

SUSTAINABILITY STATEMENT

As a high technology manufacturing company with links to the local community, Globetronics Technology Bhd. and its subsidiaries (herein referred to as "GTB" or "the Group") understand that we have a responsibility to drive sustainable development throughout our business strategies and decisions.

In addition to being a reliable and competent manufacturing partner to our world-renowned customers, GTB is committed to improve the welfare of the community we are a part of by ensuring compliance with the latest regulatory standards in environmental and social management. Key sustainability matters to the Group include bringing the latest miniaturized components and applications into smart devices to improve the lives and connectivity of global consumers, caring for the welfare of our employees, practising sustainable procurement practices, manufacturing excellence, practising the Reduce, Reuse, Recycle, Recover ("4Rs") throughout our business operations and exploring the use of renewable energy sources to protect our environment.

As a testament to our efforts in driving sustainability throughout our operations, we have been included in the FTSE4Good Bursa Malaysia index in December 2022. The FTSE4Good Bursa Malaysia index includes companies with leading Environment, Social and Governance ("ESG") practices and are in compliance with best practice disclosure. This helps investors in making ESG investments in Malaysian listed companies.

This sustainability report for FY2023 will highlight GTB's efforts in managing the economic, environment, social and governance criteria within our community whilst maintaining operational profitability. This statement should be read together with other sections in this Annual Report namely the 'Executive Chairman's Message', 'Management Discussion and Analysis', 'Audit and Risk Management Committee Report', 'Corporate Governance Overview Statement' and 'Statement on Risk Management and Internal Control' as it can provide a more holistic context to our sustainability efforts.

Scope of Report

This report covers GTB's sustainability efforts from 1 January 2023 to 31 December 2023. Data from previous years are included where possible to provide more context on the Group's year-on-year progress.

The report covers the sustainability efforts of the subsidiaries namely Globetronics Sdn. Bhd., Globetronics Manufacturing Sdn. Bhd., and ISO Technology Sdn. Bhd. Information about these subsidiaries are summarized in the table below:

Subsidiaries	Activities
Globetronics Sdn. Bhd.	Assembly and testing of integrated circuits ("IC"), optoelectronic products and technical plating services.
Globetronics Manufacturing Sdn. Bhd.	Development and assembly of sensors and optical products for smart mobile and wearable applications.
ISO Technology Sdn. Bhd.	Manufacturing of small outline components, Light-Emitting-Diode ("LED") components and modules, and technical plating services for the semiconductor industry.

The report does not cover the following subsidiaries:

1. Globetronics Industries Sdn. Bhd., Trilion Suntech Sdn. Bhd., and Globetronics (HK) Limited, as they are dormant companies.
2. Globetronics (KL) Sdn. Bhd. as it is involved in the letting of real property.
3. Globetronics International Incorporated as it is an investment holding company.
4. Globetronics Medical Technology Sdn. Bhd. as it is a company that provides software solutions to our subsidiaries and as such has limited and insignificant activities.
5. NGK Globetronics Technology Sdn. Bhd. as it is an associate company.

SUSTAINABILITY STATEMENT

Reporting framework and basis

This report is prepared in compliance with Bursa Malaysia’s Main Market Listing Requirements, the criteria for FTSE4Good Bursa Malaysia index, and Bursa Malaysia’s Sustainability Reporting Guide 3rd edition.

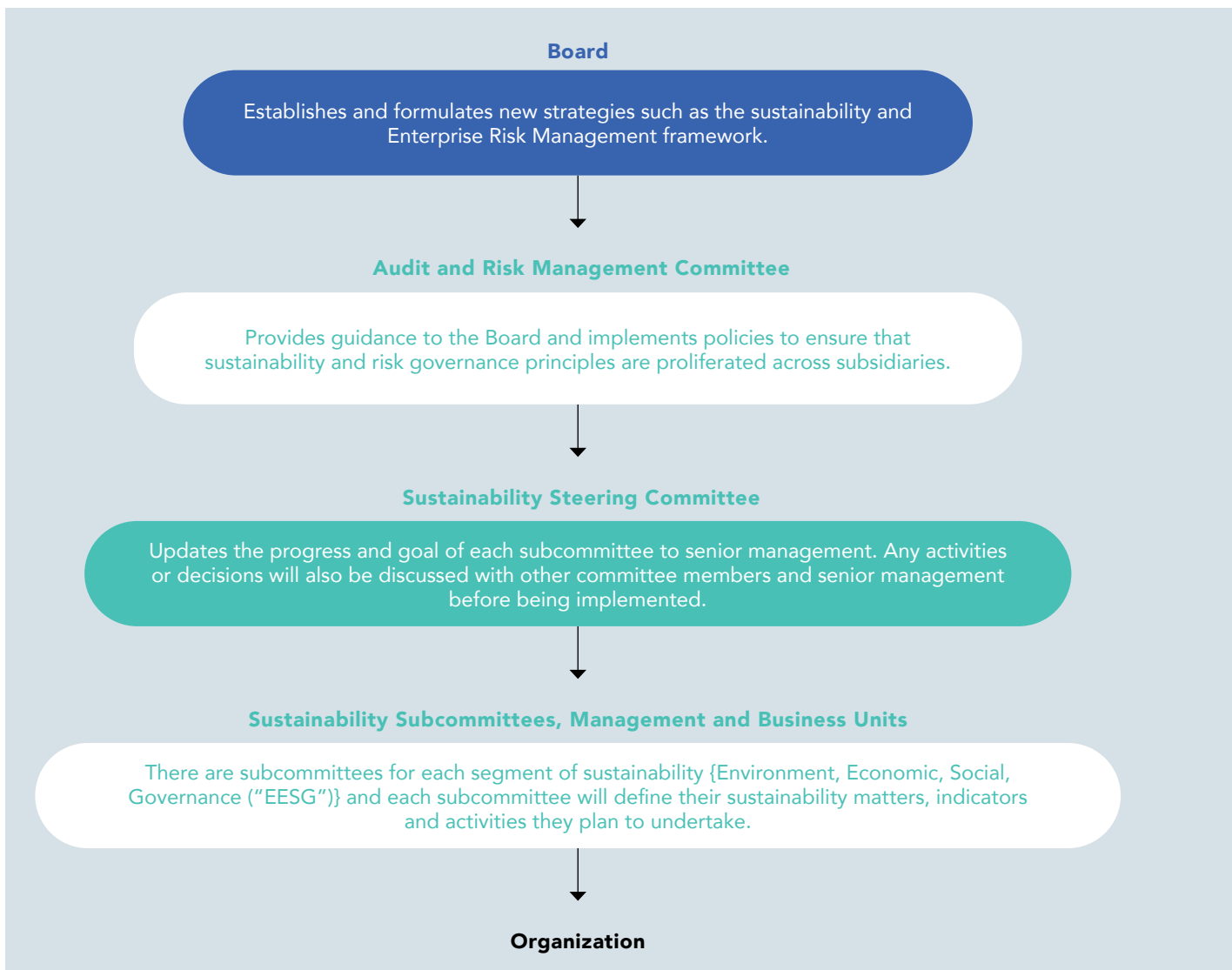
In addition for FY2023, we have made reference the key sustainability matters to Global Reporting Initiative (GRI) standards. (Appendix 1).

GTB’s policies and strategies are also aligned with the Responsible Business Alliance’s code of conduct. The code of conduct establishes standards that ensure the working conditions in the electronics industry or industries in which electronics is a key component and its supply chains are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.

Assurance

In adherence with the Enhanced Sustainability Reporting Framework, GTB has performed internal assurance review on the sustainability statement and independent limited assurance on specific key indicators following recognized assurance standards. (Appendix II).

Sustainability Governance Structure



SUSTAINABILITY STATEMENT

Sustainability Matters

Stakeholder Group	Type of Engagement	Sustainability Matters
Customers	<ul style="list-style-type: none"> • Conference calls • Status updates and operational presentations • Line and system audits • Customer visits • Customer surveys 	<ul style="list-style-type: none"> • Competitive prices, excellent quality and timely delivery • Customer satisfaction • Timely ramp up for product transfers • Adherence to local and federal laws • Data integrity and privacy • Good ESG and procurement practices • Compliance to local and international regulations (e.g., Registration, Evaluation, Authorisation and Restriction of Chemicals and Restriction of Hazardous Substances)
Board of Directors	<ul style="list-style-type: none"> • Board meetings • Audit and Risk Management Committee meetings • Other committees' meetings 	<ul style="list-style-type: none"> • Revenue and profit growth • Return on investment and capital expenditure protection • Corporate governance compliance to all relevant regulations and law • Succession planning for directors and senior management • Adequate procedures on anti-corruption and bribery • ESG targets, priorities and Key Performance Indicators ("KPIs")
Employees	<ul style="list-style-type: none"> • Health and safety talks • Suggestion box • Volunteer and recreation programs • Annual appraisal • Employee engagement survey 	<ul style="list-style-type: none"> • Competitive compensation and benefit packages • Career path planning and human capital development • Safe and humane working environment • Uphold of human rights
Investors	<ul style="list-style-type: none"> • Analysts briefing • Roadshow and non-deal roadshows • Investor conferences • Annual general meeting • Corporate website 	<ul style="list-style-type: none"> • Sustainable financial performance • Business growth and expansion • Good dividend payout • Customer concentration risk • Good ESG practices
Suppliers	<ul style="list-style-type: none"> • Supplier selection • Suppliers' Code of Conduct • Supplier evaluation and periodic audits 	<ul style="list-style-type: none"> • Adherence to environmental, legal and social regulations • Uphold of human rights • Fair procurement practices
Regulators	<ul style="list-style-type: none"> • Air, water emissions compliance and report submissions • Scheduled waste disposals • Survey, statistics requests by regulators • Quarterly results announcements • Programmes/briefings organized by regulators 	<ul style="list-style-type: none"> • Adherence to law and regulations • Corporate governance and compliance

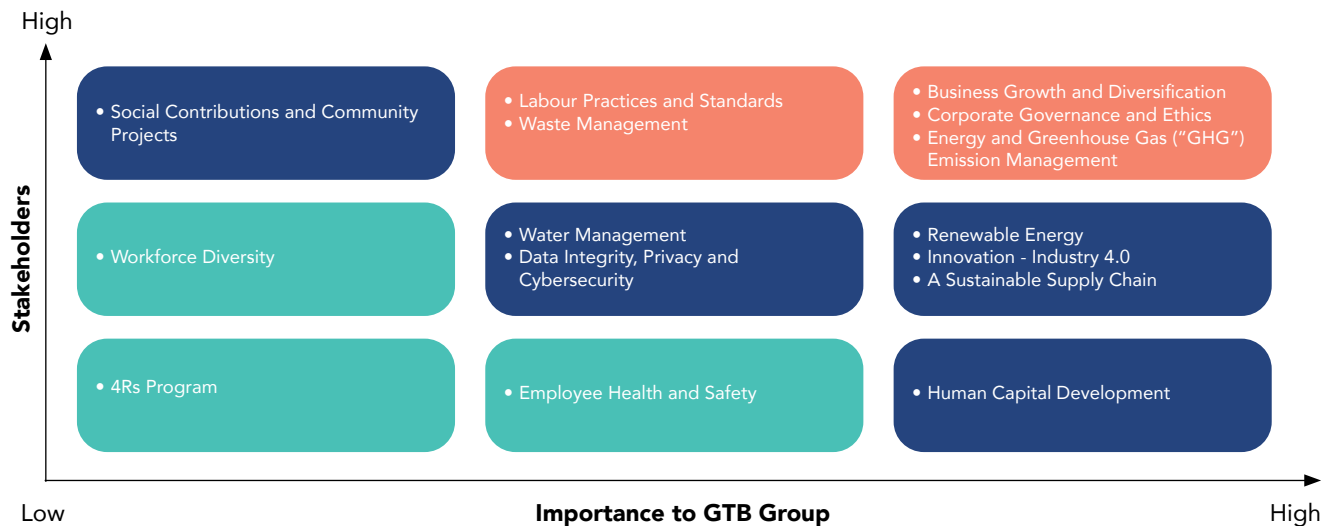
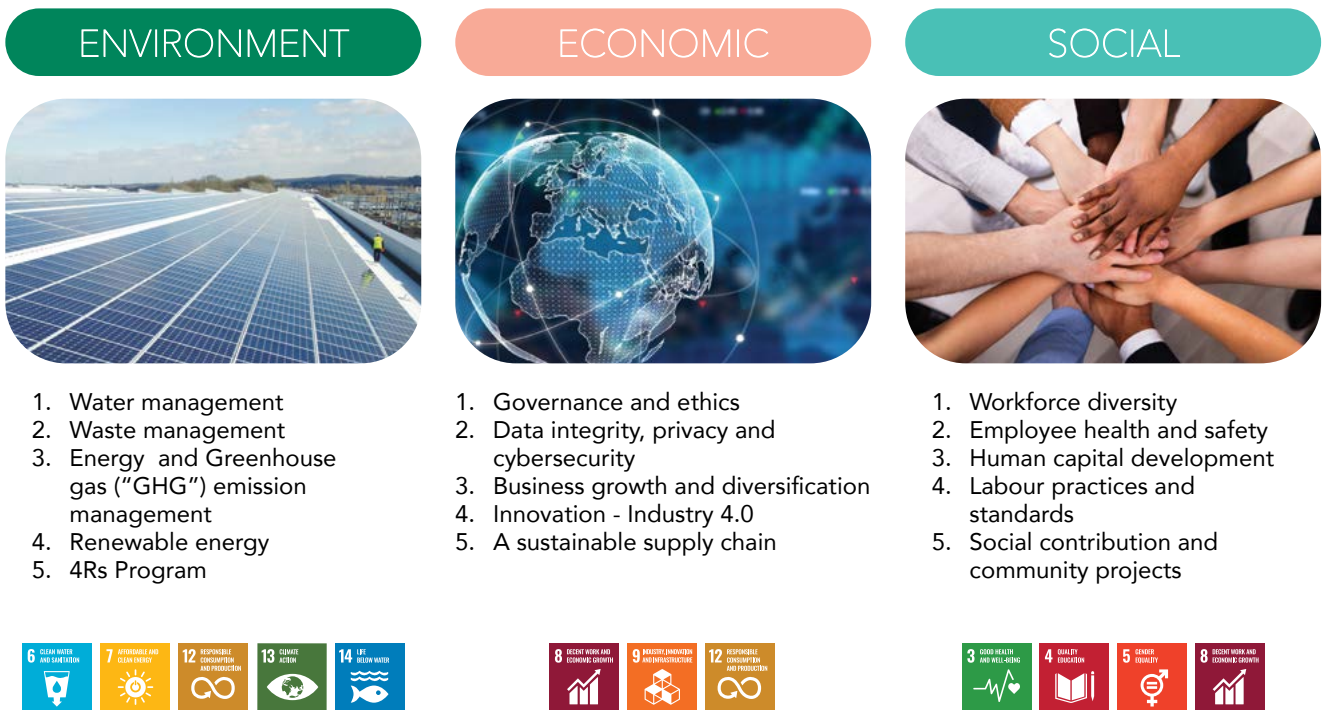
SUSTAINABILITY STATEMENT

Materiality Assessment

Our materiality assessment uses input from engagement with the stakeholders, comparison with the material sustainability matters identified by our peers, and the current economic, environmental and social trends. All the relevant information is then reviewed to determine the impact of each sustainability matter to the Group's operations and stakeholders.

