

JENTAYU SUSTAINABLES BERHAD

197501000834 (22146-T)
(Incorporated in Malaysia)

BOARD CHARTER

1. INTRODUCTION AND PURPOSE OF BOARD CHARTER

- 1.1 This Charter formalises the various roles and responsibilities of the Board, Board Committees and individual Director of Jentayu Sustainable Berhad with the aim of streamlining and enhancing corporate governance practices towards transparency, accountability, sustainability and integrity in boardroom activities.
- 1.2 This Charter incorporates the Principles, Practices and Guidance of the Malaysian Code on Corporate Governance 2021, the Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries (issued by the Securities Commission Malaysia), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad on corporate governance, certain aspects of the Constitution of the Company and relevant provisions of the Act insofar as the duties and responsibilities of Directors are concerned. Whilst this Charter serves as a structured guide, especially for new Directors who are on-board, it shall not be construed as an exhaustive blueprint by Directors on corporate governance matters.

2. INTERPRETATION

In this Charter:-

“**Act**” means the Companies Act 2016;

“**AGM**” means the annual general meeting;

“**Board**” means the board of directors of the Company;

“**Board Committees**” means committees established by the Board from time to time; comprising Board Risk Committee, Board Audit Committee, Board Nomination and Remuneration Committee and Board Investment Committee;

“**Bursa Securities**” means Bursa Malaysia Securities Berhad;

“**CEO**” means the Chief Executive Officer;

“**Charter**” means the Board charter of the Company;

“**Chairman**” means the Chairman of the Board and is used in a gender-neutral sense;

“**Company**” or “**Jentayu Sustainable**” means Jentayu Sustainable Berhad;

“**Company Secretary(ies)**” means the Board secretary(ies) or the person(s) normally exercising the functions of a Board secretary;

“**COI**” means conflict of interest;

“**C-Suite Management**” means the management personnel of the Company who falls under the category of C-Suite;

“**Directors**” means members of the Board;

“**ED**” means Executive Directors;

“**Group**” means the Company and all its subsidiaries;

“**Independent Non-Executive Director**” or “**ID**” is defined in accordance with Paragraph 1.01 of the Listing Requirements;

“**Listing Requirements**” means Main Market Listing Requirements of Bursa Securities;

“**Management**” means the management personnel of the Group;

“**MCCG**” means Malaysian Code on Corporate Governance 2021;

“**MD**” means Managing Director;

“**NED**” means Non-Executive Directors;

“**Senior Management**” means senior management personnel of the Group;

“**Shareholders**” means the shareholders of the Company;

“**SINED**” means Senior Independent Non-Executive Director; and

“**TOR**” means Terms of Reference.

3. ROLE OF THE BOARD AND ITS PRINCIPAL RESPONSIBILITIES

- 3.1 The Board is collectively responsible for the proper stewardship of the Group’s business and the creation of long term success as well as the delivery of sustainable value to its stakeholders.
- 3.2 To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board should, among others:-
- (a) set the values, standards and strategic aims of the Company;
 - (b) review, challenge and decide on Management’s proposals for the Group, and monitor its implementation by Management;
 - (c) develop and oversee the conduct of the Group’s business, supervise and

- assess the Management's performance to determine whether the business is being properly managed;
- (d) review the adequacy and integrity of the Group's management information and internal control systems, ensuring there is a sound framework for internal controls and risk management;
 - (e) understand the principal risks of the Group's businesses and recognise that business decisions involve the taking of appropriate risks;
 - (f) set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
 - (g) ensure that Senior Management has the necessary skills and experience, taking into account the diversity factors including ethnicity, gender, age and ensure that there are measures in place to provide for the orderly succession of the Board and Senior Management;
 - (h) review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the Company's continued ability to compete effectively in the marketplace;
 - (i) ensure the Company has appropriate policies and procedures to review performance of the Directors and C-Suite Management and to set an appropriate level of remuneration to attract and retain them;
 - (j) ensure that the Company has in place procedures to enable effective, transparent and regular communication with stakeholders;
 - (k) together with Management, establish an adequate Group-wide framework for co-operation and communication between the Company and its subsidiaries for effective oversight of the Group's (i) financial and non-financial performance to ensure integrity, (ii) business strategy and priorities, (iii) risk management including material sustainability risks, and (iv) corporate governance policies and practices;
 - (l) together with the Management, observe the following principles at all times:-
 - (i) Corporate Governance
 - promote good corporate governance culture within the Group which reinforces (i) integrity & ethical, (ii) prudent and (iii) professional behaviour by establishing a Group-wide framework on corporate governance to ensure adherence to high standards of conduct or ethics;

(ii) Corporate Liability

- establish an adequate procedure which can be used to reasonably protect both the Company and top management from liabilities arising from section 17A of the Malaysian Anti-Corruption Commission Act (MACC) 2009;
- formalise a code of conduct and ethics, policies and procedures to guide the behaviour of Directors, Management and employees in addressing and managing anti-corruption, whistleblowing, and COI (including potential COI); and
- ensure a sustainable anti-corruption compliance programme is implemented on Group-wide basis with adequate resources assigned.

(iii) Sustainability

- take responsibility for the governance of sustainability in the Group, including setting the sustainability strategies, priorities and targets which are aligned with the Company's overall strategy and vision; and
- reviewing and adopting business strategies and plan as developed by Management and ensuring that these strategic plans support long-term value creation which will include economic, environmental, social as well as governance considerations underpinning sustainability of the Group.

The Code of Conduct and Ethics for Directors is set out in **Appendix A** of this Charter.

