

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5738
COMPANY NAME : COUNTRY HEIGHTS HOLDINGS BERHAD
FINANCIAL YEAR : June 30, 2025

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 of Directors are aware of their accountability to shareholders and relevant stakeholders in their objectives to create long-term success and sustainable value in the Company's business undertakings.</p> <p>The Board provides overall governance, stewardship and oversight in guiding the management of the Company and the Group. This is done by establishing the vision and strategic objectives of the Group which sets clear policies, strategic action plans and stewardship of the Group's resources:-</p> <p>Amongst others, the main roles and responsibilities of the Board include the followings:-</p> <ul style="list-style-type: none">a) Reviewing, adopting and monitoring the Group's strategic directions, operating plans and financial budgets;b) Identifying and managing principal risks affecting the Group;c) Reviewing the adequacy of Group's information systems, risk management and internal control;d) Reviewing, approving material investment, acquisition or/and disposal of assets;e) Reviewing and monitoring the progress of major expenditure, capital management and acquisitions/divestments;f) Reviewing and monitoring compliance in risk management, internal operations, continuous disclosure, tax, legal and regulatory obligations;g) Promoting good governance practice. Integrity and transparency;h) Overseeing the Company's implementation of effective shareholders' communication policy;i) Reviewing Board and Executive Management succession planning. <p>In discharging its duties and functions effectively, the Board delegates specific responsibilities to its Board Committees:-</p> <ul style="list-style-type: none">i) Audit and Risk Management Committee ("ARMC")ii) Nomination and Remuneration Committee ("NRC") <p>The committees are guided by their individual written terms of reference. The committees duties are to ensure that the Company's</p>

	<p>business and and operation is well enhanced. The Chairman of each respective committee reports to the Board on the outcome of committee meetings for Board's consideration and final decision. Minutes of each committee shall be presented to the Board. Board remains the final decision maker for each matters presented by the committee to the Board.</p> <p>The Board is also guided by a Board Charter which outlines its roles and responsibilities. The official Board Charter could be found on the Company's Investor Relations section of the Company's website.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Our Chairman, Admiral Tan Sri Dato' Setia Mohd Anwar Bin Hj. Mohd. Nor (R) is primarily responsible in instilling good corporate governance practices, leadership and board effectiveness.</p> <p>The role and responsibilities of Chairman is stipulated in the Company's Board Charter, in compliance with MCCG Principles of practices and Bursa Malaysia Listing requirements which is available in the Investor Relations section of the Company's website:-</p> <ol style="list-style-type: none">1. Leadership and Direction Guiding the Board and Senior Management in setting values, policies, standards and strategic decisions of the Group.2. Meeting Effectiveness Leading Board meetings, setting agendas with the Company Secretary and ensuring productive discussions and decision-making.3. Governance & Integrity Upholding high standards of preparation, managing conflicts of interest, and ensuring timely, accurate information for Directors.4. Board Dynamics Fostering trust and constructive relationships between Executive and Non-Executive Directors, and supporting the ongoing development of all Directors.5. Communications Promoting effective engagement with shareholders and other stakeholders.6. Performance and Succession Overseeing evaluations of the Board, Committees, and Directors while leading succession planning for the Board and Senior Management via the NRC.7. Implementation Ensuring Board's decisions are carried out effectively.
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company practises separation in the positions of Chairman and CEO or/and MD, where each individual has clear responsibilities to ensure balance of power and authority for accountability, governance, trust and transparency.</p> <p>The Chairman is responsible in ensuring Board's effectiveness and good conducts, where the Chairman leads in providing Board's management oversight.</p> <p>The CEO or/and MD position implements Board's policies and reports at Board Meetings on 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

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'.