The final list of material sustainability matters is then reviewed and approved by the Sustainability Steering Committee, the Audit and Risk Management Committee and the Board. We have also aligned our material sustainability matters to United Nations Sustainable Development Goals ("SDGs").

As there has been no significant changes to GTB's operations in the past financial year, the material sustainability matters identified in the previous year remain relevant to the Group as we continue to grow our business, progress on our Industry 4.0 implementation plan, manage our emissions, and have good corporate governance. Our key sustainability matters are illustrated in the diagram below:



SUSTAINABILITY STATEMENT

Our performance in each aspect of sustainability

ENVIRONMENT

At the Group's various plants, we ensure strict compliance with the environmental laws governing plant operations and maintenance in areas relating to environmental standards, emission standards, noise level management and treatment of plant effluents and waste water. As part of our corporate responsibility agenda, we have measures in place to minimize the adverse impact on the environment and to achieve continuous improvement of our plants/factories' environmental performance.

The key indicators of electricity usage, CO₂ emissions and water consumption are now reported in a monthly Economic, Environment, Social and Governance ("EESG") subcommittee meeting. Activities undertaken and programs introduced to reduce usage of the key environment elements are also presented in this meeting for progress monitoring.

Biodiversity

The Group is mindful of the need to preserve the biodiversity of the areas we operate in. All our operation sites are located within the industrial zones in Malaysia and not in any nature reserve or protected habitat.

Water Management

Water is a crucial component needed in the processes for majority of the production lines in our manufacturing sites, as unclean water causes high particle counts that disrupts the production of quality products. As such, we have in place proper filtration and distilling equipment to ensure high quality water supply to our lines at all times.

Municipal water from Perbadanan Bekalan Air Pulau Pinang is our primary source of water and accounts for all our water withdrawal used in operations. We do not operate in water stress areas. We maintain engagement with municipal authorities through dialogue when necessary and activities such as the completion of surveys to address relevant matters that ensure optimum supply of our water requirements.

SUSTAINABILITY STATEMENT

ENVIRONMENT (Cont'd)

Water Management (Cont'd)

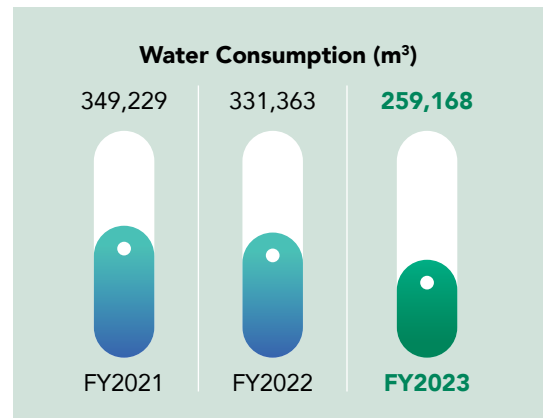
Waste Water Discharge Compliance

Industrial and sewage effluents are measured against a range of parameters to ensure that it complies to all industrial standards, as untreated waste water contains harmful chemicals that may affect the biodiversity of the environment it is discharged into. This is measured and reported in the monthly EESG subcommittee meeting. Effluent water discharge is measured against legally set parameters, of which are disclosed in the table. All subsidiaries' effluent discharge is within the parameters and we fully complied with local regulatory requirements.

Effluent Discharge Parameters	
Biological Oxygen Demand (BOD)	Copper (Cu)
pH Value	Manganese (Mn)
Suspended Solid	Nickel (Ni)
Chemical Oxygen Demand	Tin
Oil and Grease	Zinc (Zn)
Mercury (Hg)	Boron (B)
Cadmium (Cd)	Iron (Fe)
Chromium Hexavalent (Cr6+)	Silver (Ag)
Arsenic (As)	Aluminium (Al)
Cyanide (as CN-)	Selenium (Se)
Lead (Pb)	Free Residue Chlorine (as Cl2)
Chromium Trivalent (Cr3+)	Sulphide (as S2-)
Colour, ADMI (Adjusted pH)	Ammoniacal Nitrogen

Water Saving

Scheduled production shutdowns (to improve units per hour) and regular preventive maintenance are performed on facilities chiller, cooling tower, strainer, vacuum, transfer pump and circulation pump to reduce water usage. Over the years, we have implemented water saving initiatives like replacing continual flush urinals with one push cisterns and reusing water for wafer sawing process where water that is normally discharged to the drain is circulated back to the tank instead. Overall, we are seeing a reduction of our water consumption by 72,195 m³ or about 22% in FY2023 versus FY2022 due to an overall drop in production volume.



In terms of the efficiency of water usage, we have seen an improvement in this area with a lower water intensity rate for FY2023 versus FY2022.

	FY2021	FY2022	FY2023
Water Intensity (m ³ /PU)	0.0001543	0.0001933	0.0001703

Note: PU stands for Production Units

Rain Water Harvesting

As part of our efforts to adopt environmentally friendly practices, we are implementing a rain water harvesting system as part of green building efforts in our building expansion in Penang which has been activated upon obtaining the building's Certificate of Completion and Compliance ("CCC") in December 2023. Based on available data, the implementation of the rain water harvesting system would be able to collect rain water that can be used for non-operational general purposes.

SUSTAINABILITY STATEMENT

ENVIRONMENT (Cont'd)

Waste Management

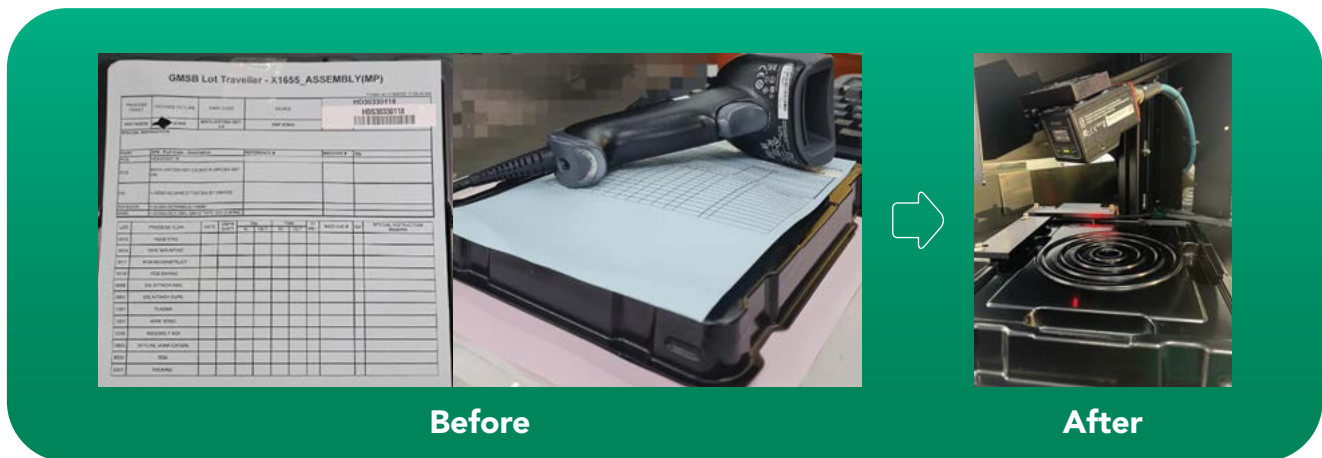
We prioritize environmental sustainability by implementing practices that promote 4Rs of waste management to keep our earth clean and green. The 4Rs stand for Reduce, Reuse, Recycle, and Recover. These four actions can help us create less waste, use our resources smartly, and keep our environment clean. Below are some of the initiatives that our Group has established:

Reduce: Paper saving initiatives

We have been actively encouraging our employees to reduce the use of paper throughout the organization to reduce the number of trees that are chopped down and thus reduce the impact to the environment. This is done by the monthly tracking of paper usage by department to ensure no unnecessary wastage and also programs like digitalization of documents wherever possible.

An important paper saving initiative is automation activities in the line which involved the investment of scanners to streamline the lot traveller system, where the movement of lots are now being traced in our production system by scanning the barcode of the lot instead of printing out in hardcopy.

The implementation was done in stages with the major product runners already running on this system in FY2023. There was a significant paper savings of 295,864 pieces of paper with a cost saving of RM14,793 as lot travellers goes paperless. We are targeting two more product lines for implementation in FY2024.



We have also successfully implemented 10 units of digital oven profiler to replace the chart paper. This improvement eliminates non-value-added activities as well as improves our operational productivity. This resulted in a total saving of 2,590 pieces of chart paper.

Reduce: Banning of plastic straws and one-use plastic

As plastics play an increasingly wide role in global pollution and the disruption of natural life both on land and in the sea, the Group has also decided to reduce waste disposal to the environment. Supporting the government initiatives in this area, we have banned the use of plastic straws in our factories.

One-use plastic has also been banned almost completely (except for the minimal usage for take away of food with gravy) and replaced with more environmentally/recyclable containers for food and drinks. Our employees have been very supportive in this area and are glad to play their part in helping to conserve our environment. While the numbers in terms of weight are not large, these items have caused the loss of many marine life.

SUSTAINABILITY STATEMENT

ENVIRONMENT (Cont'd)

Waste Management (Cont'd)

Reuse and Recycle: Non-Hazardous Waste

Reuse and recycle helps to reduce energy usage, the consumption of fresh raw materials, greenhouse gas emissions, air pollution and water pollution generated from land filling by reducing the need for “conventional” waste disposal.

The Group actively promotes reuse and recycle of production waste. Trays and metal rings are reused after undergoing an established cleaning process while bubble sheets are reused after going through an established inspection and buy off process each time they are returned by the customers. Below is the breakdown of reusable and recyclable waste:

		Amount (kg)
Reuse		
1	Plastic Tray	864
2	Metal Ring	17,256
3	Empty Au Wire Spool	76
4	Wooden Pallet	14,100
5	Empty Carton	1,700
6	Empty Chemical Drum	224
7	Polyled L/Frame Tray	180
8	Bubble Sheets	8,203
Recycle		
1	Plastic Bottle	63
2	Carton Box	5,000
3	Wafer Box	2,148
4	Paper	532
5	Plastic Tray	370
Total		50,716

We have also promoted awareness among our employees in efforts to reduce waste by segregating different types of waste to help in conserving the environment. Recycle bins are provided at designated factory areas to conveniently enable contributions from employees. The recyclable waste such as plastic bottles and papers are collected and contributed to SIMA Handicapped Centre, as part of our social contribution to the local community.

Donation to SIMA by GSB = 595 kg



Recycled Plastic Mineral Water Bottles

SUSTAINABILITY STATEMENT

ENVIRONMENT (Cont'd)

Waste Management (Cont'd)

Recover: Scheduled Waste

Building on our commitment to sustainable practices, we are pleased to report significant strides in the recovery of valuable resources during FY2023. In addition to the successful recovery of silver epoxy, our efforts extended to wafer carcass and solder paste, exemplifying a holistic approach to resource optimization.

1) Silver Epoxy Recovery:

For the silver epoxy recovery initiative, we successfully sent materials to our vendor who extracted a remarkable 43 kg of silver. This endeavour has not only contributed to environmental conservation but has also yielded substantial financial gain, totalling RM 96,246.



Before

After

2) PCB Wafer Carcass and Solder Paste Recovery:

A total of 1,102 kg of wafer carcass were sent to our licensed recovery vendor, resulting in a gain of RM 2,755. Similarly, our efforts in solder paste recovery yielded positive outcome with 12 kg of solder paste recovered, yielding a financial gain of RM 575. This success reinforces our commitment to exploring resource recovery across various facets of our operations.



Before

After

In terms of scheduled waste which is classified as hazardous waste, a waste management program is also in place to ensure proper disposal with minimal impact to the environment. In adhering to environmental regulations in relation to scheduled waste, we are guided by local regulatory laws.

We dispose scheduled waste to our waste contractor who employs various management processes to divert as much as possible of the scheduled waste from traditional disposal methods such as landfilling or incineration. Instead, they focus on recycling, reusing, and recovering resources from the waste stream. Below are the ways they manage the different types of scheduled waste:

No	Related Management Processes:		Recycle	Reuse	Recovery
1	SW104	Metal Dross	Yes		Yes
2	SW110	E-Waste	Yes		Yes
3	SW204	Metal Hydroxide Sludge	Yes		Yes
4	SW206	Waste Acid	Yes		Yes
5	SW305	Spent Lubricating Oil	Yes		Yes
6	SW306	Spent Hydraulic Oil	Yes		Yes
7	SW322	Solvent	Yes		Yes
8	SW325	Uncured resin waste			Yes
9	SW409	Contaminated Containers	Yes	Yes	
10	SW410	Contaminated Rags, Gloves etc	Yes	Yes	

SUSTAINABILITY STATEMENT

ENVIRONMENT (Cont'd)

Waste Management (Cont'd)

Recover: Scheduled Waste

The below table depicts the total waste generated from our production which comprised of hazardous waste and non-hazardous waste.

Waste Generation	Unit	FY2023
Diverted from Disposal		
- Non-hazardous waste ⁽¹⁾	tonne	50.716
- Hazardous waste	tonne	-
Directed to disposal		
- Non-hazardous waste	tonne	-
- Hazardous waste ⁽²⁾	tonne	11.308
Total waste generated ⁽³⁾	tonne	62.024

Note:

(1) Consists of reusable and recyclable waste.