3.3 In discharging the above responsibilities, individual Directors are expected to:

- (a) maintain a sound understanding of the business and be aware of the environment the Group is operating in;
- (b) stay abreast with and understand the sustainability issues relevant to the Group and its business, including climate-related risks and opportunities;
- (c) exercise diligence and avoid COI with the Group in personal or professional capacity including improper use of the property, information, opportunity of the Group or position as a Director of the Company or engaging in business which is in competition with the Group;
- (d) disclose immediately and fully all contractual interests whether directly or indirectly with the Company;
- (e) understand their oversight role, including the exercise of independent and objective judgment in decision making;

- (f) commit and devote sufficient time to attend and participate at meetings to know what is required of the Board in discharging their duties responsibly;
 - (g) contribute actively in Board discussion and deliberation of issues by providing sound advice based on the Directors' experience and specific expertise they bring to the Board;
 - (h) understand financial statements and form a view on the information presented; and
 - (i) abide by all the fiduciary and statutory duties and responsibilities of a Director as prescribed under Subdivision 3 of Division 2 of Part III of the Act and the Listing Requirements.
- 3.4 The Board reserves full decision-making powers to ensure the direction and control of the Group are in the hands of the Board. A formal schedule of matters reserved for the Board's decision is set out in **Appendix B** of this Charter.

4. BOARD STRUCTURE

4.1 Board balance and composition

- 4.1.1 The Board should consist of qualified individuals with diverse set of skills, knowledge, experiences, cultural background and gender that ensure sufficient diversity and independence in facilitating the deliberation, review and decision making.
- 4.1.2 Whilst the Company's Constitution allows for not less than two (2) or more than fifteen (15) Directors, the Board shall examine and determine its size periodically in relation to the effective running of the Company's business.
- 4.1.3 The Board shall be helmed by a Chairman, appointed by the Board, and comprise at least two (2) members or one-third ($\frac{1}{3}$) of the Board, whichever is higher, who are Independent Non-Executive Directors in accordance with the Listing Requirements.
- 4.1.4 The Board undertakes to assess the independence of ID upon his proposed appointment, annually and when any new interest or relationship develops.
- 4.1.5 In the event that even if a person does not fall within any of the disqualifying indicators enumerated out in Paragraph 1.01 of the Listing Requirements, both the Director and the Board must give effect to the spirit, intention and purpose of the definition of an ID. There must be a conscious application of the test of whether the said Director is able to exercise independent judgement and act in the best interests of the Company.

- 4.1.6 An ID who has served on the Company for a cumulative term exceeding 9 years may continue to serve on the Board provided the ID is re-designated as a Non-ID.

Subject to assessment of the Board Nomination and Remuneration Committee and with valid justification, an ID may remain designated as ID beyond the cumulative term of 9 years, provided annual shareholders' approval is obtained through a two-tier voting process, subject always that the said Director shall not remain an Independent Director beyond a 12-year tenure.

- 4.1.7 The composition of the Board shall be assessed by the Board Nomination and Remuneration Committee and refreshed periodically, to ensure the Board is of an appropriate mix of skills, knowledge, experience, independence, competencies, and diversity (including diversity in age, cultural background and gender) to optimise the Board's performance, as a whole, and align the Board's capabilities with the Company's strategic direction.

- 4.1.8 To enhance Board effectiveness, the Board Nomination and Remuneration Committee is therefore entrusted by the Board to appraise candidates for directorship, to ensure Directors have the relevant skills, experience, expertise and time commitment, including those who retire and offer themselves for re-election, before recommending to the Board.

4.2 Appointment/Re-Appointment/Re-election

- 4.2.1 The appointment, re-appointment and/or re-election of a Director is a matter for consideration and decision by the Board upon appropriate recommendation from the Board Nomination and Remuneration Committee. In making the recommendations, the Board Nomination and Remuneration Committee will consider amongst others:-

- (a) the current composition of the Board and the tenure of each Director;
- (b) the required mix of diversity in skills, experience, age, race, cultural background and gender of the Board;
- (c) the character, experience, integrity, competence, time commitment of such candidate to serve the Board effectively, taking into consideration the number of board positions held on other board of listed and non-listed companies, and such other fit and proper criteria as set out in the Directors' Fit and Proper Policy; and
- (d) whether there is any existing or potential COI that could affect the execution of his/her role as a Director.

- 4.2.2 No active politician shall be appointed, re-appointed or re-elected as a Director on the Board or continue to serve as a Director. A person is considered as "active politician" if he/she is a Member of Parliament,

State Assemblyman or holds a position at the Supreme Council or division level in a political party.

- 4.2.3 In identifying candidates for appointment as Director, the Board does not solely rely on recommendation from existing Board members, Senior Management or major Shareholders. The Board may utilise independent sources to identify suitably qualified candidates not limited to source from a Directors' Registry, open advertisements and independent search firms.
- 4.2.4 The Company's Constitution provides that every newly appointed Director shall be subjected to re-election at the immediate AGM of the Company after the appointment. Further, one third (1/3) of the Board shall retire from office and be eligible for re-election at every AGM, provided all Directors shall retire once at least in each three (3) years. The Board shall provide a statement on its support and reasons for Directors' re-appointment and/or re-election.
- 4.2.5 The annual re-election of Directors shall be contingent on the satisfactory evaluation of their performance and contribution to the Board.

4.3 Roles of Chairman

- 4.3.1 The Chairman assumes a leadership role in the Board to ensure effective functioning of the Board in the interest of good corporate governance.
- 4.3.2 The Chairman is primarily responsible for the following:-
- (a) providing leadership for the Board so that the Board can perform its responsibilities effectively;
 - (b) setting the board agenda and ensuring that board members receive complete and accurate information in a timely manner;
 - (c) leading Board meetings and effective discussions;
 - (d) encouraging active participation and allowing dissenting views to be freely expressed;
 - (e) managing the interface between Board and Management;
 - (f) ensuring appropriate steps are taken to provide effective, transparent and regular communication with stakeholders and that their views are communicated to the Board as a whole;
 - (g) leading the Board in the adoption and implementation of good corporate governance practices in the Company;
 - (h) acting as facilitator at Board meetings and ensuring that no member, whether executive or otherwise, dominates discussion. The Chairman

shall also encourage Board members to participate in discussions, with objectivity and independence, where applicable, and that relevant opinions amongst members are forthcoming, resulting in logical and understandable outcomes; and

- (i) other responsibilities as assigned by the Board as a whole, depending on the need and circumstances.

