

CORPORATE GOVERNANCE REPORT

STOCK CODE : 2127
COMPANY NAME : COMFORT GLOVES BERHAD
FINANCIAL YEAR : December 31, 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 accountable and responsible for the performance and affairs of the Company by overseeing the Group's strategies, policies and performance. The Board believes that adhering to corporate governance values is not only achieving the desired performance of the Company but also promoting ethical, professional and sustainable culture.</p> <p>The Board's roles and responsibilities is guided by the Board Charter, which sets out the principles and guidelines that are to be applied by the Board whereas the Board committees are also guided by its respective Terms of Reference. The Board Charter and Terms of Reference for each Board Committee are available on Comfort's website at www.comfort-rubber.com.my.</p> <p>To discharge the Board's responsibility, the Board has assumed the following roles and responsibilities:</p> <ul style="list-style-type: none">• To review the performance of the Company and major operating subsidiaries of the Company and to approve the reports for release to Bursa Malaysia Securities Berhad.• To ensure that there is an appropriate succession plan or training for members of the Board and newly appointed Directors.• To review the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.• To ensure compliance with rules and review and revise the policies if necessary.• To be accountable to the shareholders and stakeholders 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

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The roles and responsibilities of the Chairman of the Board have been clearly set out in the Board Charter of the Company, which is available on Comfort's website at www.comfort-rubber.com.my.</p> <p>The Executive Chairman helmed by Tan Sri Dato' Lau Eng Guang plays a key role in leading and ensuring the adequacy and effectiveness of the Board's performance and governance practices. He is primarily responsible for conducting Board Meetings and to ensure the Board's functions are carried out effectively in all aspects of its roles. The Chairman of the Board also acts as Chairman at the general meetings.</p> <p>In fulfilling his role, the Chairman: -</p> <ul style="list-style-type: none">• lead the Board in establishing and monitoring good corporate governance practices in the Company.• ensure that general meetings are conducted effectively and in accordance with the Act, and that shareholders of the Company have adequate opportunity to express their views and obtain the answers to their queries.• chairing Board meetings and encouraging positive contributions from each Board member.• arranging annual evaluation of the performance of the Board members, its Committees and individual Directors, including the assessment of the independence of Independent Directors.• ensure the information received by the Directors are on timely basis, accurate and clear.• ensure that the Directors are properly briefed on the issues arising at the Board meetings.
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	:	The Chairman of the Board is held by Tan Sri Dato' Lau Eng Guang whilst the Group Chief Executive Officer is held by Mr. Lau Joo Yong. The roles of the Chairman and the Group CEO are distinct and segregated with responsibilities clearly drawn out to ensure a balance of power and authority in the Board and provided 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 Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Executive Chairman is not a member of the Audit Committee, Nomination Committee and Remuneration Committee.
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 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretary, Ms Chan Eoi Leng from Boardroom Corporate Services Sdn. Bhd. (an established and experienced practice) has more than 15 years in handling corporate secretarial matters in the professional and corporate sector. Ms Chan Wai Man was appointed as joint Secretary on 1 September 2022 and has been involved in corporate secretarial work for more than 7 years.</p> <p>Both the Company Secretaries are also registered with the Companies Commission of Malaysia under Section 241 of the Companies Act 2016 and members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA").</p> <p>In promoting good corporate governance practices, the Company Secretaries assists the Board in meeting regulatory requirements and best practices. The Board has unrestricted access to the professional independent advice and services from the Company Secretary and the Company Secretary also keep the Board updated on matters relating to the new statutory and regulatory requirements and corporate governance.</p> <p>The Company Secretary also assist the Board in conducting meetings to ensure that meetings are properly convened and accurate and proper records of the proceedings and resolutions passed are taken and maintained at the Registered Office of the Company.</p> <p>The Company Secretary also circulated in advance to Directors and the persons who are deemed privy to any price sensitive information a Notice on the closed period dealings based on the targeted date of announcement of the Group's quarterly results.</p> <p>The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in the discharge of its functions. The Company Secretary constantly keep themselves abreast of the regulatory changes and development in the CG through attendance at relevant conferences and training programmes. The Company Secretary would also advise the Board on corporate disclosures and compliances with relevant changes to the laws, rules and regulations, arising from the Companies Act 2016 and amendments to the Main Market Listing Requirements.</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>An annual calendar of Board Meetings, Board Committees meetings and the Annual General Meeting is circulated in advance of each new year in order to facilitate the Directors in discharging their responsibilities efficiently.</p> <p>The Notice of the Board and Board Committees meetings are sent to the Directors via email at least seven days before the Meetings and full sets of the Board papers are circulated via email at least five days before the Meetings. This enables the Directors to have sufficient time to peruse the Board papers and seek clarifications or further details from the related party.</p> <p>The deliberations and decisions at Board and Board Committees meetings are well recorded in the minutes. The minutes of the Meetings are circulated to all Directors and tabled for confirmation at the next meeting. The minutes of Meetings are duly signed by the Chairman and properly kept at the Registered Office.</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

