



BOARD CHARTER

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BOARD OF DIRECTORS

CHARTER

1. **Definition**

1.1 **In this Charter:**

“Act” means the Companies Act 2016 and any amendments from time-to-time;

“AGM” means Annual General Meeting;

“One Glove Group” or “Group” means the company and its subsidiaries;

“Board” means the Board of Directors of the Company;

“Business” means the business(es) of the Group;

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

“Company” means One Glove Group Berhad (*formerly known as GETS Global Berhad*);

“Group Goals” means the goals of the Group as set out in Part 3;

“Directors” means Directors of the Company as defined under the Act;

“Management” means the management personnel of the Group;

“MCCG” means the Malaysian Code on Corporate Governance;

“GMD” means the Group Managing Director;

“Secretary” means the Company Secretary(ies) as provided under the Act;

“Shareholders” means the shareholders of the Company.

Unless there is any subject or context inconsistent herewith, words incorporating the singular shall include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine gender and vice versa.

2. Introduction

The Board recognises that good Corporate Governance (“CG”) practices are essential to reinforce shareholders’ and other stakeholders’ confidence in the Company, its subsidiaries and its Board, which is vital to the success of the Group’s business.

The Board plays the role of stewardship and guardian of the Company, its subsidiaries and its shareholders, and is instrumental in keeping with best CG practices. To this end, a Board Charter has been developed and adopted by the Board.

Objectives

This Board Charter sets out the composition, role, responsibilities, governance structure and processes of the Board. The objectives of this Board Charter are to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and that the principles and practices of good CG are applied in all their dealings in respect, and on behalf of the Company.

This Board Charter is not an “all inclusive” document and should be read as a broad expression of principles. It should be reviewed on a periodic basis and may be amended by the Board from time to time to ensure that the practices of the Board are consistent with the prevailing code of CG, laws and/or regulations and reflect the Board’s commitment to best practice in CG.

3. Group Goals

3.1 Group Vision

To be the world’s leading glove innovator and manufacturer.

3.2 Group Mission

To always innovate with the most advanced technology and manufacture products of the highest quality. To always choose low-waste production and efficiency in daily operations. To always deliver with integrity and always on time. To develop our human capital to be socially responsible and to respect sustainability.

4. Governance

4.1 Roles and responsibilities of the Board

4.1.1 The Board is to effectively represent and promote the interests of Shareholders and stakeholders with a view to add long-term value to the Company’s shares and the Group’s development and growth.

4.1.2 To enable the Board to discharge its responsibilities in meeting Group Goals, the Board should, among others:-

- together with senior management, promote good corporate governance culture within the Group which reinforces ethical, prudent, integrity and professional conduct, including overseeing the ethical conduct of business and preventing bribery on the Group's business;
- review, challenge and decide on Management's proposals for One Glove Group, and monitor its implementation by Management;
- ensure that the strategic plan of One Glove Group supports long-term value creation, and focuses on economic, environmental, social and governance ("ESG") considerations underpinning the sustainability of the Group in the Group's strategies, business plans, major plans of action and risk management;
- supervise and assess Management performance to determine whether the business is being properly and professionally managed;
- ensure there is a sound framework for internal controls and risk management;
- understand the principal risks of the Business and recognise that business decisions involve the taking of appropriate risks;
- set the risk appetite within which the Board expects Management to operate and ensure that there is a sound risk and internal control management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- ensure that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and senior management;
- ensure that the Company has in place procedures to enable effective communication with stakeholders;
- ensure that all its Directors are able to understand financial statements and form a view on the information presented; and
- ensure the integrity of the Group's financial and non-financial reporting.

4.1.3 Having regard to its role, the Board will direct and supervise the Management, the Business and affairs of the Group including, in particular:-

- reviewing and adopting a strategic plan for the Company and its subsidiaries, including establishing Group Goals and ensuring that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environment and social considerations underpinning sustainability;
- establishing policies for strengthening the performance of the Group including ensuring that Management is proactively seeking to build the Business through innovation, initiative, technology, new products and the development of its business capital;
- identifying principal risks, set the risk appetite within which the Board expects the Management to operate and ensuring the implementation of appropriate systems to manage the significant financial and non-financial risks and ensuring there is a sound framework for internal controls and risk management;
- reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- deciding on whatever steps are necessary to protect the Group's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Group's financial statements are true and fair and conform with any applicable laws and/or regulations; and
- ensuring that the Group adheres to high standards of ethics and corporate behavior.

