



GLOBETRONICS TECHNOLOGY BERHAD

**Registration No. 199601037932 (410285-W)
(Incorporated in Malaysia)**

PRINCIPLES OF BUSINESS CONDUCT

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1.0 INTRODUCTION

- 1.1 This document shall form the principles and rules of business conduct for members of Globetronics Technology Berhad (“the Group”) and all its employees and directors. Members of the Group and its employees and directors shall not depart from the guiding principles contained herein in conducting the day-to-day duties and operations of the Group.
- 1.2 The Group is a diversified group of companies. The Group is judged by how its employees and directors act and it is therefore extremely vital that the behavior of its employees and directors matches the Group’s principles and policies.
- 1.3 The Group places high emphasis on transparency among its members, employees and directors. The Group encourages and supports information flow and concealing information is regarded as a dishonest act.
- 1.4 All employees and directors are expected to report or inform their respective superior or upper management in the event of suspected or confirmed violation of local, state and federal laws and / or policies and rules of the Group.
- 1.5 This document is presented in a clear and succinct format. As such, all employees and directors are expected to have broad understanding as well as full compliance of the following principles and rules.

2.0 BUSINESS CONDUCT

- 2.1 Trust and integrity holds an intangible value in the business world. Therefore the Group aims to maintain a high level of ethical awareness among its employees and directors.
- 2.2 Employees and directors of the Group must uphold honesty in their work and duties and also when dealing with associates, clients, vendors, suppliers, colleagues and management.
- 2.3 Ambiguities in any aspect in relation to any form of dealings or transactions should be brought to the attention of the immediate superior or upper management.
- 2.4 The Group encourages teamwork and cooperation among all members, employees and directors.
- 2.5 The Group’s clients, vendors and supplier as well as associates are valuable partners of the Group, therefore guided respect and humility should be shown at all times.
- 2.6 The Group expects compliance with its standard of integrity and will not tolerate employees and directors who achieve results by means of unethical business conduct especially when it is in violation of the Group’s policies and rules and / or local, state and federal laws.
- 2.7 Transparency and honesty shall be shown at all times to the internal and external auditors of the Group.

- 2.8 The Group requires that all transactions and dealings be accurately reflected in its books and records. Any form of or attempt at falsification or off-the-record bookkeeping is strictly prohibited.
- 2.9 The Group considers integrity to be of utmost importance when dealing with suppliers and/or business partners. Employees and directors should therefore maintain a straightforward and clear-cut relationship with suppliers and/or business partners and abide by all reasonable contractual agreements and obligations.
- 2.10 Information transmitted between member companies and / or the Group shall be honest, accurate and succinct.
- 2.11 The Group shall constantly endeavour to provide products and services that adhere to international quality, health, safety and environmental standards.
- 2.12 Risk management is essential in conducting the activities and businesses of the Group. Business conduct that avoids risky practices is encouraged and respected.

3.0 LAW

- 3.1 The Group is subject to local, state and federal laws and all employees and directors have a duty to act within those laws.
- 3.2 No employee or director can be directed to carry out an illegal act, and no employee or director can justify an illegal act by claiming to be acting under the order of a superior / upper management, or to be simply complying with a certain policy or instruction.

4.0 BRIBERY, GIFT AND DONATION

- 4.1 A gift is anything of value that is given or received for reasons beyond official service or compensation.
- 4.2 The Group understands that gift giving or receiving is warranted under reasonable circumstances but the giving or receiving of gifts shall be conducted with honesty, integrity and openness.
- 4.3 Employees and directors are allowed to present or receive items of nominal value such as promotional products (e.g., office stationeries, mugs, bags) and festive products (e.g., festive cakes / food, festive kits).
- 4.4 Any giving or receiving of gifts valued above RM300 or its local currency equivalent shall be authorised / declared to the respective superior or upper management.
- 4.5 Giving and receiving any share of profits, commissions, cash and its equivalent are strictly prohibited.
- 4.6 Gift giving by the Group to employees and directors shall be limited to service and recognition awards.

- 4.7 The Group encourages charitable donations by member companies under reasonable circumstances and approval on a case-by-case basis with approval from the Executive Directors.
- 4.8 Employees shall not offer or receive bribes when conducting business for the Company that can be construed as having violating the anti-corruption laws.
- 4.9 Employees should be aware of the fact that bribes come in any form, monetary or otherwise including but are not limited to referral fee, commissions, services and gifts that are not generally offered to others or that are prohibited by law.
- 4.10 Before accepting any incentives or gifts (in whatever form or value), employees shall assess if the action could influence or appear to influence the business relationship of the Company with the organization or individual involved.

5.0 ENTERTAINMENT

- 5.1 The Group recognises the need to entertain clients and / or business associates under reasonable circumstances.
- 5.2 Corporate entertainment shall strictly be conducted for official purposes and business of the Group only. The use of the Group's resources for personal entertainment is strictly prohibited.
- 5.3 Corporate entertainment shall be conducted in a form and venue that is legal and appropriate (e.g. dining in an established food and beverage outlet). A game of golf and / or any other sporting activities are also encouraged where appropriate.
- 5.4 All claims for corporate entertainment shall be subject to the guidelines as stipulated in the Group Human Resources policies.