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 and Terms of References clearly set out the respective roles and responsibilities of the Board, Board Committees, Individual Directors and Management.</p> <p>The Board Charter and Terms of Reference are made available on the Company's website at www.comfort-rubber.com.my. and is reviewed periodically and when necessary to keep it up to date with the changes in regulations and best practices and ensure its effectiveness and relevance to the Board's objectives.</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 Company has in placed a Code of Conduct and Ethics which revised on February 2022 as guidance for proper standards of conduct, sound and prudent business practices as well as standard of ethical behaviour for Directors, based on principles of integrity, responsibility, sincerity and corporate social responsibility.</p> <p>The Board also had on 12 May 2020 reviewed and approved the Anti-Bribery and Corruption Policy ("ABAC") which is also available on the corporate website.</p> <p>The details of the Company's Code of Conduct and Ethics and ABAC Policy are available for reference at 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

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 has established a Whistle Blowing Policy & Procedures (WPP) to improve the overall organisational effectiveness and uphold the integrity and ethical behaviour within the Group. All employees of the Group have a professional responsibility to disclose any known malpractices or wrongdoings.</p> <p>The Board has the overall responsibility for overseeing the implementation of the WPP, and all whistleblowing reports are addressed to the Chairman of the Audit Committee (for matters relating to financial reporting, unethical or illegal conduct), and the Managing Director or Head of Human Resource Department (for employment-related concerns).</p> <p>The WPP can also be accessed at the Company's website www.comfort-rubber.com.my.</p> <p>The WPP was reviewed by the Board on 12 May 2020 and subsequently revised on 19 April 2023.</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 Company has in place a Sustainability Policy that adopts ESG principles. Kindly refer to the Annual Report 2022 in the Sustainability Statement.	
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	:	The information can be found in the Sustainability Statement of the Annual Report.	
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 information can be found in the Sustainability Statement of the Annual Report.	
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	:	The performance evaluation of the Board in addressing the Group’s material sustainability was evaluated through the annual Board’s effectiveness assessment.	
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	:	Choose an item.
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 5.1

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	:	The Nomination Committee in accordance with the Board’s Fit and Proper Policy carries out the Board and Director’s assessment exercise annual and formal process was established for the Committee to identify, evaluate and recommend to the Board the individuals who are qualified to fill vacancies or newly created positions on the Board and the Committees of the Board and recommending to the Board the persons it should nominate for election or re-election as directors at the annual general meeting. The effectiveness of the Board is assessed in the areas of Board diversity, composition, and governance, addressing the sustainability risk and opportunities. The Directors are assessed in terms of their skills, experience, contribution, tenure and other qualities they may bring to 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 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>As for financial year ended 31 December 2022, the Board comprises 50% of independent directors i.e. 3 out of 6 are independent directors ("INED").</p> <p>The 3 INED satisfy the independence test under the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. The assessment of the independence of the INEDs are conducted on an annual basis by Nominating Committee via the following:</p> <ul style="list-style-type: none">• Self-assessment Evaluation Form to ensure that the INEDs were independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or ability to act in the best interest of the Company.• Form of declaration of independence, to facilitate the process of determining the Director's independence on an annual basis by each INED.
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	:	There are no independent directors serving the Board beyond 9 years, as set out in the Annual Report.	
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.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application :	Not adopted
Explanation on adoption of the practice :	