(2) Scheduled waste is hazardous waste.

(3) Total waste generated is the sum of total diverted from disposal and total directed to disposal.

Environmental Compliance and Certifications

In FY2023, we complied to all environmental regulations and have had no penalties or fines resulting from non-compliance for all our operations in Malaysia.

Currently, all our Penang manufacturing factories are certified to the international environmental management systems standard, ISO 14001.

We also complied with the Environmental Quality (Clean Air) Regulation 2014 for scrubber and exhaust system of our plating operations where the air pollutant concentration is within the limit of emission. For the areas where air quality is concerned, they are measured on a periodic basis and include the areas of generator set (concentration of particulate matter and dark smoke to be within limit), gas and piping maintenance to ensure no leaks and compliance to environmental standards. We are in compliance and within the limit for our emissions levels in all areas.

A summary of the Group's compliance to the Environment Quality (Clean Air) Regulation 2014 is as follows:

Sampling Points	Year		
	FY2021	FY2022	FY2023
Genset (Particulate Matter, Dark Smoke)	Complied	Complied	Complied
Scrubber (Particulate Matter, Chloride, Hydroxide, Isopropyl Alcohol, Acids)	Complied	Complied	Complied
Exhaust (Particulate Matter, Isopropyl Alcohol)	Complied	Complied	Complied

SUSTAINABILITY STATEMENT

ENVIRONMENT (Cont'd)

Energy and Greenhouse Gas ("GHG") Emission Management

In terms of GHG emissions, we are expanding our disclosure scope to include Scope 1 and Scope 2, where we had previously only measured electricity purchased as that is the main bulk of energy consumption. This is part of our efforts to widen the scope of measurement of the total GHG emissions so that we can work on initiatives to reduce the harmful effects of emissions to the environment. Regardless, our focus will still be mainly on how to reduce our electricity consumption which forms the bulk of our GHG emissions.

Green Energy

One of the major initiatives we undertook for the year was the subscription to Tenaga Nasional Berhad ("TNB") Green Energy Tariff ("GET"). This program enables companies to obtain their purchased electricity from renewable / green energy sources. We had applied for the GET for multiple of our subsidiaries but only managed to get allocation for one subsidiary due to the overwhelming demand in the initial introduction stage. The program started in February 2023 and has been a major contributor in reducing our Scope 2 emissions as well as overall GHG emissions. In total, we achieved reductions of about 3.7 million kWh or about 2.8 million kg CO₂ for FY2023 through the participation in this GET program.

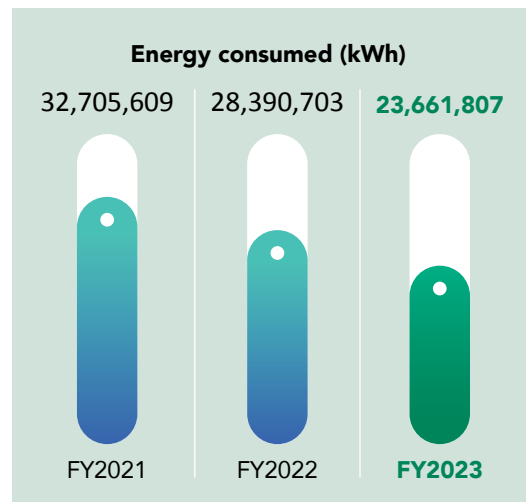
Energy Reduction

For energy reduction, we have implemented the Intelligent Flow Controller ("IFC") to the air compressor systems of most of our subsidiaries. As for our new projects, the chiller systems that we are installing would also be of the energy efficient variant. Other activities include preventive maintenance of facilities equipment, installation of stabilizers on air compressors, zero loss dryer, temperature control on relevant processes and scheduled shutdown of operations to reduce electrical usage.

New programs to reduce energy consumption were introduced in FY2023 with details as follows:

1. GSB's new building – Change of chiller system from water / air cooled to Chilled Water Air Handling Unit ("AHU") system. Chilled water will be more efficient and thus, help to reduce energy consumption.
2. ISO – Investment in installation of new VSD air compressor which was completed in Q1 2024 whereby efficiency expected to improve by 50%, thus reducing energy consumption as well as providing electricity savings.

As a result of existing and new energy reduction activities coupled with reduction in volume loadings, we are seeing a decrease of energy consumption in FY2023 by 4.7 million kWh or 17% versus FY2022. In terms of the efficiency of energy usage, there is an improvement in this area with a lower energy intensity rate for FY2023 versus FY2022.



	FY2021	FY2022	FY2023
Energy Intensity (kWh/PU)	0.01446	0.01656	0.01555

Note: PU stands for Production Units

SUSTAINABILITY STATEMENT

ENVIRONMENT (Cont'd)

Energy and Greenhouse Gas ("GHG") Emission Management (Cont'd)

Total GHG emissions are measured by Scope 1 and Scope 2 Emissions. Total operational GHG emissions for FY2023 is 14,514,292 kg CO₂. In comparison with FY2022, there is a reduction of emissions due to lower production volume and subscription of GET program.

GHG Emissions (Scope 1 and Scope 2)	FY2021 kg CO ₂	FY2022 kg CO ₂	FY2023 kg CO ₂
Scope 1 – direct GHG emissions from the activities in our Group (consumption of petrol and diesel from Group owned vehicles)	16,916	15,973	12,549
Scope 2 – indirect GHG emissions from consumption of purchased electricity	24,790,524	21,520,153	14,501,743
Total	24,807,440	21, 536,126	14,514,292

Note:

- (1) GHG Emissions in kg CO₂ is calculated based on emission factor from International Renewable Energy Certificate ("I-REC") for Green Electricity Tariff.
- (2) FY2021 and FY2022 numbers have been recalculated as per note (1) for data comparison purposes.

We are using the GHG intensity indicator to track the effectiveness of our carbon footprint reduction programs. The Group targets to have a consistent reduction in the GHG intensity on a year-to-year basis to ensure the continued decrease of emissions to the environment. For FY2023, we managed to achieve our goal of having a reduction in GHG intensity by mainly focusing on green energy and energy efficient equipment.

	Unit	FY2021	FY2022	FY2023
GHG Intensity (Scope 1 and Scope 2)	kg CO ₂ /PU	0.01096	0.01256	0.00954

Note: PU stands for Production Units

We remain committed to reducing our CO₂ emissions and water consumption and are evaluating several proposed activities to take us to the next level over the next few years. Among the immediate activities that are expected to be implemented are:

- 1) Continue subscription of GET and to extend to other subsidiaries in the Group; and
- 2) New tree planting exercise as part of continual carbon reduction activity.



SUSTAINABILITY STATEMENT

ENVIRONMENT (Cont'd)

Energy and Greenhouse Gas ("GHG") Emission Management (Cont'd)

Renewable Energy

Development of sustainable energy initiatives have been one of our Group's key focuses particularly in the reduction of electricity consumption via the installation of solar panels on the rooftops of our building sites. The solar panels are negotiated on a lease agreement, where the panels belong to the installer and for our side, there would be zero investment costs and maintenance fees while securing a rate lower than the current TNB rates for the energy produced by the panels. We are pleased to report the following contributions from our renewable energy project:

Renewable Energy	FY2021	FY2022	FY2023
Solar Panels (Energy generated kWh)	800,598	764,722	765,289



This had enabled us to reduce our carbon footprint by 580,000 kg CO₂ emission this year. (Calculated based on emission factor from International Renewable Energy Certificate ("I-REC") for Green Electricity Tariff).

We remain steadfast in the focus toward using green / renewable energy within our Group facilities to reduce our largest emission factor under Scope 2 emissions. Our installed solar panels would continue to provide some relief to our energy needs in renewable form, while we continue to explore further subscription of GET in other subsidiaries to further reduce our Scope 2 emissions.

Tree Planting Program

In contribution to environmental sustainability and engaging employees in environment preserving efforts, we actively participated in the Malaysian Greening Program through the Planting of 100 million Trees Campaign in collaboration with Majlis Bandaraya Pulau Pinang ("MBPP"). This nationwide initiative aimed to preserving green spaces, restoring forests, and fostering a deep appreciation for nature. Our involvement underscores our dedication to these vital environmental goals, contributing to the national agenda of maintaining at least 50% of the country's land covered with forests and trees.



Penang Green Office Certification

We are proud to announce that GSB has been awarded the Penang Green Office Certification, a testament to our ongoing commitment to environmental stewardship and sustainable business practices. This recognition reflects our dedication to fostering a greener workplace and contributing to the broader goals of environmental conservation.



SUSTAINABILITY STATEMENT



ECONOMIC

Corporate Governance and Ethics

Corporate Governance and Ethics

GTB believes that ethical values should be internalized and embedded in our corporate culture. Effective governance leads to organization growth.

Principles of Business Conduct

At GTB, we understand that our beliefs and principles should be embedded in our corporate culture for employees to adhere to them and apply them within their daily activities. Hence, we have developed and adopted the Principles of Business Conduct for all employees. The Principles of Business Conduct demonstrates our Group's expectations of the highest standard of ethical conduct from all our employees.

The Principles of Business Conduct is developed with strict adherence to local laws and regulations. It explicitly states that all employees and business associates should conduct all business transactions with trust, integrity, and transparency. Any form of bribery, corruption, insider trading and other unethical conducts are also strictly prohibited. This policy also aims to create a safe working environment where all environmental, social, cybersecurity, and safety regulations are complied with.

The Principles of Business Conduct is continuously communicated to all employees to ensure they are upheld. Non-exempt 2 and above employees were required to read and understand the Principles of Business Conduct and complete an online assessment once every two years. This assessment is also part of the induction program for all new hires. This ensures all our employees continue to be aware of the contents in the Principles of Business Conduct.

We continue to monitor and review for cases of non-compliance with the Principles of Business Conduct to ensure they are upheld. In FY2023 (as well as FY2022 and FY2021), there were no cases of non-compliance and breach of ethical conducts.

Anti-Corruption and Bribery Policy

GTB's businesses and operations are governed by our Anti-corruption and Bribery Policy and is committed to executing business functions or performance fairly and transparently to prevent, detect and mitigate the risks of unethical practices. Our anti-corruption and bribery system is periodically reviewed to ensure the adequacy of the measures implemented in preventing corruption or bribery.

Our Group conducts an assessment of corporate liability risk as part of our enterprise risk management procedure. Corporate liability risk refers to the risk that employees partake in corruption or bribery. This assessment takes into account how likely such incidents can occur given the nature of our operations, the impact on our Group in the event of occurrences and the controls that we have implemented to mitigate such risks. We also review our Anti-Corruption and Bribery Policy periodically to ensure they continue to reflect the latest regulations. For more information on our Group's enterprise risk management, please refer to the section 'Statement on Risk Management and Internal Control'. In FY2023 (as well as FY2022 and FY2021), all our operations have been assessed for corruption related risks.

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Anti-Corruption and Bribery Policy (Cont'd)

The Anti-corruption and Bribery Policy clearly states that our Group has zero tolerance towards bribery and corruption. Our directors, employees and associated third parties such as suppliers, contractors, agents, consultants, and representatives from public bodies are strictly prohibited from participating in any form of bribery, corruption, embezzlement, extortion, or money laundering activities. In FY2023 (as well as FY2022 and FY2021), there were no reported cases of corruption in our Group.

All employees are required to complete the MACC Act training following the enactment of the MACC Act as part of our commitment to upholding this policy. Existing employees are required to complete a refresher course while new employees are also required to complete the relevant training on the MACC act as part of their induction program. As of FY2023, all our employees have received training on anti-corruption and bribery.

Whistleblowing Policy and Procedures

GTB has in place a Whistleblowing policy to promote ethical conduct as prescribed in our Principles of Business Conduct and Anti-corruption and Bribery Policy. The Whistleblowing Policy discloses the reporting channels that are available for all employees regardless of employment category, as well as stakeholders to report suspected wrongdoings, unethical behaviour or malicious conduct in the workplace that can affect the Group negatively. Reports or disclosures can be made through email or mail to the employee's immediate superior, Executive Chairman or to Chairman of the Audit and Risk Management Committee.

Our Group treats all disclosures in a confidential manner and will protect the identity of the whistleblower. In addition, whistleblowers will be protected from any reprisal, such as disciplinary measures, demotion, suspension or termination of employment service.

In FY2023, no non-compliance and breaches of ethical conduct were reported through our whistleblowing channels.

Tax Governance

GTB recognises that taxation is important for our country's economic development. Hence, our Group is committed to responsible tax governance. Our Group is materially compliant with all tax laws and regulations under the applicable jurisdictions.

Tax governance is a part of our enterprise risk management system. We review the tax position of each of our subsidiaries in the Group at least once annually, perform tax planning and management, and maintain proper accounting records and supporting documents for taxation purposes. This is to ensure that we manage our tax position well and adhere to the local tax laws and regulations.

For more information on our Group's enterprise risk management, please refer to the section 'Statement on Risk Management and Internal Control'.

Data Integrity, Privacy and Cyber Security

As technology becomes an increasingly important aspect of our business operations in enabling effective collaboration, it is imperative that we manage data integrity and cyber security, especially in view of the increasing cases of cyber-attacks around the world.

Consistent with our value "Integrity at all times" at GTB, we practice disciplined data management and we are committed to protect the confidential information of our stakeholders (including but not limited to customers and employees). All our employees and business associates are required to sign a Non-Disclosure Agreement. This is to ensure that confidential data which has been extended to our employees and business associates is not disclosed to any personnel who does not have the authorisation to view or access the said confidential information. In terms of personal data privacy, we are in compliance with the Personal Data Protection Act ("PDPA") which applies when dealing with or processing personal data in commercial transactions. All computers, laptops and workstations are equipped with password protection, anti-virus software and firewalls to protect against theft or loss of data.

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Data Integrity, Privacy and Cyber Security (Cont'd)

In regards to raising employees' awareness on cyber threats, our Group's Management Information System ("MIS") department has conducted cyber security awareness sessions to non-exempt level 2 and above employees. Employees are also requested to complete mandatory e-learning of relevant Information Technology ("IT") policies with assessment tests. This e-learning will become part of new employee induction training.