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman leads the Board and is responsible for the adequate performance of the Board. The Chairman of the board shall be Non-Executive Member of the Board.</p> <p>The Company Chairman, Admiral Tan Sri Dato' Setia Mohd Anwar Bin Hj. Mohd Nor (R) is neither Chairman nor member for both committees, i.e. Audit Committee, Nomination and Remuneration 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	:	

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's appointment and removal is subject to Board's approval.</p> <p>The Internal Company Secretary, Maslina Binti Samiran is a Fellow Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). She is a qualified Company Secretary in accordance with the requirements of the Companies Act 2016, and competent to support the Board.</p> <p>The Board has direct access to the advice and services of the Company Secretaries, who is responsible to the Board to ensure that the Board's procedures are followed and that applicable rules and regulations are being complied with, thus adopting corporate governance best practices.</p> <p>The Company Secretary attends Board and Board Committee Meetings. She ensures that all Board, Board Committees and Shareholder Meetings are properly convened, where accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory registers of the Company.</p> <p>Company Secretary duties:-</p> <ul style="list-style-type: none">(i) Performs statutory duties stipulated under the Companies Act 2016, Bursa Malaysia Securities Berhad (BMSB) Main Market Listing Requirements and Capital Market and Services Act, 2007 (CMSA);(ii) Facilitates and attend board and board committees' meetings;(iii) Maintains records to meet statutory obligations;(iv) Assists the Board with the preparation of announcements for BMSB release; and(v) Render advice and support to the Board and Management.
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

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 affairs to enable them to discharge their duties and support their decision making process. Any amendment, correction or/and new updates to matters deliberated to the Board shall be communicated to the Board in the next meeting.</p> <p>All Directors are notified of the corporate announcements released to BMSB, any amendment to BMSB's Listing Requirements, and any pertinent Regulatory changes.</p> <p>All Directors have access to the Management, Company Secretary and Auditors for independent view and advice.</p> <p>Board and Board Committee meetings are pre-scheduled, where notice and agenda of meeting are being provided at least seven (7) business days prior to each meeting, unless there are unavoidable circumstances.</p> <p>The Senior Management and/or other relevant Board members will provide comprehensive explanation of pertinent issues and recommendations. The issues would then be deliberated and discussed thoroughly by the Board before decision-making.</p> <p>Any relevant Management team representative(s) shall be invited to the Board Meeting to brief the Board on matters at hand specific to their scopes to receive Board decisions, directives or/and specific mandates. Where the said representative is, urgent Board decisions shall be communicated to the Management within one (1) working day of the Board meeting.</p> <p>All Board deliberations and decisions are clearly documented in the minutes, including the rationale for each decision, along with clear actions to be taken and the individuals responsible for their implementation. Relevant extracts of the minutes of meetings are distributed to the Management for action once the Board minutes are completed, depending on the urgency of the matters.</p> <p>Minutes of Board Meetings are completed for comments by the Board members on a timely basis before the next succeeding Board meeting. They are circulated and confirmed as a correct record of proceedings by the Board and Board Committees at their next meetings respectively. The signed minutes are appropriately filed and kept at the Company's registered Office.</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, authorities, procedures, evaluations and structure of the Board, Board Committees and Management (individually and collectively) in setting the directions, management and controls of the Company, matters specifically reserved for the Board and Board-stakeholder relationships.</p> <p>The Board Charter is available on the Company's Investor Relations Section of the website at www.countryheights.com.my.</p> <p>The Board will review and update the Board Charter periodically where appropriate, from time to time to ensure its consistencies with the Board's objectives and responsibilities and all the relevant standards of corporate governance.</p> <p>The Board Charter was last reviewed and updated on 29 August 2025.</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 Board has established a Code of Ethics which is embedded in the Human Resource Employee Handbook.</p> <p>The Code of Ethic extract is published at the Company's website at www.countryheights.com.my under the Investor Relations Section.</p> <p>The purpose of the Code of Ethics is to support the Company's vision and core values by instilling, internalizing and upholding the value of uncompromising integrity in the behaviour and conducts of the Directors and Employees of the Group in terms of performance and exercise of their respective duties and responsibilities.</p> <p>The Code of Ethics involves transparency, integrity, accountability and corporate social responsibility.</p> <p>In addition, every employee shall submit their weekly report to the Human Resource Department to declare their contribution to the Company notwithstanding to act professionally and promote Company reputation and performance via the "4X, 4-5-2 Philosophy".</p> <p>In addition to the Code of Ethics, the Company implements Directors' Fit and Proper Policy to ensure compliance to Section 213-222 and not subject to Section 198-199 of the Companies Act 2016 and in compliance with Chapter 15 BMLR, in which all directors shall declare their compliance prior to acceptance to directorships in the Company as well as to provide their annual FIT AND PROPER attestation renewal.</p> <p>All directors, management and employees are expected to behave ethically and professionally to protect and promote the reputation and performance of the Company.</p>
Explanation for departure	:	

