

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0223
COMPANY NAME : Samaiden Group Berhad
FINANCIAL YEAR : June 30, 2021

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is responsible for the leadership, oversight, control, development and long-term success of the Group. It is also responsible for instilling the appropriate culture, values and behaviour throughout the Group.</p> <p>The Company's Board Charter defines the following duties and responsibilities of the Board which can be found at the Company's website at www.samaiden.com.my:-</p> <ul style="list-style-type: none">(a) to review and adopt a strategic plan of the Group and responsible for monitoring the implementation of the strategic plan by Management;(b) to oversee the conduct of the Group's businesses and evaluate whether the businesses are being properly managed;(c) to ensure that the Group's strategies promote sustainability;(d) to identify principal business risks faced by the Company and the Group and ensure implementation of appropriate systems to manage these risks;(e) to consider and implement succession planning including the implementation of appropriate systems for recruitment, training and replacement of senior Management staff;(f) to oversee the development and implementation of an investors relations programme or shareholder communication policy for the Group;(g) to review the adequacy and the integrity of the Group's internal control systems and management information system;(h) to determine the remuneration of Executive Directors and Non-Executive Directors of the Company, with the individuals concerned abstaining from discussions of their own remuneration; and(i) to ensure that the Group adheres to high standards of ethics and corporate behaviour.

	<p>The Board has delegated some of its responsibilities to the Committees of the Board, namely Audit and Risk Management Committee (“ARMC”), Nominating Committee (“NC”) and Remuneration Committee (“RC”). The Board Committees’ roles and responsibilities in discharging its functions are set out in the Terms of Reference of each Committees.</p> <p>While the responsibility for monitoring the effectiveness of the Group’s risk management and internal control systems has been delegated to the ARMC, the Board retains ultimate responsibility for determining the Group’s “risk tolerance” and annually considers a report in relation to the monitoring, controlling and reporting of identified risks and uncertainties. In addition, the Board receives regular reports from the Chairman of the ARMC in the area of internal control.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Dato' Dr. Nadzri Bin Yahaya helms the Board as Independent Non-Executive Chairman to provide leadership at Board level and represents the Board to shareholders and other stakeholders. The Chairman presides over meetings of the Board and is responsible for instilling best corporate governance practices, providing leadership and ensuring effectiveness of the Board and its Committees. The Chairman is primarily responsible for the following:</p> <ul style="list-style-type: none">(a) Providing leadership to the Board in ensuring the effectiveness of all aspects of its role;(b) The efficient organisation and conduct of the Board's function, chairing Board meetings and encouraging all Directors to play an active role in Board activities;(c) Taking the lead in setting the values and standards of the Company;(d) Ensuring quality information is furnished to Board members on a timely basis to facilitate decision-making;(e) Ensuring accurate and timely information, in particular, about the performance of the Company is furnished to Board members;(f) Chairing general meetings of shareholders and ensuring orderly conduct and proceedings of such meetings;(g) Ensuring effective communication with shareholders and stakeholders; and(h) Facilitating the contribution of Non-Executive Directors and ensuring constructive work relations be maintained between Executive and Non-Executive Directors. <p>The Chairman's role and responsibilities have been set forth in the Board Charter which is available on the Company's website at www.samaiden.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of having different individuals holding the positions of Chairman and CEO so as to ensure a balance of power and authority and no individual has unfettered powers of decision and control.</p> <p>The position of Chairman and Group Managing Director ("GMD") are held by Dato' Dr. Nadzri Bin Yahaya and Ir. Chow Pui Hee respectively.</p> <p>The Board has delegated responsibilities for the management of the Group, through the GMD, to manage the daily operations. The GMD is responsible for the following key functions:-</p> <ul style="list-style-type: none">(a) Develop and implement corporate strategies and business development for the Group;(b) Manage the team such that they deliver the strategies and plans approved by the Board;(c) Ensure the Company has an effective management team and structure as well as develop management skills and putting in place an effective management succession plan to sustain continuity of operations. The succession planning, including ensuring that processes are in place to recruit senior management with the highest standards of integrity and competence, and to train, develop and retain them;(d) Coordinates business plans with the businesses heads, coordinates management issues through the Board, and oversees divisional function groups and cost containment process in consultation with the Chief Financial Officer;(e) Ensure the efficiency and effectiveness of the operations for the Group and that the business and affairs of the Group are carried out in an ethical manner and in compliance with the relevant laws and regulations;(f) Achievement of Company's goals and observance of management authorities delegated by the Board;(g) Be the official spokesman for the Company and responsible for regulatory, governmental and business relationships;(h) Ensure that the financial management practice is performed at the highest level of integrity and transparency; and(i) Ensure that effective internal controls for the Group are instituted.

