



**GLOBALFOUNDRIES Inc.**  
**Board of Directors**  
**Charter**

**Version: December 12, 2022**

## **1. OBJECTIVE OF THIS CHARTER**

This Board of Directors Charter (the “Charter”) sets out the roles, responsibilities, structures, and processes of the Board of Directors (the “Board”) of GLOBALFOUNDRIES Inc. (the “Company”), subject to the Company’s constitutional documents and any shareholders’ agreement.

## **2. PURPOSE OF THE BOARD OF DIRECTORS**

The Board, elected by the shareholders, has a mandate to provide entrepreneurial leadership to, and oversee the management of, the Company, and is the ultimate decision-making body of the Company, except with respect to matters reserved to the shareholders of the Company. This includes approving the Company’s strategic plan, annual budget, capital expenditures and investments, funding requirements, selecting and evaluating the Chief Executive Officer, developing succession plans for senior management, providing risk oversight, setting the ethical ‘tone at the top’ and providing oversight of the overall system of internal control, governance and compliance.

## **3. STRUCTURE AND OPERATION**

### **3.1 Composition**

- (i) The Directors will be elected by the shareholders of the Company. The Board shall consist of both Executive and Non-Executive Directors. The Board shall represent an appropriate mix and balance of skills, experience, independence, and knowledge of the Company. Subject to any applicable and utilized exemptions provided by the listing rules of the Nasdaq Stock Market (the “Listing Rules”), at least a majority of Directors shall be independent, as defined by the Listing Rules and determined by the Board in the exercise of its business judgment in light of all the facts and circumstances.
- (ii) The number of Directors shall be dictated by the Company’s constitutional documents.

### **3.2 Chairperson**

- (i) The chairperson of the Board (“Chairperson”) should not also hold the position of the Chief Executive Officer or any other executive role in the company.
- (ii) The Chairperson is required to provide leadership and direction to the Board, where needed, to manage the relationships between the Directors and preside over Board meetings ensuring that decisions are made in a timely and considered manner, that all Directors engage with the decisions being taken and that in doing so Directors are able to fulfil their fiduciary duties.
- (iii) The Chairperson shall set the agenda for Board meetings along with the Chief Executive Officer and the Company Secretary and ensure that all Directors have all the information they need or supporting documents in advance of Board meetings.
- (iv) The Chairperson will oversee the evaluation process of the Board as directed by the shareholders to ensure that the Board is functioning as an effective body.
- (v) The Chairperson shall conduct meetings with the chairpersons of the Board Committees from time to time at the Chairperson’s sole discretion.

### **3.3 Executive Directors**

- (i) Executive Directors shall be Board members who have day-to-day roles in the management of the Company and should have a detailed understanding of how the Company functions.
- (ii) Executive Directors are required to provide technical knowledge based on their experience with the Company to aid Board decisions.
- (iii) Like all Directors, Executive Directors shall act at all times in accordance with the fiduciary duties owed by them to the Company and Shareholders.

### **3.4 Non-Executive Directors**

- (i) Non-Executive Directors shall be Board members who are not directly involved with the day-to-day management of the Company.
- (ii) Amongst other things, the Non-Executive Directors' role shall be to scrutinize the performance of the Company's management and the integrity of the financial reporting and controls in place. Any concerns that Non-Executive Directors have in relation to the functioning of the Company shall be recorded in the minutes of the meetings of the Board.
- (iii) Non-Executive Directors shall ensure that they maintain their independence from management and their integrity at all times (e.g., management may not interfere with the exercise of independent judgment in carrying out the responsibilities of the Non-Executive Directors), in the event that this is compromised they must declare it to the Board and have it recorded in the meeting minutes.
- (iv) Like all Directors, Non-Executive Directors shall act at all times in accordance with their fiduciary duties owed by them to the Company and Shareholders.
- (v) Non-Executive Directors shall serve on no more than four public company boards in total, including serving on the Company's Board.

### **3.5 Lead Independent Director**

- (i) At any time when the Chairman is not an independent director, an independent director shall be appointed annually by the Board of Directors to serve as the Lead Independent Director for GlobalFoundries Inc. ("Lead Director"). For purposes of this section, an "independent director" means an "Independent Director" as defined in accordance with the Nasdaq rules who is also not a Mubadala designee.
- (ii) The Lead Director shall:
  - a) Call and preside over executive sessions of the independent directors;
  - b) Facilitate discussion among independent Directors during Board meetings, and outside of Board meetings, and act as principal liaison between the Chairperson and the independent Directors, as appropriate;

- c) Brief the Chairperson, non-independent Directors and the Company Secretary, as appropriate, of any suggestions, concerns and results of deliberations among independent Directors; and
- d) Undertake such other specific responsibilities as the Chairperson or the Board may confer on such Lead Director.