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Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company practices the implementation of internal Whistleblowing Policy where employees are able to directly channel their concerns about illegal, unethical or improper business conduct(s) of any officer of the Company to the Human Resource And Administration Department. On the positive side, the Company also provides opportunities for employees to share their thoughts on business improvement ideas by submitting their remarks in the Business Improvement Ideas Contribution box.</p> <p>The Board and the Management gave 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>
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.</p> <p>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 environmental, economic, social and governance consideration.</p> <p>The Environmental & Sustainability Policy of CHHB Group focuses on corporate sustainability in five (5) main areas, namely Environment, Health and Safety, Employees, Business partnerships and local communities. The Group's efforts on environmental and social responsibilities during the financial period 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	:	

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.</p> <p>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>In implementing its business undertakings, the Group' strategic Sustainability focus gives emphasis on the following key areas:-</p> <ul style="list-style-type: none">(i) Environment;(ii) Health And Safety; and(iii) Internal Stakeholders' relationships (Shareholders, Employees);(iv) External Stakeholders' relationships (Business partners, local communities and customers). <p>Its sustainability value can be seen through the development process and business undertakings.</p> <p>The Group implements this strategy in order to improve the customer satisfaction measures in its key products and segments.</p> <p>The Group will continue to invest in exciting and 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	:	
<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	:	<p>The Board ensures an appropriate tone from the top with clear management accountability reinforced with the Group's codes of conduct, influences the behavior 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 practices 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	:		

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	:	There is a necessity to conduct performance evaluations of the Board and Senior Management in addressing the company's material sustainability risk and opportunities. Currently there is no official method being established for that purpose.	
		The Company does not have any alternative practice other than conducting general assessments and deliberation on the matter.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
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	:	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 5.1

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 & Remuneration Committee ("NRC") is responsible to formulate the nomination, selection and succession policies for the Board and the Board Committees as may be determined by the 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>NRC shall determine the criteria for Board membership, including qualities, experience, skills, diversity, expertise, education background and qualifications, competencies, integrity, contribution, level of commitments in terms of time and other qualities, and advises the Board that it is periodically refreshed so that only the best qualify as candidate(s) to sit on the Board.</p> <p>On annual basis, NRC conducts Directors' Performance Assessment and Evaluation which covers the following areas:-</p> <ol style="list-style-type: none">1) Performance of Independent Non-Executive Directors (self-assessment)2) Performance and effectiveness of the Board and Board Committees.3) Director review, retirement and re-election recommendation at the Annual General Meeting (AGM).4) Director remuneration review for Board's 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	:	

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	:	There are currently 3 independent directors in the Company which represents 37.5% of the Board Composition. The Company 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>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to his re-designation as a non-independent director. None of our Independent Directors has served more than nine (9) years on the Board for FP2025.	
		No other alternative.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
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	:	<p>The Group does not have a specific policy on gender, ethnicity and age group for candidates to be appointed onto the Board. The Group does not practice any form of objective or selection criteria in consideration of candidates to the Board. Any appointment and retention of Directors are based on merit and without prejudice, taking into consideration the requirements for the Board to be effective. The Board periodically assesses the skills, expertise, experience, gender, age and independence of its Directors against the needs of the Board.</p> <p>The Board is guided by the principle that the appointment of a new Board member shall not be based solely on gender. Whilst it is aware of potential benefits that might accrue from having members in the Board of different genders, age groups as well as ethnicity, the Board is of the view that the interests of the Company and the Group are better served if the selection of suitable candidates is made based on meritocracy, skill-set requirements and experience relevant for the position, rather than formalizing policies and targets towards gender, age and ethnicity.</p> <p>The Board has adopted a Fit and Proper Policy to ensure that a formal, rigorous and transparent process is adhered to for the appointment, re-appointment or re-election of Directors. It serves as a guide to the NRC and the Board in conducting the necessary assessment to ensure that candidates have the necessary character, experience, integrity, competence and time to effectively discharge their role before they are appointed to the Board.</p> <p>To ensure that Directors are able to devote sufficient time to serve on the Board effectively, they are required to disclose their directorships in other companies to NRC for assessment of their time commitment.</p> <p>In assessing candidates for Senior Management positions, the Board and the NRC take into consideration the challenges and opportunities faced by the Group, the leadership needs of the Group, and the candidate's technical capabilities, experience, professional qualifications and potential for appointment to the Board in future.</p> <p>The Group ensures that women candidates are sought and considered in the recruitment exercise.</p> <p>The Boardroom in FP2025 consists of two (2) women directors, a Malay and an Indian.</p>