Our Group's cyber security system can be broadly organized into 3 levels: Infrastructure, Users and Data. On the Infrastructure level, our Group's MIS department has installed NextGen firewall that has the latest cyber security protection. We have also implemented hybrid endpoint protection. This allows the MIS department to manage and tighten the users' laptop protection when suspicious or abnormal activities are detected on their devices, even when they are working from home. To further enhance our cybersecurity, our MIS department has also implemented a Virtual Private Network that requires Multi Factor Authentication. Connection to the Virtual Private Network is required when employees wish to access company information from home.

On the Users level, our MIS department has initiatives in place to improve email security. Firstly, we have enforced Multi Factor Authentication for email login to improve security. DNS security configuration is also deployed to prevent spoofing, which is when a malicious actor impersonates someone or an organization you trust to send out phishing emails. Our subscription to Office 365 also provides protection against spam emails. In addition, we understand that most ransomware virus attacks come from emails containing fake website links. Hence, our MIS department regularly sends out emails to alert employees on the latest forms of phishing techniques and how to detect them to improve their awareness against such attacks. This will help to educate the employees on cybersecurity and nurture a culture on the importance of protecting against cyber threats. We also take extra control steps to allow only registered devices to access our wireless or wired network. Furthermore, our web applications have been migrated to the latest platform as the previous platform was outdated and vulnerable to cyber-attacks.

On the Data level, we have identified key confidential information in our Group and have digitized such data, enforced multi-layered password protection, and restricted its access to authorised personnel only to safeguard the said confidential information. Furthermore, our MIS department has also improved our data backup system by increasing the number of backup copies and retention period.

Our Group remains vigilant regarding the latest cybersecurity threats and continue to identify gaps and areas of improvement in our system. Some initiatives that are planned for next year are listed below:

- Implement infrastructure monitoring and consolidate events log monitoring for resources utilization and abnormal events. This can further improve our MIS department's ability to respond and mitigate the risk or impact.
- Conduct a cybersecurity awareness training and self-assessment program for key personnel that have access to sensitive information. This is to increase their awareness against cybersecurity threats.
- Expanding and enhancing backup and restore contingency plan.
- Integrating different cloud-based SPAM protection with existing Office 365 protection to further improve our email security against spam and phishing emails.

There were no material breaches or substantiated complaints concerning cyber security or customer privacy in FY2023.

Business Growth and Diversification

Gearing for Technology Leadership and Expansion into Emerging Verticals

Evolving economic, geo-political and supply chain dynamics created evolving long term trends which reshaped industries and societies. We focused on technology innovation in semiconductor packaging, total solution capability and cost-efficient business model. We continue to reinvest in new package development and material studies.

By working closely in:

a) Sensor Fusion prioritizing on miniaturization and increased intelligence

In the space of sensing, we have qualified and shipped more than 4 billion units of Micro System In Package ("uSIP") sensors in proximity sensing and now evolving to oxygenated blood level sensing. Use of Indium Phosphide ("InP") and Gallium Arsenide ("GaAs") with increased adoption of short-wavelength infrared in the space of wearables. We continue to develop solutions with customers to drive optics as a sensing mechanism in the growing wellness and health sector.

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Business Growth and Diversification (Cont'd)

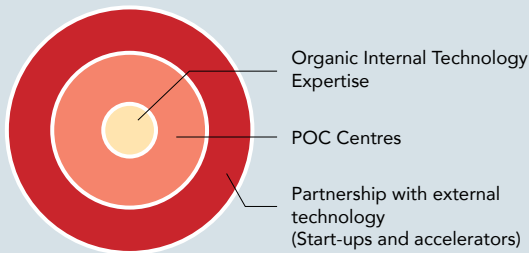
- b) **Highly customised package and integrated optical solutions for industrial, medical and specialised solutions**
Qualifications of customised laser/LED modules for use in industrial, medical and specialised solutions are on track with mass production activities planned for FY2024.
- c) **Cost efficient System MEMS Solutions for automotive, augmented reality glasses and voice artificial intelligence.**
Product development and qualification for two MEMS devices are in final stages. Upon successful qualification, the products are anticipated to support automotive and consumer markets.

- d) **Stepping into Advanced Packaging**
For innovation in packaging to enable smaller footprint and shorter, more efficient interconnect paths, we have worked with partners on 2.5D packaging test vehicles and established a toolkit for Heterogenous Packaging. Early assessments on high precision, chip to wafer packaging projects are setting good foundations for high-volume manufacturing. Product development team has developed highly precise Chip on Wafer ("CoW") and Chip on Interposer modules for Optical Transceivers.

Discussions are in place for wafer bumping capacity to be turned on in our Penang facility.

We target new products and solutions to contribute up to 20% of total revenue by FY2025.

Innovation Ecosystem



Unlike many Malaysian electrical and electronic organization, GTB focuses extensively on establishing our own packaging technology know-how and invest effort in start-ups with leading technologies. Our internal technology expertise also serves as Proof of Concept ("POC") centres where we jointly bring Research and Development ("R&D") level technology to scale. Our structured development testing cycle complement IC design companies and enables development from idea initiation to becoming a mass production components.

Our package development capability continues to be a key driver in expanding our customer base as well as showcasing GTB's ability for niche product packaging.

Customer Satisfaction

Customer satisfaction is one of our key values, which is aligned with our vision to be the global business partner of choice. We strive to meet our customers' expectation through close engagement on key aspects of business which include procurement, quality, supply chain, technology and sustainability from design, process co-development to mass production, with continuous improvement in every aspect. Providing competitive price, good quality, technology innovation, flexible supply chain and sustainability are among the key attributes to meet our customers' expectations.

The framework of our customer satisfaction covers the four primary segments of Quality, Cost, Delivery and Service ("QCDS"). These expectations are communicated and aligned with the customer on a regular basis.

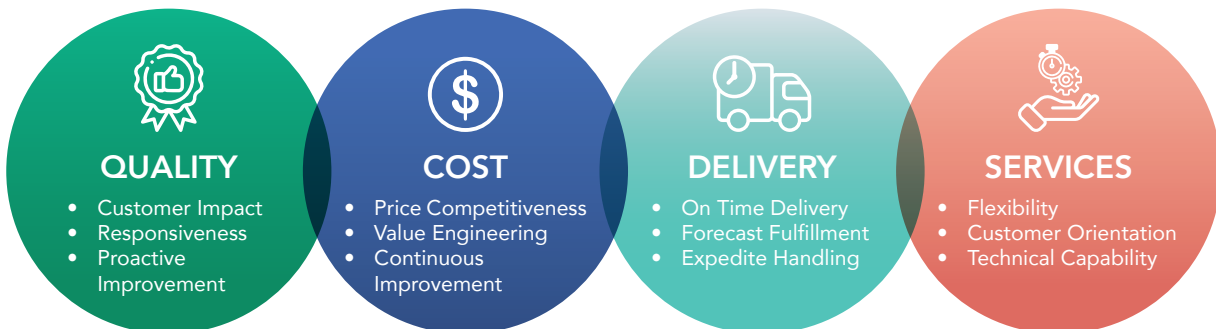


Diagram 1 – Customer Satisfaction framework based on "QCDS"

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Customer Satisfaction (Cont'd)

On an annual basis, surveys are conducted along this framework for a close loop feedback to assess areas of focus. These surveys would provide our key management team with focus areas to improve on (using scoring indicators) and address any customer concerns highlighted to ensure that we always provide the best service and solutions to our customers. These surveys will also serve as a guidance to develop Group objectives and key results for the following year.

For FY2023, we met the customer survey target rating with the scoring between 80% to 85%. The key highlights are on-time delivery ("OTD"), flexibility, timely and accurate reporting and fulfillment to customer forecast in supply chain management to meet customer demand. Excellence service is another segment which the Group scored well in FY2023 that is mainly attributed to technology innovation by implementing automation improvement at key processes. Cost continues to be the main improvement requested from customers moving into FY2024. With the recent announcement of increase in utilities and wage costs, cost improvement through efficiency continues to be the focus for the Group to achieve cost competitiveness. advanced manufacturing technology automation is the key focus for the Group in FY2023 which has resulted in 30% labor productivity improvement, 20% output improvement, 25-50% set up time reduction and 80% manual handling elimination on key processes. In FY2024, this productivity improvement effort will be proliferated to the next process.

In terms of cost competitiveness, one of the key focus areas of our operation excellence team has been value engineering via process design and sourcing of alternative materials. We place significant concentration on working closely with our customers in the co-development processes of new products at the design stage and improvement of current processes design. We aim to increase workforce productivity via Industry 4.0 advanced manufacturing technology implementation and workforce upskilling. We share a common goal with our customers of providing leading edge technology at a commercially competitive price.

The Covid-19 pandemic triggered a supply chain disruption which elevated the need for better flexibility, accessibility, fast response and data transparency and seamless communication of data flow among multiple channels. We have demonstrated high customer satisfaction in this area through high scoring achieved in customer services. One of our customers gave us a rating of 90% and Grade A in FY2023 annual VDA audit, which is a testimonial of excellent quality performance demonstrated by the Group in Quality Management System, Supplier Quality Management and comprehensive process analysis as well as production control system.

Manufacturing Excellence and Continuous Improvements

The Group emphasizes on manufacturing excellence at all times to ensure that all our lines and processes deliver faster output, lower operating costs, more sustainable quality and yield, and creating value for our customers and shareholders. In FY2023, we met 100% shipment to customer per forecast, OEE at constraint operations and all product yield performance met/exceeded quarterly targets set. This is done through relentless pursuit of engineering process equipment improvement to enhance machine productivity and process equipment capabilities performance. We continue to upgrade our machine capability with newer and higher technology machines which has yielded us good results in FY2023. The output increased and the yield improved significantly.

The Group constantly works and engages actively with external service providers to synergize technologies and work out solution to improve its manufacturing process. In FY2023, we have worked with original equipment manufacturers and some local education centers in the implementation of remote access control operations, Artificial Intelligence ("AI") in visual inspection, Augmented Reality("AR") Guide for technicians, and smart Automated Guided Vehicle ("AGV") which have helped to improve the overall manufacturing process. The implementation has improved efficiency by eliminating operators' movement time and material handling time, eliminating potential errors by technicians, eliminating human judgement and producing higher quality output.

Integration or interconnectivity between equipment and shop floor system with IT systems and infrastructure is becoming more important to ensure that critical production data can be captured in real-time, analyzed, and acted upon to support the concept of smart manufacturing. Investments in modern IT systems and infrastructure will modernize the manufacturing processes, ensure better efficiency, reduce manual manpower requirements, and at the same time, produce better quality products at a lower cost. The Group has already started aggressively interconnecting all production machines and equipment to the IT backend systems and infrastructure to enable seamless exchange of data between systems. This has been part of the Group's plan in moving toward a Lights-off factory.

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Manufacturing Excellence and Continuous Improvements (Cont'd)

In achieving manufacturing excellence and workforce transformation, we constantly provide training to our employees specifically on the latest technology knowledge, Industry 4.0 implementation, AR, AI, and big data analysis. We encourage our employees to work on continuous improvement in their daily function through innovation. Key Performance Indicators (“KPI”) on improvement projects are published on dashboard in production line to monitor the performance of our manufacturing excellence program.

We have expanded our presence in diversified market by acquiring new manufacturing process capabilities over the years, where we play a key role as a co-development partner in coming up with manufacturing processes for new products/ components that are scheduled to hit the marketplace. Our manufacturing process capabilities now include wafer level packaging and flip chip processes for more advanced components in the market place, wafer saw and sorting for advanced LED products. We are also in the process of qualifying new components for sensors, smart devices, Internet of Things (“IoT”) in the medical and automotive sectors.

Innovation: Industry 4.0

Network scaling for Industry 4.0 Revolution

With aspirations to achieve Lighthouse recognition from the World Economic Forum, the Group’s path-finding initiatives are strongly focused on setting the right foundation in technology with the three main philosophies identified:-

- 1) Sustainable and efficient IT organization via adoption of “green computing” through server virtualization;
- 2) Seamless and efficient integration of both green and brown field systems. Backend applications and subsystems integration to our dynamic operations with ability for real time updates; and
- 3) “Future proof” architecture with potential to scale according to business growth, always ensuring diligent technology selection as well as full redundancy features.

After extensive reviews, studies and testing, we designed our transformation strategy based on a “layering” concept - with separate layers to specifically handle issues related to integration, consolidation, accessibility and layering. The four layers allows us flexibility to interact and integrate with our manufacturing processes, machines and equipment. The integration layer establish links to support data automation and collection and also maintain closed loop manufacturing process monitoring. The consolidation layer enables us to consolidate all our physical hardware whenever possible. This reduces carbon footprint and at the same time improves performance and efficiency as well as offers much better resiliency. The accessibility layer enforces access rules to our data and ensures that data is only available to authorized users. Finally, by layering we are able to separate our infrastructure into distinct layers with different security and monitoring protocols for each layer. This will also pave the way for us to introduce DevOps in the near future for our MIS department.

