

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5738
COMPANY NAME : COUNTRY HEIGHTS HOLDINGS BERHAD
FINANCIAL YEAR : December 31, 2021

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors of Country Heights Holdings Berhad ("CHHB" or "the Company") is responsible for setting the strategic directions of the CHHB Group and monitoring the implementation of those strategies by the Management, including:-</p> <ul style="list-style-type: none">• oversight of the CHHB Group, including its control and accountability systems;• appointing and removing the Group CEO;• appointing and removing the Group CFO;• appointing and removing the Company Secretary;• Board and Executive Management development and succession planning;• input into and final approval of corporate strategy;• input into and final approval of the annual operating budget (including the capital management budget);• approving and monitoring the progress of major capital expenditure, capital management and acquisitions/divestment;• monitoring compliance with all relevant legal, tax and regulatory obligations;• reviewing and monitoring systems of risk management and internal compliance and controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies;• at least annually, reviewing the effectiveness of CHHB's implementation of its risk management system and internal control framework;• monitoring Executive Management's performance and implementation of strategy and policies, including assessing whether appropriate resources are available;• approving and monitoring financial and other reporting to the market, shareholders, employees and other stakeholders; and• appointment, reappointment or replacement of the external auditor.• Promoting good corporate governance within the company based on transparency and integrity;

		<ul style="list-style-type: none"> • Overseeing the development and implementation of a shareholders' communications policy for the Company;
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	:	The Founder of CHHB, YBhg Tan Sri Lee Kim Tiong @ Lee Kim Yew ("Tan Sri Lee"), is the Executive Chairman of the Company. As Executive Chairman, and given his capability, leadership and entrepreneurship skills, business acumen and his vast experience in the industry, Tan Sri Lee undertakes to personally and passionately spearhead the Group to better performance in the near future together with the Five (5) Executive Directors, each having separate and clearly defined scope of responsibility and authority. The division of roles and responsibilities ensures that there is no excessive concentration of power in these positions. The role and responsibilities of the Chairman are stated in the Board Charter which is available in the Company's website at www.countryheights.com.my
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application :	Applied	
Explanation on application of the practice :	<p>The roles of the Executive Chairman of the Board and the Managing Director ("MD") of the Company are exercised by separate individuals and each has a clear accepted division of responsibilities to ensure that there is a balance of power and authority to promote accountability.</p> <p>The Executive Chairman is responsible for ensuring Board effectiveness and conduct, leading the Board in the oversight of management and also oversees the controls of the business through compliance and audit and the direction of the CHHB Group business.</p> <p>The Group MD has been appointed on 8 September 2020. The Group MD is responsible for the implementation of the Board policies approved by the Board and reports at Board Meetings, all material matters that potentially affect the Group and its performance, including strategic projects and regulatory developments.</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 1.4

