the day-to-day business activities of the Group to the Chief Executive Officer (“CEO”) who is responsible for overseeing the business development, implementation of the corporate strategies and business plans, policies and controls.

The roles and responsibilities for the Group’s Non-Executive Chairman and the CEO have been defined in the Board Charter to ensure there is balance of power and authority.

CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD

The Board’s main responsibility is to lead and manage the Group in an effective manner including charting its overall strategic direction and retains full and effective control of the Group’s activity. In fulfilling its fiduciary duty, the Board ensures that there are appropriate system and process in place to manage the Group’s significant risk. In addition, the Board also has in place a capable and experienced management team to oversee the day-to-day operation of the Group.

Having recognised the importance of an effective and dynamic Board, the Board has established and adopted a Board Charter to ensure that all Board members are aware of the Board’s fiduciary and leadership functions. The main duties and responsibilities of the Board set out in the Board Charter, amongst others, include:

- Reviewing and adopting the strategic plan for the Group
- Overseeing the conduct of the Group’s business
- Identifying principal risks, and ensuring the implementation of appropriate internal controls and mitigation measures
- Succession planning
- Overseeing the development and implementation of a shareholder communication policy for the Group
- Reviewing the adequacy and the integrity of the management information and internal controls system of the Group

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

FORMALISED ETHICAL STANDARDS THROUGH CODE OF CONDUCT

Code of Conduct

High standards of corporate and individual behavior are observed by the Directors in the context of their roles as Directors of the Group. Ethical standards are formalised through the Company's Code of Conduct.

The Board acknowledges and recognises the importance of establishing a sound corporate culture which stimulates ethical conducts that pervades throughout the Group. To facilitate the observation and application of the desired culture, the Board had formalised a Code of Conduct in August 2013. The Board will review its Code of Conduct where necessary to meet the needs of the Group and to address the changing conditions of its business environment.

The summary of the Code of Conduct for Directors is available at the Company's website.

WHISTLEBLOWING POLICY

The Group is committed to achieve and maintain high standard of integrity, accountability and ethical behavior in conducting its businesses and operations. In order to achieve the standard, the Group encourages all its employees and stakeholders to disclose any improper conduct in accordance with the procedures as provided under the Whistleblowing Policy and provide protection to employees and stakeholders who report such allegations.

The Whistleblowing Policy provides employees of the Group with an accessible avenue to report the suspected fraud, corruption, dishonest practices or other similar matters. The Company views retaliation or reprisal against the whistleblower seriously. The Company provides assurance to the whistleblower that they would be protected from retaliation or reprisal from their reporting superior, manager or departmental head. The Company assures that no disciplinary action can be taken against the whistleblower on condition that the information provided is accurate, factual and there is no element of malicious intent.

All complaints reported to the Company are treated as confidential. Information will only be closed on need-to-know basis and with the written permission from the Audit Committee Chairman. The identity and particulars of the reporting individual shall also be kept private and confidential unless it is required by law, court or authority.

Reporting may be made via post or e-mail to the Chairman of the Audit Committee, Human Resource Manager and the Company Secretary as detail below:-

Golden Land Berhad
A-09-03, Empire Tower,
Empire Subang, Jalan SS16/1,
47500 Subang Jaya,
Selangor Darul Ehsan.
Email: auditchairman@glbhd.com, hr@glbhd.com, cosec@glbhd.com

In 2016, there were no complaints received.

The summary of the Whistleblowing Policy is available at the Company's website.

PROMOTE SUSTAINABILITY OF BUSINESS

The Company is committed to operate its business in accordance with environmental, social and governance ("ESG") responsibilities. These include working within the law and local community in order to be innovative and demonstrate initiative to meet the requirements of various stakeholders.

The Board will regularly review the strategic direction of the Company and the progress of the Company's operation to include sustainable commitment in business practices and development focusing on the environment, social responsibility, and well-being of its employees, the benefits of which are believed to translate into better corporate performance and image.