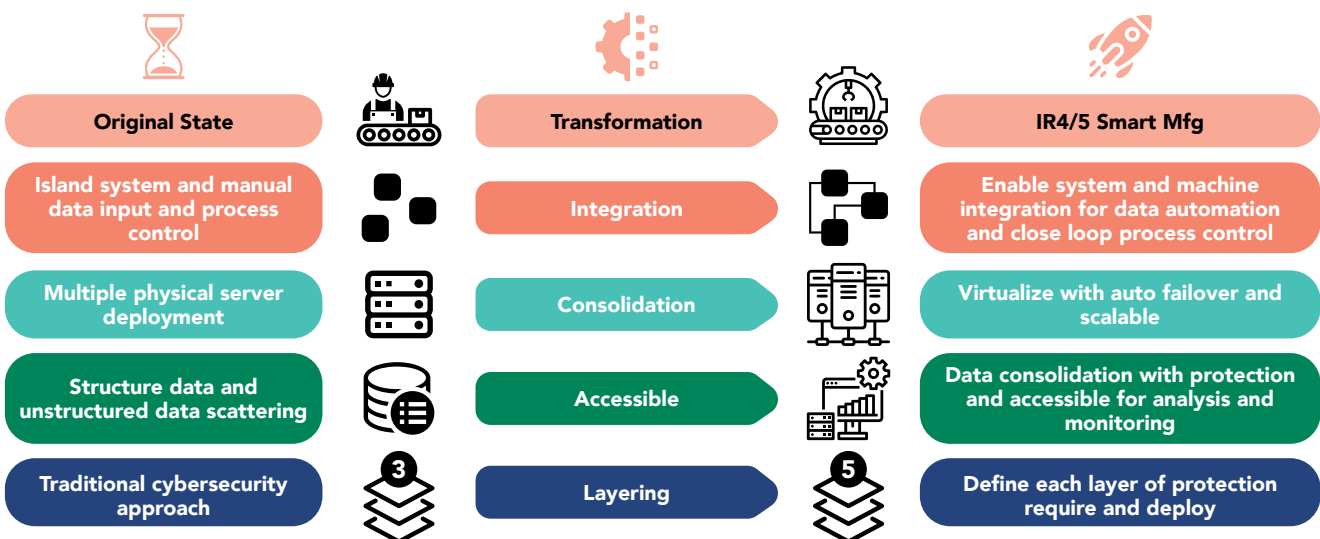


Diagram 2: IT System Transformation Strategy

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Innovation: Industry 4.0 (Cont'd)

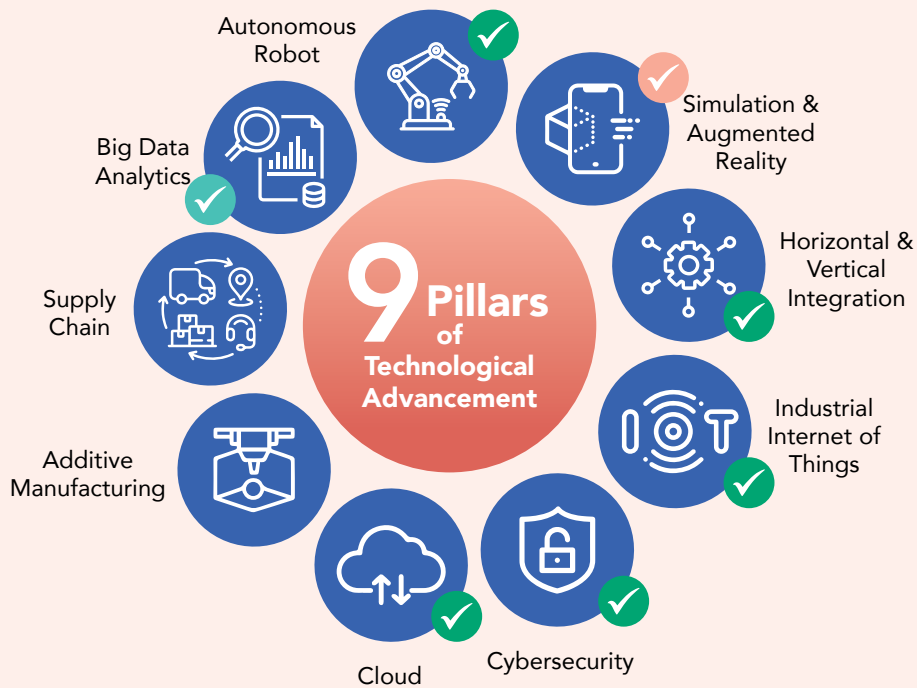
Network scaling for Industry 4.0 Revolution (Cont'd)

Leveraging from our consultants and partners, our in-house developed eBizOS web services acts as the single common protocol used for all the integration tasks to our production equipment and machinery. This arrangement offers us the maximum integration flexibility and also enable us to customize software easily based on operations and business requirements. All data collected will be centralized, consolidated and be readily available for subsequent processing, monitoring, analysis and improvements.

End-to-end vertical integration containing forecast, quality and shipment information were established starting from suppliers until final products shipped to customers. Critical lot, test and quality information has been set with checking mechanism and full proof detection system. The close loop process enabled close to real time traceability capability.

Evolving into the Factory of Tomorrow

The combination of rising labor costs, collective industry effort to drive robotics to a mass adoption price point with factory intelligence becoming the Group's key drivers to accelerate smart factory initiations. The group is embarking on Industry 4.0 Modernization journey guided by industry standard of 9 pillars of technological advancement.



- The Group targets to implement 7 out of 9 pillars of Industry 4.0
- Top areas of focus are

1. Implement **Autonomous Robot, System Integration, IoT, Cybersecurity and Cloud** to enable lights off manufacturing
2. Application of **Simulation & Augmented Reality** technology to achieve high consistency and quality in equipment consumable set-up and troubleshooting
3. Application of **Data Analytics and Artificial Intelligence** to enhance accuracy and predictability of computer vision

Diagram 3 – Industry 4.0 Technological Advancement Pillars

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Evolving into the Factory of Tomorrow (Cont'd)

The common obstacles for implementing autonomous production system are the mix of modern and legacy equipment in production sites, as well as accessibility of machine system/software for external integrators.

Inheriting machines and equipment from various manufacturers, we have designed our cyber physical system using a cluster-based approach allowing for effective domain decision making and decentralization of reliance into a central hub.



Diagram 4 – Cluster based approach architecture

Autonomous Capability

a) Remote Control System

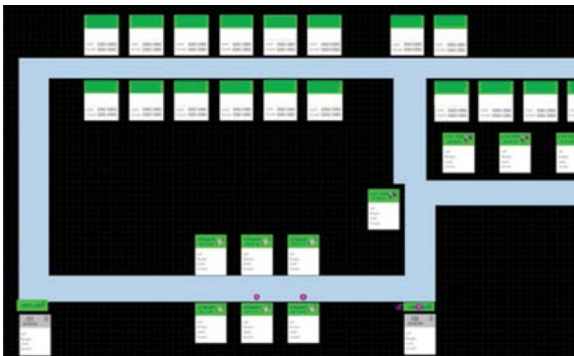


Diagram 5 – Remote Control Dashboard

Value stream mapping was performed extensively by all relevant stakeholders to eliminate non-value added activities, streamlining of processes and identification of technologies to enable intelligence.

Response flows broken into

- Level 1 - Auto-Initialization
- Level 2 - Remote configuring
- Level 3 - Manual troubleshooting

b) Lights Off Operations



Diagram 6 – AGV in Lights off Line

Machines with inherent self-learning quality control and dynamic optimization interacts with AGV, optical scanning systems and measurement validation tools.

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Evolving into the Factory of Tomorrow (Cont'd)

Augmented Control

AR Guide Consumables Changeover



Diagram 7 – AR At Work (Process 1)



Diagram 8 – AR At Work (Process 2)

AR is a technology that superimposes a computer-generated image onto a user's view, thus providing a composite view. With all task information immediately available in the field, engineer can quickly and intuitively understand the task details, leading to a faster and more consistent process of handling Maintenance, Repair and Operations ("MRO") tasks. Augmented Control has been fully implemented for consumables changes at critical processes and achieve 25-50% set up time reduction and zero quality incident related to consumables change.

Upon implementation of AR powered headgear and guidelines for technicians, supervisors will have real-time access to monitor quality and competency.

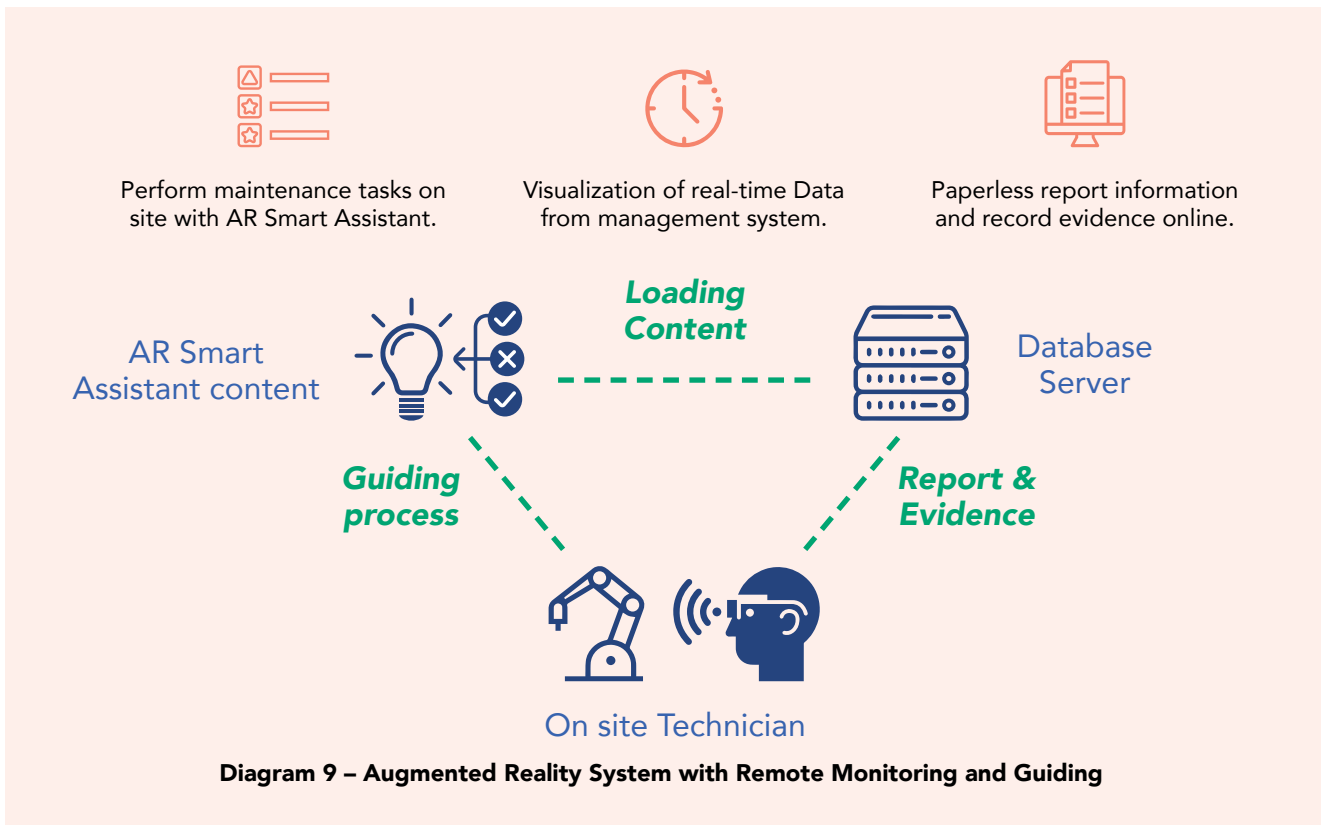


Diagram 9 – Augmented Reality System with Remote Monitoring and Guiding

SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

Deep Learning in Computer Vision

To enhance the accuracy and predictability in Product Inspection Vision System, the Group has embarked on vision verification approaches based on machine deep learning using AI technology. The AI algorithm will enable object detection, segmentation and classification through machine deep learning model. The AI vision system has been successfully implemented in all products platform with accuracy > 99%.

Combination of information extracted from high resolution vision and deep learning created deeper understanding of defects. Computer vision extracted information of defect labelling and size quantification is further enhanced with information of defect pattern classification and recognition. Deep learning brings an added layer of intelligence similar to operators' capability of anomaly clustering detection.

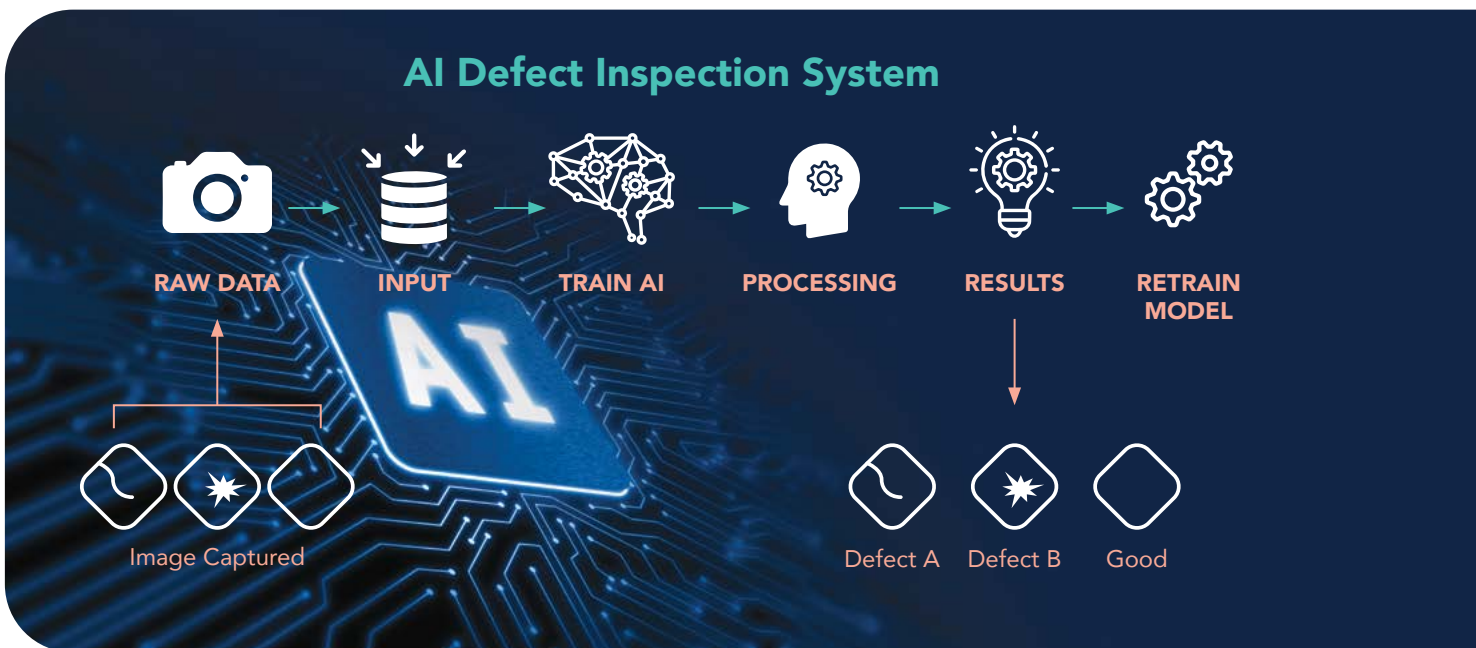
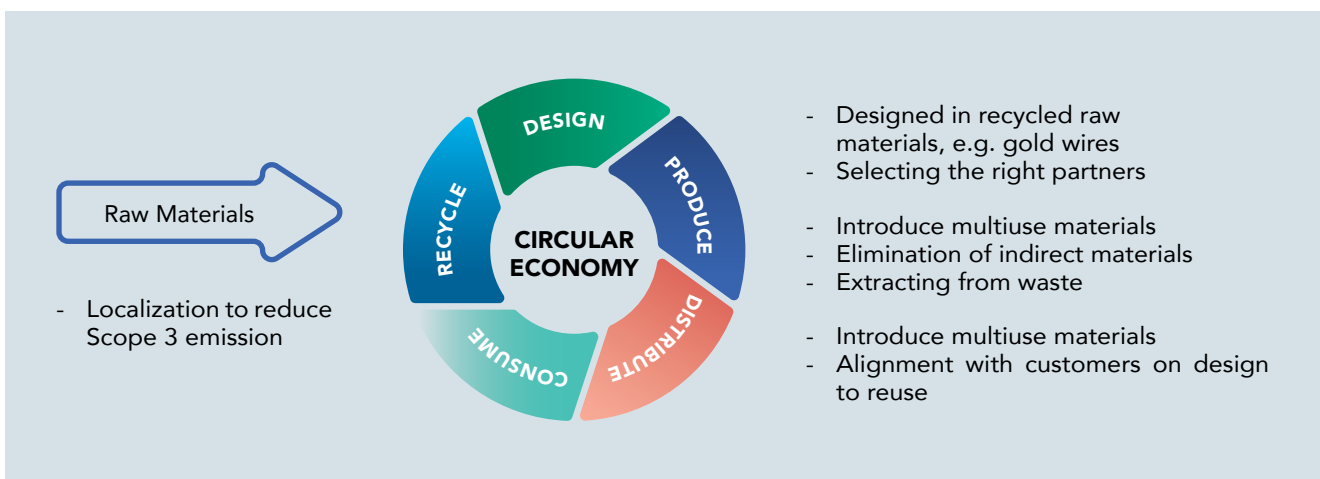