6.0 CONFLICT OF INTEREST

- 6.1 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 interest of the Group. This includes, but not limited to:
 - 6.1.1 A director or employee giving preference to his interests or the interests of his family members or persons with whom he has a close personal relationship, instead to the interests of the Group. This includes being involved in the hiring, supervision, management and/ or career planning of his family members, or any other parties where a close personal relationship exists.
 - 6.1.2 Receiving personal benefits as a result of the position of director or employee within the Group that may lead to a conflict of interest situation.
 - 6.1.3 A director or employee or family member of a director or employee or persons with whom he has a close personal relationship, has financial or other interests or any involvement in the business of a competitor, or holds a directorship in a competitor.

- 6.1.3 A director or employee is in a position to influence decisions that are made by the Group with respect to dealings with a business, enterprise or entity owned or partially owned by director or employee, director's or employee's family members or those with whom he has close personal relationships with.
- 6.2 The Group expects all directors and employees to refrain from any conflict between their own interest and the interest of the Group in dealing with clients, vendors and suppliers and affiliate or non-affiliate business associates and organizations.
- 6.3 Directors and employees are expected to exhibit and promote the highest standards of honest and ethical conduct in all dealings relating to the business of the organization. In other words, directors and employees are expected to use good judgment, adhere to high ethical standards, and avoid situations that create an actual or perceived conflict between their personal interests and those of the Group. The Group expects that the transactions directors and employees participate in are ethical and within the law.
- 6.4 Employees shall avoid conflict of interest whenever possible. 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 or a situation which may potentially raise any questions pertaining to his ability to make decisions objectively, the following shall be considered:
- 6.4.1 Abstain from any subsequent deliberations, negotiations, or any other affairs regarding the matter, including making decisions;
- 6.4.2 If he/she is a Director, he/she shall disclose the same to the Board and such declaration shall be documented; or
- 6.4.3 If he/she is an employee, he/she shall disclose it to his/her direct supervisor and Human Resource Director by filling up the Conflict of Interest Disclosure Form in order for the situation to be resolved in a fair and transparent manner.
- 6.5 Directors and employees are strictly prohibited from soliciting for business either for monetary or non-monetary purpose, for themselves and/or on behalf of another party or organisation which is not for the benefit of the Group. The prohibition on solicitation extends amongst others to clients, agents, vendors and contractors.
- 6.6 Directors and employees are expected to maintain the confidentiality of information in relation to the businesses and activities of the Group, except when disclosure is authorized or legally required.

7.0 DEALING WITH SUPPLIERS OF GOODS AND SERVICES

- 7.1 The Group is a large buyer of goods and services and awards its business strictly on a basis of suitability and price, after review.
- 7.2 Competitive quotes must be obtained whenever this is possible.

- 7.3 An employee or director who is involved in buying goods and services on the Group's behalf must demonstrate independence and avoid any relationship; financial or otherwise, with suppliers that could be seen as unfairly influencing their judgement.

8.0 MONEY LAUNDERING

- 8.1 Money laundering is the process of disguising the nature and source of money connected with criminal activity – such as terrorism, drug trafficking or bribery – by integrating “dirty money” into the stream of commerce so that it appears legitimate or its true source or owner cannot be identified.
- 8.2 The Group does not tolerate any form of money laundering activities. Appropriate measures shall be implemented, including conducting checks and verifications as necessary to prevent its financial transactions from being used by others to launder money.
- 8.3 Directors and employees are expected to be mindful of the risk of the Company's business being used for money laundering activities and to raise any suspicious transactions to the Chief Financial Officer/Chief Executive Officer.

9.0 INSIDER TRADING

- 9.1 Employees or directors who are in the possession of market sensitive information are not allowed to trade in shares of the Company if that information has not been made public.
- 9.2 Further, employees or directors shall not disclose such price sensitive information to any third party or encourage any other person to deal in price-affected shares.
- 9.3 Employees and directors must ensure that all transactions in the Company's shares comply with the procedures set out by the relevant authorities such as Securities Commission Malaysia, Bursa Malaysia etc.

10.0 GROUP ASSETS

- 10.1 All employees and directors shall share the responsibility for looking after the Group's assets, especially if it is under his or her direct control and care.
- 10.2 The Group's assets must not be removed without authorisation from the respective superior or upper management, or be used for personal benefit or any other improper purpose.
- 10.3 The Group's assets may only be given away, lent, destroyed or otherwise disposed of, if this action is properly authorised in accordance with Group policies, no matter how old or damaged the asset is.

11.0 GROUP FUNDS

- 11.1 An employee or director having control of Group funds is personally accountable for them.

12.0 POLITICS

- 12.1 GTB Group will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognise this may be perceived as an attempt to gain improper business advantage.
- 12.2 An employee or director who engages in any political activity shall do so in his or her capacity as a private citizen and not as a representative of the Group in any way.