The summary of the Strategies to Promote Sustainability is available at the Company's website.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

ACCESS TO INFORMATION AND ADVICE

In order for the Board to discharge its stewardship responsibilities efficiently, the Board has unrestricted access to information required, regular and ad-hoc reports are provided to all Directors to ensure that they are updated on key strategic, financial, operational, legal, regulatory, corporate and social responsibility matters in a timely manner to enable them to make meaningful decisions.

Procedures have been established concerning the content, presentation and timely delivery of papers for each Board and Board Committee meeting as well as for matters arising from meetings to ensure Directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification, should such need arises. Where necessary, the services of other senior management or external consultants will be arranged to brief and help the Directors to clear any doubt or concern.

The Directors have access to the Company Secretaries. The Secretaries advise the Board on its duties and the appropriate requirements and procedures to be complied with in relation thereto including the management of its meetings. The Secretaries also advise both the Directors and Management on the new statutory enactments as well as applicable rules, regulatory and corporate developments and on the implementation of corporate governance measures and compliance within the Group. The Directors may take independent professional advice at the Group's expense, in furtherance of their duties.

Board papers are circulated on a timely manner prior to each Board meeting to enable the Directors to obtain further information and explanation before the meeting. In addition, there is a schedule of matters reserved specifically for the Board's decision.

QUALIFIED AND COMPETENT COMPANY SECRETARIES

The Company Secretaries of the Group are qualified to act as company secretaries under Section 139A of the Companies Act 1965. One of them is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"), whilst the other is a member of the Malaysian Institute of Accountants ("MIA"). The Company Secretaries provide support to the Board in fulfilling its fiduciary duties and leadership role in shaping the corporate governance of the Group. In this respect, they play an advisory role to the Board, particularly with regard to the Company's constitution, Board policies and procedures, and its compliance with regulatory requirements, codes, guidance and legislations.

The Company Secretaries ensure that deliberations at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant Management for appropriate actions. The Board is updated by the Company Secretaries on the follow-up of its discussion and recommendations by Management. The Company Secretaries constantly keep abreast with the relevant regulatory changes and developments in corporate governance through attendance at conferences and training programmes, including continuous professional development programme as required by the MAICSA for practicing Company Secretaries.

The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging its functions.

BOARD CHARTER

The Board Charter serves as a primary reference for prospective and existing Board members of their fiduciary duties as Directors of the Group. The objectives of the Board Charter are to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and that the principles and practices of good corporate governance are applied in all dealings in respect, and on behalf of, the Company. The Board Charter is periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The summary of the Board Charter is available at the Company's website.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

SUPPLY OF INFORMATION

The Board of Directors review a quarterly Board report prior to the Board meeting. This enables the Directors to obtain further explanations, where necessary, in order to be briefed properly before the meeting. The Board report includes, among others, the following details:

- Quarterly financial results
- Annual audited financial statements
- Operational report
- Corporate plans, major issues and opportunities for the Group
- Changes to management and control structure of the Group
- Policies and procedures
- Reports to Shareholders and public announcement

STRENGTHEN COMPOSITION

NOMINATION COMMITTEE

The Nomination Committee comprises of two (2) Independent Non-Executive Directors, which are:

- Beh Sui Loon (Chairman)
- Tan Teck Kiong

The Committee is chaired by a Senior Independent Director ("SID"). In determining the Director to be appointed as SID of Golden Land Berhad, the Committee took into consideration several factors, including the fact that he was one of the longest serving Independent Directors on the Board and that he possesses strong leadership qualities to lead the Independent Directors of the Group.

Regarding nomination, selection, and assessment of Directors, the specific responsibilities of the committee include, among others:

- To assist the Board in assessing its overall effectiveness
- To identify and recommend new nominees to the Board and committees of the Board. All decisions and appointments are made by the Board after considering the recommendation of the committee
- To recommend to the Board, the Director(s) who retiring (by rotation) for re-election
- To review its required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board as well as to assist the Board in implementing boardroom diversity, including gender diversity
- To undertake assessment of the independent directors annually by taking into consideration of their background, economic, family relationship and disclosed interests and considers whether the independent directors can continue to bring independent and objective judgment to the Board's deliberation
- To evaluate and determine Directors' training needs to enable them to effectively discharge duties and sustain active participation in the Board's deliberations

During the financial year, the Committee met once.