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 recognises that diversity is one of the key drivers to enhance Board effectiveness. In the selection of suitable candidates, the Nomination Committee (“NC”) will take into consideration the mix of skills, integrity, personal attributes. Diversity in terms of age, gender and ethnicity is also considered during the selection process. This combination of different professions and skills sets enable the Board promote the interests of all shareholders and effectively facilitate the discharge of the Board’s stewardship.</p> <p>In determining candidates for appointment to the Board and Board Committees, the Nominating Committee also considers factors such as the time commitment of the Board and Board Committee members in discharging their roles and responsibilities through attendance at their respective meetings, their performance and contribution, possession of the attributes, skill, experience, age, capabilities and qualifications considered necessary or desirable for service and demonstration of independence, integrity and impartiality in decision-making.</p> <p>During FY 2022, the NC has assessed and recommended to the Board for the appointment of two female as Directors namely, Madam Chu Nyet Kim and Datuk Amnah binti Ibrahim to support the Board’s diversity in place of the outgoing directors namely, Ng Seik Wah and Lum Dick Son.</p> <p>In addition, the NC has reviewed the sufficiency of time commitment of all Directors and concluded that all Directors have devoted adequate time commitment to serve the Board and the Company with their full attendance in all Board and Board Committee meetings.</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	:	<p>The current process with regards to the appointment of new Directors to the Board is based on the recommendation of the Nomination Committee. The Board relies on the existing network and referrals from existing Directors, Senior Management and Major Shareholders, industry acquaintance, contacts in related to industries as primary means to source for new Directors as they present a tried and tested method of sourcing high-calibre directors with a sound understanding of the business. However, the Board is open to recommendation from all sources including independent sources.</p> <p>The Directors' appointment process is carried out based on methodical and robust process undertaken by the Nominating Committee. Candidates recommended are thoroughly process undertaking by the NC. Candidates recommended are thoroughly assessed based on their competence, integrity, character, time commitment and experience as stated in Paragraph 2.20A of Bursa Securities Main Market Listing Requirements. The Company will also consider external and independent sources, if applicable.</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 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The details of the Directors interest, position and experience are set out in the Directors’ profile in the Annual Report. The performance of the retiring directors are assessed by the Nomination Committee and Board before recommendation was made to the shareholders for consideration. For independent directors, the Nomination Committee also assessed their relationship that might influence, or reasonably be perceived to influence their capacity to bring an independent judgement and to act in the best interests of Company.</p> <p>During the year, there were 2 appointments of female directors to support the Board’s diversity.</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 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Nominating Committee Chairman is Datuk Amnah binti Ibrahim who is an Independent Director.	
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	:	During the FY 2022, the Board through its Nomination Committee has increased 2 woman board representation which form one third of 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	:	Departure	
Explanation on application of the practice	:	-	
Explanation for departure	:	The Board believes the Company's existing processes have served the purpose of a formal policy on diversity and at the same time ensuring that all Directors are appointed on merit.	
		The members of the Board with their combined business, management and professional experience, knowledge and expertise, provide the core competencies to allow for diverse and objective perspectives on the Group's business and direction. In consideration of the scope and nature of the operations of the Group, the Board is satisfied that the current composition mix and size of the Board provide for sufficient diversity and allow for informed and constructive discussion and effective decision making at meetings of the Board and Board Committees.	
		The Board would consider adopting a gender diversity policy for the board and senior management within 2 years.	
<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 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	: The Board has put in place a formal evaluation process to annually assess the effectiveness of the Board as a whole and the Board Committees. The Nominating Committee had conducted and carried out an annual assessment of the Board and its individual members, the Audit Committee and its members, and the Remuneration Committee assessing in the area of board diversity, composition and governance, decision-making and Boardroom activities, skills and contribution of each director. The Nominating Committee is satisfied with the current board size and the effectiveness of the Board and Board Committees and thus, no recommendation on the change of composition of the Board is made. The assessment and evaluation were properly documented.
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	:	The objective of the remuneration policy is to attract and retain the Directors to lead the Group effectively. The Board has established and put in place the remuneration policies and procedures which are made available on 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

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 Remuneration Committee was established on 12 October 2004 and its Terms of Reference set out its role and responsibilities were revised in February 2022.</p> <p>The Board is satisfied that the RC had discharged its duties and responsibilities with respect to Directors' remuneration including reviews of the remuneration package for the Executive Directors of the Company.</p> <p>The Terms of Reference of the Remuneration Committee are made 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

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	:	Disclosure made on named basis for individual Directors for each remuneration type, but by band disclosure method as shown in the CG Overview Statement of the Annual Report 2022 in the interest of confidentiality.

