

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0223
COMPANY NAME : SAMAIDEN GROUP BERHAD
FINANCIAL YEAR : June 30, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>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 which was last revised on 26 May 2022 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 promote good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviour with the Senior Management;(b) to review and adopt a strategic plan of the Group and responsible for monitoring the implementation of the strategic plan by Senior Management;(c) to oversee the conduct of the Group's businesses and evaluate whether the businesses are being properly managed;(d) to ensure that the development and implementation of the Group's strategies, business plans, major plans of action and risk management take into account sustainability consideration;(e) to identify principal business risks faced by the Company and the Group and ensure the implementation of appropriate systems to manage these risks;(f) to consider and implement succession planning including the implementation of appropriate systems for recruitment, training and replacement of Senior Management staff;(g) to oversee the development and implementation of an investors relations programme or shareholder communication policy for the Group;(h) to review the adequacy and the integrity of the Group's internal

	<p>control systems and management information system;</p> <p>(i) 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</p> <p>(j) to ensure that the Group adheres to high standards of ethics and corporate behaviour.</p> <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	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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) Setting board agenda and 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 that their views are communicated to the Board; 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	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<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 staff 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

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

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	Dato' Dr. Nadzri Bin Yahaya, the Independent Non-Executive Chairman of the Company, is a Chairman of the RC, and a member of the ARMC and NC of the Company.
	:	Despite Dato' Dr. Nadzri Bin Yahaya's role as the Chairman of the Board and involvement in the Board Committees, he exercises independent and objective judgement with his extensive experience. In addition, the Chairman is not involved in the Company's management and operational matters.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>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	:	

<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 1.6

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

Application	:	Applied	
Explanation on application of the practice	:	<p>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 which was subsequently revised on 26 May 2022 is made available on the Company's website at www.samaiden.com.my and 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	:		
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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	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>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

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

Practice 4.1

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

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledges the importance of incorporating environment, social and governance ("ESG") aspects throughout the business operations and has embedded sustainability considerations into the Company's strategies and business plans, for delivering sustainable value to stakeholders and performance of the Company. Management is also constantly looking for business opportunities which can fulfil the Group's sustainability obligations. For instance, energy efficient battery business. The Management will consider sustainability elements such as carbon emission, energy saving and environmental friendly in formulating business plans.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is cognisant of the value of communicating the Company's sustainability strategies, priorities and targets to external and internal stakeholders.</p> <p>Sustainability Statement is included in the Company's Annual Report to ensure that external stakeholders are well informed. In addition, employees are updated with the Company's sustainability matters via internal communication such as Town Hall Meeting.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Board is being regularly updated with the progress of the Company's renewable energy business, which is aligned with the Company's commitment in addressing sustainability issues such as global warming resulted from climate change.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	Annual evaluation of the Board and Senior Management is included with the assessment of the Board and Senior Management's performance in addressing the Company's material sustainability risks and opportunities.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	Ir. Ts. Levin Sim Jun Chiet, the Business Unit Head of Bioenergy, is the dedicated person within management who is tasked to focus on sustainability business and to review regularly the operations of the Company to ensure sustainability considerations are factored in.

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Annual evaluation is conducted for each Director and the results are deliberated in NC meeting to ensure the Board consists of appropriate mixture of Directors with various background and expertise and gender and ethnicity.</p> <p>Re-election of director is deliberated in NC meeting which include the assessment of his or her capability, time commitment, integrity before they are recommended for the Board to seek the approval from shareholders on their re-election of directors.</p> <p>The Board had on 26 May 2022 adopted a Directors' Fit and Proper Policy which serves as a guide for the NC in their review of Directors who are subject to retirement and re-election at the 2022 Annual General Meeting ("AGM").</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board currently comprises two (2) Executive Directors and three (3) Independent Non-Executive Directors. The Independent Directors who make up to 60% of the Board, 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 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	Currently, there are no Independent Directors serving beyond a cumulative term limit of nine years. Should the Board wish to retain an Independent Director who has served a cumulative term of nine (9) years, his/her independence should be reviewed and if deemed appropriate for continuance in the office, justification shall be provided and seek shareholders' approval through a two-tier voting process at the AGM.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	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 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to encourage diversity and inclusion in the Board and workplace. The Board had on 26 May 2022 revised the Diversity Policy to include both Directors and Senior Management. The same is made available on the Company's website.</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>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	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	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	The detailed information of Director seeking for re-election is included in the Annual Report. The Explanatory Notes to the agenda on re-election of Directors in the AGM notice includes a statement of the Board’s support on the re-appointment and the reasons in relation thereto.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is chaired by Ms Olivia Lim, an Independent Non-Executive Director. The NC comprises exclusively three (3) Non-Executive Directors, as follows:-</p> <ul style="list-style-type: none"> i) Olivia Lim – Independent Non-Executive Director (Chairperson) ii) Dato’ Dr. Nadzri Bin Yahaya – Independent Non-Executive Director (Member) iii) Lim Poh Seong – Independent Non-Executive Director (Member) <p>The Board recognises the need for the Chairperson of the NC to be independent to ensure objectivity and independence in judgement during deliberations.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	Currently, the Board consists of 2 women directors out of total 5 directors, representing 40% of the women in the Board .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Diversity Policy last revised on 26 May 2022 covers gender diversity for the Board and Senior Management. The Company’s policy on the same is included in Corporate Governance Overview Statement of the Annual Report.</p> <p>The Board acknowledges the importance of promoting gender diversity in the Board and Senior Management. While diversity would be taken into consideration, selection of candidates would be based on merit and contributions that the individual could bring to the Board and Senior Management.</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 form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Board had on 26 May 2022 adopted a Directors' Assessment Policy, which sets out the approved criteria and principles established for the assessment of the Directors of the Company.</p> <p>The NC had on 30 August 2022 conducted an 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 ("FYE") 30 June 2022.</p> <p>The results and recommendations from the evaluation were reported to the Board for full consideration and action. The Board was satisfied 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. The evaluation also helped individual Directors understand and determine their upskilling or development needs.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Remuneration Policy for Directors and Senior Management was adopted by the Board on 26 May 2022 and is made available on the Company's website, www.samaiden.com.my.</p> <p>The Board, as a whole, determines the level of remuneration package of Non-Executive Directors, Executive Directors and Senior Management with the interested Directors abstaining from any deliberations or voting on their own remuneration.</p> <p>The remuneration package for Non-Executive Directors commensurate with their expertise and responsibilities, as well as the Company's performance in managing material sustainability risks and opportunities, benchmarked against the market rate within similar industry. The remuneration package for Executive Directors and Senior Management further takes into consideration individual and other corporate performance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board 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>The Remuneration Policy for Directors and Senior Management adopted on 26 May 2022 and the Terms of Reference of the RC which was last revised on 26 May 2022 are made 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