DEVELOP, MAINTAIN AND REVIEW CRITERIA FOR RECRUITMENT AND ANNUAL ASSESSMENT OF DIRECTORS

a. Determination of selection criteria for recruitment of Directors

Board appointments are effected through the Committee, which is responsible for making recommendations to the Board on all new Board and Board Committee appointments based on a formalised transparent procedure. In making these recommendations, the Committee will consider the required mix of skills, experience and diversity, including gender.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN COMPOSITION (CONT'D)

DEVELOP, MAINTAIN AND REVIEW CRITERIA FOR RECRUITMENT AND ANNUAL ASSESSMENT OF DIRECTORS (CONT'D)

a. Determination of selection criteria for recruitment of Directors (cont'd)

The process for the appointment of new director is summarized as below:

Step 1	<p>Candidate identified</p> <p>It can be identified on the recommendation of the existing Directors, Senior Management staff, shareholders or third party referrals.</p>
Step 2	<p>Assessment and evaluation to be conducted by the NC</p> <p>The assessment should be conducted based on the following criteria:-</p> <ul style="list-style-type: none"> (i) Integrity and Judgment (ii) Knowledge (iii) Diversity (iv) Commitment (v) Independent Judgment (vi) Performance and Contribution (vii) Experience and Accomplishments (viii) Board interaction (ix) Any other criteria deemed fit <p>For an independent director position, additional assessment on independence would need to be carried out.</p> <p>The NC would also need to consider the size and composition of the Board to be in compliance with Listing Requirements and MCCG 2012 and to facilitate the making of informed and critical decisions.</p>
Step 3	Recommendation to be made by NC to the Board
Step 4	Discussion and decision to be made by the Board on the proposed new appointment
Step 5	<p>If the proposed appointment is approved: Invitation or offer to be made to the proposed/potential candidate to join the Board.</p> <p>If the proposed appointment is rejected: The whole process to be recommenced.</p>

In its effort to promote boardroom diversity, the Board adopted the following policy:-

The Company is committed to actively managing diversity as a means of enhancing the Company's performance by recognizing and utilizing the contribution of diverse skills and talent from its directors.

Diversity involves recognizing and valuing the unique contribution people can make because of their individual background and different skills, experiences and perspectives. Diversity may result from a range of factors including age, gender, ethnicity, cultural background or other personal factors. The Company values the differences between its people and the contribution these differences make to the Company.

To achieve diversity, the Board delegated to the Nomination Committee ("NC") to ensure that the Board has a sufficient size with the appropriate balance of skills and experience to meet the Group's present and future needs. The NC also responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions. The NC should consider the benefits of diversity in order to maintain an optimum mix of skills, knowledge and experience of the Board members when identifying and recommending potential candidates for Board memberships.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN COMPOSITION (CONT'D)

DEVELOP, MAINTAIN AND REVIEW CRITERIA FOR RECRUITMENT AND ANNUAL ASSESSMENT OF DIRECTORS (CONT'D)

a. Determination of selection criteria for recruitment of Directors (cont'd)

In connection with its efforts to create and maintain a diverse Board, the NC will:-

i.	Assess the appropriate mix of diversity (including gender, ethnicity and age), skills, experience and expertise required on the Board and address gaps if any
ii.	Adhere to the recruitment protocol that seeks to include diverse candidates in any director search
iii.	Make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience, and expertise on the Board
iv.	Periodically review and report to the Board on requirements in relation to diversity of the Board, if any
v.	Engage professional consultants to assist in the hiring process by presenting diverse candidates to the Company for consideration

The Board, through NC will monitor the scope and applicability of this policy from time to time.

During the financial year, there was no new Director being appointed to the Board. To date, the Board has one (1) female director.

b. Annual assessment and its criteria in respect of the Board and Board Committees, Directors and Board Committee members

The Board, through its delegation to the Committee, had implemented a procedure and process towards an annual assessment of the effectiveness of the Board as a whole and the contribution and performance of each individual Director and Board Committee member during the financial year 2016. Assessments were undertaken in respect of the year ended 30 June 2016 and have been concluded and properly recorded. The effectiveness of the Board is assessed mainly in the areas of participation and role in the Board's committee, contribution and number of meeting attended. The Committee has also reviewed the required mix of skills and competencies of the Directors during the year.