4.3.3 The positions of the Chairman and MD/ED/CEO are held by two (2) different individuals to promote accountability and facilitates division of responsibilities between them. In this regard, no one individual can influence Board's discussion and decision-making. Generally, the Chairman would lead the Board in its collective oversight of management, while the MD/ED/CEO focuses on the business and day-to-day management of the Company.

4.3.4 The Chairman should not be a member of the Board Committees to ensure there is check and balance as well as objective review by the Board.

4.4 Roles of Managing Director / Executive Directors / Chief Executive Officer

4.4.1 The MD/CEO, assisted by his fellow EDs, as the case may be, serves as a conduit between Management and the Board and is responsible to spearhead the business through effective implementation of the Company's strategic plan and policies established by the Board and managing the daily operations of the Company.

4.4.2 Generally, the MD/CEO, assisted by his EDs, as the case may be, is responsible to the Board for the following:-

- (a) achievement of agreed Company's goals and observance of Management's performance and authorities delegated by the Board;
- (b) developing and implementing long-term strategic and short-term business plans to enable the Group to achieve growth, profitability and return on capital subject to the Board's review and adoption;
- (c) providing assistance to members of the Board and the Board Committees, as required, in discharging their duties;
- (d) assisting the Chairman in organising information necessary for the Board to deal with the agenda and for providing such information to Directors on a timely basis;
- (e) assuming full accountability to the Board for all aspects of the Group's operation and performance;
- (f) provide strong leadership and ensure the business objectives, strategies and policies are communicated across all levels in the Group;

- (g) assuring that the Group's corporate identity, products and services are of high standards and reflective of the market environment; and
- (h) ensuring organisational structure and systems are in place to develop talent and succession planning for Senior Management.

4.4.3 The Board shall receive the following from or through the MD/ED/CEO at its scheduled meetings:-

- (a) reports on the performance and activities of the Group for the period under review, including explanations for significant fluctuations over the period; and
- (b) where appropriate, a briefing pertaining to current and future initiatives, risk management issues, challenges faced by the Group, changes to legislations that may affect the Group's operations, litigations and other salient events or issues affecting the Group.

4.4.4 The MD/CEO and his fellow EDs, as the case may be, shall act within all specific authorities delegated to them by the Board.

4.4.5 In discharging the above responsibilities, the MD/CEO and EDs can delegate appropriate functions to any member of C-Suite Management / Senior Management, who shall report to the MD/CEO and EDs, but remain accountable to the Board.

4.5 Roles of Independent Directors

The roles of Independent Directors broadly include the following:-

- (a) to ensure there is a proper check and balance on the Board by providing unbiased and independent views in Board deliberations and decision making, focusing on shareholders' and other stakeholders' interest, and not only the interests of a particular fraction or group, but also the minority Shareholders;
- (b) to improve corporate credibility and governance standards, functioning as a watchdog, and make significant contributions to the Company's decision making by bringing in the quality of detached impartiality; and
- (c) to make independent assessment of information, reports or statement when the interests of Management, Company and/or Shareholders diverge, such as executive performance and remuneration, related party transactions and audit matters.

4.6 Roles of Senior Independent Non-Executive Director

The roles of SINED are as follows:

- (a) Acting as a designated person to highlight any concerns of the Board in relation to the Company, which are sensitive and/or confidential in nature to the Chairman, lead in the oversight of Chairman and perform as the alternate contact person for shareholder communication;
- (b) providing support to the Board and MD / ED / CEO, including skills, experience and industry-specific knowledge;
- (c) providing unbiased, objective and independent views, advice and judgment in order to safeguard the interest of the Company and minority shareholders;
- (d) contributing to the formulation of policy and decision-making through their knowledge and experience of other businesses and sectors;
- (e) contributing to the Board, with necessary skills experience and objectivity, on the issues of strategies, performance and resources, including key appointments and standards of conduct;
- (f) ensuring all the principal roles and responsibilities of Directors are discharged;
- (g) acting as a trusted intermediary for other Directors when necessary;
- (h) meeting or speaking to the Chairman regularly and act as a sounding board for the Chairman; and
- (i) acting as point of contact for shareholders and other stakeholders particularly on concerns that cannot be resolved via normal channels of contact with the Chairman or MD / ED / CEO.

4.7 Management's Roles and Responsibilities

4.7.1 Management, through the Board's delegation of authority to the MD / ED / CEO, is responsible for the:-

- (a) Day to day management of the business and operations of the group;
- (b) Implementation and execution of approved strategies, policies and operational plans mandated to management; and
- (c) Implementation and execution of the Code of Conduct and Ethics and policies.

4.7.2 Management should supply the Board with such information as is reasonably necessary to assist the Board in discharging its duties.

4.8 Company Secretary

- 4.8.1 The Board shall appoint one or more suitably qualified and competent person(s) as Company Secretary or joint Company Secretaries in line with the requirements of the Act to discharge their responsibilities.
- 4.8.2 The Company Secretary shall report directly to the Board. The appointment and removal of the Company Secretary is subject to the approval of the Board.
- 4.8.3 The office of the Company Secretary shall be vacated if the Company Secretary resigns by notice in writing to the Company left at the Registered Office of the Company. Where a Company Secretary gives notice of resignation to the Directors, the Company Secretary shall cease to act as Company Secretary with immediate effect or on the date specified in such notice (as the case may be).
- 4.8.4 The primary responsibilities of the Company Secretary shall include the following:-
- (a) ensuring that Board procedures and applicable rules are observed;
 - (b) maintaining records of the Board and Board Committees and their respective meetings and ensuring effective management of the Company's records;
 - (c) preparing comprehensive minutes to document Board and Board Committee proceedings and ensure conclusions are accurately recorded;
 - (d) timely dissemination of information relevant to Directors' roles and functions and keeping them updated on new or evolving regulatory requirements;
 - (e) served as a focal point for stakeholders' communication and engagement on corporate governance issues;
 - (f) carrying out other functions as deemed appropriate by the Board from time to time;
 - (g) staying abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant legislations and contractual requirements, and;
 - (h) safeguarding the Company from the risks associated with exposure to Anti-Money Laundering (AML) / Counter Financing of Terrorism (CFT) activities.