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	Tan Sri Dato' Lau Eng Guang	Executive Director	0	0	0	0	0	0	0	0	0	RM3,750 – RM3,800	0	Below RM50	0	RM3,750 – RM3,800
2	Lau Joo Yong	Executive Director	0	0	0	0	0	0	0	0	0	RM2,900 – RM2,950	0	Below RM50	0	RM2,900 – RM2,950
3	Lau Joo Pern	Executive Director	0	0	0	0	0	0	0	0	0	RM450 – RM500	0	0	0	RM450- RM500
4	Chu Nyet Kim	Independent Director	Below RM50	0	0	0	0	Below RM50	RM50 – RM100	RM50 – RM100	0	0	0	0	Below RM50	RM50 – RM100
5	Datuk Amnah Binti Ibrahim	Independent Director	Below RM50	0	0	0	0	Below RM50	RM50 – RM100	Below RM50	0	0	0	0	Below RM50	RM50 – RM100
6	Khoo Chie Yuan	Independent Director	RM100 – RM150	0	0	0	0	Below RM50	RM100 – RM150	RM100 – RM150	0	0	0	0	Below RM50	RM100 – RM150
7	Ng Seik Wah	Independent Director	RM50 – RM100	0	0	0	0	Below RM50	RM50 – RM100	RM50 – RM100	0	0	0	0	Below RM50	RM50 – RM100
8	Lum Dick Son	Independent Director	RM50 – RM100	0	0	0	0	Below RM50	RM50 – RM100	RM50 – RM100	0	0	0	0	Below RM50	RM50 – RM100
9	-	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	-	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	-	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	-	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	-	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	-	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	-	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
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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	:	<p>The Board notes that the disclosure of details in excess of the above may be detrimental to its business interest, given the competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Company's business activities, where poaching has become common place.</p> <p>The Board further believes that the interest of the shareholders will not be prejudiced as a result of such non-disclosure of the identity and remuneration of the Company's top five senior management personnel.</p>	
<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	:	<p>The Chairmanship of the Audit Committee and Board are held by different person.</p> <p>Madam Chu Nyet Kim is the Chairman of the Audit Committee who is not the Chairman of the Board whereas Tan Sri Dato' Lau Eng Guang is the Executive Chairman. This ensures that the Board is able to objectively review the audit and risk findings and recommendations remain intact.</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 9.2

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 Board has adopted the policy on "Restriction in Appointment of External Audit Partner" Policy which requires a former key audit partner to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.</p> <p>This practice has been incorporated into the Terms of Reference of Audit Committee subsequent after the year ended.</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>The Audit Committee is responsible for assessing the capabilities and independence of the External Auditors ("EA") and to make the recommendations to the Board on the appointment, re-appointment or termination of the EA on yearly basis.</p> <p>The Audit Committee is responsible for assessing the capabilities and independence of the external auditors and recommend to the Board the appointment, re-appointment or termination of their services to the Company. The Audit Committee had on 8 April 2022 assessed and was satisfied with the competence, audit quality, resource capacity of the EA, KPMG PLT in relation to the audit services provided. From the assessment, the Audit Committee is also satisfied that there was no threat to the objectivity and independence of the audit arising from the provision of non-audit services of the EA and the total fee incurred for non-audit services is not significant. Based on the outcome of its assessment, the Audit Committee has recommended to the Board for the shareholders' approval to be sought on the reappointment of the EA at the 81st AGM held on 31 May 2022.</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 Audit Committee comprises solely Independent Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>All the members of the Audit Committee are credible professionals of calibre who play key supporting roles by contributing their knowledge, guidance and experience towards making independent judgement on issues of strategies, performance and standards of conduct.</p> <p>The Audit Committee Chairman is an experienced and qualified accountant. The Chairman and Committee members attend regular trainings to ensure that they are kept abreast with latest developments in accounting and auditing standards, practices and rules as disclosed in the Annual Report 2022.</p> <p>Based on the annual evaluation in regards to term of office and performance of the Audit Committee for the financial year ended 31 December 2022, the Board is satisfied that the Audit Committee had carried out its duties and responsibilities effectively as per its Charter and the Audit Committee as a whole and each member of the Audit Committee have added value and contributed to the overall effectiveness of the Audit Committee.</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