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	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 the Group during the financial year ended 30 June 2022 are in next page.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Dr. Nadzri Bin Yahaya	Independent Director	60	-	-	-	-	-	60	60	-	-	-	-	-	60
2	Ir Chow Pui Hee	Executive Director	-	-	-	-	-	-	-	-	-	456	-	-	56	512
3	Fong Yeng Foon	Executive Director	-	-	-	-	-	-	-	-	-	378	-	-	46	424
4	Lim Poh Seong	Independent Director	48	-	-	-	-	-	48	48	-	--	-	-	-	48
5	Olivia Lim	Independent Director	36	-	-	-	-	-	36	36	-	-	-	-	-	36
6	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

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

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of 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	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Terms of Reference of the ARMC which was last reviewed on 26 May 2022, sets out that a former key audit partner to observe a cooling-off period of at least three (3) 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 9.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>An External Auditors' Assessment Policy was adopted by the Board on 26 May 2022.</p> <p>The ARMC had on 30 August 2022 carried out the annual assessment to determine the calibre, performance and independence of TGS TW PLT ("TGS") as the External Auditors of the Company in respect of the FYE 30 June 2022.</p> <p>Based on the assessment results, the ARMC was satisfied with the suitability of TGS. 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 TGS as External Auditors of the Company be recommended to the shareholders for approval at the forthcoming AGM of the Company.</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 9.4 - 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.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	The 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. The qualification and experience of the individual ARMC members are disclosed in the Annual Report. All the ARMC members have kept abreast with issues and trends through articles, periodicals and online seminars.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board 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 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a framework to formulate and review risk management policies and risk strategies. The Board, assisted by the ARMC, reviews risk management and internal control issues identified by the Internal and External Auditors. The ARMC also monitors and assesses the risk appetite and risk tolerance of the Group, so as to safeguard the shareholders' investment and the Group's assets.</p> <p>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.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - 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 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>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 .</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 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Internal Auditors reports directly 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	:	

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board 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	:		
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Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Notice of the Second AGM which was held on 23 November 2021 was issued on 22 October 2021, gave the shareholders at least 28 clear days' notice (exclude the day of sending the notice and the day of the meeting). The Notice outlined the resolutions to be tabled during the general meeting and accompanied with explanatory notes and background information where applicable to provide clarity on the matters that were then decided at the AGM. In addition to sending of the AGM notice, the Company had also announced it via Bursa Securities and published it on the newspaper and the Company's website.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the Second AGM and the Extraordinary General Meeting ("EGM") of the Company which was held on 23 November 2021 and 26 May 2022, all Directors together with the Chief Financial Officer attended the general meetings to address questions from the shareholders.</p> <p>All the five (5) Directors will also endeavour to attend the forthcoming Third 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	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has conducted the Second AGM as well as the EGM held on 26 May 2022 virtually through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") 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>The following measures were implemented to encourage shareholders' attendance and participation and ensure that there will be no meeting interference and all participants' data are kept secure and safe:-</p> <ul style="list-style-type: none">(a) Administrative Guide was circulated to the shareholders together with the Notice of Second AGM and EGM as to facilitate remote participation and e-voting;(b) Electronic lodgement of proxy forms was provided by Tricor via TIIH Online website;(c) Electronic submission of questions by shareholders was allowed via TIIH Online prior to the date of general meeting or during the general meeting;(d) The Second AGM and EGM proceeding were live streamed to TIIH Online for remote participants to watch live; and(e) Tricor had put in place information technology security measures to prevent cyber threats and data breaches.
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman of the Board is the Chairman of the Second AGM and EGM held in November 2021 and May 2022, respectively who briefed the shareholders on each agenda of the AGM and EGM prior to the voting session and allowed sufficient time for shareholders to raise questions during the Question and Answer ("Q&A") Section.</p> <p>The Group Managing Director and Chief Financial Officer answered all questions posed by shareholders during the Q&A Section accordingly.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Second AGM as well as the EGM held on 26 May 2022 were held via a fully virtual platform at http://tiih.online.</p> <p>Shareholders were allowed to pose questions via the platform, which were made visible to all meeting participants. All pertinent questions and answers have been recorded in the minutes and made available on the Company's website.</p> <p>Shareholders were also allowed to submit their votes via the platform within a stipulated time. A video guide on the online remote voting process was shown before the voting commenced. Upon completion of the polling process, the poll results were verified by the scrutineer before the Chairman declared all the resolutions carried.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Minutes of the Second AGM and EGM held on 23 November 2021 and 26 May 2022 respectively had been published on the Company's website within 30 business days after the general meeting.
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 PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

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

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