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 Chairman of the Board, Tan Sri Lee Kim Tiong @ Lee Kim Yew ("the Chairman") is not a member of the Audit Committee ("AC") or the Nomination and Remuneration Committee ("NRC") of CHHB. Tan Sri Lee Kim Tiong @ Lee Kim Yew has not participated in the meetings of these two board committees.
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 :	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. The Company Secretary is responsible to provide clear and professional advice to the Board on all governance matters, to ensure that Board procedures are followed, and the applicable rules and regulations for the conduct of the affairs of the Board are complied with. The Company Secretary attends and ensures that all meetings of the Board, Board Committees and Shareholders are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory registers of the Company. The Board is also regularly apprised by the Company Secretary on new regulations issued by the regulatory authorities.
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>The Directors have full and unrestricted access to complete information on a timely basis pertaining to the CHHB Group's business and affairs to enable them to discharge their duties. Board Meetings which are scheduled to be held are also presented with the relevant reports to facilitate its decision-making process. The Board and its Committees are given the notice and agenda of meetings at least seven (7) days in advance and the meeting papers are delivered at least three (3) days prior to each meeting.</p> <p>All Board decisions are clearly recorded in the minutes, including the rationale for each decision, along with clear actions to be taken and the individuals responsible for their implementation. Relevant urgent Board decisions are communicated to the Management within one working day of the Board meeting and the minutes of Board Meetings are completed for comments by the Board members on a timely basis before the next succeeding Board meeting. Relevant extracts of the minutes are distributed to the Management for action once the board minutes are completed, depending on the urgency of the matters.</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 Company has adopted a Board Charter which clearly defines the respective roles, responsibilities and authorities of the Board of Directors (both individually and collectively) and the Management in setting the directions, management and controls of the Company as well as Matters Reserved for the Board.</p> <p>The Board Charter has been uploaded on the Company's website at www.countryheights.com.my. The Board will review the Board Charter of the Company periodically and will update the Board Charter where appropriate, from time to time.</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 :	The Code of Ethics was established to support the Company's vision and core values by instilling, internalizing and upholding the value of uncompromising integrity in the behavior and conduct of the Directors. The Code of Ethics is reviewed and updated regularly by the Board. It has been uploaded on the Company's website at www.countryheights.com.my .	
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>An internal Whistleblowing Policy has been introduced for employees to channel their concerns about illegal, unethical or improper business conduct affecting the Company and to share business improvement opportunities.</p> <p>The Board and the Management gave their assurance that employees will not be at risk to any form of victimization, retribution or retaliation from their superiors or any member of the Management provided that they act in good faith in their reporting.</p> <p>The Whistleblowing Policy has been uploaded on the Company's website at www.countryheights.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	:	<p>The Board recognizes the need to operate its business in a responsible and sustainable manner complying with all relevant legislative and regulatory requirements, to maintain its reputation, and to generate future business. CHHB combines its value of nature, love, quality, style and excellence, together with its vision of 'Ever Searching for Better Living' and set its commitment to sustainable good practice in the context of environment, economic and social consideration.</p> <p>CHHB Group focuses on corporate sustainability in five main areas, being environment, health and safety, employees, business partners and local communities. The Group's effort on environmental and social responsibility during the financial year are set out in the Sustainability Statement 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	:	Choose an item.

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>CHHB’s commitment to environment sustainability is considered central to our business culture and as such is intended to form part of, and to support, all CHHB’s activities. We believe that seeking to continuously improve our environmental performance is fundamental to our business success and that sustainability principles should be incorporated into CHHB’s activities and decision making at all levels.</p> <p>The Group identified six key of sustainability areas. They are as follows:</p> <ol style="list-style-type: none"> 1) Environment 2) Health and Safety 3) Customers 4) Local Communities 5) Business Partner and Shareholders 6) Employees <p>Its sustainability value can be seen through the development. The Group implements this strategy in order to improve the customer satisfaction measures in its key products and segments. The Group will continue to invest in exciting transformative initiatives, adopting the change to working culture by using cloud-based system investment, and become more active in capturing attractive opportunities in the markets.</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	:	Choose an item.

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	:	<p>The Board ensures an appropriate tone from the top with clear management accountability reinforced with the Group's code of conduct, influences the behaviour of employees throughout the Group and drives a consistent consideration of risk as a natural part of decision making.</p> <p>The Company has a long history of sustainability practises and these are the efforts of its past directors and current directors who are well versed and up-to-date on global sustainability issues.</p> <p>The Group constantly expand and enhance the current distributional channels to reach all segments of society and customer groups within the market with the aim to create value for the Group customers in the long run. Diversified channels with good and professional customer services and innovative products create better buying experience for the Group customers as well as the sustainability of the Group business model.</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	:	Choose an item.

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	A detailed study is required for developing the criteria for the performance evaluations of the Board and the Management to address the material sustainability risks and opportunities.	
		The Company does not have any alternative practice currently.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The MD is the designated chair person on sustainability. He together with the management committee to take care of the sustainability areas for the Group.