4.9 Board Committees

- 4.9.1 The Board shall establish committees delegated with specific authority and operating on the TOR as approved by the Board to assist the Board in the discharge of its duties and responsibilities. In so doing, the Board should not abdicate its responsibilities and should at all times exercise collective oversight of the Board Committees and Management.
- 4.9.2 The roles and responsibilities, structure and composition of the committees as stated in the TORs will be assessed and reviewed as and when necessary to ensure the TORs are in accordance to the MCCG and Listing Requirements.
- 4.9.3 The composition of each Board Committees shall comply with the relevant requirements as enumerated in the Listing Requirements and MCCG.
- 4.9.4 The Board has established the following Board Committees, with written terms of reference:
- (a) Board Risk Committee
 - (b) Board Audit Committee
 - (c) Board Nomination and Remuneration Committee
 - (d) Board Investment Committee
- 4.7.5 The said Board Committees operate within clearly defined roles and responsibilities as set out in the TOR of each of the committees. The Board Committees report to the Board on their deliberations, findings and recommendations.
- 4.7.6 The Chairmen of the respective Board Committees report to the Board on matters dealt with at their respective Board Committees Meetings. Minutes of the respective Board Committees are presented at the Board meetings for further notation. While these Board Committees have the authority to deliberate on matters delegated to them, all decisions and/or recommendations made by these Board Committees will be brought to the attention of the Board, which is collectively responsible for the decisions made.
- 4.7.7 Details of the membership, TORs and summary of the duties and responsibilities of the respective Board Committees are available on the Company's website at www.jentayu-sustainables.com.

5 BOARD PROCEDURES

5.1 Board meetings

- 5.1.1 The Board shall conduct at least four (4) scheduled meetings annually, with additional meetings to be convened as and when necessary

- 5.1.2 The Chairman of the Board, or in his absence, a Director from among the appointed Board members, shall preside at all meetings. The meeting of the Board shall be conducted in accordance with the Company's Constitution.
- 5.1.3 All Directors must meet the minimum 50% attendance requirement imposed by the Listing Requirements. Senior Management who are not directors may be invited to attend and speak at Board meetings on matters relating to their areas of responsibility. The Board may also invite external parties such as the auditors, solicitors and consultants to attend as and when the need arises.
- 5.1.4 The Directors may participate at a Board meeting by means of telephone and video conference or by means of other communication equipment. The physical presence of Director(s) is not compulsory and participation at such meeting in the aforesaid manner shall be deemed to constitute presence in person at such meeting. The Directors participating at any such meeting shall be counted in the quorum for such meeting. All resolutions agreed upon by the Directors at such a meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held.
- 5.1.5 In the event matters requiring Board's decision arise between Board meetings, such matters shall be resolved through circular resolution which shall be supported by relevant papers setting out details of the subject matter. Such circular resolution in writing, signed or approved by letter, electronic mail or other electronic communication by a majority of the Directors shall be as valid and effectual as if it has been passed at a Board Meeting. Such resolution may consist of several documents in like form, each signed by one or more Board members.
- 5.1.6 The Board should be informed of the decision and significant issues deliberated by the Board Committees via the reporting by the Chairman of the respective Board Committees and the minutes of the Board Committees tabled at the Board meetings.
- 5.1.7 The Board meetings shall not be combined with Board Committees' meeting to enable objective and independent discussion during the meeting.

5.2 Notice

Upon consultation with the Chairman and the MD/ED/CEO, due notice shall be given of proposed dates of Board meetings during the financial year and standard agenda and matters to be tabled to the Board. Notices may also be sent via facsimile, electronic mail or by any means of telecommunication in a permanent written form.

5.3 Agenda

The Company Secretary(ies) shall work together with the Chairman in developing the meeting agenda. The agenda shall include, amongst others, matters specifically reserved for the Board's decision.

5.4 Meeting papers

- 5.4.1 Meeting papers should be clear and comprehensive in order to provide concise information to the Board to facilitate their deliberation and decision making. All Directors are given sufficient time to review the meeting papers prior to Board meetings.
- 5.4.2 Board papers on non-financial related matters, including minutes of the previous meeting and agenda items are to be circulated at least five (5) days, or a shorter period where unavoidable, prior to the meeting. Materials on financial related matters will be circulated at least four (4) days prior to the Board meeting.

5.5 Voting

- 5.5.1 Any question arising at a Board Meeting is decided by a majority of votes after due discussion and deliberation, and in case of an equality of votes, the Chairman of the meeting has a second and casting vote subject to the Company's Constitution.
- 5.5.2 Pursuant to regulatory requirements, a Director is required to abstain from deliberations and voting in respect of any contract or proposed contract or arrangement in which the Director has direct or indirect interest. The Chairman and the Board may, if deemed necessary and appropriate, request an interested Director to excuse himself / herself from the deliberation.

5.6 Minutes

- 5.6.1 All Board members shall ensure that the minutes of Board meeting accurately reflect the deliberations and decisions of the Board, including any concerns raised by Directors or dissenting views expressed. Any Directors who abstained from voting or deliberation on a particular matter will be recorded in the minutes.
- 5.6.2 Minutes are prepared following a meeting of the Board. The draft minutes shall be circulated to those who were present at the meeting for comments on the factual accuracy and completeness of matters recorded therein. Fair copies of the minutes shall thereafter be tabled at the following meeting for confirmation and signing.