	There is a clear division of responsibilities between the roles of the Chairman and GMD, which are clearly demarcated in the Board Charter.	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

Intended Outcome

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

Practice 1.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by two (2) suitably qualified Company Secretaries in discharging their functions. Both are Associate members of The Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and qualified under Section 235 of the Companies Act 2016. The Company Secretaries attended relevant conferences and training programmes to keep themselves abreast with the regulatory changes and corporate governance development.</p> <p>The Company Secretaries play an advisory role to the Board, particularly in relation to the Company's Constitution, Board policies and procedures and its compliance with regulatory requirements and advocate adoption of corporate governance best practices. The Board is regularly updated and advised by the Company Secretaries on new statutory and regulatory requirements as well as corporate governance best practices to enable them to discharge their duties and responsibilities effectively. All Directors have ready and unrestricted access to the advice and services of the Company Secretaries in carrying out their duties. The appointment and removal of the Company Secretaries should be a matter for the Board as a whole.</p> <p>The Company Secretaries attended all Board, Board Committees and general meetings and ensure that deliberations and resolutions passed are accurately and properly documented. The Company Secretaries also work closely with the Senior Management to ensure timely and appropriate information flows within the Board and Board Committees, and between the Non-Executive Directors and Senior Management.</p> <p>Further details on the roles of the Company Secretaries are set forth in the Company's Board Charter.</p>
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

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

Application	:	Applied
Explanation on application of the practice	:	<p>Prior to the Board and Board Committee meetings, a formal and structured agenda together with the agenda papers are forwarded to the Directors via electronic mail at least five (5) days prior to the Board and Board Committee meetings. Exceptions may be made for certain ad-hoc or urgent instances when Directors unanimously consent to a shorter notice period and elapsed timeframe for the provision of agenda papers. This is to accord sufficient time for the Directors to review, consider and obtain further information or seek clarification on the matters to be deliberated at the meeting, if required, from the Senior Management or the Company Secretaries.</p> <p>The minutes of the Board and Board Committees meetings accurately reflects the deliberations and decisions made, including any dissenting views and matters where Directors abstained from voting and deliberation. Draft minutes of the meetings are circulated to the Board of Directors and Committee members for their comments and necessary action in a timely manner, prior to confirmation at the following meeting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter was adopted by the Board on 19 December 2019 in preparation for the listing of the Company. The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 15 October 2020.</p> <p>The Board Charter is available on the Company's website at www.samaiden.com.my which has been incorporated into the Group's governance system, documented policies that the Board has decided upon to meet, among others, its responsibilities, governance and leadership as a description tool of how the Board operates. It also sets out the delegation of authority by the Board to the Board Committees namely, ARMC, RC and NC.</p> <p>There is a formal schedule of matters reserved to the Board for consideration and decision which is set out in the Board Charter.</p> <p>The Board Charter will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the Board in discharging its duties and responsibilities.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Code of Conduct and Ethics for Directors has been adopted by the Board on 27 May 2021. All Directors are expected to uphold the highest standard of integrity, ethical conduct and corporate governance in discharging their duties.</p> <p>All of the Group’s relationships are underpinned by high ethical standards, as expressed in its Code of Conduct and Ethics for Directors (“the Code”) which set acceptable practices and guide the behaviour of directors. A copy of the Code can be found on the Company’s website at www.samaiden.com.my.</p> <p>The acceptable practices and behaviour of management and employees are included in the employees’ handbook.</p>	
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	:	<p>The Board had established a Whistleblowing Policy and Procedures setting out procedures with the objective to provide an avenue where genuine concerns related to possible improprieties in matters of financial reporting, compliance and other malpractices can be objectively investigated and addressed.</p> <p>The details of the Whistleblowing Policy and Procedures can be found on the Company’s website at www.samaiden.com.my.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board currently comprises two (2) Executive Directors and three (3) Independent Non-Executive Directors. Independent Directors are expected to challenge management proposals constructively and to examine and review management performance in meeting agreed objectives and targets. In addition, they are expected to draw on their experience and knowledge in respect of any challenges facing the Group and in relation to the development of proposals on strategy.</p> <p>The current size and composition of the Board is within a range which is appropriate. The current size of the Board is sufficient to enable its Committees to operate and being dynamic and responsive to the needs of the Group.</p> <p>The Board as a whole has the appropriate blend of skills, knowledge and experience, from a wide range of industries and backgrounds, necessary to lead the Group.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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 justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.