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Company has a risk management framework and internal control systems in place to ensure the smooth running of the business, minimise incidences of possible fraud, wastage and abuse. Management has adopted an on-going process of identifying, evaluating and managing significant risks that may prevent the achievement of business objectives. The key features of the risk management framework are set out in the Statement on Risk Management and Internal Control of the Annual Report.	
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	:	The key features of the risk management framework and internal control framework, as well as the adequacy and effectiveness of the framework are set out in the Statement on Risk Management and Internal Control on the Annual Report.	
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>The internal audit function has been outsourced to ResolveIR to provide an independent assurance to the Board on the effectiveness adequacy of the Group's system of internal control.</p> <p>Details of the internal audit function are set out in the Statement on Risk Management and Internal Control and Audit Committee 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 Group has outsourced its internal audit function to an independent professional services firm, namely Resolve IR Sdn Bhd, a corporate member of the Institute of Internal Auditors Malaysia. Resolve IR is led by Mr Choo Seng Choon, who is a Certified Internal Audit and also a Chartered Member of the Institute of Internal Auditors Malaysia. Mr Choo has more than 25 years of professional experience in internal audit, risk management, corporate governance, performance and business management, IPOs, taxation, due diligence and corporate finance. He is also a Fellow Member of the Association of Chartered Certified Accountant, United Kingdom and a Chartered Accountant of the Malaysian Institute of Accountants.</p> <p>The number of internal audit personnel allocated to carry out the internal audit assignments of the Group for FY 2022 was 6 persons, comprising of staff who possess professional qualification and/or a university degree with the required proficiency and competency to discharge their roles effectively. The outsourced internal audit function is free from any relationship or conflict of interest that could impair its objectivity and independence.</p> <p>The work undertaken by the outsourced internal audit function is guided by the International Professional Practices Framework on Internal Auditing that is promulgated by the Institute of Internal Auditors.</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

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 recognises the importance of timely and equal dissemination of material information to shareholders, investors and public. Communication to stakeholders had been executed in a timely and transparent manner through announcements on Bursa's website and the media.</p> <p>The Group has also established a corporate website at www.comfort-rubber.com.my which provides information relating to annual reports, quarterly results, announcement, Board Charter, Terms of Reference of Audit Committee, Nominating Committee and Remuneration Committee as well as other relevant and related documents or reports relating to Corporate Governance are made available on the abovementioned website.</p> <p>Shareholders or stakeholders can at any time seek for clarifications or raise queries through corporate website, by email or phone. The contact details are set out at the Group'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

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	:	<p>The Company serves the Notice for its Annual General Meeting (“AGM”) together with the Annual Report to the shareholders of the Company at least 28 days prior to the Meeting.</p> <p>The AGM Notice includes details of the resolutions proposed along with relevant explanatory note to enable shareholders to make informed decisions in exercising their voting rights.</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 13.2

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	:	All Directors are encouraged to attend the General Meetings and the Chairman of the Audit, Nomination and Remuneration Committee and the Chief Financial Officer were present at the AGM to response the relevant questions that posted by shareholders.	
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's AGM held on 31 May 2022 was conducted fully virtual through live streaming and online remote voting using remote participation and voting facilities, which is in compliance with Section 327 of the Companies Act 2016.</p> <p>The Administrative Guide which set out all the details on the online AGM was published on the Company's corporate website to facilitate the shareholders for registering themselves to participate in fully virtual AGM. The RPV facilities enable the shareholders to exercise their right as members of the Company to participate and vote by login to Virtual Meeting Portal.</p> <p>Shareholders who were unable to attend and vote at the AGM had been encouraged to submit the proxy forms to appoint their representatives or Chairman of the Meeting to participate in the Meeting, which had allowed them to vote in absence.</p> <p>During the 2022, in line with Listing Requirements, all resolutions were decided by electronic poll voting.</p> <p>Leveraging on information technology or effective meeting procedures, an electronic poll voting system was put in place whereby all shareholders of the Company participated in the polling procedure. An independent scrutineer was appointed to validate the poll results. Voting results of the general meetings are also announced instantaneously by being displayed on the screen to shareholders/proxies after each resolution is put to vote.</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 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 :	Shareholders were given the opportunity to pose questions on matters relating to the Group's business in addition to the Company's financial statements at the meeting. All the Directors (as well as the Chair of the respective Board Committee), Chief Financial Officer and the External Auditors were in attendance virtually. Shareholders were given the opportunity to submit questions in advance via email to the Company to resolutions tabled at the AGM or financial performance/prospect of the Company prior to convening of AGM. Real time submission of typed texts via Remote Participation and Electronic facilities were also available and serve as a primary channel of communication. The Chairman further ensures that sufficient time are allocated for discussion and address questions raised.
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.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: The Annual General Meeting was held via an electronic platform to enable remote shareholders' participation and support meaningful engagement. Questions posed by shareholders will also be made visible to all meeting participants.
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	: Minutes of AGM was prepared and published on the Company's corporate website together questions and responses to questioned raised by shareholders no later than 30 business days after the AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
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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