6. RELATIONSHIPS

6.1 Relationship with Management

- 6.1.1 The Management is key in collecting, scrutinising and elucidating strategic options to the Board for its review and consideration.
- 6.1.2 To enable the Board to properly exercise impartial judgement, the Management shall ensure that all information provided by it to the Board

is objective, timely, relevant, accurate and complete and the Management will carry out instructions as directed by the Board.

6.2 Relationship with Shareholders and Stakeholders

- 6.2.1 The Board is responsible for ensuring the Company strategies to promote sustainability and the interest of other stakeholders, among others, employees, creditors, suppliers and customers of the Company are not compromised.
- 6.2.2 The Board is responsible to develop and implement a communication policy that enables both the Board and Management to communicate effectively with the Company's Shareholders, stakeholders and the general public to facilitate understanding of each other's objectives and expectations including timely release of financial results on a quarterly basis to provide an overview of the Group's performance and operations.
- 6.2.3 The Board is responsible for ensuring the Group's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.
- 6.2.4 The Board shall arrange for the general meeting of the Company to be conducted in an efficient manner, including to consider leveraging technology to facilitate electronic voting and remote Shareholders' participation, to enhance Shareholder communications for a greater understanding of the Group's business, governance and performance.
- 6.2.5 The Board shall also provide timely and relevant information to Shareholders and encourage their active participation at the general meetings, taking into account the following measures:-
- (a) notice of AGM be given to the Shareholders at least 28 days prior to the meeting;
 - (b) ensure that clear and concise explanation is included in the notice of general meetings for resolutions proposed to enable Shareholders to make an informed decision in exercising their voting rights;
 - (c) ensure that a brief description, including information such as age, gender, relevant experience, list of directorships, date of appointments to the Board, details of participation at Board Committees, designation of Directors (Independent or Non-Independent), interest (including potential COI), position or relationship that might influence their independent judgement (if any) in a material respect, is disclosed in the Annual Report in respect of the Directors standing for appointment, re-appointment or re-election;
 - (d) the chairman shall provide reasonable time for discussion at general meetings and ensure that general meetings support meaningful and

interactive engagement between the Board, Senior Management and Shareholders on among others the Company's financial and non-financial performance as well as the Company's long-term strategies. Minutes of the general meeting will be published onto the Company's website no later than 30 business days after the conclusion of the general meeting; and

- (e) consider the need for substantive resolutions, including, but not limited to, related party transactions to receive specific Shareholders' approval and announce the detailed results of the votes cast for and against each resolution.

6.2.6 The Company conducts dialogues with financial analysts from time to time as a means of effective communication that enables the Board and Management to convey information relating to the Company's performance, corporate strategy and other matters affecting Shareholders' interests.

7. ACCESS TO INFORMATION

All Directors shall have unrestricted access to Management and to information pertaining to the Group, including access to the Company Secretary, Company auditors and consultants, relevant to the furtherance of their duties and responsibilities as Directors of the Company at the expense of Company.

8. INDEPENDENT PROFESSIONAL ADVICE

- 8.1 In discharging the Directors' duties, each Board member is entitled to obtain independent professional advice at the cost of the Company.
- 8.2 Where such advice is considered necessary for the discharge of his or her duties and responsibilities as Director and, for the benefit of the Company, such Director shall first discuss it with the Chairman and bring the request to seek professional independent advice for the Board's consideration and approval. Such restriction shall not apply to MD/ED/CEO acting in furtherance of their executive responsibilities and within their delegated powers.

9. DIRECTORS' TRAINING

- 9.1 Directors are required to undergo the mandatory accreditation programme under the auspices of Bursa Securities. In addition, Directors are required to attend relevant training courses or seminars at periodic intervals to keep themselves abreast with corporate governance developments and regulatory requirements, including developments pertaining to the oversight function of Directors, the sustainability issues relevant to the Group and its business including climate-related risks and opportunities as well as technical matters in order to update their knowledge and skills to sustain their active participation in Board deliberation and effectively discharge their duties. Examples of training programmes are financial reporting standards,

accounting and auditing standards, tax budgets, rules and regulations etc.

- 9.2 All trainings attended by Directors shall be disclosed in the Annual Report. In special circumstances, valid justifications for non-attendance at any training by Directors for the financial year shall also be disclosed.

10. COMMITMENTS

- 10.1 Directors shall devote sufficient time to carry out their responsibilities. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities, besides attending meetings of the Board or Board Committees. Each Director must not hold more than five (5) directorships in listed issuers.
- 10.2 The Board shall also consider the commitment of Directors on boards of non-listed companies.

11. CONFLICT OF INTEREST

- 11.1 A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the Director's interest in accordance with the Act. The Director concerned shall not participate in deliberations and shall abstain from casting votes in any matter arising thereof unless as otherwise provided for in the Act
- 11.2 Should there be an actual, potential or perceived COI between the Company or a related corporation and a Director, or an associate of a Director such as a spouse or other family members, the Director involved shall make full disclosure and act honestly in the best interest of the Company.

12. DIRECTORS' REMUNERATION

- 12.1 The Board will determine the level of remuneration of Board Members, taking into consideration the recommendations of the Board Nomination and Remuneration Committee, with the individual Director concerned abstaining from discussing his individual remuneration.
- 12.2 The determination of the remuneration of Executive Directors will be a matter to be decided by the Board as a whole. The mechanism for remuneration for Executive Directors is structured in a manner wherein an Executive Director is rewarded based on the Company's performance and also individual performance.
- 12.3 Payment of Directors' fees and benefits to Non-Executive Directors are subject to annual shareholders' approval. Directors may also be reimbursed for all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Board or any committee of Directors or general meetings of the Company or otherwise howsoever in

connection with the business of the Company in the course of performing their duties as Directors.