Application	:	Not applicable - No independent director(s) serving beyond 9 years	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 4.4

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to encourage diversity and inclusion in the workplace. The Board had on 27 May 2021 adopted the Board Diversity Policy.</p> <p>In recommending the appointment of Directors and Senior Management, the NC considers salient attributes such as mix of skills and experience, strengths, expected contribution, independence (where applicable) and the multiple facets of diversity to ensure a balanced mix of talents on the Board and Senior Management level.</p> <p>The Board, alongside the NC, undertakes periodic reviews of the composition of the Board and Senior Management to ensure that they remain diverse.</p> <p>The Board Diversity Policy is available on the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.5

The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company had on 27 May 2021 adopted the Board Diversity Policy which outlines its approach to achieving and maintaining diversity (including gender diversity) on its Board of Directors.</p> <p>Currently, the Board has two (2) women directors out of the five (5) Board members, namely Ir. Chow Pui Hee and Olivia Lim, which represents 40% of the Board's composition.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.6

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.

Application	:	Applied	
Explanation on application of the practice	:	The NC is responsible to identify and select the potential candidates as Director through various channels and avenues to identify suitably qualified candidates in addition to considering potential candidates proposed by senior executive, any Director or shareholder, prior to making recommendation to the Board. There was no new appointment of Director since the listing 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 4.7

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

Application	:	Applied	
Explanation on application of the practice	:	The NC is chaired by Ms Olivia Lim, 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

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

Practice 5.1

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 and its outcome.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

Application	:	Applied	
Explanation on application of the practice	:	<p>The NC had on 27 September 2021 conducted an internally facilitated annual assessment to determine the effectiveness of the Board, Board Committees and individual director and performance and contribution of each director in respect of the financial year ended 30 June 2021.</p> <p>The results and recommendations from the evaluation were reported to the Board for full consideration and action. The Board was comfortable with the outcome and that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman possesses the leadership to safeguard the stakeholders’ interest and ensure the Group’s performance. The NC was satisfied that the existing Board and Board Committees have discharged their respective roles and responsibilities in a conscientious manner.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 6.1

The board has in place 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 policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Presently, there is no formal process for approving the remuneration of the Executive Directors, Non-Executive Directors and Senior Management as the Company was newly listed on 15 October 2020. However, the remuneration policy of Directors and Senior Management is being considered and looked into. The Board through the RC has identified this area as one of the key focus areas for further deliberation in due course.</p> <p>Although the Company has yet to have in place a written policy on the remuneration of Directors and Senior Management, the Company has put in place informal procedures to determine their remuneration.</p> <p>In determining the remuneration of the Directors and Senior Management, the Company's objective is to provide fair and competitive remuneration to its Board and Senior Management in order for the Company to benefit by attracting and retaining a high quality team.</p> <p>When reviewing the structure and level of Directors' fees, the RC takes into consideration of Directors' roles and responsibilities. The RC also took into consideration peers' practices, demands, complexities and performance of the Company in addressing material sustainability risks and opportunities. The fees for Directors are recommended by the Board for approval from shareholders at the Annual General Meeting ("AGM").</p>

	The remuneration packages of the Executive Directors and Senior Management also being reviewed annually by the RC, taking into consideration the Company/Group’s performance, the individual performance against the key performance indicators determined as well as the required qualification, skills and experience and comparable market statistics.	
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 6.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has established a RC that comprises solely of Independent Non-Executive Directors, and is chaired by Dato’ Dr. Nadzri Bin Yahaya.</p> <p>The RC is principally responsible for reviewing and assessing the remuneration packages of Executive Directors, Non-Executive Directors and Senior Management in all forms to ensure that they remain competitive, appropriate and commensurate with their experience, skills, level of responsibilities as well as industry benchmark to drive the Company towards long-term sustainable growth.</p> <p>A copy of the Terms of Reference of RC is available on the Company’s website at www.samaiden.com.my.</p>	
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 7.1

