

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5673
COMPANY NAME : JENTAYU SUSTAINABLES BERHAD
FINANCIAL YEAR : June 30, 2023

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 ("Board") sets the strategic direction and vision of the Company. The Board takes full responsibility in leading governance, guiding and monitoring the entire performance of the Company and enforces standards of accountability, all with a view to enabling Management to execute its responsibilities effectively and efficiently.</p> <p>In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter, which outlines the duties and responsibilities of the Board, matters reserved for the Board as well as those which the Board may delegate to the Board Committees and Management.</p> <p>The Board has reserved a formal schedule of matters for its decision making to ensure that direction and control of the Company are firmly in its hands. It has also set the strategic direction of the Company, exercised oversight on Management and set the appropriate tone at the top, while providing thought leadership and championing good governance and ethical practices throughout the Company. The Board Charter is available on the Company's website at www.jentayu-sustainables.com.</p> <p>The Board delegates specific responsibilities to the following committees ("Board Committees"):</p> <ol style="list-style-type: none">1. Board Audit Committee ("BAC");2. Board Nomination and Remuneration Committee ("BNRC");3. Board Risk Management ("BRC"); and4. Board Investment Committee ("BIC"). <p>The Board's oversight on management is by delegating day-to-day management of the Group to the Chief Executive Officer ("CEO"). The delegation structure is further cascaded by the CEO to the Senior</p>

	<p>Management Team. The CEO together with the Senior Management Team remain accountable to the Board for the authority being delegated to the Senior Management Team by the CEO. However, the schedule of matters reserved for the Board's decision includes key strategic, financial, operations, compliance, and governance issues as well as acquisition/disposal of assets, subject to regulatory requirements.</p> <p>The various power delegated to the Senior Management Team is based on the Limits of Authority, which is also subject to periodic review based on changes to organisation structure and business requirements for efficient decision making.</p> <p>In additional, the Board also expects Senior Management to:</p> <ol style="list-style-type: none"> 1. Review the Group's strategies and their implementation in all key areas of the Group's activities; 2. Carry out a comprehensive budgeting process and monitor the Group's financial performance against the budget; and 3. Identify opportunities and risks affecting the Group's business and find ways of dealing with them. <p>The CEO together with the Senior Management team meets as when necessary to review and monitor the performance of the Group's operating divisions, review shared initiatives and update the operational policies which is more efficient practical.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Executive Chairman, Datuk Haji Beroz Nikmal bin Mirdin, helms by providing leadership and guidance to the Board in meeting corporate goals and manages the processes in ensuring the Board discharges of its duties.</p> <p>The Executive Chairman encourages a healthy debate on issues raised at Board Meetings and gives opportunity to Directors who wish to speak on motions, either for or against them. He also ensures a smooth, open and constructive dialogue between the Board and the Company's 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

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 and CEO of the Company are separate with clear division of responsibilities between them to ensure balance of power and authority.</p> <p>The Executive Chairman of the Company is Datuk Haji Beroz Nikmal bin Mirdin while the CEO of the Company is Encik Jeeфри bin Muhamad Yusup.</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 is Datuk Haji Beroz Nikmal bin Mirdin and he does not hold any position on any Board Committees since his appointment as Chairman on 18 June 2020.
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 Board is supported by two (2) experienced and competent Company Secretaries, who are qualified to act under Section 235(2)(a) of the Companies Act 2016. They are responsible for providing Directors with advice on compliance and corporate governance issues.</p> <p>The Board is regularly updated by the Company Secretaries on new changes to the statutory and regulatory requirements and the resultant implications to the Company and the Board in discharging their duties and responsibilities.</p> <p>The Company Secretary attends the Board and Board Committees meetings and ensure the meetings are properly convened and deliberations at those meetings are well captured and minuted. All Directors have access to the advice and services of the Company Secretaries in carrying out their duties.</p> <p>The Company Secretaries also undertake the statutory duties as prescribed under the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>In order to discharge their responsibilities effectively, the Board meets regularly on a quarterly basis. Additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters that require the Board's expeditious review or consideration. Such meetings will enable the Board members to effectively assess the viability of the business and corporate proposals and the principal risks that may have significant impacts on the Group's business or on its financial position and the mitigating factors. All Board approvals sought are supported with all the relevant information and explanations required for an informed decision to be made.</p> <p>In the intervals between Board meetings, any matters requiring urgent Board decisions or approvals will be sought via circular resolutions of the Directors and these are supported with all the relevant information and explanations required for an informed decision to be made.</p> <p>Prior to the Board Meetings, the Directors will be provided with the relevant agenda and Board papers to enable them to have an overview of matters to be discussed or reviewed at the meetings and to seek further clarifications, if any. The Board papers provide among others, the minutes of preceding meetings of the Board, summary of dealings in shared by the Directors or affected persons, if any and Directors' Circular Resolutions, reports on the Group's financial statements, operations, any relevant corporate development, and proposals.</p> <p>As for meetings of Board Committees, the Board Committees members will be provided with the relevant agenda and Board Committees meeting papers as per the Terms of Reference of the respective Board Committees.</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 demarcation of responsibilities between the board, board committees and management.