13. KEY SENIOR MANAGERMENTS' REMUNERATION

The remuneration for key senior management comprised of basic salaries, annual bonus and benefits-in-kind which are set according to the individual performance in the job, the Company's financial performance and growth. In addition to that, the Company will reimburse expenses incurred in the course of discharging their duties. All expenses claim must be accompanied by a legible receipt.

14. BOARD ASSESSMENT AND EVALUATION

14.1 The Board Nomination and Remuneration Committee is entrusted by the Board to review the performance and effectiveness of the Board and Board Committees, including individual Directors, annually, with the assessment report, together with a report on the Board balance covering the required mix of skills, experience and other qualities of Board members for discussion at the Board meeting.

14.2 Company Secretaries are authorised to collate the results of the evaluation process before tabling to the chairman of the Board Nomination and Remuneration Committee and the Board, to ensure integrity and independence of the appraisal process.

15. CORPORATE DISCLOSURES

15.1 The Board shall have relevant corporate disclosure policies and procedures to ensure comprehensiveness, accuracy and timeliness of information disclosed. These policies and procedures shall ensure compliance with the relevant disclosure requirements as enumerated in the Listing Requirements.

15.2 The Board shall ensure the Company leverages on information technology in communicating with stakeholders, including a dedicated section for Investor Relations on the Company's website, for effective dissemination of information and easy access to corporate information pertaining to the Group and its activities. The website should continuously be updated to provide the latest information such as the Board charter, terms of references and the Annual Report of the Company.

16. REVIEW OF CHARTER

The Board will periodically review this Charter and may be amended from time to time to ensure its relevance, effectiveness and consistent with the Company's objective, its practices and current laws.

Note:-

Should the Listing Requirements and the Act be amended for any reason whatsoever, the amendments of which affect the contents of this Charter, the amended Listing Requirements or the Act shall take precedent over this Charter.

APPENDIX A

CODE OF CONDUCT AND ETHICS (“CODE”)

Introduction and Objectives

This Code shall serve as documentation of our commitment in business dealings in a manner that is efficient, effective and fair. This Code is meant as a reference for all levels of employees (including executive/ non-executive directors and senior managements) of Jentayu Sustainable Berhad and its subsidiaries.

The Company is committed to conduct its business fairly, impartially and in full compliance with all applicable laws and regulations in Malaysia and in countries where the Company has operations, if any. The Company’s professionalism, honesty and integrity must at all times be upheld in the Company’s business dealings with customers, vendors, suppliers, contractors, government, regulators, investors, the business community as a whole and in the relationship of its own employees. Employees are not permitted to be involved or engaged in practices that affect or impair the Company’s integrity, impartiality or reputation and are required to promote the interests of the Company, perform their duties with skill, honesty, care and diligence, using authority in a fair and equitable manner, abide by the Company’s policies and procedures, instructions and lawful directions that relate to their employment and duties.

It is the responsibility of every employee to act in accordance with the policies detailed in the Code and any updates or amendments which may be issued from time to time by the Company. It is also the employee’s responsibility to seek clarification, to ask questions and to report suspected violations or express concerns regarding compliance with the Code. Head of Departments have added responsibility of supporting the implementation of the Code and monitoring compliance of the Code.

The objective of the Code is to ensure that the Company’s business interactions should not in any circumstances, tainted by malpractices.

1 Business Conduct

1.1 Dealing with External Parties

(a) Vendors and Business Partners

- The Company shall take a collaborative approach in all their partnerships ensuring that employees address the specific needs of the stakeholders, while offering products, services and solutions.
- The Company shall conduct business with vendors or business partners that share the same ethical commitment as the Company and shall avoid conducting business with vendors or business partners who are likely to harm the Company’s reputation.
- Facts shall be weighed objectively and impartially to decide on vendors or

APPENDIX A

CODE OF CONDUCT AND ETHICS (“CODE”)

business partners.

- Employees shall not exert or attempt to exert influence to obtain privilege treatment for any particular vendor. Vendors in competition for contracts with the Company shall at all times be able to have confidence in the integrity of the Company’s selection processes.

(b) Governments

- Employees shall hold themselves up to the highest standards of conduct and aim to proactively engage with the government to improve the social and economic conditions.
- Employees shall be aware of and adhere to the relevant laws and regulations pertaining to relations between government employees and customers, suppliers and business partners.
- Employees shall not provide gifts to government employees or those acting on the government’s behalf if doing so violates certain local laws and regulations or could be reasonably construed as an action to seek special favour.

(c) Investors, Media, Analysts and Others

- Any employee approached by investors, prospective investors, media and analysts on confidential information shall refer such requests to the MD/ED/CEO.
- Employees shall also refer any request for information on the Company’s business from investigators or law enforcement officials to the MD/ED/CEO.
- Employees shall not initiate contact with the media and analysis unless it is part of their job responsibilities, and with prior management approval and knowledge. In all instances, employees shall exercise caution in their communication.

(d) Competitors

- Employees shall compete fairly and ethically within the framework of applicable competition laws.
- Employees shall exercise caution in all business contracts and contacts with competitors, suppliers and vendors and seek advice from MD/ED/CEO if in doubt whether an action violates any competition laws.
- Employees shall disassociate themselves and the Company from participation in any possible illegal activity with competitors and avoid communicating sensitive or confidential information which includes pricing policy, contract terms, marketing and product plans and any other proprietary information.

APPENDIX A

CODE OF CONDUCT AND ETHICS (“CODE”)

- Employees shall not use improper or illegal means to acquire a competitor’s trade secrets or other confidential information. When working with such information, employees shall use it in the proper context and for legitimate purposes such as to evaluate the merits of the products, services and marketing of the Company. Such information shall only be made available to other employees on a need to know basis.