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>The Nomination Committee is responsible to formulate the nomination, selection and succession policies for the Board and the Board Committees as may be determined by NRC from time to time and make recommendations to the Board on new candidates for election/appointment and re-election/re-appointment of the Directors to the Board.</p> <p>During the financial year, the Nominee Committee has fulfilled a number of key activities, as follows:</p> <ol style="list-style-type: none"> 1) Evaluated and assessed the performance of Independent Non-Executive Directors for the year 2021. 2) Evaluated and assessed the performance and effectiveness of the Board Committees for the year 2021. 3) Reviewed and recommended the re-election of Directors due for retirement pursuant to Article 120 of the Constitution of the Company, at the 37th AGM. 4) Reviewed and remuneration of the Directors for the year 2021 and subsequently recommended it to the Board for approval. <p>The Nomination Committee regularly assesses the experience, the tenure, and diversity required collectively for the Board and ensures that it is periodically refreshed so that it can discharge its duties effectively.</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	:	Choose an item.

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 :	Departure	
Explanation on application of the practice :		
Explanation for departure :	CHHB is currently short of one Independent Director in meeting the recommendation to have at least half of the Board comprising Independent Directors. However, the Company still meets the requirement of Paragraph 15.02(1) of the Main Market Listing Requirements which stipulates that: <i>“A listed issuer must ensure that at least 2 Directors or 1/3 of the board of directors if a listed issuer, whichever is the higher, are independent directors”.</i>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :	Choose an item.	

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	:	Not applicable	
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	:	Choose an item.	

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	:	All nominees to the Board are first considered by the Nomination & Remuneration Committee, based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender before they are recommended to the Board for approval.
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	:	Choose an item.

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 Nomination & Remuneration Committee may also consider the use of external consultants in the identification of potential Directors.	
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	:	Choose an item.	

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 information for the Directors standing for the re-election as well as the reasons from the Board to support the re-election of directors have been disclosed the Explanatory Notes to the Notice of AGMs for 2021.</p> <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 is assessed by the Nomination Committee and Board before recommendation is made to the shareholders for consideration. For independent directors, the Nomination Committee also assess their relationship with the executives that might influence, or reasonably be perceived to influence their capacity to bring an independent judgement and to act in the best interests of the listed company as a whole.</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	:	Choose an item.

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 Nomination & Remuneration Committee is chaired by Mr Hor Siew Leong an Independent Non-Executive Director 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	:	Choose an item.	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>CHHB is currently short of 1 woman director in meeting the recommendation to have 30% of the Board comprising of woman directors. However, the Board is supportive of gender diversity in the boardroom as recommended and has developed a Gender Diversity Policy to promote the representation of women in the composition of the Board. For the purpose of the Malaysian Code of Corporate Governance, the Gender Diversity Policy will refer principally to gender diversity in the boardroom, but this approach however, in no means limits the Company's recognition and respect for the value of diversity at all levels of the organisation. A diverse boardroom and workplace include the skills and perspective that people bring to the organisation through, but not limited to, experience, gender, age, culture and beliefs. The Board will consider more female representation when suitable candidates are identified.</p> <p>The Gender Diversity Policy has been uploaded on the Company's website at www.countryheights.com.my.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board endeavours the fulfilment of this recommendation at the next board refreshment exercise.
Timeframe	:	Others

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 Board acknowledges the importance of boardroom diversity. The Board committed to improving boardroom diversity in terms of gender, ethnicity, regional and industry experience, cultural and geographical background, age and perspective.</p> <p>The Board is supportive of gender diversity in the boardroom as recommended by the Code and has developed a Gender Diversity Policy to promote the representation of women in the composition of the Board.</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	:	Choose an item.	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year ended 31 December 2021, the Nomination & Remuneration Committee (“NRC”) has fulfilled a number of key activities, as listed below:</p> <ul style="list-style-type: none"> • Evaluated and assessed the performance of the Independent Non-Executive Directors (self-assessment) for the year 2020. • Evaluated and assessed the performance and effectiveness of the Board of Directors and Board Committees for the year 2020. <p>The NRC noted that the Board and its Committees had met the board structure criteria, as to its size, independence, desired skills and qualities of the Board members, as required by the regulations and the results was tabled to the Board for notification.</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	:	Choose an item.