The Committee concluded that the composition of the mix of skills, experience and competencies of the Directors during the year was adequate to support the current needs of the Group.

c. Review of Directors proposed for re-election / re-appointment

In accordance with the Company's Articles of Association, all Directors appointed by the Board are subject to re-election by the shareholders at the first opportunity. The Articles also provide that at least one-third (1/3) of the Directors are subject to re-election by rotation at every Annual General Meeting ("AGM"). Re-elections are not automatic and all Directors must retire and submit themselves for re-election by shareholders at least once in every three (3) years. Based on the schedule of retirement by rotation, the Committee is responsible for recommending to the Board those Directors who are eligible to stand for re-election/re-appointment.

This recommendation is based on formal reviews of the performance of the Directors, taking into account their assessment results, contribution to the Board through their skills, experience, strengths and qualities and ability to act in the best interests of the Company in decision-making.

On 28 September 2015, the Board approved the recommendation of the Committee that the Directors who were due to retire by rotation and re-appointment at the Twenty-First AGM, Mr Oh Kim Sun and Mr Chan Gak Keong be eligible to stand for re-election and re-appointment respectively. During the Twenty-First AGM held on 18 November 2015, both the Directors above have been successfully re-elected and re-appointed.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN COMPOSITION (CONT'D)

DEVELOP, MAINTAIN AND REVIEW CRITERIA FOR RECRUITMENT AND ANNUAL ASSESSMENT OF DIRECTORS (CONT'D)

d. Composition of the Board

The Board currently has five (5) members, comprising two (2) Executive Directors, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The Independent Directors make up 40% of the Board membership. Hence, the Board fulfills the prescribed requirements for one-third (1/3) of the membership of the Board to be Independent Board Members. The Board considers that the balance achieved between Executive and Non-Executive Directors during the financial year under review was appropriate and effective for the control and direction of the Group's business. The Board is also of the opinion that the Board composition during the year under review has fairly represented the ownership structure of the Company with appropriate representations of minority interest through the Independent Directors.

The Board had established three (3) committees namely the Audit Committee, Nomination Committee and Remuneration Committee, where each committee operates within approved and clearly defined terms of reference and reports to the Board.

e. Boardroom diversity

The Board recognises the value of appointing individual Directors who bring a variety of diverse opinions, perspectives, skills, experiences, backgrounds and orientations to its discussions and its decision-making processes. All appointments to the Board will be made on merit while taking into account suitability for the role, board balance and composition, the required mix of skills, background and experience (including consideration of diversity).

Other relevant matters will also be taken into account, such as independence and the ability to fulfill required time commitments in the case of Non-Executive Directors. The Board recognises the challenges in achieving the right balance of 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 is committed to diversity and endorses equal employment opportunity policy that goes beyond gender in terms of promoting diversity in the business. The Board has not set specific gender diversity targets at this time. Presently, the current Board composition comprises of four (4) male Directors and one (1) female Director. The Board is satisfied with the current diversity and is of the view that the current composition continues to have a strong, committed and dynamic board with the right mix of skills and balance to contribute to the achievement of the Company's goals.

FORMAL REMUNERATION POLICY AND PROCEDURE

Remuneration Committee

The Remuneration Committee comprise of the following Directors, a majority of whom are Non-Executive Directors:-

- Tan Teck Kiong (Chairman)
- Beh Sui Loon
- Yap Fei Chien

During the financial year, the committee met once.

Remuneration Structure

The remuneration package comprises fixed and variable components, ensuring an appropriate and balanced remuneration package that links shareholders' interest with Directors:-

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN COMPOSITION (CONT'D)

FORMAL REMUNERATION POLICY AND PROCEDURE (CONT'D)

i. Fixed Components

Director's Fee

Determine on the basis of the responsibilities shouldered by the director, and the job nature of the position, including complexity, past experience and other market conditions.

ii. Variable Components

Bonus

Bonus is awarded on a discretionary basis to motivate and reward high performance director. Its exact amount is decided by reference to the Company's performance as well as the individual performance of the Director involved.