1.2 Money Laundering

- (a) Money Laundering is the process of concealing the identity of proceeds from unlawful activities to convert “dirty” money to a legitimate source of income or asset. Money laundering is an offence under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 in Malaysia.
- (b) Employees shall be aware of the applicable anti-money laundering laws and shall seek to ensure they are appropriately and adequately informed of developments in the laws relating to this area.
- (c) Employees are expected to be mindful of the risk of the Company’s business being use for money laundering activities and to raise any suspicious transactions to their immediate superior.

1.3 Bribery and Corruption

- (a) Employees shall not offer, give, solicit or accept bribes in order to achieve business or personal advantages for themselves or others or engage in any transaction that can be construed as having contravened the anti-corruption laws.
- (b) Employees shall be cognisant of the fact that bribes may be in any form, monetary or otherwise including but are not limited to unauthorized remuneration such as referral fee, commission or other similar compensation, material goods, services, gifts, business amenities, premiums or discounts of an inappropriate value or of an unreasonable level or that are not generally offered to others or that are prohibited by law or may reasonably be viewed as having crossed the boundaries of ethical and lawful business practice.
- (c) Prior to giving or accepting any business amenity or other gifts (in whatever form or value), employees shall assess the appropriateness of their actions by assessing if the action could influence or could reasonably give the appearance of influencing the business relationship of the Company with that organization or individual or any business decision arising out of that business relationship.

APPENDIX A

CODE OF CONDUCT AND ETHICS (“CODE”)

1.4 Gifts, Entertainment and Others

- (a) As a general rule, employees are discouraged from giving or accepting gifts, entertainment and other benefits to or from business partners. Notwithstanding this, the Company recognizes that the occasional acceptance or offer of modest gifts and entertainment may be a legitimate contribution to good business relationships.
- (b) Generally, all invitations to business luncheons or dinners may be given or accepted by the employees. Employees receiving or giving the gifts, entertainment and other benefits is responsible for assessing whether it is appropriate and within the boundaries set out in this Code. The following rules and guidelines shall be observed:
 - The purpose of the gifts, entertainment and other benefits shall never influence business decision-making processes or cause others to perceive an influence.
 - The situation in which the gifts, entertainment and other benefits is received or given shall not be in connection with contractual negotiations of similar situations.

2 EMPLOYEE CONDUCT

2.1 Discrimination and Harassment

- (a) Employees shall strive to maintain a healthy, safe and productive work environment which is free from discrimination or harassment based on race, religion, political opinion, membership in political group, gender, sexual orientation, marital status, national origin, disability, age or other factors that are unrelated to the Company’s legitimate business interests.
- (b) Employees shall avoid any conduct in the workplace that creates, encourages or permits an offensive, intimidating or inappropriate work environment including, but not limited to:
 - Threats or comments that contain discriminatory or harassment elements;
 - Unwelcome sexual advances;
 - Violent behaviour or actions;
 - Misuse or abuse of position of authority;
 - Inappropriate dressing in violation of the dress code or policy of the Company;
 - Possession of weapons of any type; or

APPENDIX A

CODE OF CONDUCT AND ETHICS (“CODE”)

- Use, possession, distribution or sale of illegal drugs, alcohol or any prohibited substance, except for approved medical purposes. The consumption of alcoholic beverages on company premises is only permitted for company-sponsored events and with prior management approval.

2.2 Fraud, Protection of the Group’s Assets, Accounting

- (a) Employees must never engage in fraudulent or any other dishonest conduct involving the property or assets or the financial reporting and accounting of the Group or any third party. This may not only entail disciplinary sanctions but also result in criminal charges. The Group’s financial records are the basis for managing the Group’s business and fulfilling its obligations to various stakeholders. Therefore, any financial record must be accurate and in line with the Group’s accounting standards.
- (b) Employees shall safeguard and make only proper and efficient use of the Group’s property. All employees shall seek to protect the Group’s property from loss, damage, misuse, theft, fraud, embezzlement and destruction. These obligations cover both tangible and intangible assets, including trademarks, know-how, confidential or proprietary information and information systems. To the extent permitted under applicable law, the Company reserves the right to monitor and inspect how its assets are used by employees, including inspection of all e-mail, data and files kept on the Group network terminals.

2.3 Outside Directorship and Other Outside Activities

- (a) Outside of the Group, no activities shall be pursued if such activities will interfere with the employee’s responsibilities for the Group, or if they create risks for the Group’s reputation or if they in any other way conflict with the interests of the Group. When in doubt about the permissibility of an activity, employees shall consult with the MD/ED/CEO.
- (b) Authorisation will be withheld if the position or activity is likely to conflict with the Group’s interests or the employee’s responsibilities. Board memberships on publicly listed companies need prior approval by the MD/ED/CEO and, in the case of members of the Executive Board, approval by the Chairman.
- (c) Unless requested by the Company to take up a particular position or activity, employees shall pursue outside activities and positions at their own risk and cost and within their spare time only.

APPENDIX A

CODE OF CONDUCT AND ETHICS (“CODE”)

2.4 Conflict of Interest

- (a) A Conflict of Interest occurs when personal interests of an employee or the interests of a third party compete with the interests of the Group. In such a situation, it can be difficult for the employee to act fully in the best interests of the Group. Employees shall avoid Conflicts of Interest whenever possible.
- (b) If a Conflict of Interest situation has occurred or if an employee faces a situation that may involve or lead to a Conflict of Interest, the employee shall disclose it to his or her Head of Department and/or the HR or the MD/ED/CEO to resolve the situation in a fair and transparent manner.

2.5 Confidentiality

- (a) Confidential information consists of any information that is not or not yet public information. It includes trade secrets, business, marketing and service plans, consumer insights, engineering and manufacturing ideas, product recipes, designs, databases, records, salary information and any non-published financial or other data. The Group’s continued success depends on the use of its confidential information and its non-disclosure to third parties. Unless required by law or authorized by their management, employees shall not disclose confidential information or allow such disclosure. This obligation continues beyond the termination of employment. Furthermore, employees must use best efforts to avoid unintentional disclosure by applying special care when storing or transmitting confidential information.
- (b) The Group respects that third parties have a similar interest in protecting their confidential information. In case that third parties, such as joint venture partners, suppliers or customers, share with the Group confidential information, such information shall be treated with the same care as if it was the Group’s confidential information. In that same spirit, employees shall protect confidential information that they have obtained in the course of their prior employment.