Explanation for departure	:			
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Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

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>In the selection of candidates to be appointed as director, the Board does not set specific criteria. It is the Company's policy to assess all potential Board candidates without regard to race, gender, age, nationality, religious beliefs, or any other factor not relevant to their competence and performance as a potential Board member as well as to meet the regulatory requirements such as the Companies Act, 2016 and the Listing Requirements.</p> <p>Director candidates shall be recommended by the NRC to the Board for new appointment, which arise from resignation, retirement or other reasons or if there is a need to appoint additional directors with the required skills or profession to the Board in order to provide the diversity and close the competency gap in the Board identified by the NRC. The process is to ensure that the appointment could add value and Board effectiveness.</p> <p>The potential candidate(s) may be proposed by the group advisor, shareholders, existing directors or third-party referrals/independent sources. The NRC is responsible to conduct an assessment and evaluation on the proposed candidates, which may include review of the candidate's credentials, curriculum vitae and qualifications. Other criteria being considered include candidate's integrity, wisdom, commitment, fit and proper criteria, independence, ability to make independent and analytical inquiries, ability to work as a team to support the Board, understanding of the business environment and the willingness to devote adequate time and commitment to attend to the duties and functions of the Board.</p> <p>The Board will then evaluate and approve the appointment upon their satisfactory to the NRC recommendation.</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 information of the retiring Directors who are standing for the re-election are disclosed in the Corporate Governance Overview Statement and Notice of AGM further detailed out in the Explanatory Note, in CHHB's Annual Report 2025,</p> <p>Each of the Directors standing for re-election had undergone a performance and fitness evaluation. The incumbent has provided his/her fitness and probity to remain as Directors in accordance to the Fit and Proper Policy as well as confirmation of his/her Independence under the scrutiny of the Nomination and Remuneration Committee ("NRC") and the Board before recommendation is made to the shareholders for consideration.</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 Nomination & Remuneration Committee is chaired by Mr. Ong Tee Chin, the Senior Independent Non-Executive Director of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 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 women 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 2021, 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 is available on the Company's website at www.countryheights.com.my.</p> <p>The Boardroom consists of two (2) female directors, a Malay and an Indian.</p> <p>The Board will assess the needs considering the current Group performance and talents required by giving priority to Female candidates.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
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 5.10

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 Malaysian Code of Corporate Governance 2021 and has developed a Gender Diversity Policy to promote the representation of women in the composition of the Board.</p> <p>The Gender Diversity Policy is available 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

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year ended 30 June 2025, 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 2025.• Evaluated and assessed the performance and effectiveness of the Board of Directors and Board Committees for the year 2025. <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	:	
	:	

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's 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	:	
<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 responsibility of the Nomination & Remuneration Committee, among others, is to formulate and/or review and recommend the appropriate level of remuneration for the Executive and Non-Executive Directors.</p> <p>The terms of reference of the Nomination & Remuneration Committee is available 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

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	:	Choose an item.
Explanation on application of the practice	:	

[illegible]

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	:	Confidential matter	
		Confidential to disclose	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of Audit & Risk Management Committee, Mr. Tan Meng Khong, 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	:		