4.1.4 In the normal course of events, day-to-day management of the Group will be in the hands of Management and under the stewardship of the GMD.

4.2 Board Meeting Procedures

4.2.1 The conduct of Directors will be consistent with their duties and responsibilities i.e., to act in the best interest of the Company. The Board will be disciplined in carrying out its role, with emphasis on strategic issues and policy.

4.2.2 Board discussions will be open and constructive, recognising that genuinely held differences of opinion could bring greater clarity and lead to better decisions. The Chairman will, nevertheless, seek a consensus in the Board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law. Subject to legal or regulatory requirements, the Board will decide the manner and timing of the publication of its decisions.

4.2.3 The Executive Directors will attend Board meetings to discharge their Board responsibilities. At Board meetings, the Board's responsibilities supersede all executive responsibilities.

4.2.4 The Board has sole authority over its agenda and exercises this through the Chairman or Secretary of the Board. Any Director may, through the Chairman or the Secretary, request the addition of an item to the agenda.

4.2.5 The Board will normally hold meetings at least four (4) times in each financial year and will hold additional meetings as the situation requires. At each meeting the Board will consider:-

- the quarterly financial statements for announcement to authorities;
- relevant financial and operational report(s) from the Management;
- public announcements, if any;
- specific proposals for capital expenditure and acquisitions, if any; and
- major issues and opportunities for the Group, if any.

In addition, the Board will, at intervals of not more than one (1) year:-

- review the following year's business plan and approve the annual budget;
- approve the annual financial statements;
- consider and, if appropriate, declare or recommend the payment of dividends;
- review the Board composition, structure and succession;

- review the Group's audit requirements;
- review the performance of, necessity for and composition of Board Committees;
- undertake Board and individual Director evaluations;
- review Directors' remuneration;
- review risk assessment policies and controls and compliance with legal and regulatory requirements; and
- review the following year's business plan.

4.2.6 Directors are entitled to have access to all relevant Group information and to Management at all reasonable times.

4.3 Chairman of the Board

4.3.1 The Board will appoint a Chairman from amongst the Directors, who is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board.

4.3.2 Key responsibilities of the Chairman include-

- providing leadership for the Board so that the Board can perform its responsibilities effectively;
- leading the board in the adoption and implementation of good corporate governance practices in the Group.
- setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
- leading Board meetings and discussions;
- encouraging active participation and allowing dissenting views to be freely expressed;
- managing the interface between Board and management; and
- ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole.

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

4.3.4 The Chairman acts as an informal link between the Board and Management.

The Chairman is expected to be kept informed by the Management of all important matters and make himself/herself available to the Management.

- to be part of the control mechanism in ensuring that the Management's decisions are properly considered; and
- to give assistance and advice when needed.

4.3.5 The Board communicates with Shareholders at Shareholders' meetings and through the distribution of its annual reports. The Chairman will chair these meetings and inform the Shareholders on the Group's affairs.

4.3.6 The Chairman also leads the role in presenting the Group's cause, whether formally or informally, to the authorities, institutional or potential investors and those having an influence on the environment in which the Group operates.

4.4 Expectation of individual Director

4.4.1 Each individual Director must always act within any limitations imposed by the Board on its activities.

4.4.2 Directors will use their best endeavours to attend Board meetings where each Director shall commit the time to attend at least 50% of all Board Meetings and Board Committee Meetings where he is part of the Board Committee in any applicable financial year with appropriate leave of absence notified to the respective Chairman of the Board or Board Committee.

4.4.3 Each Director is expected to participate fully and constructively in Board discussions and other activities to bring the benefit of their particular knowledge, skills and abilities to the Board.

4.4.4 Each Director is expected to strictly observe confidentiality of the Group's information, and refrain from making improper use of

information gained through his position as Director for his own interest, or his employer's interest, if applicable.

4.4.5 Each Director shall commit to provide his relevant expertise advice in the best interest of the Group.

4.4.6 Each Director shall abide by all fiduciary and statutory duties and responsibilities of a Director as prescribed under the Act and the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

4.5 Senior Independent Director

4.5.1 The Board may appoint a Senior Independent Director whose role is to act as -

- a sounding board for the Chairman;
- an intermediary for other Directors when necessary; and
- the point of contact for shareholders and other stakeholders.