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter clearly sets out the respective roles and responsibilities of the Board, Board Committees, individual Directors and Management, and issues and decisions reserved for the Board.</p> <p>The Board Charter is subject to review as and when required and is amended in accordance with the requirements of the Group and in alignment with the best practices recommended in the Malaysian Code on Corporate Governance, provisions in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad as well as any new regulations that may have an impact on the Board’s responsibilities.</p> <p>The Board Charter was last reviewed in September 2023 and published on the Company’s website at www.jentayu-sustainables.com.</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 put in place a Directors' Code of Conduct and Ethics for the Directors ("Code") which sets out the standards of conducts expected from Directors to advocate good corporate behaviour in a professional, honest and ethical manner. The Code is incorporated in the Board Charter.</p> <p>The Company adopts the Code of Conduct and Ethics which is embedded in the Human Resources Handbook ("Handbook"). All employees always have access to Employee Handbook. The Handbook cover the general employment terms and conditions, compensation and benefits, proprietary information, conflict of interest, indulging in private businesses and sexual harassment. Through the Code and the Handbook, the Board sets the tone for proper ethical behaviour expected of the Board members and the employees.</p> <p>The Code and the Handbook are reviewed periodically as and when required to ensure that the standards of professional behaviour are updated and continue to be relevant.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of lawful and ethical behaviours in all its business activities and is committed to adhere to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs in the workplace.</p> <p>The Board has thus established a Whistleblowing Policy with the aim to provide an avenue to employees or external parties to report any improper conduct, unethical, fraudulent and malpractices by employees, Management or Directors regardless of their position so that damage controls and remedial actions can be taken properly.</p> <p>The Board has established an Anti-Bribery & Anti-Corruption Policy that contains policies and guidelines relating to standards and ethics that all employees are expected to adhere to in the course of their work and to the public at large, as part of the Group’s commitment in combating bribery and corruption.</p> <p>The Whistleblowing Policy and Anti-Bribery & Anti-Corruption Policy are published on the Company’s website at www.jentayu-sustainables.com.</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 recognises the importance of business sustainability and is committed to deliver long term sustainable values to the stakeholders of the Group. The Group's workplace, marketplace, community, environment, social, cultural and governance aspects of business operations are an integral part of the Group's social obligation in conducting its business.</p> <p>The Sustainability Report, which elaborates on the Group's sustainability journey, the United Nations Sustainable Development Goals ("UNSDG"), sustainability governance framework, material sustainability matters, approaches and efforts, is prepared on annual basis to enable a better understanding of the Group's aspirations and achievements on sustainability.</p> <p>The Sustainability Report is available on the Company's website at www.jentayu-sustainables.com.</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>The Group’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders (including but not limited to employees, customers, investors, regulators, contractors and suppliers, media and non-governmental organisations) regularly through various channels.</p> <p>A section on sustainability is available on the Company’s website at www.jentayu-sustainables.com to provide further information on the Group’s commitments towards the Development Goals (“SDG”), the Group’s sustainability governance structure, policies and sustainability reports. The information is easily accessible by the public.</p> <p>Further details on the Group’s communication with stakeholders in relation to environmental, social and governance (“ESG”) are disclosed under Stakeholder Management section of the Sustainability Report which is available on the Company’s website at www.jentayu-sustainables.com.</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 keeps abreast of sustainability issues that are relevant to the Company and its business via sustainability related updates shared by the Management and Company Secretary, as well as trainings attended during the year.</p> <p>The list of conferences, training programmes and seminars attended by the Directors can be found in the Corporate Governance Overview Statement of the Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The BNRC reviews annually, the effectiveness of the Board and all the Board Committees as well as the performance of individual directors. The evaluation involves individual Directors and Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and where improvements could be considered.</p> <p>The Board recognises the importance of sustainability in all its business operations and has included sustainability as one of the criteria in the performance evaluations of Board members.</p> <p>The Board Effectiveness Evaluation for the financial year ended 30 June 2023 included an assessment of the Board’s understanding of sustainability issues that are critical to the Company’s performance.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The 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	:	Mr. M Satya Riayatsyah bin Syafruddin is the Chief Strategy & Sustainability Officer of the Company. He is designated to provide Corporate Planning, Performance Monitoring and Reporting, Stakeholder Management, Sustainability Management, Communications, Investor Relations and Strategic Investment/Project.