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	:	Before becoming a member of the Audit Committee, any former partner of the external audit firm of CHHB (e.g. Messrs UHY Malaysia PLT (“UHY”)), need to observe a cooling-off period of at least three (3) years. Currently, ARMC Chairman and members are third party independent non-executive directors who are not the former member of any External Audit firm	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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 Malaysia PLT ("UHY"), during the financial period ended 30 June 2025:</p> <ul style="list-style-type: none">(a) reviewed and discussed with the External Auditors before the commencement of audit, the nature and scope of the audit;(b) discussed 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);(c) reviewed External Auditors' letter to the Management (if any) and the Management's responses with regard thereto.(d) made appropriate recommendations to the Board on matters pertaining to the nomination, appointment and dismissal of External Auditors and the fees thereof. <p>The Board has established a formal and transparent arrangement for maintaining appropriate relationships with the External Auditors in seeking professional advice and ensuring compliance with the relevant regulations and applicable approved accounting standards in Malaysia.</p> <p>The Board has considered the non-audit fees provided during the year by UHY and is satisfied that the provision of those non-audit services during the year by UHY does not compromise the Auditors' Independence.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

There is 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	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 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>The Board is satisfied that the Audit & Risk Management Committee ("ARMC") members during the Financial Period Ended 30 June 2025 possess the necessary skill to discharge its duties and are financially literate, competent and have the ability to understand matters under the purview of the ARMC including the financial reporting process.</p> <p>Profiles of ARMC Chairman and members are available in the Annual Report 2025. ARMC members keep themselves abreast in the areas of accounting, finance, regulatory, corporate law, risk management and business environment, to discharge their 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	:	

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 Board is responsible for determining the nature and extent of the significant risks that it is willing to take in achieving its strategic objectives.	
		The Board acknowledges its responsibility to adopt sound risk management practices and internal control systems to safeguard its business interests from risk events that may impede the achievement of its business strategies and action plan, thereby enable value creation and promote process improvement. There is a need to strengthen its current risk management framework parallel to the changes of the business environment.	
		The Board is assisted by the Management in implementing appropriate policies and procedures on risk and internal controls.	
Explanation for departure	:	The Management identifies and evaluates the risks faced by the Group, thereby designs, implements and monitors an appropriate system of internal controls in line with the policies approved by the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>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 under the COSO Internal Control Framework which is developed for internal control:-</p> <ol style="list-style-type: none">1. <u>Control Environment</u> Tone on the top, integrity, ethical values, competence and board oversight.2. <u>Risk Management</u> Identifying and analyzing risks, considering fraud risk, assessing changes in external/internal environment.3. <u>Control Activities</u> Establish policies, procedures, approvals, reconciliations, segregation of duties and controls.4. <u>Information and Communication</u> Relevant and timely information flows across organization.5. <u>Review and Monitoring Process</u> Audit internal QA processes, management reviews and compliance monitoring. <p>The Board, with the assistance of the ARMC, continuously reviews 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>
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 10.3 - 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	:	Adopted
Explanation on adoption of the practice	:	The Audit & Risk Management Committee comprises all Independent Directors who oversee the Company's risk management framework, policies and implementation.

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 of the Company is currently outsourced to Talent League Sdn Bhd. The firm reports directly to ARMC. The internal audit scopes include examination and evaluation on the adequacy and effectiveness of the Group's systems of internal controls. The internal audit team is free from any relationships and conflicts of interests with any of the Board, Management Team and the employees.</p> <p>The internal audit activities are carried out on the targeted subject matter, under a risk-based approach, for the financial period under review included inter-alia , the followings :-</p> <ul style="list-style-type: none">(a) The Internal Audit Plan ("Plan") is presented and being reviewed to ensure adequacy of scope, resources, competencies and coverage of auditable entities in the Group with significant and high risks, including the periodic status of completion of the Plan;(b) The Internal Auditors issue reports on the internal audit findings identifying weaknesses and highlighting recommendations for improvements on a periodic basis;(c) Follow-up on the implementation of corrective action plans or/and best practices as agreed with the Management; and(d) Table internal audit findings to ARMC, discuss the audit reports and follow-up on issues 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