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>The policy and framework for the overall remuneration of the Executive and Non-Executive Directors are reviewed regularly against market practices by the Nomination & Remuneration Committee, following which the recommendations are submitted to the Board for approval.</p> <p>The Board as a whole determines the remuneration of the Directors and each individual Director abstains from the Board decision on his own remuneration.</p> <p>The remuneration of Non-Executive Directors is based on a standard fixed fees. In addition, allowances are also paid according to the number of meetings attended during the year.</p> <p>The Executive Directors are not entitled to the above Directors' Fees nor are they entitled to receive any meeting allowance for Board or Board Committee meetings that he/she has attended. Their remuneration is based on their Key Performance Indicators ("KPIs") which are appraised annually.</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	:	Choose an item.

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The responsibility of the Nomination & Remuneration Committee, among others, is to review and recommend the appropriate level of remuneration for the Executive and Non-Executive Directors. The terms of reference of the Nomination & Remuneration Committee is available on the Company's website at www.countryheights.com.my
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	:	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 8.1

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	: The remuneration of the Directors for the financial year ended 31 December 2021 is as follows:					
Non-Executive Directors (Company Level)						
Name of Directors	Fees (RM)	Allowance (RM)	Benefits-In-Kind (RM)	Total (RM)		
Chew Chong Eu	-	7,000	-	7,000		
Lee Cheng Wen*	-	7,000	-	7,000		
Ong Tee Chin	21,000	11,000	-	32,000		
Chong Khing Chung	13,333.20	7,000	-	20,333.20		
Hor Siew Leong	14,333.20	7,000	-	21,333.20		
Datuk Lim Chih Li @ Lin Zhili [#]	-	-	-	-		
Xu Zijing [#]	-	-	-	-		
Chen Kaiyu [#]	-	-	-	-		
Gerard Lim Kim Meng [#]	-	3,000	-	3,000		
Executive Directors (Group Level)						
Name of Directors	Salary (RM)	Bonus (RM)	Allowance (RM)	Benefits-In-Kind (RM)	EPF (RM)	Total (RM)
Tan Sri Lee Kim Tiong @ Lee Kim Yew	1,200,000	-	-	-	72,000	1,272,000
Lee Sow Lin	513,600	-	-	-	24,824	538,424
Lee Thai Young Matahari (Resigned on 13 Aug 2021)	240,000	-	-	-	16,800	256,800
Dr. Yip Chun Mun	120,000	-	-	3,600	16,800	140,400
Notes:						
* # No Director's Fee or Salary is payable to Datuk Lim Chih Li @ Lin Zhili, Mr Xu Zijing, Mr Chen Kaiyu and Mr Gerard Lim Kim Meng as agreed during the Board of						

	<i>Directors' Meeting.</i>	
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 :	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 8.2

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	:	Applied	
Explanation on application of the practice	:	The remuneration of Executive Directors for the financial year ended 31 December 2021 is as follows:	
		Range of Remuneration (RM)	Top Senior Management
		100,000 – 150,000	• Dr. Yip Chun Mun (Executive Director)
		250,000 – 300,000	• Lee Thai Young Matahari (Executive Director) (Resigned on 13 August 2021)
		500,000 – 550,000	• Lee Sow Lin (Executive Director)
		1,250,000 – 1,300,000	• Tan Sri Lee Kim Tiong @ Lee Kim Yew (Executive Chairman)
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	:	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 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 :	Choose an item.	

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 Audit & Risk Management Committee, Mr Ong Tee Chin, is not the Chairman 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	:	Choose an item.	

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>There is no former key audit partner being appointed as a member of the Audit & Risk Management Committee (“ARMC”).</p> <p>The Audit & Risk Management Committee is effective and independent in providing assurance to stakeholders of the accuracy in the disclosure of financial information.</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	:	Choose an item.	