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 Board conducts an annual evaluation of the Board’s composition through the BNRC to determine whether the Board is structured appropriately in terms of factors such as size, diversity, independence, and consistency with the Company’s objectives and strategic goals.</p> <p>The BNRC will continue to conduct yearly evaluations of each Director and examine the necessity of bringing fresh perspectives and skills to the boardroom as required.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>As at the date of this Report, the Board consists of seven (7) Directors, four (4) of whom are Independent Non-Executive Directors and three (3) are Executive Directors.</p> <p>Such composition is able to provide independent and objective judgement to facilitate a balanced leadership in the Group as well as providing effective check and balance to safeguard the interest of the minority shareholders and other stakeholders, and ensuring high standards of conduct and integrity are maintained.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Not applicable - Step Up 5.4 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	:		

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 :	
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to ensure boardroom diversity that includes industry experience, background, age, cultural background and gender without any form of discrimination in selecting a Board member. Although the Board encourages diversity, the appointment of a Board member is solely based on merit of the candidate in meeting the needs of the Company.</p> <p>The BNRC is responsible for considering and assessing suitable candidates before recommending to the Board for appointment. Among the criteria adopted in selecting the best candidate available are the following which are aligned closely to Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities and set out in the terms of reference of then BNRC:</p> <ul style="list-style-type: none">a) the required skills, knowledge, expertise and experience;b) time commitment, character, professionalism and integrity;c) number of directorships outside the Group; andd) specialist knowledge or technical skill. <p>The Board has adopted a Directors' Fit and Proper Policy in ensuring that the appointment and re-election of the members of the Board are based on identified key criteria, i.e., character, integrity, experience, competence, time availability and commitment, to enable them to discharge their stewardship roles and responsibilities effectively in the best interest of the Group. The abovementioned policy is available on the Company's website at www.jentayu-sustainables.com.</p> <p>In assessing candidates for Senior Management positions, the Board and the BNRC take into account 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. The Group ensures that women candidates are sought and considered in the recruitment exercise.</p>

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

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The BNRC is responsible for recommending suitable candidates for directorships to the Board. In identifying suitable candidates, the BNRC accepts recommendations from shareholders and existing Board members. The BNRC may also seek external sources via independent recruitment firms for sourcing suitable candidates and this power is vested in the BNRC via its terms of reference approved by the Board.</p> <p>Upon receiving recommendations from these sources, the BNRC evaluates the suitability of each candidate before recommending to the Board. The final decision on the appointment of candidate solely lies with the Board as a whole.</p> <p>The Board and BNRC are open to referral to identifying and sourcing for suitable qualified candidates when the vacancies or need arise.</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	:	The profiles of the Directors, including age, nationality, gender, professional qualifications, date of first appointment to the Board, memberships of Board Committee, work experiences and any conflict of interest and information of its shareholdings in the Company are included in the Directors' profile report in the Annual Report 2023.	
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 BNRC is currently chaired by Dato' Amiruddin bin Abdul Satar the 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	:		