4.6 Board Committees

4.6.1 Board Committees will be formed only when it is necessary to facilitate efficient decision-making.

4.6.2 Board Committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise in a separate Terms of Reference ("**TOR**").

4.6.3 Board Committees will only speak or act for the Board when so authorised.

4.6.4 The Board has established the following Board Committees, each with clearly defined TOR detailing also the Board Committees' authorities, roles and responsibilities, as annexed to this Board Charter, in order to enhance business and corporate efficiency and effectiveness:-

- (a) Audit Committee ("**AC**"); and
- (b) Nomination and Remuneration Committee ("**NRC**").

4.7 Board Composition

4.7.1 The Board should consist of individuals with diverse background and equipped with professional and technical knowledge to effectively carry out its roles and responsibilities in setting the Group's strategy and ensuring its implementation.

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- 4.7.2 The composition of the Board needs to demonstrate the range of skills, experiences character, integrity, competence and time commitment that are necessary for applying informed and independent judgment on issues of strategy, performance, resource utilisation and standards of conduct, all of which are vital to the Group.
- 4.7.3 The qualifications for Board membership are the ability to make sensible business decisions and recommendations, an entrepreneurial talent for contributing to the creation of Shareholder value, the ability to see the wider picture, the ability to raise constructive queries, preferably with some experience in the industry sector, high ethical standards, sound practical sense, and commitment to furthering the interests of Shareholders' and the achievement of the Group Goals.
- 4.7.4 Non-Executive Directors will be active in areas which will enable them to relate to the strategies of the Group and to make a meaningful contribution to the Board's deliberations. They will be independent of Management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.
- 4.7.5 Only Executive Directors will be engaged on service contracts or under permanent employment. Upon the expiry of his tenure or resignation or retirement, the Board may also, with the recommendation of the NRC and if considered appropriate, appoint him/her as a Non-Independent Non-Executive Director ("**NINED**") until the conclusion of the next AGM, whereby he/she shall be eligible to offer himself/herself for re-election as NINED.
- 4.7.6 In the event an Executive Director's service contract with the Company is terminated before the expiry of his tenure for any reason whatsoever, the Director is expected to resign from the Board.

4.8 Nomination and Appointment

- 4.8.1 The appointment of a new Director is a matter for consideration and decision by the Board upon appropriate recommendation from the NRC.
- 4.8.2 In making the recommendation to the Board, the NRC will consider the required mix of skills, experience, character, integrity, competence, time commitment and diversity, where appropriate, which the Director brings to the Board.
- 4.8.3 The number of Directors shall not be less than two (2) nor (unless otherwise determined by the Company in general meeting) more than twelve (12).

4.8.4 New Board members shall be briefed on the terms of appointment, their duties and obligations and on the operations of the One Glove Group. Copies of the following shall be provided to the newly appointed Board members:-

- a. Board Charter;
- b. Constitution;
- c. Board Committees' composition and TORs;
- d. Latest Annual Reports and Financial Statements;
- e. Organisation Charts; and
- f. Any other documents deemed necessary by the Board.

4.8.5 The appointment of Board and senior management are based on objective criteria, merits and with due regard for diversity in skills, experience, age, cultural background and gender.

4.8.6 The Board should use a variety of approaches and sources to ensure that it is able to identify the most suitable candidates. This may include sourcing from a Directors' registry and open advertisements or the use of independent search firms.

4.9 Re-election of Directors

4.9.1 New Director(s)

The newly appointed Director(s) to fill a casual vacancy or as an addition to the Board shall hold office only until the next annual general meeting of the Company but shall be eligible for re-election.

4.9.2 Existing Directors

The Constitution provides that one-third (1/3) of the Directors shall retire by rotation at each annual general meeting provided always that all Directors shall retire from office at least once in every three (3) years and be eligible for re-election.

4.10 Tenure of Independent Director

4.10.1 An Independent Director must fulfil the provisions and definition of 'independent director' of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad at all times and must declare their independence to the Board annually.

4.10.2 The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. However, upon completion of the nine (9) years, the Independent Director may continue to serve on the Board subject to is/her redesignation as Non-Independent Director.