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 & Risk Management Committee has evaluated the performance of External Auditors, Messrs UHY, including assessment of the following during the financial year ended 31 December 2021:</p> <ul style="list-style-type: none"> (a) make appropriate recommendations to the Board on matters pertaining to the nomination, appointment and dismissal of External Auditors and the fees thereof; (b) review and discuss with the External Auditors before the commencement of audit, the nature and scope of the audit; (c) discuss problems and reservations arising from the interim and final audits, and any other matters that the External Auditors may wish to discuss (in the absence of the Management where necessary); and (d) review External Auditors’ letter to the Management (if any) and the Management’s responses with regard thereto.
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	:	Choose an item.

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	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee of CHHB is comprise wholly of Independent Non-Executive Directors as follows:</p> <p>Ong Tee Chin (Chairman ,Independent Non-Executive Director)</p> <p>Chong Khing Chung (Member, Independent Non-Executive Director)</p> <p>Hor Siew Leong (Member, Independent Non-Executive Director)</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	:	Choose an item.

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 Audit & Risk Management Committee ("ARMC") members have the relevant accounting or related financial management experience or expertise.</p> <p>Listed below are the seminars and training events attended by the members of the ARMC to keep themselves abreast of the latest developments:</p> <table border="1"> <tr> <td>Tan Sri Lee Kim Tiong @ Lee Kim Yew</td> <td> <ul style="list-style-type: none"> Malaysian Housing & Property Summit by KSI Strategic Institute for Asia Pacific Huawei-KSI Digital Leadership Webinar by KSI Strategic Institute for Asia Pacific Global Chinese Economic & Technology Summit by KSI Strategic Institute for Asia Pacific </td> </tr> <tr> <td>Chong Khing Chung</td> <td> <ul style="list-style-type: none"> Risk, Strategy & Governance – How integrated thinking can support Boards in Creating Long-Term Value by MIA Tax Landscape in Malaysia by CPA Australia The Future of Accountants Through Data & Analytics by CPA Australia The Tax Audit Landscape in Malaysia by CPA Australia Innovation in Accounting & Finance by CPA Australia & Deloitte Malaysia How to Benchmark & Document FY2020 Transfer Pricing Report by CPA Australia </td> </tr> <tr> <td>Lee Sow Lin, Michele</td> <td> <ul style="list-style-type: none"> Kind 2021 Malaysia Virtual by MACEOS Dementia Awareness Talk WAM 2021 by ADFM </td> </tr> </table>	Tan Sri Lee Kim Tiong @ Lee Kim Yew	<ul style="list-style-type: none"> Malaysian Housing & Property Summit by KSI Strategic Institute for Asia Pacific Huawei-KSI Digital Leadership Webinar by KSI Strategic Institute for Asia Pacific Global Chinese Economic & Technology Summit by KSI Strategic Institute for Asia Pacific 	Chong Khing Chung	<ul style="list-style-type: none"> Risk, Strategy & Governance – How integrated thinking can support Boards in Creating Long-Term Value by MIA Tax Landscape in Malaysia by CPA Australia The Future of Accountants Through Data & Analytics by CPA Australia The Tax Audit Landscape in Malaysia by CPA Australia Innovation in Accounting & Finance by CPA Australia & Deloitte Malaysia How to Benchmark & Document FY2020 Transfer Pricing Report by CPA Australia 	Lee Sow Lin, Michele	<ul style="list-style-type: none"> Kind 2021 Malaysia Virtual by MACEOS Dementia Awareness Talk WAM 2021 by ADFM
Tan Sri Lee Kim Tiong @ Lee Kim Yew	<ul style="list-style-type: none"> Malaysian Housing & Property Summit by KSI Strategic Institute for Asia Pacific Huawei-KSI Digital Leadership Webinar by KSI Strategic Institute for Asia Pacific Global Chinese Economic & Technology Summit by KSI Strategic Institute for Asia Pacific 							
Chong Khing Chung	<ul style="list-style-type: none"> Risk, Strategy & Governance – How integrated thinking can support Boards in Creating Long-Term Value by MIA Tax Landscape in Malaysia by CPA Australia The Future of Accountants Through Data & Analytics by CPA Australia The Tax Audit Landscape in Malaysia by CPA Australia Innovation in Accounting & Finance by CPA Australia & Deloitte Malaysia How to Benchmark & Document FY2020 Transfer Pricing Report by CPA Australia 							
Lee Sow Lin, Michele	<ul style="list-style-type: none"> Kind 2021 Malaysia Virtual by MACEOS Dementia Awareness Talk WAM 2021 by ADFM 							