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	:	The Board is supportive of gender diversity on the Board and in Senior Management team. However, the Board has not formalised any gender diversity policies and targets and the measures taken to meet those targets.	
		Whilst acknowledging the recommendation of the MCCG 2021 on gender diversity, the Board is of the collective opinion that there is no necessity to adopt a formal gender diversity policy as the Group is committed to provide fair and equal opportunities and nurturing diversity within the Group. The BNRC and the Board will consider gender diversity as part of its future selection process and will look into female board representation and Senior Management going forward.	
<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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board has not formalised any gender diversity policies and targets and the measures taken to meet those targets.	
		The Board has always placed gender diversity as an agenda in strengthening the performance of its Board and Board Committees. The Board is of the view that while it is important to promote gender diversity, the normal selection criteria of a director, based on effective blend of competencies, skills, extensive experience and knowledge in areas identified by the Board, should remain a priority so as not to compromise on qualification, experience and capabilities.	
<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

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: The BNRC reviews annually the required mix of skills and experienced of the Board, including core competencies which Non-Executive Directors should bring to the Board and assesses the effectiveness of the Board and all Board Committees as well as the performance of individual directors. The evaluation involves individual Directors and Board Committees members completing separate evaluation questionnaire regarding the processes of the Board and the Board Committees, their effectiveness and where improvements could be considered. The BNRC had on 22 August 2023 reviewed and assessed the mix of skills, expertise and composition, size and experiences of the Board, the performance and contribution of each individual Director, the performance of the BAC and its members and the overall effectiveness of the Board and the 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

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company does not have a remuneration policy for Directors and Senior Management in place for the time being. Nevertheless, the Directors' fees and benefits have been reviewed by the BNRC and the Board, before being recommended to the shareholders for approval.</p> <p>The remuneration of the Executive Directors is structured so as to link rewards to corporate and individual performance in order to attract, retain and motivate the Executive Directors to manage the Group successfully. For the Independent Non-Executive Directors, the level of their fees reflects the experience, expertise and level of responsibilities undertaken by the particular Independent Non-Executive Director concerned.</p> <p>Independent Non-Executive Directors will be paid based on fixed fees that commensurate with their responsibilities in the Board and Board Committees and their attendance at the meetings, subject to approval from shareholders. The proposed remuneration package of Independent Non-Executive Directors is a matter for the full Board to consider, with individual Directors concerned abstaining from discussion and voting on their own remuneration.</p> <p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</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.	
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Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has in place the Board Nomination and Remuneration Committee ("BNRC") which comprises solely the Independent Non-Executive Directors.</p> <p>The BNRC's primary responsibilities include establishing, reviewing and recommending to the Board the remuneration packages of each individual Executive Director and Key Senior Management to ensure that their remuneration should be commensurate with their responsibilities and commitment.</p> <p>The authority, duties and responsibilities of the BNRC are clearly defined in its Terms of Reference which is available on the Company's website at www.jentayu-sustainables.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The remuneration of the individual Directors of the Company comprises of fees and meeting allowances for the financial year ended 30 June 2023 is disclosed on named basis in the Annual Report 2023 of the Company under the Corporate Governance Overview Statement.</p> <p>Mr. Baevinraj Thiagarajah will start drawing salary from the Company with effect from 4 September 2023 after being redesignated from Independent Non-Executive Director to Executive Director.</p> <p>The details of remuneration for Directors of the Group and the Company for the financial year 30 June 2023 are set out below:-</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Haji Beroz Nikmal bin Mirdin	Executive Director	Input info here	Input info here	957	Input info here	25	128	1,110	Input info here	Input info here	957	Input info here	25	128	1,110
2	Jeefri bin Muhamad Yusup	Executive Director	Input info here	Input info here	957	Input info here	Input info here	128	1,085	Input info here	Input info here	957	Input info here	Input info here	128	1,085
3	Baevinraj Thiagarajah	Executive Director	60	12	Input info here	Input info here	Input info here	Input info here	72	60	12	Input info here	Input info here	Input info here	Input info here	72
4	Dato' Amiruddin bin Abdul Satar	Independent Director	60	12	Input info here	Input info here	Input info here	Input info here	72	60	12	Input info here	Input info here	Input info here	Input info here	72
5	Abdul Halim bin Jantan	Independent Director	70	17.5	Input info here	Input info here	Input info here	Input info here	87.5	70	17.5	Input info here	Input info here	Input info here	Input info here	87.5
6	Kung Chin Woon	Independent Director	60	8	Input info here	Input info here	Input info here	Input info here	68	60	8	Input info here	Input info here	Input info here	Input info here	68
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
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Intended Outcome