4.10.3 Subject to any regulatory changes, in the event the Board wishes to continue to retain an Independent Director after the ninth (9th) year, the Board must justify and seek annual Shareholders' approval through a two-tier voting process as guided by the MCCG, as follows:-

Tier 1: Only the Large Shareholder(s) of the Company votes*

Tier 2: Shareholders other than Large Shareholder(s) votes

Large Shareholder means a person who –

- (a) is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the Company;
- (b) is the largest Shareholder of voting shares in the Company;
- (c) has the power to appoint or cause to be appointed a majority of Directors of the Company; or
- (d) has the power to make or cause to be made, decisions in respect of the business or administration of the Company, and to give such effect to such decisions or cause them to be given effect to.

The decision for the resolution is determined based on the simple majority of votes of Tier 1, and a simple majority of votes of Tier 2. The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. The resolution is deemed defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

4.10.4 The Board will undertake a rigorous review to determine whether the 'independence' of the Director has been impaired to justify retaining an Independent Director beyond the cumulative term limit of nine (9) years.

4.10.5 An Independent Director who has served on the Company for a cumulative term of 12 years may continue to serve on the Board provided the Independent Director is re-designated as a Non-Independent Director.

4.11 Shareholdings by Board Members in the Company

4.11.1 Board members may hold shares in the Company. In any dealings by a Board member, be it buying, selling or transfer to third party, Board

members must strictly observe the disclosure requirements and/or provisions under the Act, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other relevant legislative and regulatory requirements.

4.11.2 A list of the Directors' Dealings for the applicable financial period shall be tabled by the Secretary at every quarterly Board Meeting of the Company whereupon the Board members are obliged to verify/confirm their prevailing shareholdings and movement of shareholdings.

4.12 Directors' Remuneration

4.12.1 The Board will consider the adoption of a Remuneration Policy established by the NRC designed to enhance corporate and individual performance. The level of remuneration will be designed to attract and maintain talented and motivated Directors and employees. Executive Directors are remunerated based on the Group's performance whilst the remuneration of the Non-Executive Directors is determined in accordance with their experience and the level of responsibilities assumed.

4.12.2 The proposed remuneration of the Non-Executive Directors shall be a matter for recommendation of the Board as a whole with the Director concerned abstaining from deliberation and voting in respect of his/her individual remuneration.

4.12.3 The remuneration and incentives for Independent Directors should not conflict with their obligation to bring objectivity and independent judgment on matters discussed at Board's meetings.

4.13 Provision of Business or Professional Services by Directors

4.13.1 Directors shall not provide business or professional services of an ongoing nature to the Group.

4.13.2 Notwithstanding the provision of paragraph 4.11.1, the Group is at liberty to:

- engage the services of any Director having special expertise in the particular field for the purpose of a special assignment; or
- engage the services of a party or organisation related to a Director.

so long as the terms of engagement are competitive, clearly recorded and all legal requirements for disclosure of the engagement are properly observed.

4.14 Board Appointment in Other Companies

4.14.1 Directors are expected to devote sufficient time and attention to the affairs of the Company. Any Director is, while holding office, at liberty to accept other Board appointment(s) in other listed companies so long as the appointment is not in conflict with the Business and does not affect the discharge of his duty as a Director of the Company.

4.14.2 Prior to the acceptance of new Board appointment(s) in other listed companies, the Directors should notify the Chairman of the Board and/or the Secretary. The said notification should include an indication of time that will be spent on the new appointment.

4.14.3 Directors must not hold more than five (5) directorships in listed companies.

4.15 Secretary

4.15.1 The appointment and removal of the Secretary shall be a matter of the Board as a whole.

4.15.2 The Board is to be supported by a suitably qualified and competent Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

4.15.3 The roles and responsibilities of the Secretary include, but are not limited to the following:-

- Manage all Board and Committee meeting logistics through the Management, attend and record minutes of all Board and Committee meetings and facilitate Board communications;
- Advise the Board on its roles and responsibilities;
- Facilitate the orientation of new Directors and assist in Director training and development through the Management;
- Advise the Board on corporate disclosures and compliance with company and securities law and regulations and listing requirements;
- Manage processes pertaining to the AGM through the Management;

- Monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and
- Serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

4.1.5.4 All Directors, particularly the Chairman, have access to the advice and services of the Secretary for the purposes of the Board's affairs.