	Dr. Yip Chun Mun, Ricky	• Asian & 3 rd Global Wound Conference 2021 by Asian Wound Care Association
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 :	Choose an item.	

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 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 is responsible for determining the nature and extent of the significant risks that it is willing to take in achieving its strategic objectives.</p> <p>The Board is assisted by the Management in implementing approved policies and procedures on risk and internal controls.</p> <p>Management identifies and evaluates the risks faced by the Group and designs, implements and monitors an appropriate system of internal controls in line with the policies approved by the Board.</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	:	Choose an item.

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 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>Key elements of the Group’s internal control system that have been established to facilitate the proper conduct of the Group’s businesses are described below:</p> <ol style="list-style-type: none"> 1. Control Environment 2. Risk Management 3. Internal Audit Function 4. Information and Communication 5. Review and Monitoring Process <p>The Board, with the assistance of the Audit & Risk Management Committee, continuously review the on-going processes of identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives throughout the financial year under review.</p> <p>The risk management process involves the Senior Management as well as the Executive Directors through direct participation in periodic management meetings. These meetings are held to assess and monitor the Group’s risks as well as to deliberate and consider the Group’s financial performance, business development, management and corporate issues.</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	:	Choose an item.

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 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	:	Applied
Explanation on application of the practice	:	The Audit & Risk Management Committee comprises all of Independent Directors who oversee the Company’s risk management framework and policies.

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 Group Internal Audit Department (“GIAD”) reports directly to the Audit & Risk Management Committee (“ARMC”).</p> <p>Periodic testing of the effectiveness and efficiency of the internal control procedures and processes are conducted to ensure that the system is viable and robust.</p> <p>For 2021, all internal audits were performed by the in-house GIAD. Arising from these assessments and reviews, the GIAD presented their reports to the ARMC on their findings, recommendations for improvements and the response from the Management for the ARMC’s deliberation and consideration.</p> <p>The internal audit activities carried out under a risk-based approach for the financial year include, inter alia, the following:</p> <ul style="list-style-type: none"> i) formulated annual risk-based audit plan and reviewed the resource requirements for audit executions; ii) executed internal audit reviews in accordance with the approved annual audit plan; iii) issued reports on the internal audit findings identifying weaknesses and highlighting recommendations for improvements on a periodic basis; iv) followed-up on the implementation of corrective action plans or best practices agreed with the Management; and v) attended the ARMC Meetings to table and discuss the internal audit reports/plan and followed up on the issues raised.
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	:	Choose an item.

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 Audit function reports independently to the Audit & Risk Management Committee and they are free from any relationships or conflicts of interest which could impair their objectivity and independence.</p> <p>Group Internal Audit Department (“GIAD”) is operated by two staff at the moment and is headed by the Senior Manager, Mr T. Ganeshalingam A/L P. Thuraiajah (“Mr Ganesh”). Mr Ganesh holds a Master’s Degree in Business Administration and is a Member of the Institute of Internal Auditors Malaysia.</p> <p>GIAD performs internal audits with strict adherence to the Professional Practices Framework set by the Institute of Internal Auditors, USA (“IIA”) and conformance with IIA’s International Standards for the Professional Practice of Internal Auditing in meeting the responsibilities of internal auditors and the internal audit activity, including:</p> <ol style="list-style-type: none"> 1. Delineate basic principles that represent the practice of internal auditing. 2. Provide a framework for performing and promoting a broad range of value-added internal auditing. 3. Establish the basis for the evaluation of internal audit performance. 4. Foster improved organisational processes and operations.
Explanation for departure	:	

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

Measure	:	
Timeframe	:	Choose an item.