Long-term incentive scheme

Long-term incentives which may include share options serves as a long-term incentive to motivate, recognize, reward and retain high performance director.

Other Benefits for Executive Directors

Fringe Benefits

Medical insurance, personal accident insurance, business travel insurance, dental cover, professional subscription and personal telecommunication facilities.

iii. Non-Executive Directors

Non-Executive Directors receive a fixed Director's fee and their remuneration are reviewed annually, the remuneration packages of companies which are comparable to the Company will be used as reference.

The Company endeavours to obtain up-to-date information of the prevailing pay pattern and situations in the market. The Company may engage employment agencies or research organizations to obtain the latest remuneration packages offered in the market as reference. The remuneration packages of companies which are comparable to the Company will be used as a benchmark to ensure that the remuneration packages offered to Directors remain appropriate and competitive.

The Company should conduct a review of the remuneration annually. Using the benchmarking information prepared by management, the Remuneration Committee can then consider and make informed decisions or make recommendations to the Board on the remuneration packages of individual Directors.

The continued growth and development of the Group demands a strong link between remuneration and performance. The Committee is primarily responsible for reviewing and recommending to the Board annually the appropriate level of remuneration for the Directors with the aim to attract, retain, and motivate individual of the highest quality.

The Board believes that remuneration should be sufficient to attract, retain and motivate Directors with the necessary caliber, expertise and experience to ensure success of the Company. In line with this philosophy, remuneration for the Executive Director is aligned to individual and corporate performance. For Non-Executive Directors, the fees are commensurate with the level of experience and responsibilities shouldered by the respective Directors.

The Committee has in place a remuneration policy and is responsible for assessing the compensation package for the Executive Directors. The Executive Directors concerned play no part in the decision of their own remuneration but may attend the committee meetings at the invitation of the Chairman of the committee if their presence is required. The remuneration of the Executive Directors consists of salary and other emoluments, bonus and benefits-in-kind.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN COMPOSITION (CONT'D)

FORMAL REMUNERATION POLICY AND PROCEDURE (CONT'D)

iii. Non-Executive Directors (cont'd)

Remuneration for Non-Executive Directors is determined by the Board as a whole, with individual Director abstaining from discussion of their own remuneration. The Board, subject to a maximum sum as authorised by the Company's shareholders, determines fees payable to Non-Executive Directors. Non-Executive Directors are entitled to fees, meeting allowances and reimbursement of expenses incurred in the course of their duties as Directors.

Directors' remuneration is aggregated and categorised into appropriate component and the number of Directors whose remuneration falls into the successive bands of RM50,000.00, distinguishing between Executive and Non-Executive Directors, are shown on pages 88 and 89.

REINFORCE INDEPENDENCE

ANNUAL ASSESSMENT OF INDEPENDENCE

The Board, via the Nomination Committee undertakes an assessment of its Independent Directors annually to assess the independence of the Directors by taking into consideration of their background, economic, family relationship and disclosed interests and considers whether the Independent Directors can continue to bring independent and objective judgment to the Board's deliberation. The Directors will lose their independence status if they do not satisfy the independence criteria under the definition of independence director in Paragraph 1.01 of the Listing Requirements.

The Board is satisfied that the Independent Directors are independent as they fulfilled the required criteria stipulated in the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Listing Requirements").

TENURE OF INDEPENDENT DIRECTOR

The tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as Non-Independent Director or to obtain shareholders' approval at the general meeting to remain as Independent Director.

Currently, none of the Independent Directors have served the Board for a period of more than nine (9) years.

SHAREHOLDERS' APPROVAL FOR RE-APPOINTMENT AS INDEPENDENT NON-EXECUTIVE DIRECTOR AFTER A TENURE OF NINE YEARS

Currently, none of the Independent Director has served the Board for a period of more than nine (9) years. Hence, no shareholders' approval will be sought for this purpose at the forthcoming Twenty-Second AGM.