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

Practice 8.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board is of the view that the disclosure of the details of the Senior Management's remuneration would not be in the best interest of the Company due to confidentiality and the competitive nature of the industries in which the Group operates.	
		The Board ensures that the remuneration of Senior Management is fair and commensurate with the performance of the Group and the contributions made by the Senior Management, but at the same time, it is able to attract, retain and motivate the Senior Management to excel in their respective roles.	
<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 BAC is currently chaired by Encik Abdul Halim bin Jantan, who 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	:	On 13 September 2023, the Board approved revisions to the External Auditors Policy to reflect the requirement for a former partner of the external audit firm to observe a cooling-off period of at least 3 years before being appointed as a member of the BAC. The External Auditors Policy is available on the Company's website at www.jentayu-sustainables.com .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The BAC has in place, policies and procedures by review and assess the appointment or re-appointment of the external auditors in respect of their suitability, objectivity, and independence.</p> <p>The BAC undertakes an annual assessment of suitability and independent of the External Auditors. A written assurance by the External Auditors, confirming that they are and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independent criteria set out by the International Federation of Accountants and the Malaysia Institute of Accountants.</p> <p>For the financial year ended 30 June 2023, the BAC reviewed and assessed the performance, objectivity, and independence of the External Auditors, and the level of non-audit service rendered which would not impair the objectivity and independence as External Auditors of the Company.</p> <p>The criteria for the External Auditors Assessment include quality of services, sufficiency of resources communication and interaction, independence, objectivity, and professional scepticisms pursuant to the Company's External Auditors Policy. The External Auditors Policy has outlined the guidelines and procedures for the assessment. The details of the EAP are available for reference at the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The BAC comprises solely of Independent Directors and as such, there is a strong and independent element to provide effective oversight for it to function effectively and exercise objective judgements independently.

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 regards the members of BAC collectively possess the accounting and related financial management expertise and experience required for BAC to discharge its responsibilities and assist the Board in its oversight over management in the design, implementation and monitoring of risk management and internal control systems.</p> <p>Members of the BAC attend trainings and talks to keep them updated on developments on financial reporting and accounting standards. Updates and developments in the Companies Act 2016, new Financial Reporting Standards (FRS) and Malaysian Accounting Standards Board (MASB) Accounting Standards and Interpretations are presented in the annual Audit Planning Memorandum by the External Auditors at BAC meetings.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges its responsibility to maintain a sound system of internal controls to safeguard shareholders' investment and the Company's assets. Accordingly, the Directors are required to ensure that an effective system of internal control is in place within the Group.</p> <p>The Board confirms that there is an on-going process of identifying, analysing, evaluating, treating, and monitoring the significant risk faced by Group. The process is reviewed regularly by the Board and is in accordance with the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers.</p> <p>Further information on risk management framework and internal control are disclosed under the Statements on Risk Management and Internal Control in the Company's Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The key features of the Company’s risk management and internal control framework, which cover their adequacy and effectiveness are disclosed under the Statement on Risk Management and Internal Control in the Company’s Annual Report 2023.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Board has established a Board Risk Committee ("BRC"), comprises solely of Independent Directors to oversee the Group's risk management framework and policies.</p> <p>The principal objective of the BRC is to assist the Board in their responsibilities to identify, assess and monitor key business risks to safeguard shareholders' investments and the Group's assets.</p> <p>The TOR of the BRC is available for reference on the Company's website at www.jentayu-sustainables.com, and the details on the Group's ERM Framework are outlined in the Statement on Risk Management and Internal Control and Board Risk Management Committee Report in the Company's Annual Report 2023.</p>