2.6 Insider Trading

- (a) Employees who are in the possession of market sensitive information are not allowed to trade in securities of the Company or the shares of another listed company if that information has not been made public. In the context of Malaysian law, insider trading is an offence defined under the Capital Market and Services Act 2007. The laws of other country on insider trading may be applicable in the context of inside information concerning company listed outside of Malaysia.

APPENDIX A

CODE OF CONDUCT AND ETHICS (“CODE”)

- (b) Further, employees shall not disclose such price sensitive information to any third party or encourage any other person to deal in price-affected securities.
- (c) Employees must consult their respective Head of Department if unsure of the status of the information held by them.
- (d) Employees must ensure that all transactions in the Company shares comply with the procedures set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**") and the law on insider trading.

2.7 Family and Relative Employees

- (a) Employees shall disclose to the Company if any family and relative (for this Code, “family and relative” comprises employee’s spouse, parents, children, brothers, sisters and spouse of child, brother or sister) provides any form of goods or services direct or indirect to the Group, or is a competitor, vendor, business partner, contractor or consultant to the Group. Employees shall avoid or abstain from participating in or making decisions on any deal involving employee’s relative.
- (b) If employee’s family and relative is a competitor or supplier of the Group or is employed by one, employees are expected to exercise extra caution in their communication and conduct to ensure the security and confidentiality of information important to the Group and to avoid and/or create a conflict of interest situation.

3 DIRECTORS CONDUCT

The Directors shall adhere to the Code in the following manner:-

- (a) Comply at all times with this Code, the Board Charter and regulatory requirements.
- (b) Act honestly, fairly and ethically with integrity, responsibility, competency and diligence, as well as act in good faith in the best interest of the Company and to fulfil their fiduciary obligations to all its stakeholders.
- (c) Observe high standards of corporate governance, in particular the practices as set out in the Malaysian Code on Corporate Governance 2021, the Listing Requirements, Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries, the Act and the Capital Markets and Services Act, 2007.

APPENDIX A

CODE OF CONDUCT AND ETHICS (“CODE”)

- (d) Limit the number of directorships to be undertaken to a number in which they can best devote their time, effort and effectiveness to attend and participate meetings and insist on being kept informed on all matters of importance to discharge their duties as Directors.
- (e) Not to misuse information gained in the course of duties for personal gain or for any other purpose, nor seek the opportunity of the service as Directors to promote private interests or those of connected persons, firms, businesses or other organisations.
- (f) Safeguard the Company’s assets and resources.
- (g) Not to accept positions in board committees or working groups where a conflict of interest is likely to arise, without first declaring their interest at board of directors’ meeting.
- (h) Declare any personal, professional or business interests, whether directly or indirectly, that may conflict with their responsibilities as Directors of the Company and that the Directors concerned are to abstain from deliberating and voting in relation to the transactions or matters.
- (i) Adhere to the regulatory requirements pertaining to trading or dealing in the Company’s shares, including insider trading.
- (j) Not to accept or offer, directly or indirectly, any gifts, remuneration, hospitality, donations, illegal payments or any other form of gratification which are intended to or may be perceived as having the intention to obtain, retain business or retain an advantage in the conduct of business for the Group.
- (k) Encourage to whistle blow or report unlawful or unethical behaviour and any violation of the Code through the Whistle Blowing Policy.

Review of the Code

The Board of Directors will review the Code regularly to ensure that it remains relevant and appropriate.

APPENDIX B

FORMAL SCHEDULE OF MATTERS RESERVED FOR THE BOARD

The following summarises the list of matters reserved for deliberation and decision by the board of directors (“**Board**”):-

1. Board structure

- (a) Appointment of the Chairman.
- (b) Appointment of Managing Director/ Executive Director/ Chief Executive Officer.
 - The appointment, remuneration and compensation of Managing Director/ Executive Director/ Chief Executive Officer.
- (c) Appointment and recommendation for removal and re-election of Directors.
- (d) Appointment and removal of Company Secretary(ies).
- (e) Establishment of Board Committees, their members and the specific terms of reference.

2. Board assessment and evaluation

- (a) Conduct and review the annual assessment and evaluation on the performance and effectiveness of the Board, Board Committees and individual Directors.
- (b) Succession planning for Directors.

3. Remuneration

- (a) Recommendation of Directors’ fees and benefits payable for Non-Executive Directors to be approved by Shareholders.
- (b) Approval of remuneration packages and structure, including service contracts, for Executive Directors.
- (c) Approval of remuneration packages for C-Suite personnel.

4. Company’s operations

- (a) Review and approval of Company strategic plan and annual budget (including capital expenditure budget).
- (b) Approval of capital expenditure exceeding prescribed thresholds based on the formalised limits of authority.

APPENDIX B

FORMAL SCHEDULE OF MATTERS RESERVED FOR THE BOARD (CONT'D)

- (c) Approval of investment or divestment in a company, business, property or undertaking.
- (d) Approval of investment or divestment of a capital project which represents a significant diversification from the Company's existing business activities.
- (e) Approval of limits of authority for the Company.
- (f) Approval of corporate plans and programmes, and major changes in the activities of the Company, including key policies.
- (g) Approval of Annual Report, Corporate Governance Report and Sustainability Report for submission to Bursa Malaysia Securities Berhad.
- (h) Reviewing and approving of transactions involving conflict of interest and/or potential conflict of interest situations.
- (i) Any other matters requiring the Board's approval under the limits of authority adopted by the Company and Group