



GLOBETRONICS TECHNOLOGY BERHAD

(Registration No. 199601037932 (410285-W))

(Incorporated in Malaysia)

DIRECTORS' FIT AND PROPER POLICY

1.0 Objective

The objective of this policy is to assist the Nominating Committee ("NC") and the Board of Directors ("Board") in their responsibilities to oversee the selection and evaluation of new and existing directors to ensure that individuals who possess the appropriate balance of skills, expertise, attributes and core competencies, taking into consideration the character, experience, integrity, competence and time commitment are appointed or sat on the Board.

2.0 Scope

This Policy set out the fit and proper criteria for the appointment and re-appointment of Directors on the Boards of Globetronics Technology Berhad and its subsidiaries.

For senior management, NC and the Board may delegate the responsibility for fit and proper assessments and decision on appointments to the CEO, CFO or Director of Group Human Resource.

3.0 Criteria

- In evaluating the fitness and propriety of a Director, the following factors are taken into consideration but are not limited to the following:

Character and integrity

- is not or has not been the subject of any proceedings of a disciplinary or criminal nature, or has been notified of any impending proceedings or of any investigations, which might lead to such proceedings

- is not or has not been subject to conviction by a court of law, whether within Malaysia or elsewhere, of an offence, involving bribery, fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly
- has not contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies
- has not perpetrated or participated in any business practices which are deceitful, oppressive improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct
- has not had his service contract (i.e. in the capacity of management or director) been terminated in the past due to concerns on personal integrity
- has not abused other positions (i.e. political appointment) to facilitate government relations for the company in a manner that contravenes the principles of good governance
- is not involved in any business arrangement or other relationship which could materially pose a conflict of interest or interfere with the exercise of his judgment when acting in the capacity of a Director

Experience and competence

- possesses education qualification that is relevant to the skill set that is required to create a balanced composition board.
- has a considerable understanding of the industry that the Company is in as well as the risk and management of the Company
- possesses general management skills as well as understanding of corporate governance and sustainability issues
- keeps abreast of current development in the industry or profession by pursuing continuous professional development
- possesses leadership capabilities and a high level of emotional intelligence

Time and Commitment

- able to devote time as a board member, having factored other outside obligations including concurrent board positions held by the director across listed issuers and non-listed entities (including non-profit organisations).
- able to attend and participate in board meetings, committees meeting and annual general meetings
- demonstrates willingness to devote time and effort to understand the Company's business, sustainability in terms of environment, social and governance
- exhibits ability to articulate views independently, objectively and constructively
- exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others
- possesses commendable past performance record as gathered from the results of the board effectiveness evaluation.

4.0 Evaluation

- The fit and proper evaluation on each director within the scope of this policy document shall be conducted both prior to initial appointments and annually or whenever the Company becomes aware of information that may materially compromise a director's fitness and propriety.
- The criteria shall be assessed individually, as well as collectively, taking into account their relative importance
- Failure to meet one factor on its own does not necessarily mean failure to meet the fit and proper criteria. The Company should consider the specific circumstances surrounding a person's failure to meet specific factors, including the lapse of time since the occurrence of events, other contributing factors and the significance of the event from the perspective of potential risks posed to the Company.
- The evaluation process will involve a good measure of judgement, which should be exercised objectively and always in the best interests of the Company and the sound conduct of the Company's business
- A declaration in a prescribed format shall be obtained from candidates being considered for appointment as Director of the Company for the review of NC
- For existing directors, the recommendation for re-appointment shall be based on the Director's Evaluation Form.
- Where the board or NC has assessed that the person no longer meets the fit and proper criteria, the board shall take immediate steps to address the issue as soon as practicable.
- The results of the assessments are part of the Company's internal documents and solely for the purpose of appointment and re-appointment of directors. It shall not be disclosed or provided to any other party.

5.0 Revision

The NC shall review and update the terms of reference periodically taking into consideration the needs of the Group as well as any development in rules and regulations that may have an impact on the discharge of the Committee's duties and responsibilities.

Any revision or amendment to the terms of reference, as proposed by the Committee shall be presented to the Board for its approval.

Reviewed and Approved by Board on 26 April 2022