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 values the support of its shareholders and investors. It also recognises the importance of effective communication with the shareholders and the investment community of material corporate and business matters of CHHB Group. Its commitments, both in principle and practice, is to maximise transparency consistent with good corporate governance, except where commercial confidentiality dictates otherwise.</p> <p>In complying with Paragraph 9.21(3) of the Main Market Listing Requirement to improve investor relations between the Company and its stakeholders, CHHB ensures that its website contains the e-mail address(es) of the designated person(s) and contact numbers to enable the public to forward queries to the Company. CHHB also post announcements made to Bursa Securities on its website immediately after such announcements are released to Bursa Securities.</p> <p>Shareholders and members of the public can access the Company's website at www.countryheights.com.my for the latest information of 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	:	Choose an item.

Intended Outcome

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

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

Practice 12.2

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

Application	:	Departure
Explanation on application of the practice	:	Please provide an explanation on how the practice is being applied.
Explanation for departure	:	CHHB is not a "Large Company" as defined under the Malaysian Code on Corporate Governance.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	Choose an item.

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	:	Notice of Annual General Meeting (“AGM”) is sent out to the shareholders in the month of April with more than the required twenty eight (28) days’ notice before the date of the AGM, which is usually held in June. This would provide shareholders with ample time to make the necessary arrangement to attend the AGM and participate in person or by corporate representatives, proxies or attorneys.	
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	:	Choose an item.	

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 of CHHB, including the Chairmen of the Audit & Risk Management Committee and the Nomination & Remuneration Committee, Senior Management and the External Auditors attend the Annual General Meeting to provide meaningful responses to the questions raised 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	:	Choose an item.	

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 37th AGM of the company held on 14 September 2021 was conducted in fully virtual basis through live streaming and remote participation and electronic voting facilities.</p> <p>The fully virtual 37th AGM facilitated remote participation and voting by shareholders or their proxies or corporate representatives appointed to participate and vote remotely on their behalf.</p> <p>The Company has appointed Shareworks Sdn Bhd as Poll Administrator to conduct the voting by way of electronic polling system and Sharepolls Sdn Bhd as independent scrutineers to verify the poll results.</p>
Explanation for departure	:	<p>Please provide an explanation on how the practice is being applied.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	Choose an item.

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>At the commencement of the 37th AGM, the Chairman, Tan Sri Lee Kim Tiong @ Lee Kim Yew briefed the members, corporate representatives and proxies present virtually at the Meeting of their right to ask questions and vote on the resolutions set out in the Notice of the 37th AGM dated 30 June 2021.</p> <p>The shareholders were allowed to submit their questions electronically through the online platform provided by the share registrar, Shareworks Sdn Bhd via its online website at https://www.swsb.com.my prior to 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 :	Choose an item.

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.</i>	
Application :	Applied
Explanation on application of the practice :	<p>In view of Covid-19 pandemic, the Company's held its 2021 Annual General Meeting (AGM) as a virtual Meeting.</p> <p>The Poll Administrator had verified the eligibility of shareholders/corporate representatives/proxies to attend the 37th AGM based on General Meeting Records of Depositor as at 3 September 2021.</p> <p>The online voting session had commenced from the start of the meeting at 11.00 a.m on 14 September 2021, for members to cast their votes after the conclusion of the Q&A session. Tan Sri Chairman then announced that the "in time" voting session had ended.</p> <p>The poll results were verified by the Scrutineers, Sharepolls Sdn Bhd between 12.20 p.m to 12.40 p.m.</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 :	Choose an item.

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 the 37 th AGM have been made available to shareholders no later than 30 business days after the AGM on its website at www.countryheights.com.my
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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