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 is performed in-house by the Internal Audit Department (“IAD”). IAD is an independent function within the Group to assess the adequacy of internal controls and to monitor if the established controls are operating as intended by applying standards on internal auditing promulgated by the Institute of Internal Auditors (“IIA”).</p> <p>The main role of the IAD is to provide the BAC with the Independent and objective reports on the effectiveness of the system of internal control and the extent of compliance with established policies and procedures as well as the relevant statutory requirements within the Jentayu Sustainable Group.</p> <p>The IAD adopts a risk-based approach and carried out audits on the head office and subsidiaries based on approved Internal Audit Plan or on ad-hoc basis. The audits covered a comprehensive scope in the areas of operations, finance/accounts and investigation.</p> <p>The activities of the IAD during the financial year ended 30 June 2023 are set out in the BAC Report of the Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 personnel of the Internal Audit Department (“IAD”) are free from any relationship or conflict of interest, which could impair their objectivity and independence. The independence of the internal audit function is evidenced from its direct reporting to the BAC.</p> <p>The Head of Internal Audit retains and exercises the rights to meet with the BAC in the absence of management.</p> <p>The internal auditors have full access to the Jentayu Sustainables Group’s entitles, records and personnel.</p> <p>The IAD consist of three (3) Internal Audit personnel with relevant qualifications and experience and is headed by Mr. Liau Foo Hing, the Head of the IAD, who has a total of 22 years of experience in internal audit. Mr. Liau is an Associate Member of the Chartered Institute of Management Accountants.</p> <p>The internal audit function guided by the International Professional Practices Framework set by the Institute of Internal Auditors.</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 recognises the importance of being transparent and accountable to the Company's stakeholders and acknowledges the need for shareholders to be informed of all material business matters affecting the Group. As such, the Board provides clear, comprehensive, and timely information to stakeholders via various disclosures and announcements, including the quarterly and annual financial results which provide investors with up-to-date financial information of the Group and Annual Reports. All announcements to Bursa Malaysia Securities Berhad and other information about the Company are available on the Company's website which shareholders, investors and the public may access via www.jentayu-sustainables.com.</p> <p>The Annual General Meeting or Extraordinary General Meeting remains the principal forum for dialogues shareholders and aims to ensure that the General Meetings provides an important opportunity for effective communication with and constructive feedback from them.</p> <p>The Directors facilitate engagement with shareholders through designated question and answer session during the Company's Annual General Meetings. The key matters discussed at the Annual General Meeting are accessible for reference at the Company's website.</p> <p>While the Company endeavours to provide as much information as possible to its shareholders and stakeholders, the Company is also wary of the legal and regulatory framework governing the release of material and price-sensitive 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	:		
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Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company's 47th AGM was held on 27 December 2022 with the Notice of AGM issued on 2 December 2022, which was at least twenty-one (21) days before the date of the 47th AGM, in accordance with Article 82(a) of the Company's Constitution and Section 316(2) of the Companies Act 2016.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<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 13.2

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	All Directors attended the last 47th AGM held on 27 December 2022 except for Dato' Amiruddin bin Abdul Satar and Ms Kung Chin Woon.	
		Dato' Amiruddin bin Abdul Satar and Ms Kung Chin Woon were absent from the 47th AGM due to unforeseen circumstances.	
		The Directors of the Company are mindful of their individual collective responsibility as a Board towards shareholders and will ensure their presence at AGM to respond to specific questions pertinent to their respective roles and responsibilities.	
<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 13.3

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	:	<p>Pursuant to the Listing Requirements, all listed companies are required to conduct poll voting for the resolutions put up at its general meeting.</p> <p>The Company had leveraged the technology by conducting poll voting for all the resolutions tabled at the 47th AGM held on 27 December 2022 through electronic devices for greater efficiency and accuracy.</p> <p>The Company had appointed a Poll Administrator to conduct the polling process and another independent scrutineer to validate the votes cast and the results of each resolution put to vote were announced at the meeting. An announcement detailing the results, including the total number of votes cast for and against each resolution and the respective percentages was announced via Bursa Securities website after the conclusion of the general meeting.</p> <p>Moving forward, the Company will consider to leveraging on technology to facilitate shareholder participation at AGM.</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 13.4

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	: The AGM is a valuable opportunity for the Board to engage with shareholders directly. At the 47th AGM held on 27 December 2022, the Directors who were present in person, engaged directly with the shareholders. The Chairman ensured that sufficient opportunities were given to shareholders to raise issues relating to the affairs of the Company by providing ample time for the question-and answer session. The Directors had actively responded to relevant questions addressed to them. The representatives from external auditors were also present to respond to queries 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	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
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 13.6

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Minutes of the 47th AGM were uploaded on the Company's website more than thirty (30) business days after the conclusion of the 47th AGM. This was to ensure a detailed review on the minutes of the meeting prior to the Board's approval and publication of the same on the Group's website.
	:	The Company shall ensure to upload the minutes of the 48th AGM onto the Company's website no later than 30 business days after the conclusion of the 48th AGM.
<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.

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

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

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