### **3.6 Company Secretary**

- (i) The Company Secretary shall be responsible for the administrative duties related to Board activities and shall, among other things, provide support to the Chairperson in this respect. These responsibilities include the following:
  - a) Preparing draft Board agendas and receiving input from the Chairperson and the Chief Executive Officer as to the content and form of the agenda;
  - b) Providing all Directors with a copy of the agenda and all supporting documentation and any pre-reading material prior to the intended date for such meeting;
  - c) Taking detailed minutes of the proceedings and resolutions of all Board meetings and decisions and circulating to all Directors for review;
  - d) Retaining a complete set of all Board / Board Committee minutes or resolutions passed by the Board; and
  - e) Issuing certified extracts of Board / Board Committee decisions as and when needed.
- (ii) The Company Secretary shall be responsible for the implementation and maintenance of the Company's corporate governance policies, which should be observed at Board level as well as throughout the Company. The Company Secretary shall publicize the corporate governance policies to ensure that they are widely known and understood within the Company.
- (iii) The Company Secretary should be independent and impartial in his or her capacity as an adviser to the Board on issues of process and implementation of good corporate governance.

### **3.7 Appointment of Board Members**

- (i) Board candidates shall have relevant experience or skills, such as industry experience, financial skills or leadership skills and shall also be able to allocate sufficient time to the role to ensure that they are able to discharge their duties effectively. The criteria to be considered in selecting Director nominees shall reflect at a minimum any requirements of applicable law or the Listing Rules, the terms of any shareholder agreements, the candidate's integrity, strength of character, judgment, business experience, specific area of expertise, availability, factors relating to the composition of the Board (including size and structure), and principles of diversity.
- (ii) All Directors shall be appointed for a set term after which they may be re-elected to the Board.

- (iii) If a Director is an active chief executive officer of another public company, such Director shall not serve on the Board of more than two public companies (including the Company), other than the company of which he or she is the chief executive officer.

### **3.8 Statement on Diversity and Member Selection**

The Board believes that selecting the best candidates for the Board is a key element of its corporate strategy and governance. The Board recognizes the value of diversity and will always strive to assemble a Board that will provide a range of perspectives, experience and expertise. The Board is committed to actively seeking out diverse candidates to include in the pool from which nominees for the Board are selected. Proposed appointments of Directors to the Board will be based on a prior analysis of the needs of the Board and consideration of the diversity of skills, knowledge, experience, age, race, ethnicity, gender, gender identity, sexual orientation or identity, and cultural background, as well as membership in underrepresented groups within its composition.

### **3.9 Orientation and Training**

The Chairperson shall, with the assistance of the Company Secretary, ensure that any Director appointed to the Board be given an orientation with respect to the Company, its operations and functions of the Board. The orientation shall, among other things, include a review of:

- (i) The Company business, including its strategy, operations, people, technology, competition, and end markets;
- (ii) Responsibilities, policies and structure of the Board; and
- (ii) Company Worldwide Standards of Conduct.

The Nominating & Governance Committee shall, with the assistance of the Company Secretary, ensure that all Directors are provided with relevant resources and tools, including training at Board meetings, to improve their knowledge and skills as Directors.

## **4. DUTIES**

### **4.1 Responsibilities**

The main duties of the Board include the following:

- (i) Deciding on Company strategy, major investments/projects, and business plans;
- (ii) Monitoring the Company's performance and health (including financial and non-financial performance metrics);
- (iii) Determining the company's risk appetite and monitoring the Company's risk management and mitigation plans;
- (iv) Determining the executive management structure, the compensation of executive management, talent management, human resource strategy and succession planning;
- (v) Actively supervising the management of the company's reputation including engagement with key stakeholders, communities etc.;

- (vi) Ensuring compliance with relevant statutes, rules and regulations;
- (vii) Ensuring that corporate governance standards are implemented and maintained including relevant policies;
- (viii) Ensuring that obligations of the Company, including reporting to shareholders, are met;
- (ix) Periodically assessing the effectiveness of processes for facilitating communication between the Company's shareholders and Directors (e.g., inquiries on IR website);
- (x) Overseeing the effective implementation and operation of reasonable information and reporting systems or controls designed to inform of material risks;
- (xi) Discussing and being apprised of the Company's position on issues related to corporate social responsibility, public policy and philanthropy; and
- (xii) Reviewing the process by which financial and non-financial information about the Company are provided to management, the Board and shareholders.