Diagram 10 – Inspection System integrated with AI

A sustainable Supply Chain

Circularity of Supply Chain



SUSTAINABILITY STATEMENT

ECONOMIC (Cont'd)

A sustainable Supply Chain (Cont'd)

Circularity of Supply Chain (Cont'd)

In FY2023, GTB continue to innovate our supply chains from a linear to an increasingly circular supply chain.

Key initiative and priorities focus on:

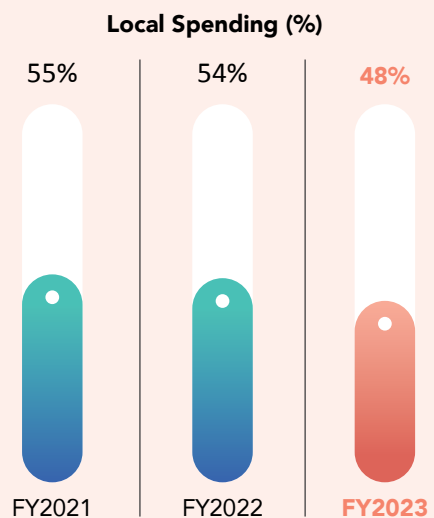
- 1) Certification of quality and environmental system for top 20 suppliers;
- 2) Procuring for circularity and biodegradability; and
- 3) On-boarding materials from single use to re-use.

Responsible Supply Chain

We continue to maintain an annual self-assessment to ensure they are in compliance to these requirements. They are also measured under a Supplier Rating and Ranking system using QCDS to ensure that the Group consistently has a reliable and reputable supply chain to provide the best service and support to our customers. Furthermore, we conduct supplier bidding program where suppliers bid and are selected after going through the evaluated indicators of cost, delivery, service, regulation compliance/ licenses and others.

We established supplier development programs with the target that the top 20 suppliers of our major subsidiaries accomplished both ISO9001 and ISO14001 external body certification with established, sustainable quality and environmental systems. This ensures a known and trusted level of compliance and operating excellence. So far, we have accomplished 100% for ISO9001 and 76% for ISO14001.

Supply chain localization is important in today's fast paced business environment as it reduced lead times and enable faster response to market changes and customer demands. Increase in localization activity also promote closed circular economy with reduction in Scope 3 emissions as distribution channel is simplified. Therefore, GTB continues to prioritise local spending from vendors which meet the standard requirements. The percentage of our local spending as per below:



Conflict-Free Minerals Policy

On top of our supply chain management practices, we have established a Conflict-Free Mineral Policy to ensure that material defined as conflict minerals do not directly or indirectly finance or benefit the armed groups in the Democratic Republic of the Congo, or any adjoining countries while continuing to support responsible mineral sourcing in the region.

GTB has defined its Conflict Minerals Due Diligence Programme as aligned with the framework of "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Area" promulgated by the Organisation for Economic Cooperation and Development. We have also evaluated its internal controls for conflict minerals and encourage our suppliers to conduct similar evaluation with their suppliers. We encourage our suppliers to purchase minerals from smelters who are listed on the Conflict-Free Smelter Program Compliant Smelter List to ensure the materials used in our supply chain are conflict-free. Our Conflict-Free Minerals Policy is made available on our company's website www.globetronics.com.my.

SUSTAINABILITY STATEMENT



SOCIAL

Workforce Diversity

Workforce Diversity

GTB believes that workforce diversity is a fundamental value that drives our success. We recognize the importance of creating an inclusive and equitable workplace where everyone feels valued and has equal opportunity to thrive.

GTB is committed to fostering a workplace that is free from discrimination and promotes equality, diversity and inclusion. We firmly believe that all employees should be treated with respect and dignity, regardless of their age, race, color, ethnicity, nationality, gender, disability, pregnancy, political affiliation, union membership, and religion. Employees are given equal opportunity and are compensated equally for performing the same job functions. Career development and advancement is based solely on merit. Employees are free to join or form any type of employee's association or union.

GTB remains committed to have at least 30% female representation in each employee category. The gender distribution in each employee category for the past 3 years is summarized in the table below:

Category	FY2021	FY2022	FY2023
Senior Management (C-Suite, VP, Director)	%	%	%
Male	69%	57%	57%
Female	31%	43%	43%
Management	%	%	%
Male	71%	71%	52%
Female	29%	29%	48%
Non-Management	%	%	%
Male	27%	29%	35%
Female	73%	71%	65%

Note: There is reclassification of data between senior management and management for FY2021 and FY2022.

Female representation surpasses our goal of 30%. Throughout the years, we have witnessed numerous examples of women excelling in their roles and making significant contributions to our company's success. In FY2023, we promoted a few key female employees from non-management category to management category. This resulted in the proportion of women holding management positions growing from 29% at the end of FY2022 to 48% at the end of FY2023. To maintain at least 30% female representation in all employee categories, our Human Resources department will continue to monitor and create a culture where everyone, regardless of gender, can thrive and contribute to our collective success.

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Workforce Diversity (Cont'd)

The age distribution in each employee category is summarized in the table below:

Category	FY2021	FY2022	FY2023
Senior Management (C-Suite, VP, Director)	%	%	%
Age < 18	0	0	0
Age < 30	0	0	0
Age 30-50	46%	36%	36%
Age > 50	54%	64%	64%
Management	%	%	%
Age < 18	0	0	0
Age < 30	0	0	0
Age 30-50	65%	53%	57%
Age > 50	35%	47%	43%
Non-Management	%	%	%
Age < 18	0	0	0
Age < 30	47%	45%	40%
Age 30-50	45%	43%	45%
Age > 50	8%	12%	15%

Note: There is a reclassification of data between senior management and management for FY2021 and FY2022.

The age distribution of our employees in each employee category remains stable from FY2022 to FY2023.

GTB celebrates diversity with joyous festive celebrations!

GTB Group believes in celebrating diversity and embracing the rich cultural heritage of our employees. As an inclusive organization, we take great pride in hosting vibrant festive celebrations that honors various ethnic traditions. By doing so, we create an environment of unity, respect and understanding among our employees.



Chinese New Year Celebration

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

GTB celebrates diversity with joyous festive celebrations! (Cont'd)



SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Employee Health & Safety

Health and Safety

Safety First, Our Priority Always! Being a responsible and caring company, the health and safety of our employees and stakeholders is our top priority. We are committed to providing a safe and healthy work environment for everyone associated with our company.

We aim to create a work environment where every employee is free from harm and risk. Our Environmental, Health and Safety (“EHS”) team, which is a part of the EESG Committee, is responsible for overseeing and managing all aspects related to the protection and well-being of employees, as well as the prevention of accidents, injuries and environmental hazards within our company. The EHS team plays a critical role in developing and implementing safety policies, conducting risk assessments, ensuring compliance with regulations and promoting safety culture throughout the company.

To ensure a safe and healthy working condition for our employees and external parties within the factory premises, GTB Group commits to:

1. Comply with all regulations, statutory guidelines, codes and legislations in relation to occupational health and safety.
2. Educate and train our employees on safe working practices, hazard identification and risk management.
3. Provide appropriate personal protective equipment (“PPE”) and ensure its proper use.
4. Strive for excellence in health and safety, aiming for zero accidents, injuries and occupational illness.
5. Conduct regular audits and inspections to identify and address potential hazards or unsafe conditions.
6. Implement industry best practices to prevent injury, death and loss of worktime in the factory.
7. Advise visitors and contractors on the need to comply with all safety precautions when they are within the premises of the Group.

In the event of an accident or near miss, immediate investigation will be carried out to determine the root causes and preventive measures will be implemented. Information about the incident will also be shared with employees to prevent the likelihood of similar incident occurring in the future.

Health Program:

Prioritizing the well-being of our employees is essential for maintaining a happy and productive work environment. To promote a healthy lifestyle, we constantly collaborate with hospitals and healthcare service providers to carry out activities and initiatives that aim to enhance physical fitness and overall health awareness, such as health talks and health screening programs. We have also taken the initiative to install Automated External Defibrillator (“AED”) for emergency support as well as placing the automatic blood pressure monitors at strategic locations in all company buildings for employees to perform the self-check.



Free Health Screening Programs (Eye-Check, Blood Sugar Test , Hypertension and Body Mass Index Measurement)

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Employee Health & Safety (Cont'd)

Health Program: (Cont'd)



Health Talks (Eye Health, Diabetes / Heart Disease Prevention, Ergonomics and Posture Care)



Installation of AED Devices and AED Training



Automatic Blood Pressure Monitor Station

One of the health improvement initiatives carried out in early FY2023 was to identify employees diagnosed or potentially diagnosed with hypertension and high glucose level and put them under close monitoring by our industrial nurse. The industrial nurse assessed individual medical issue if they are caused by work-related conditions, provides health advice and recommendations as well as performed regular blood pressure and glucose level measurement on them. This high-risk group were also invited to participate in relevant health talks and activities to get beneficial information and further advice from the medical professionals. As a result of these efforts, some notable improvements were seen:

Total Employees	High Blood Category (Measurement Results)		
	Improve	Maintain	Worsen
43	36%	64%	0%

Total Employees	High Glucose Category (Measurement Results)		
	Improve	Maintain	Worsen
12	38%	62%	0%

Total Employees	High Blood & High Glucose Category (Measurement Results)		
	Improve	Maintain	Worsen
7	71%	29%	0%



Health Program by Nurse

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Employee Health & Safety (Cont'd)

Safety Program:

At GTB, we prioritize the safety and well-being of our employees and strive to maintain a safe work environment. We have started our journey to pursue ISO 45001 certification to demonstrate our continuous commitment in ensuring a safe and healthy work environment. ISO 45001 is an international standard for occupational health and safety management system and we target to achieve the certification in FY2024.

The total number of accidents and lost time incident rate over the past 3 years are summarized in the table below:

Description	FY2021	FY2022	FY2023
Factory Accident	3	2	-
Factory accident resulting in fatality	-	-	-
Factory accident with man-hour lost	2 (16.5 hours)	1 (24 hours)	-
Factory accident without man-hour lost	1	1	-
Total number of hours worked	2,803,656 hrs	2,124,062 hrs	1,551,908 hrs
Lost time incident rate	0.143	0.094	0.00

Remark: Lost time incident rate is calculated with the formula suggested by BURSA Malaysia as below:

$$\frac{\text{Number of lost time injuries in the reporting period}}{\text{Total number of hours worked in the reporting period}} \times 200,000^{**}$$

** 200,000 represents a standardized value of the total amount of hours that 100 employees work weekly for 40 hours for a duration of 50 weeks.

Our Group has recorded zero workplace accident in FY2023. This positive achievement is attributed to the efforts and initiatives taken by the EHS team to constantly instil safety and health awareness among employees.



Work Safely at Height Training

In FY2023, our safety officers have gone the extra miles to provide training on precautionary measures to work safely at height to employees, particularly those who are exposed to height when carrying out their jobs, such as Facilities and Management Information System ("MIS") personnel. Our safety officers have also launched the in-house monthly newsletter focusing on common workplace accidents, aiming to educate our employees for better awareness and prevention of unnecessary workplace accidents.



Road Safety Awareness Sharing by PERKESO

We prioritize the safety of our employees not only inside but also outside the workplace. We understand that many of our employees are motorists and it is crucial to instil in them a strong sense of road safety awareness. To achieve this, we have established partnership with Pertubuhan Keselamatan Sosial ("PERKESO") to provide road safety awareness sharing session.

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Employee Health & Safety (Cont'd)

Safety Program: (Cont'd)

In addition, our Group continues to carry out safety and health related programs as well as refresher trainings which include both knowledge-based and skills-based training to safeguard our employees' safety and well-being. These programs covered areas such as fire safety, safe handling of heavy machinery, hazard and risk management, first aid as well as statutory regulations and best practices on occupational safety and health. In FY2023, a total of 581 employees attended various safety and health trainings as well as refresher trainings.

Labor Practices and Standards

Labor Practices and Standards

GTB recognizes the importance of upholding and promoting fair labor practices and standards in the workplace. As part of our commitment to social responsibility, our Human Resources Department has been entrusted with task of implementing human rights standards throughout our workforce to ensure the protection and promotion of human rights within our Group.

Human Capital Development:

In today's rapidly evolving business landscape, our Group recognizes that our most valuable asset is our people. As we strive for sustainability growth and long-term success, we have made significant investments in human capital development throughout all these years.

We measure our performance in human capital development through the total hours of training provided to employees. The total hours of training by employee category are summarized in the table.