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>CHHB's outsourced its internal audit function to Talents League Sdn Bhd. The external audit firm is assigned to provide reasonable assurance regarding the effectiveness, adequacy and integrity of the Company's internal control systems.</p> <p>The internal auditors have full and direct access to the ARMC and reports directly to the ARMC for all internal audit exercise conducted, including significant results and recommendations for improvements.</p> <p>The ARMC, through the internal auditors monitor action plans and the status thereof on regular basis.</p> <p>Talent League Sdn Bhd's staff was free from any relationships or conflicts of interest with any employee of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is 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 has full commitment to ensure that any Company development is well being informed to the shareholders and stakeholders where dissemination of information is conveyed in a timely manner via the following channels:-</p> <ul style="list-style-type: none">a) Annual Reportb) Quarterly Result and Annual Result Disclosuresc) Company Announcementsd) Website maintenance : www.countryheights.com.mye) Access to public to submit queries via the designated person, contact number and email address via the website. <p>CHHB has always been committed to maintain transparency, consistent with good corporate governance, unless commercial confidentiality dictates otherwise.</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's general meeting is regarded as a principle forum for dialogue with shareholders by the Board and Management which are held as and when required.</p> <p>The meeting provides official engagement between the shareholders, Board and Management for open communications and shareholder voting on all resolutions.</p> <p>Notice of Annual General Meeting to shareholders is given at least twenty-eight (28) days prior to the meeting date for the shareholders to have ample time to assess and digest meeting agendas and matters of discussion or to make any necessary arrangement with their corporate representatives, proxies or attorneys to attend the meeting on their behalf.</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	:	<p>Shareholders or their appointed proxies are able to participate, engage the board and senior management effectively and make informed voting decisions at the general meetings.</p> <p>All Board of Directors, Chairman of ARMC, Chairman of NRC and Board Committee members are present during the general meeting to provide meaningful responses to the questions addressed to them by shareholders.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company practises physical general meeting. The Company utilizes modern technology of communication equipment and voting tools to facilitate meeting process and voting session. This is due to focus on physical rather than virtual interaction as experienced in our previous general meetings considering low turn-up number of shareholders and low audience head-counts. Voting can be casted directly by shareholders who physically attend the event.	
	:	Shareholders may appoint Corporate Representatives or Proxies to represent them at the general meeting and vote on their behalf.	
	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
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	:	Shareholders are given the opportunity to pose questions on matters relating to the Group's business in addition to the Company' financial statements during the AGM. Shareholders are given the opportunity to submit questions in advance via email prior to convening of the AGM. Shareholders may forward their question during the AGM Questions & Answers Session.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Our next AGM will be in December 2025.</p> <p>The Company adopts full Physical AGM.</p> <p>Physical AGM allows full physical participation and meaningful interactions among shareholders and the Board, Board Committees and the Management.</p> <p>Notice of AGM gives ample time to all shareholders, which is within 28 days from the date of the meeting in order for them to prepare for the event or make the necessary arrangement.</p> <p>Shareholders or their proxies and corporate representatives have their opportunities to speak, vote and mingle during the event. They are able to directly seek clarifications on CHHB's business directions and strategy and aware of the current performance and undertakings based on the briefings by the Chairman and Management.</p> <p>In addition, as referred to Securities Commission and Bursa Malaysia announcement dated 30 August 2024, it is mandatory for PLCs to conduct hybrid or physical general meetings from 1 March 2025 onwards. The SC Chairman Dato' Mohammad Faiz Azmi said while fully virtual meetings served their purpose during the pandemic, it is time for PLCs to transition to hybrid or physical meeting formats.</p> <p>"Shareholder meetings, especially AGMs, are important sessions to engage the board and management," he said. "Domestic and international investors have also expressed their preference for hybrid or physical meetings. It reinforces good governance by promoting transparency and accountability."</p> <p>Datuk Muhamad Umar Swift, Bursa Malaysia CEO said, "The Exchange fully supports the hybrid approach as it strikes the right</p>

	<p>balance between accessibility and engagement. Leading by example, we ensure greater accessibility and inclusivity for all shareholders, to foster trust and a more engaging dialogue.”</p> <p>Physical meetings preserve the sanctity of shareholder rights and ensure no one is excluded due to technological barriers. While virtual participation enhances accessibility, PLCs should strive to hold general meetings in a hybrid model or at least in a physical format. This ensures meaningful shareholder engagement, safeguards shareholder rights, and upholds the integrity of the general meeting process,” he added.</p> <p>The Company is in full support of Securities Commission and Bursa Malaysia move towards full physical or hybrid general meetings.</p> <p>The AGM utilizes modern technology and necessary IT infrastructure to facilitate smooth communications and voting process for the purpose of the event.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
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	:	It is the practice of the Company that AGM minutes shall be made available to shareholders within 30 business days after the general meeting. It is published 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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