5. Board-Management Relationship

5.1 GMD

- 5.1.1 The Board will link the Group's governance and management functions through the GMD.
- 5.1.2 All Board authority conferred on Management is delegated through the GMD so that the authority and accountability of the Management is considered to be the authority and accountability of the GMD in so far as the Board is concerned.
- 5.1.3 The GMD is expected to keep the Board informed on all matters which may materially affect the Business.
- 5.1.4 Only decisions of the Board acting as a body are binding on the GMD. Decisions or instructions of individual Directors, officers or Committees are not binding except in instances where specific authorisation is given by the Board.

5.2 Accountability of GMD to the Board

- 5.2.1 The GMD, is accountable to the Board for the Group's operations and financial performance as well as the achievement of the Group Goals.
- 5.2.2 Together with the senior management, ensure that the business affairs of the Group are carried out in an ethical manner and in compliance with relevant laws and regulations.
- 5.2.3 Serve as a conduit between the Board and management in ensuring the success of management functions.
- 5.2.4 Exercise executive stewardship of the Group's resources.
- 5.2.5 Ensure that safety, health and environmental performance of the Group are implemented in line with the policies agreed by the Board.

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- 5.2.6 At each of its quarterly meetings the Board should receive from or through the GMD (acting directly or indirectly through any other Executive Director or senior management), the operational and other reports and proposals referred to in paragraph 4.2.5.

6. Board-Shareholder Relationship

6.1 Communication

- 6.1.1 The Shareholders must be informed of all material business matters affecting the Group.
- 6.1.2 The Board shall ensure timely release of financial results on a quarterly basis and other major developments to provide the Shareholders with an overview of the Group's performance and operations.
- 6.1.3 All relevant press releases shall be vetted by the GMD and/or the Secretary to ensure that information that has yet to be released to Bursa Malaysia Securities Berhad is not released to the press beforehand.
- 6.1.4 The Board shall ensure that the views of the majority Shareholders are considered in its decision making. In addition, the minorities' interest shall also be adequately protected.
- 6.1.5 The Board shall ensure that the Group leverages on information technology for effective dissemination of information and the Company's websites to provide easy access to corporate information pertaining to the Group and its activities and is continuously updated.

6.2 Conduct of General Meetings

- 6.2.1 Notice of AGM must be given at least 28 days prior to the AGM.
- 6.2.2 All Directors shall commit to attend the General Meetings of the Company in order to provide an opportunity for the Shareholders to effectively engage with each Director.
- 6.2.3 The Chairman of the Board Committees shall provide meaningful response to questions addressed to them.
- 6.2.4 All voting on resolutions in all general meetings shall be conducted via electronic poll voting.

7. Stakeholder Relationship

7.1 Stakeholders

- In the course of pursuing Group Goals, the Board recognises that no company can exist by maximising Shareholders value alone. In this regard, the needs and interests of other stakeholders shall also taken into consideration. The Board must balance and manage the economic impact of the stakeholders' interests on Shareholders' value.

7.2 Corporate Responsibility

As a socially-responsible corporate citizen, each Director shall be committed to support social and environmental sustainability. This fundamental Corporate Responsibility shall be advocated by the Board and intensively nurtured and practiced by Management with firm commitment to three (3) major stakeholders:-

(a) Employees

The Board acknowledges that the employees are invaluable assets of the Group and play a vital role in achieving Group Goals and long-term sustainability.

The Board shall be committed to ensure the Management build a Group where employees are happy to work, confident and are proud to be part thereof.

(b) Customers

The Board shall be committed to ensure the Management places the highest regards in relation to the safety and quality of products. The Management shall ensure the Group's products and services achieve the highest customer satisfaction.

(c) Environment

The Board shall be committed to ensure the Management preserve and enhance society's quality of life through the Group's activities and business decisions which support sustainability of the environment.

8. Application of Board Charter

8.1 The principles set out in this Board Charter are:-

- (a) Kept under review and updated as practices on CG and further guidelines on CG or Listing Requirements are issued by the relevant regulatory authority; and
- (b) Applied having regard to their spirit and general principles rather than to the letter alone.

- 8.2 The Board endeavour to comply at all times with the principles and practices as set out in this Board Charter.
- 8.3 The Board will review this Board Charter from time to time and make any necessary amendments to ensure they remain relevant to the Board's objectives, current law and practices.

Version Number	Board's approval Date	Effective Date
2.0	31 May 2023	31 May 2023