SEPARATION OF POSITION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER ("CEO")

The role of the Chairman and the CEO of the Company is distinct and separate with individual responsibilities. The Chairman is responsible for the effective conduct of the Board discussions whilst the CEO is responsible for the running of the day to day operations of the Group. Each of them has clearly defined duties and balance of power and authority.

The CEO and the Executive Directors have a wide range of business and management experience relevant to the direction of the Group. Balance in the Board is further enhanced by the strong presence of Independent Non-Executive Directors. The role of Independent Non-Executive Directors is particularly important in ensuring that the long term interests of shareholders, employees, customers, suppliers and the many communities in which the Group conducts business are being looked after. The Independent Non-Executive Directors, together with the Chairman, are actively involved in Board Meetings and meetings of various Board Committees and provide unbiased, independent views and judgment to the Board's deliberation and decision making process. The composition of the Board also ensures that no individual or group of individuals can dominate the Board's decision-making. The Chairman and the CEO ensure the tone of good governance at Board level and the entire Group.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

REINFORCE INDEPENDENCE (CONT'D)

COMPOSITION OF THE BOARD

The Board is chaired by an Independent Director, comprises five (5) Directors of whom two (2) are Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Executive Directors.

The Company fulfills the prescribed requirement of having at least one-third (1/3) of the Board Members as Independent Non-Executive Directors as stated in Paragraph 15.02 of the Listing Requirements.

Mr Chan Gak Keong and Mr Victor Peh Suan Ean resigned as Independent Non-Executive Directors on 29 September 2016 and 14 October 2016 respectively, and Mr Tan Teck Kiong was appointed as Independent Non-Executive Director on 13 October 2016.

FOSTER COMMITMENT

TIME COMMITMENT

Board meetings are scheduled in advance before the beginning of the new financial year to enable directors to plan ahead and to fit the year's meetings into their respective schedules. The Board has at least five (5) scheduled meetings per annum with additional meetings convened as and when necessary. During the financial year ended 30 June 2016, the Board conducted seven (7) board meetings and each Board member fulfilled the required attendance of board meetings as required under Paragraph 15.05 of the Listing Requirements. Details of the attendance of each Director are stated in the profile of the Board of Directors on pages 10 to 11.

At Board meetings, the Directors deliberate and resolve significant, strategic, operational, financial, corporate and regulatory matters affecting the Group. The Board's relationship with the Management is defined through the CEO who communicates the Board's expectations to the Management of the Group and reports back to the Board on the Group's operation.

The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Group.

PROTOCOLS FOR THE APPOINTMENTS OF DIRECTORS

The Directors of the Group do not hold more than five (5) directorships in public companies as prescribed by the Listing Requirements. All Board members shall notify the Chairman of the Board or Company Secretary before accepting any new directorship. The notification shall include an indication of time that will be spent on the new appointment.

The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company.

TRAINING

The Board also acknowledges the need to continuously enhance the skills and knowledge of its members and to keep abreast with the developments in the industry and economy in order to remain relevant and progressive. The Directors have completed the Mandatory Accreditation Programme ("MAP") and the Continuing Education Programme ("CEP") as prescribed by Bursa Malaysia Securities Berhad except for Mr Tan Teck Kiong as he was appointed on 13 October 2016.

During the financial year 2016, all Directors have attended training and seminar programmes which are relevant and useful to enable the Board of Directors to effectively discharge their duties. These training programmes, seminars, and forums are as follows:

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

FOSTER COMMITMENT (CONT'D)

TRAINING (CONT'D)

Director	Mode of Training	Title of Training	Duration of Training
Beh Sui Loon	Talk	Creating A Better World: The Role of Corporate ASEAN in driving the Sustainable Development Goals	Half Day
	Briefing	Malaysian Code on Corporate Governance: Update and Upcoming Changes	1 day
Yap Phing Cern	Briefing	Malaysian Code on Corporate Governance: Update and Upcoming Changes	1 day
Yap Fei Chien	Talk	Certified International Human Resource Manager (CIHRM) Seminar	3 days
	Briefing	Malaysian Code on Corporate Governance: Update and Upcoming Changes	1 day
Oh Kim Sun	Talk	Khazanah Megatrends Forum 2015 – Harnessing Creative Disruption	2 days
	Talk	Ethics Red Flags for Board of Directors	1 day
	Talk	JP Morgan: Mid-Year Outlook Luncheon	1 day
	Briefing	Malaysian Code on Corporate Governance: Update and Upcoming Changes	1 day

The Board of Directors will continue to devote sufficient time in continuous training to enhance their knowledge and skills as well as to enable them to actively participate in Board deliberations. The Board also kept informed of the requirements and updates issued by Bursa Securities and other regulatory authorities.