Training Hours	FY2021	FY2022	FY2023
Total training hours	9,339	11,121	18,014
Total Training Hours by Employee Category			
Senior Management	182	413	310
Management	569	781	2,533
Non-Management	8,588	9,927	15,171
Average Training Hours Per Employee by Employee Category			
Senior Management	-	-	22
Management	-	-	121
Non-Management	-	-	27

SUSTAINABILITY STATEMENT

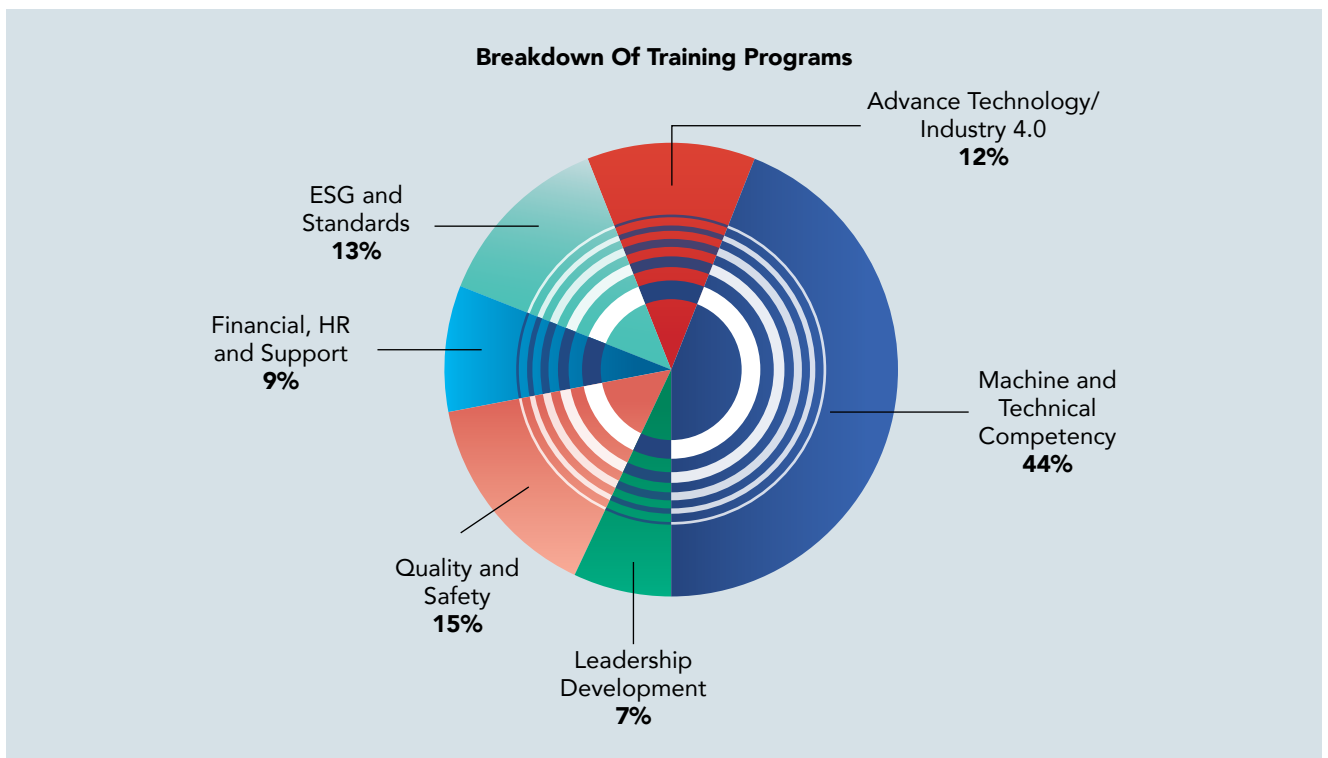
SOCIAL (Cont'd)

Labor Practices and Standards (Cont'd)

In FY2023, the training hours increased significantly compared to the FY2021 and FY2022. This surge in training hours can be attributed to the resumption of full-scale training activities after the Covid-19 pandemic. Besides that, the Group has also invested in new training programs focusing on advanced technology, safety and leadership development.

The table below summarizes the types of training program provided to employees at all levels. The training programs aim to develop our employees in diverse aspects, including technological and technical competency, personal aptitude and regulatory standards:

Description	Number of programs		
	FY2021	FY2022	FY2023
Machine and technical competency	139	97	108
Leadership development	8	4	16
Quality and safety	23	32	37
Finance, HR and support	34	20	22
ESG and standards	10	25	33
Advanced technology/Industry 4.0	16	23	29
Total programs	230	201	245



The training efforts across all program categories increased compared to FY2022. This reflects our commitment to continuous improvement and our dedication to providing our employees with the knowledge and skills they need to excel in their roles.

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Labor Practices and Standards (Cont'd)

Employee Retention

Employee retention is a critical aspect of any successful organization and it plays a significant role in the overall growth and stability of a company. At GTB, we understand that attracting and retaining top talent is essential for sustained success. We have implemented several initiatives and strategies to create an environment where employees feel valued, motivated and inspired to grow both personally and professionally.

One of the key focus areas is providing competitive compensation and benefits packages. We offer competitive salaries, performance-based incentives and comprehensive benefits. This approach not only attracts potential talent but also encourage our existing employees to remain committed to our company. Some of the benefits and privileges provided to our employees are as follows:

1. Insurance/Medical Coverage
 - Executive health screening.
 - Free medical attention and treatment by medical practitioner duly appointed by GTB Group.
 - Dental and chiropractic treatment subsidy.
 - Hospitalisation scheme extended to the employees' family or dependents.
 - Outpatient medical benefits extended to family or dependents.
 - Personal accident, hospitalisation and term life insurance coverage to all permanent employees.
 - Social insurance.
2. Benefits Mandated by Law
 - Adherence to minimum wages or better.
 - Annual leave, maternity leave, paternity leave, medical leave, hospitalisation leave, compassionate leave, calamity leave and others.
 - Contribution to statutory funds such as Employee Provident Fund ("EPF"), Social Security Organization ("SOCSO"), Employment Insurance System and Human Resource Development Fund ("HRDF").
 - Overtime payments.
 - Public holidays.
3. In-house Facilities for All Employees
 - Car parking facilities for all employees.
 - Hostel for operators / foreign workers.
 - Personal lockers.
 - Prayer rooms.
 - Transport services.
 - 24-hour canteen.
 - In-house clinic with mother's nursing room and sickbay for employees.
 - Weekly Zumba exercise.
4. Other Benefits
 - Dedicated parking spaces for disabled/pregnant employees.
 - Car interest subsidy.
 - Employee privilege program partnership with participating service providers.

Parental Leave

In FY2023, a total of 5 female employees and 6 male employees took the respective paid parental leaves. All of them returned to work after completion of their leaves.

Parental Leave	No. of Employee			Total
	FY2021	FY2022	FY2023	
Maternity Leave	9	6	5	20
Paternity Leave	8	7	6	21

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Labor Practices and Standards (Cont'd)

Employee Retention (Cont'd)

To assess the effectiveness of our policies and compensation, employee turnover is monitored on a regular basis. Total number of employee turnover by employee category and gender is summarized in the table below:

Employee Turnover*	FY2021	FY2022	FY2023
Senior Management (C-Suite, VP, Director)	No.	No.	No.
Male	0	3	0
Female	0	0	0
Management	No.	No.	No.
Male	4	2	2
Female	1	0	0
Non-Management	No.	No.	No.
Male	32	41	16
Female	18	24	50
Employee Turnover Rate Per Annum (%)	11.90%	18.20%	10.11%

Note: *Excluding interns and foreign employees whose contract ended as per working contract.

Our Group is dedicated to creating a positive work environment, investing in employee development, building strong relationships and addressing employees' concerns. By implementing these strategies, we aim to foster a culture of retention and growth, ensuring that our employees feel valued and motivated to contribute to our collective success. The turnover rate improved to 10.11%, as opposed to FY2021 and FY2022.

We reduced new employee hiring in FY2023 and only focusing on recruiting key talents for strategic replacement and to support our automation initiatives. We are committed to continue sourcing, attracting and retaining the best individuals who possess the required skills, expertise and passion to contribute to our success. The detailed breakdown of our new hires is as listed below:

New Hires	FY2021		FY2022		FY2023	
By Gender	No.	%	No.	%	No.	%
Male	37	51%	64	39%	15	79%
Female	35	49%	100	61%	4	21%
Total	72	100%	164	100%	19	100%
By Age Group	No.	%	No.	%	No.	%
Age < 30	31	43%	97	59%	6	32%
Age 30-50	33	46%	56	34%	13	68%
Age > 50	8	11%	11	7%	0	0%
Total	72	100%	164	100%	19	100%

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Labor Practices and Standards (Cont'd)

Employee Retention (Cont'd)

The percentage of employees that are contractors or temporary staff over the past 3 years is summarized in the table below:

	% of Employee		
	FY2021	FY2022	FY2023
Permanent	98%	96%	96%
Contract / Retired	2%	4%	4%
Total	100%	100%	100%



At GTB, we understand the importance of work-life balance and well-being of employees. As part of our retention strategies, a number of recreational programs were carried out to promote healthy lifestyle as well as fostering team-work. Our first big scale teambuilding event was successfully conducted at Tech Dome, Penang. It was a fun-filled and unique event as our employees not only enjoyed challenging games but also had the opportunity to learn and explore science.



SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Labor Practices and Standards (Cont'd)

Employee Retention (Cont'd)

Our weekly Zumba class and badminton games aiming to promote physical fitness and mental health were also well-received by employees. We have also participated in the bowling tournament organized by the Federation of Malaysian Manufacturers ("FMM").



Our Group firmly believes in recognizing and rewarding the efforts and loyalty of our employees. Long service awards are presented to long-serving employees to show our gratitude and acknowledge their contributions, dedication and commitment to the company.



SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Labor Practices and Standards (Cont'd)

Human Rights

At GTB, we are committed to upholding and promoting human rights in all aspects of our business operations. We recognize that respecting and protecting human rights is not only a legal obligation but also an ethical responsibility. We strive to create a work environment that respects the dignity and rights of every individual, including our employees, customers, suppliers and stakeholders.

Our Human Resources department is tasked to develop human rights policy that outlines our commitment to respecting human rights. Our policy is aligned with relevant local laws and international human rights standards.

We actively encourage all employees and stakeholders to report any instances of human rights violations to the management. We have established internal mechanisms to receive and address human rights grievances and complaints. Employees who report human rights violations are protected from retaliation. We provide multiple/various channels for reporting, such as email addresses, telephone numbers and in-person meetings. Confidentiality is maintained throughout the process.

All new employees regardless of job category, are required to attend the compulsory induction program covering the rules and policies of the company, including the human rights policy. Our human rights policy and grievances procedure are also published in the employee handbook as well as display on noticeboards inside the company premise. We are committed to monitoring and evaluating our human rights performance regularly.

Child Labor

Child labor is a grave violation of human rights and our Group has a zero-tolerance policy towards it. As a responsible corporate citizen, we have implemented measures to ensure that our operations are free from child labor. In compliance with the local and international laws and regulations, GTB Group prohibits the employment of any person under the age of 18. There are no cases of child labor reported.

Freedom of Association

GTB Group respects and supports the rights of our employees to freely associate, join trade unions and engage in collective bargaining without suffering consequences such as retaliation, harassment, or discrimination.

Equality and Non-Discrimination

GTB Group believes that every individual should be treated with dignity and respect, regardless of their race, gender, age, sexual orientation, disability, religion or any other characteristics. Our policy outlines our commitment to promoting equality and preventing discrimination in all aspects of our operations, including recruitment, hiring, promotion, training and employee relations.

We do not restrict the freedom of movement of our foreign employees or house them in isolated areas. In addition, all workers are given a contract of employment in a language that they understand, which they sign and agree to. We do not hold the passports of all foreign workers for any circumstance except for administrative purposes only. Personal lockers are provided in the workplace and in the hostels to enable the workers to safekeep their own passports. Similarly, as a fair and responsible employer, we bear all recruitment costs in hiring foreign workers.

We believe in fair and equitable compensation for all employees. We ensure that employees are compensated based on their skills, performances, experiences and contributions, regardless of their gender, nationality or other protected characteristics.

We do not condone any inhumane treatment. This includes any physical violence, sexual harassment, sexual abuse, or mental abuse such as intimidation and threats. There were no substantiated complaints concerning human rights violation in FY2023.

Housing and Living Conditions

Housing and living conditions are fundamental human rights that are recognized and protected under local and international laws. The accommodations we provide to foreign workers are reasonable, safe, hygienic and in compliant with the Employee's Minimum Standards of Housing and Amenities Act.

Subsidiary	Total Hostel	No. of Hostel Assessed and Certified as Compliant By Jabatan Tenaga Kerja	Percentage (%)
GSB/GMSB	25	25	100%
ISO Tech	30	30	100%

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Labor Practices and Standards (Cont'd)

Housing and Living Conditions (Cont'd)

Our hostels are managed by a dedicated team from Human Resources department. We also engaged the service of a hostel warden to administer the safety and cleanliness of the hostels, as well as to attend to any emergency cases pertaining to health and maintenance issues. Yearly hostel safety training will also be conducted to ensure all hostel occupants are aware of the safety requirements.

In FY2023, all hostel occupants were trained on kitchen safety especially on the correct way to use the gas stove and how to check on gas tank leakage.



Supplier Code of Conduct

GTB Group's commitment to human rights is also extended to our supply chain. Our suppliers are required to sign a statement stating that they understand and agree to uphold our Code of Conduct. Suppliers who have their own code of conduct will have their code reviewed by us to ensure that they are sufficient and aligned with our Group's Code of Conduct as listed follows:

Ethics

a) Business Integrity

Suppliers are expected not to practice or tolerate any form of corruption, extortion or embezzlement. Suppliers are not to offer or accept bribes, kickbacks, inappropriate gifts or hospitality, or other unlawful incentives to/from their business partners or to government officials. Suppliers are expected not to offer to the Group's employees' gifts or any other kind of personal benefit resulting from the relationships with the suppliers. Suppliers are to comply with the Group's Anti-Corruption and Bribery Policy and to understand the Group's Whistleblowing Policy and Procedure.

b) Privacy and Intellectual Property

Suppliers are to safeguard and make only appropriate use of confidential information and ensure that all employees' and business partners' privacy and valid intellectual property rights are protected.