13.0 EMPLOYMENT PRACTICES

- 13.1 The Group upholds the practice of equal opportunity as a major pillar of its human resource policy. No person shall be discriminated in any sense or manner by reason of race, religion, sex or political leanings.
- 13.2 All employees and directors shall be treated fairly and equally and any decision on career advancement shall be based solely upon merit and performance.
- 13.3 The Group does not engage in or support the use of child labor.
- 13.4 Wages and benefits paid meet and exceed the minimum national legal standard of the jurisdiction which the Group operates in.
- 13.5 Employee work hours are in compliance with the local standards and applicable laws of the jurisdiction which the Group operates in.

14.0 DRUG AND ALCOHOL USE

- 14.1 No employee or director shall at any point in time during work and / or office hours consume alcohol of any form, except under approved and reasonable circumstances such as during corporate functions or events.
- 17.2 Any employee or director who is found to be intoxicated by alcohol at any time during work and / or office hours shall be referred to upper management for disciplinary action.
- 17.3 The Group is committed to a safe and healthy working environment. The usage of illicit drug is an offence and any employee or director found to have committed such an illegal act shall be immediately referred to the local authorities.

15.0 HARASSMENT IN THE WORKPLACE

- 15.1 The Group will not tolerate any form of harassment in the workplace. Any employee or director facing harassment in any manner by any person within the Group is encouraged to report the matter immediately to upper management.
- 15.2 Any person suspected to have committed criminal harassment will be handed over to the relevant authorities.

16.0 CYBERSPACE ABUSE AND SOFTWARE PIRACY

- 16.1 The Group will not tolerate any form of abuse of cyberspace.
- 16.2 Employees or directors who have access to e-mails and / or internet access provided by the Group are required to use such services exclusively for work, business and matters of the Group. The use of such services for personal reasons is not permitted.
- 16.3 The intentional sending and viewing of illicit and sexually explicit materials on Group computers and / or IT facilities is strictly prohibited.
- 16.4 Employees and directors who have inadvertently received illicit and sexually explicit materials in their computers shall take steps to immediately delete and destroy such materials.
- 16.5 The use of Group computers and / or IT facilities to create and / or send virus and / or spam is strictly prohibited.
- 16.6 The Group forbids the use of pirated software in its computers and / or IT facilities. The relevant departments and operations of the Group are expected to conform to local copyright laws and to reasonably ensure that any software used is a fully licensed product.

17.0 ENVIRONMENT

- 17.1 The preservation and conservation of the Earth's environment is a priority of the Group. All members, employees and directors are required to adhere and strive to surpass local environmental policies and regulations.
- 17.2 Employees and directors are strongly encouraged to practice the reuse and recycling of office materials and stationeries as and when possible.

18.0 HEALTH AND SAFETY

- 18.1 The Group places high priority on maintaining a healthy and safe working environment for all its employees, directors and business associates. The Group has a separate Environmental, Health and Safety ("EHS") Policy Statement that should be read and understood by all employees and directors.
- 18.2 Smoking is not permitted except in designated smoking area within all premises and properties of the Group.
- 18.3 All operational facilities and properties of the Group are required to adhere to internationally accepted health and safety standards.
- 18.4 All operational facilities and properties of the Group are required to comply fully with local fire safety regulations.

18.5 The Group adopts a zero tolerance policy towards criminal behaviour / conduct in order to protect the safety of its employees, directors, associates and clients. Any criminal behaviour / conduct cases will be immediately referred to the relevant authorities.

19.0 LEAVING THE GROUP

19.1 On leaving or retiring from the Group, an employee or director must hand over to his or her superior any Group assets and items containing business information.

19.2 Even after leaving the Group, a former employee or director has a continuing obligation to maintain the confidentiality of such information, which includes intellectual property that may have been created whilst under the employment and service of the Group, and information relating to customers, suppliers and employees.

19.3 For 12 months after ceasing employment with the Group, or the limitation period thereafter as stated in the employment contract, a former employee or director must not solicit or accept business of the type that the Group engages in from any person or company that had previously dealt with the former employee or director as a result of his/her employment in the Group, and the former employee or director must not solicit or endeavour to entice away from the Group any employee or contractor of the Group.

20.0 GUIDELINES TO IMPLEMENTATION AND COMPLIANCE

20.1 Chief Executive Officers / Head of subsidiaries shall oversee the communication, implementation and compliance of these principles and rules in their respective organisations.

20.2 All members, employees and directors are to have free and unrestricted access to this document and must be conscious that contravention of the rules and principles on their part will result in appropriate disciplinary action.

20.3 Any questions about these principles and rules should be directed to the Chief Financial Officer and / or the Group Human Resources Director and / or the Chief Executive Officer.

21.0 REVISION OF POLICY

21.1 The executive management shall review and update the policy periodically taking into consideration the needs of the Group as well as any new requirements in rules and regulations.

21.2 Any revision or amendment to the policy, as proposed by the executive management shall be presented to the Board for its approval.

Reviewed and Approved by Board on 25 July 2023