UPHOLD INTEGRITY IN FINANCIAL REPORTING

COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

The Board is responsible for presenting a clear, balance and comprehensive assessment of the Group's financial position, performance and prospects each time it releases its quarterly and annual financial statements to its shareholders. The Audit Committee, all of whom are financially literate, reviewed the Company's financial statements, prior to recommending them for approval by the Board and issuance to stakeholders. The Board of Directors with the assistance of the Audit Committee takes reasonable steps to ensure that the financial statements of the Group are prepared in accordance to the accounting standards approved by the Malaysian Accounting Standard Board and comply with the provisions of the Companies Act, 1965.

A statement by the Board of its responsibilities for preparing the financial statements is set out on page 26 of this Annual Report.

The Audited Financial Statements for the financial year 2016 is set out on pages 35 to 146 of this Annual Report.

ASSESSMENT OF SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS

The Board of Directors, via the Audit Committee, establishes formal and transparent relationships with the Auditors. The Auditors are invited to attend Audit Committee meetings to discuss audit plans and findings leading to the finalisation of the financial statements and attending the general meeting.

The Audit Committee carried out annual assessment of the competency and independence of the external auditors. In its assessment, the Audit Committee consider several factors, which included the caliber, reputation and resources of the firm, staff experience and professionalism, audit scope, communication and independence. The Company has in place policy and procedures for the assessment of external auditors and also policy covering the provision of non-audit services which are designed to ensure that such services do not impair the external auditors' independence or objectivity. The external auditors provide mainly audit-related services to the Company. Having assessed their performance, the Audit Committee will recommend their re-appointment to the Board, upon which the shareholder's approval will be sought at the Annual General Meeting.

The external auditors therefore declare their independence annually to the Audit Committee as specified by the By-Laws issued by the Malaysian Institute of Accountants. The external auditors have provided the declaration in their annual audit plan presented to the Audit Committee of the Group.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

RECOGNISE AND MANAGE RISKS

SOUND RISK MANAGEMENT FRAMEWORK AND INTERNAL CONTROL

The Board takes cognizance of its responsibility for identifying, evaluating and managing significant risks within the business environment in which the Group operates. The Board is aware of its responsibility for ensuring the effectiveness and adequacy of the internal control system to address strategic, financial, operational, knowledge and compliance risks within the ambit of applicable laws, regulations, directives, standard operating procedures and guidelines.

The Management is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, and for providing assurance to the Board that the processes have been carried out.

The Audit Committee has been entrusted by the Board to ensure effectiveness of the Group's internal control systems. The activities of the outsourced internal auditors are reported regularly to the Audit Committee which provides the Board with the required assurance in relation to the adequacy and integrity of the Group's system of internal controls.

Recognising that the internal control systems must continuously improve to meet the challenging business environment, the Board will continue to take appropriate action plans to strengthen the Group's internal control system.

INTERNAL AUDIT FUNCTION

The Group has established transparent and appropriate relationships with the outsourced Internal Auditor. The function of internal auditor is described in the Statement of Risk Management and Internal Control.

ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

CORPORATE DISCLOSURE POLICY

The Group is committed to provide accurate, timely, consistent and fair disclosure of corporate information to enable informed and orderly market decisions as well as compliance with the Listing Requirements and Corporate Governance Guide issued by Bursa Malaysia Securities Berhad. As such the Company has adopted a Corporate Disclosure Policy to facilitate the handling and disclosure of material information in a timely and accurate manner. The Corporate Disclosure Policy which set out the policies and procedures for all level of employees, including the CEO. The policy also serves as a guide to enhance awareness among employee of corporate disclosure requirements. Clear roles and responsibilities of Directors, management and employees are provided together with levels of authority, to be accorded to 'designated person(s)', spokespersons and committees in the handling and disclosure of material information. Persons responsible for preparing the disclosure will conduct due diligence and proper verification, as well as coordinate the efficient disclosure of material information to the investing public.