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

Application :	Applied				
Explanation on application of the practice	In conjunction with the listing of the Company, the remuneration of the Directors of the Company is disclosed on a named basis in the prospectus of the Company. The details of the remuneration of Directors received from the Company and subsidiary companies during the financial year ended 30 June 2021 are as below:-				
		Company	Subsidiaries		Group
	Directors	Director Fee RM	Salary & Bonus RM	EPF & SOSCO & EIS RM	Total RM
	Dato’ Dr. Nadzri Bin Yahaya	45,000	-	-	45,000
	Ir. Chow Pui Hee	-	396,000	48,924	444,924
	Fong Yeng Foon	-	336,000	40,763	376,763
	Lim Poh Seong	36,000	-	-	36,000
	Olivia Lim	27,000	-	-	27,000
	Total	108,000	732,000	89,687	929,687
Explanation for departure					
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>					
Measure :					
Timeframe :					

Intended Outcome

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

Practice 7.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board has considered this practice and is of the view that the disclosure of the top five (5) Senior Management’s remuneration on a named basis would not be in the best interest of the Group due to the competitive environment for talents within the industries the Company and its subsidiaries operate in.	
		The Board ensures that the remuneration of Senior Management is fair and commensurate with the performance of the Company and the contribution made by the Senior Management, with due consideration to attract, retain and motivate such key personnel.	
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 7.3 - 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 8.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the ARMC is Mr Lim Poh Seong, while the Chairman of the Board is Dato' Dr. Nadzri Bin Yahaya. Having the positions of Board Chairman and Chairman of the ARMC assumed by different individuals, allows the Board to objectively review the ARMC's findings and recommendations with unfettered objectivity.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC has stated in its Terms of Reference that a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the ARMC as to safeguard the integrity and independence of the audit process.</p> <p>The Terms of Reference of the ARMC is available on the Company's website at www.samaiden.com.my.</p> <p>None of the members of the ARMC are former key audit partners of external audit firm(s) servicing the Company or the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is 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 8.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The ARMC have yet to adopt policies and procedures to assess the suitability, objectivity and independence of the External Auditors, but had adopted an External Auditors Evaluation Form for such purpose.</p> <p>The ARMC had on 27 September 2021 carried out the annual assessment to determine the calibre, performance and independence of Crowe Malaysia PLT ("Crowe") as the External Auditors of the Company in respect of the financial year ended 30 June 2021.</p> <p>Based on the assessment results, the ARMC was satisfied with the suitability of Crowe. Based on the ARMC's recommendation and having regard to the outcome of the annual assessment of External Auditors, the Board had agreed that the re-appointment of Crowe as External Auditors of the Company be recommended to the shareholders for approval at the forthcoming AGM of the Company.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors as disclosed in ARMC Report of the Annual Report 2021.

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 8.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate 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 current members of the ARMC possess a range of skills and the requisite financial literacy to meet their responsibilities and provide an effective level of challenge to management. All the ARMC members have kept abreast with issues and trends through articles, periodicals and online seminars.	
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 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges its overall responsibilities for the Group's risk management and internal control system within the Group and is focusing on setting the procedures and culture towards their effectiveness. The ARMC has been entrusted to assist the Board in discharging its roles and responsibilities to oversee the effectiveness of risk management and internal control systems, and also to advise the Board on the principal risks facing the business including those that would threaten its solvency or liquidity.</p> <p>The Board has established a risk management framework for identifying, evaluating and managing significant risks faced by the Group. A professional firm has been engaged during the financial year to assist the Group in reviewing and updating the risk register which incorporates the current business risks, opportunities and their mitigating actions.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 9.2

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 Board has established a framework to formulate and review risk management policies and risk strategies. Further information on the Group's risk management and internal framework is presented in the Statement on Risk Management and Internal Control of the Annual Report 2021.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 9.3 - Step Up

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

Application :	Not Adopted
Explanation on adoption of the practice :	