Labour and Human Rights

a) Suppliers are to respect the basic human rights of employees as follows:

- to promote equal opportunities for and treatment of its employees irrespective of skin colour, race, nationality, social background, disabilities, sexual orientation, political or religious conviction, sex or age;
- to respect the personal dignity, privacy and rights of each individual;
- to refuse to employ anyone or make anyone work against his/her will;
- to refuse to tolerate any unacceptable treatment of employees, such as mental cruelty, sexual harassment or discrimination;
- to prohibit behaviour including gestures, language and physical contact, that is sexual, coercive, threatening, abusive or exploitative;
- to provide fair remuneration and to guarantee the applicable national statutory minimum wage;
- to comply with the maximum number of working hours laid down in the applicable laws; and
- to recognize, as far as legally possible, the right of free association of employees and to neither favour nor discriminate against members of employee organizations or trade unions.

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Supplier Code of Conduct (Cont'd)

Labour and Human Rights

b) Prohibition of child labour

Suppliers are to avoid any sort of child labour in their business operations by not employing workers under the age of 15 or in those countries subject to the developing country exception of the International Labour Organization (“ILO”) Convention 138, suppliers should not employ workers under the age of 14.

c) Health and safety of employees

Suppliers to provide a safe and healthy working environment for its employees as follows:

- to take responsibility for the health and safety of its employees;
- to control hazards and take the best reasonably possible precautionary measures against accidents and occupational diseases;
- to provide training and ensure that employees are educated in health and safety issues; and
- to set up or use a reasonable occupational health and safety management system.

Environmental Protection

a) Suppliers to operate in an environmentally responsible and efficient manner. Suppliers are:

- to act in accordance with the applicable statutory and international standards regarding environmental protection;
- to minimize environmental pollution and make continuous improvements in environmental protection; and
- to set up or use a reasonable environmental management system.

Community

Community

As a homegrown company, we understand the importance of supporting and uplifting the local community where we operate. Our Corporate Social Responsibility (“CSR”) program focuses on initiatives related to education, technology, environmental and helping the needy groups.

Over the years, we have established long-term Science, Technology, Engineering, Mathematics (“STEM”) education partnership with several STEM centres in Penang. Our objective is to bridge the gap between education and industry, foster innovation and promote children to pursue education in STEM-related courses. We believe that by providing access to quality education, internship opportunities and technological resources, we can create a skilled workforce and contribute to the advancement of society.

The number of CSR programs and cash contribution in FY2023 are as below:

	FY2021	FY2022	FY2023
No. of Program	7	11	10
Sponsorship Value (RM)	87,900	76,800	56,000

Note: The total number of beneficiaries in FY2023 is 916 individuals.

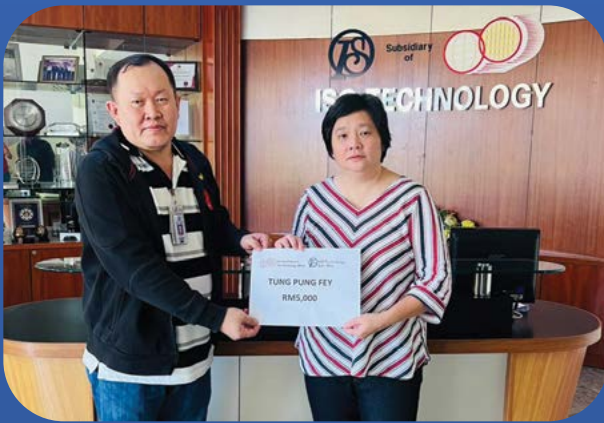
SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Community (Cont'd)

Our key CSR initiatives and activities in FY2023 are listed below:

Charity Begins at Home



Our Group upholds the principle that “charity begins at home”. We constantly look after the welfare and needs of our own employees particularly those working at the lower hierarchy level. In FY2023, our Group contributed a sum of RM5,000 to assist an employee with his losses incurred due to a house fire incident. This financial support aimed to address the immediate challenges the employee faces.

Promoting STEM



Sponsorship of RM20,000 to SMJK Phor Tay, Penang, under the Penang STEM Future-Proofing program. The objective is to fund and enable the school to provide foundation learning for Form 4 and Form 5 students in Computer Science conducted by UOW Malaysia KDU Penang.



Sponsorship of RM15,000 to Tech Dome Penang for Robomania 2023 competition. A total of 720 secondary school students in Penang took part in this competition. The event aimed to allow the students to demonstrate their insights into robot design, programming, and problem-solving. It was also a vibrant platform for showcasing emerging talents in the field of STEM.



Sponsorship of RM10,000 to Tech Dome Penang for the Glo-Walk 2023 fundraising event. A total of 100 of our employees took part in this fun walk to light up the night.

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Community (Cont'd)



Tree Planting Campaign

Tree planting campaign - a collaboration project between GTB and MBPP. Our employees together with top-level management staffs planted 40 trees near Queensbay Mall, at a cost of RM6,000.

Blood Donation Campaign

Blood donation campaign was successfully carried out. A total of 54 employees from our Group and our associate company, NGKGT, took part in this noble event.



Internship

In FY2023, through our industry-academia partnership, 8 interns completed their internship programs in various departments. These programs typically offered structured learning experiences, mentorship and exposure to real-world projects. This allows them to gain practical experience and develop industry-relevant skills.

SUSTAINABILITY STATEMENT

SOCIAL (Cont'd)

Community (Cont'd)

Dell's MentorConnect Program

For four consecutive years, our Group has been part of the Dell's mentorship program. Being the only local participating company, our Group's CEO, Ms. Heng Charng Yee, has been instrumental in inspiring the mentees in developing their leadership, communication and coaching skills. Our Group sent 8 mentees from diverse roles like engineering, supply chain, training and safety to take part and attach to mentors from other multinational companies. Our mentees received good guidance, advice and support from experienced mentors who provided insights and helped in navigating their challenges. Overall, this program is a mutually beneficial program that fosters personal and professional growth, as well as building relationships.



Conference and Panel Discussion



Our Group's CEO, Ms. Heng Charng Yee, was invited as speaker and panellist for several conferences hosted by Human Resource Development Corporation ("HRD Corp"), Federation of Malaysian Manufacturers ("FMM"), International Semiconductor Executive Summits ("ISES") and Malaysian Technology Development Corporation ("MTDC"). She shared her insights and opinions with other experts and the audience using her unique experiences and expertise.

SUSTAINABILITY STATEMENT

Performance Data Table from ESG Reporting Platform

GTB as a Listed Issuer is required to provide mandatory ESG disclosures as part of Bursa Malaysia's Main Market Listing Requirements, in line with the Enhanced Sustainability Disclosures. The following performance data table, downloaded from the ESG Reporting Platform summarises the quantitative mandatory indicators to the relevant material sustainability matters while the qualitative material sustainability matters are covered in the above various sections of our Sustainability Report.

The figures stated in the table below have been internally and externally assured, as labelled accordingly for each of the indicators.

Indicator	Measurement Unit	2023
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	259,168,000
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	23,661.81
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	100.00
Management	Percentage	100.00
Non-Management	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	48.00
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	36.00
Senior Management Above 50	Percentage	64.00
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	57.00
Management Above 50	Percentage	43.00
Non-Management Under 30	Percentage	40.00
Non-Management Between 30-50	Percentage	45.00
Non-Management Above 50	Percentage	15.00
Gender Group by Employee Category		
Senior Management Male	Percentage	57.00
Senior Management Female	Percentage	43.00
Management Male	Percentage	52.00
Management Female	Percentage	48.00
Non-Management Male	Percentage	35.00
Non-Management Female	Percentage	65.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	89.00
Female	Percentage	11.00
Under 30	Percentage	0.00
Between 30-50	Percentage	78.00
Above 50	Percentage	22.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	581
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	310
Management	Hours	2,533
Non-Management	Hours	15,171
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	4.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	0
Management	Number	2
Non-Management	Number	66
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	56,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	916

Internal assurance External assurance No assurance (*)Restated

SUSTAINABILITY STATEMENT

APPENDIX I - GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX FY2023

GRI content index			
Statement of use	Globetronics Technology Berhad has reported the information cited in this GRI content index for the period of 1 January 2023 to 31 December 2023 (FY2023) with reference to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
GRI STANDARD	DISCLOSURE	LOCATION	OMISSIONS AND EXPLANATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 2 to 4	
	2-2 Entities included in the organization's sustainability reporting	Page 22	
	2-3 Reporting period, frequency and contact point	Page 22	Contact point - (GTB Website: www.globetronics.com.my > Contact Us)
	2-4 Restatements of information	As indicated in the relevant section	
	2-5 External assurance	Page 23	
	2-6 Activities, value chain and other business relationships	Page 20 - 21	Management Discussion and Analysis
	2-7 Employees	Page 46 - 57	
	2-8 Workers who are not employees	-	Information unavailable/incomplete. Information need to be obtained from 3rd party .
	2-9 Governance structure and composition	Page 23 and Page 76 - 81	
	2-10 Nomination and selection of the highest governance body	Page 79 - 80	
	2-11 Chair of the highest governance body	Page 5 - 14, Page 76 - 78	
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 76 - 81	
	2-13 Delegation of responsibility for managing impacts	Page 23	
	2-14 Role of the highest governance body in sustainability reporting	Page 23 and Page 25	
	2-15 Conflicts of interest	Page 14, Page 16 and 73	
	2-16 Communication of critical concerns	Page 36 and Page 58	
	2-17 Collective knowledge of the highest governance body	Page 23 and Page 78	
	2-18 Evaluation of the performance of the highest governance body	Page 79 - 80	
	2-19 Remuneration policies	Page 80	

SUSTAINABILITY STATEMENT

APPENDIX I - GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX FY2023 (Cont'd)

GRI content index			
Statement of use	Globetronics Technology Berhad has reported the information cited in this GRI content index for the period of 1 January 2023 to 31 December 2023 (FY2023) with reference to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
GRI STANDARD	DISCLOSURE	LOCATION	OMISSIONS AND EXPLANATION
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	Page 80	
	2-21 Annual total compensation ratio	-	Information unavailable/incomplete. To consider for future disclosure
	2-22 Statement on sustainable development strategy	Page 18 - 19 and Page 22	
	2-23 Policy commitments	Page 35 - 37, Page 58 - 60	
	2-24 Embedding policy commitments	Page 35 - 37, Page 58 - 60	
	2-25 Processes to remediate negative impacts	Page 36 and Page 58	
	2-26 Mechanisms for seeking advice and raising concerns	Page 58	
	2-27 Compliance with laws and regulations	Page 14, 16, 35 - 36 and 78	
	2-28 Membership associations	-	Information unavailable/incomplete. To consider for future disclosure.
	2-29 Approach to stakeholder engagement	Page 24	
	2-30 Collective bargaining agreements	Page 58	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 25	
	3-2 List of material topics	Page 25	
	3-3 Management of material topics	Page 26 - 63	
Business Growth and Diversification Innovation - Industry 4.0			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 89 - 152	Audited Financial Statements
	201-3 Defined benefit plan obligations and other retirement plans	Page 89 - 152	Audited Financial Statements
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Page 39 - 44	
A Sustainable Supply Chain			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 45	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 45	

SUSTAINABILITY STATEMENT

APPENDIX I - GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX FY2023 (Cont'd)

GRI content index			
Statement of use	Globetronics Technology Berhad has reported the information cited in this GRI content index for the period of 1 January 2023 to 31 December 2023 (FY2023) with reference to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
GRI STANDARD	DISCLOSURE	LOCATION	OMISSIONS AND EXPLANATION
Governance and Ethics			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 35 - 36	
	205-2 Communication and training about anti-corruption policies and procedures	Page 35 - 36	
	205-3 Confirmed incidents of corruption and actions taken	Page 36	
GRI 207: Tax 2019	207-1 Approach to tax	Page 36	
	207-2 Tax governance, control, and risk management	Page 36	
	207-3 Stakeholder engagement and management of concerns related to tax	Page 36	
Data Integrity, Privacy and Cybersecurity			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 37	
Energy and Greenhouse Gas Emission ("GHG") Management Renewable Energy			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 32	
	302-3 Energy intensity	Page 32	
	302-4 Reduction of energy consumption	Page 32	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 33	
	305-2 Energy indirect (Scope 2) GHG emissions	Page 33	
	305-4 GHG emissions intensity	Page 33	
	305-5 Reduction of GHG emissions	Page 32 - 34	
Water Management			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 26	
	303-2 Management of water discharge-related impacts	Page 27	
	303-3 Water withdrawal	Page 27	
	303-5 Water consumption	Page 27	

SUSTAINABILITY STATEMENT

APPENDIX I - GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX FY2023 (Cont'd)

GRI content index			
Statement of use	Globetronics Technology Berhad has reported the information cited in this GRI content index for the period of 1 January 2023 to 31 December 2023 (FY2023) with reference to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
GRI STANDARD	DISCLOSURE	LOCATION	OMISSIONS AND EXPLANATION
Waste Management 4Rs Program			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 28 - 30	
	306-2 Management of significant waste-related impacts	Page 28 - 30	
	306-3 Waste generated	Page 31	
	306-4 Waste diverted from disposal	Page 31	
	306-5 Waste directed to disposal	Page 31	
Labor Practices and Standards			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 55	
	401-3 Parental leave	Page 54	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 58 - 59	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 58 and 60	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 58 - 59	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Page 58 - 60	
Employee Health and Safety			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 49	
	403-2 Hazard identification, risk assessment, and incident investigation	Page 49	
	403-3 Occupational health services	Page 49 - 50	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 49 - 51	
	403-5 Worker training on occupational health and safety	Page 52	
	403-6 Promotion of worker health	Page 49 - 50	

SUSTAINABILITY STATEMENT

APPENDIX I - GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX FY2023 (Cont'd)

GRI content index			
Statement of use	Globetronics Technology Berhad has reported the information cited in this GRI content index for the period of 1 January 2023 to 31 December 2023 (FY2023) with reference to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
GRI STANDARD	DISCLOSURE	LOCATION	OMISSIONS AND EXPLANATION
Employee Health and Safety (Cont'd)			
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	Page 49	
	403-9 Work-related injuries	Page 51	
	403-10 Work-related ill health	Page 50	
Human Capital Development			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 52	
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 53	
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 58	
Work Force Diversity			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	page 46 - 47	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 46 and 58	
Social Contribution and Community Projects			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 60 - 63	