The policy also covers confidentiality to ensure that confidential information is handled properly by Directors, employees and relevant parties to avoid leakage and improper use of such information. The Board of Directors is mindful that information which is expected to be material must be announced immediately.

LEVERAGE ON INFORMATION TECHNOLOGY FOR EFFECTIVE DISSEMINATION OF INFORMATION

The Company recognises the importance of being accountable to its investors and as such has maintained an active and constructive communication policy that enables the Board and Management to communicate effectively with its investors, stakeholders and the public generally.

To promote wider dissemination of corporate and financial information that is made public, a dedicated Investors Relations section is included in the Company's website consisting of various materials including Code of Conduct, Board Charter, Annual Reports, quarterly announcements of the financial results of the Group, announcements and other disclosures made pursuant to the disclosure requirements of the Listing Requirements.

A website is maintained at www.glbhd.com to enable shareholders and other stakeholders to access on the corporate and financial information of the Group.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

ENCOURAGE SHAREHOLDERS PARTICIPATION AT GENERAL MEETINGS

The Board views the AGM as the primary forum to communicate with shareholders. Shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions. Notice of the AGM, Annual Reports and Circular are sent out with sufficient notice before the date of the meeting to enable the shareholders to have full information about the meeting to facilitate informed decision-making.

The Company will convene its Twenty-Second AGM on 22 November 2016 during which shareholders will have the opportunity to direct their questions to the Board. The Board encourages other channels of communication with shareholders. For this purpose, the Board has identified Mr Beh Sui Loon as the Senior Independent Director to whom queries or concerns regarding the Group may be conveyed. Mr Beh Sui Loon can be contacted via the following channels:-

Post : GOLDEN LAND BERHAD
A-09-03, Empire Tower, Empire Subang,
Jalan SS16/1, 47500 Subang Jaya,
Selangor Darul Ehsan.

Email : auditchairman@glbhd.com

Fax : 03-5611 8600

Website : Contact Us” at www.glbhd.com

POLL VOTING

As required by the listing requirements, poll voting will be conducted for all resolutions set out in the Twenty-Second Notice of Annual General Meeting. Poll voting more accurately and fairly reflects shareholders' views by ensuring that every vote is recognised, in accordance with the principle of “one share one vote”. The practice thus enforces greater shareholders rights, and allows shareholders who appoint the Chairman of the Meeting as their proxy to have their vote properly counted in the fulfillment of their voting rights.

EFFECTIVE COMMUNICATION AND PROACTIVE ENGAGEMENTS

The Board recognises the importance of shareholder communication as a key component to upholding the principles and best practices of corporate governance for the Group. The Company strives to maintain an open and transparent channel of communication with its stakeholders, institutional investors and the investing public at large with the objective of providing a clear and complete picture of the Group's performance and financial position as possible. The Company believes that a constructive and effective investor relationship is an essential factor in enhancing value for its shareholders. However, whilst the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

The Company views that timely dissemination of information is important, therefore such communication is done through various disclosure and announcements to Bursa Malaysia Securities Berhad, the Annual Report, and Circular to Shareholders. The financial results of the Company and the Group, other corporate announcements and press conference are accessible via the Bursa Malaysia Securities Berhad's website and the Company's website at www.glbhd.com. General corporate information and product information are also available at the Company's website.

The AGM serves as an ideal opportunity for dialogue and interaction with both institutional and individual shareholders, who are given the opportunity to enquire and seek clarification on the operations and financial performance of the Group.

Besides the above, the Board believes that the Company's website and Annual Report are a vital and convenient source of essential information for existing and potential investors and other stakeholders.

The above statement is made in accordance with a resolution of the Board of Directors dated 6 October 2016.