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 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>In preparation of the Company's listing, the Company had engaged an external consultant to carry out the internal review over the Group. Following the listing, the Company had outsourced the internal audit function to GovernanceAdvisory.com Sdn Bhd, a professional firm.</p> <p>The ARMC is responsible for monitoring and reviewing the effectiveness of the Group's internal audit function. The outsourced Internal Auditors report directly to the ARMC. Its role is to provide independent assurance on the adequacy and the effectiveness of the risk management, internal control and governance process of the Group. After the audit, an internal audit report summarising the audit findings, recommendations for improvements and Management's responses to the findings and recommendations were tabled to the ARMC at the ARMC meetings. The Internal Auditors will perform follow-up audits subsequently to ensure that corrective actions had been implemented.</p> <p>For further details, please refer to ARMC Report of the Annual Report 2021.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 10.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Internal Auditors reports to the ARMC. This reporting relationship promotes independence and objectivity, which assures adequate consideration of audit recommendations and planned corrective actions, and gives the Internal Audit staff the authority needed for full, free and unrestricted access to all operations, records, property and personnel within the Group.</p> <p>The internal audit function is outsourced to an independent professional firm, GovernanceAdvisory.com Sdn. Bhd, to ensure objectivity and independence of the work. The engagement Executive Director is Wong Tchen Cheg who has diverse professional experience in internal audits, risk management and supply chain advisory. He is a member of the Malaysian Institute of Accountants (MIA) and CPA Australia.</p> <p>The number of staff deployed for the internal audit reviews is ranging from three (3) to four (4) staff per visit including the Engagement Executive Director. The staff involved in the internal audit reviews possesses professional qualifications and/or a university degree.</p> <p>The Internal Auditors, GovernanceAdvisory.com Sdn Bhd is free from any relationship or conflicts of interest which could impair their objectivity and independence. The internal audit function is carried out in accordance with The International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors ("IIA").</p>
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 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to provide shareholders and investors with accurate, useful and timely information about the Company's businesses and activities. The Board is also steadfast in ensuring that all communications to the investing public regarding the business operations and financial performance of the Group are made in a timely, accurate, unswerving and informative manner.</p> <p>Shareholders will receive regular communication from the Company through the release of quarterly reports to Bursa Securities and Annual Reports.</p> <p>In addition, the Company will communicate other information to the shareholders by way of announcement to Bursa Securities as and when necessary.</p> <p>The AGM will be the principal forum for dialogue with shareholders, who will be given the opportunity to enquire and seek clarification on the operations and financial performance of the Group.</p> <p>The Company's website at www.samaiden.com.my has an Investors section to ensure shareholders and investors are provided with sufficient information on a timely basis to make informed investment decisions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 11.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Not applicable as the Company is not a Large Company as defined under the Malaysian Code on Corporate Governance.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Notice convening the Second (2 nd) AGM scheduled to be held on 23 November 2021 is issued on 22 October 2021, giving the shareholders at least 28 clear days notice (exclude the day of sending the notice and the day of the meeting). The Notice outline the resolutions to be tabled during the meeting and accompanied with explanatory notes and background information where applicable to provide clarity on the matters that will be decided at the AGM. In addition to sending of the AGM notice, the Company will also announce it via Bursa Securities and publish it on the newspaper and the Company’s website.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>During the Extraordinary General Meeting of the Company which was held on 27 May 2021 (“the EGM”), all Directors attended the EGM to address questions from the shareholders.</p> <p>All the five (5) Directors will also endeavour to attend the forthcoming 2nd AGM and engage directly with the shareholders and will be accountable for their stewardship of the Company. Amongst them will be the Chairman of the ARMC, RC and NC.</p> <p>The Directors, Senior Management and External Auditors will respond to queries from the shareholders.</p>	
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 12.3

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate–

- including voting in absentia; and
- remote shareholders' participation at General Meetings.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has conducted the EGM on 27 May 2021 virtually through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via TIIH Online website at https://tiih.online. Shareholders were able to attend, speak (in the form of real time submission of typed texts) and vote remotely at the EGM using RPV facilities.</p> <p>As part of the Company's precautionary measures against the Covid-19 pandemic, the 2nd AGM of the Company will also be held virtually through live streaming from the broadcast venue where shareholders will participate in the meeting, including posing questions to the Board, via real time submission of typed texts. All resolutions set out in the Notice of the 2nd AGM will be voted remotely via the RPV facilities.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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