#### **4.2 Conflict of Interest Policy**

Directors must not let their personal or other business interests interfere with the decisions they make as directors. The Board recognizes that a Director's personal, social, financial or other activities have the potential to interfere or have the appearance of interfering with a Director's objectivity. The Board has adopted a Director Conflict of Interest Policy and any actual or potential conflict interest should be governed by and reported in accordance with the policy.

#### **4.3 Change in Director Circumstances**

Each Director must notify the chairperson of the Nominating & Governance Committee ("N&G Chair") and the Company Secretary when his or her principal occupation or business association changes. The N&G Chair shall review the circumstances to determine whether continued Board membership is appropriate. The affected Director shall provide all relevant information and respond to all relevant questions concerning the matter from N&G Chair. If the N&G Chair determines that the Director should not continue to serve on the Board, the N&G Chair shall consult with the Chairperson. If the Chairperson agrees with the N&G Chair's recommendation, the Director shall promptly tender their resignation to the Chairperson and the N&G Chair. The Director shall not participate in the deliberations of the Board or vote in the matter.

### **5. MEETINGS AND DECISION MAKING**

#### **5.1 Meetings (subject always to the Company's constitutional documents)**

- (i) The Board will meet at least four (4) times a year, generally at three month intervals or when deemed necessary.
- (ii) The Chairperson and Company Secretary, along with the Chief Executive Officer, shall be responsible for preparing the agenda, providing notice of the meeting and circulating supporting materials.

- (iii) The notice of a Board meeting shall confirm the venue, date and time of the meeting and shall be accompanied by an agenda of the business to be transacted at the meeting. Each director may propose the inclusion of items on the agenda or any matter not on the agenda may be raised at the meeting with the consent of the Chairperson.
- (iv) In advance of all meetings Directors should ensure that that they have taken time to prepare for each meeting, this includes reviewing the agenda, reading all supporting materials provided and undertaking any preparatory research required regarding the items on the agenda.
- (v) The quorum at meetings of the Board shall be a majority of members present, in person or proxy, subject to any shareholders' agreement. Members may attend by video-conference or by conference phone facility provided that each member who participates is able to:
  - a) hear each of the other participating members addressing the meeting; and
  - b) if he or she so wishes, address all of the other participating members simultaneously.
- (vi) A Director may by written notice to the Secretary appoint another Director in respect of a particular Board meeting to be the proxy of such Director to attend and vote in his place at any meeting of the Board at which the Director is unable to be present. A Director may not hold more than one proxy at any one meeting.
- (vii) In the event the quorum requirement for a meeting of the Board is not met, the meeting shall be reconvened at such time and place as the Board shall agree with no additional written notice of the reconvened meeting required.
- (viii) Members of the Board, the Company Secretary and executive officers are entitled to be present at a meeting of the Board. The Board shall, however, have the discretion to decide if the executive officers are not required to attend any Board meeting in respect of certain matters or who else may be invited to attend for all or part of any meeting, as and when appropriate.
- (ix) During meetings Directors should be diligent to not fall into the habit of following group consensus and should be mindful to:
  - a) act with conviction;
  - b) participate actively in the discussions held at meetings;
  - c) be constructively critical and actively express independent thought;
  - d) defer on an agenda item or request additional time to consider matters being discussed when adequate information has not been presented to make an informed decision; and
  - e) be willing to probe the executive management or auditors where necessary to obtain information needed to make Board decisions.

## 5.2 Decision Making

- (i) Decisions of the Board shall be determined by the relevant Company's constitutional documents.
- (ii) Resolutions evidencing decisions of the Board, signed by the members of the Board participating at the meeting or approved via electronic mail by a majority of Board members, or by other legally acceptable means, shall be as valid and effective as if it had been passed at a meeting of the Board. In addition, decisions of the Board may be evidenced in the minutes of the meeting or an extract thereof, signed by the Chairperson.
- (iii) A decision approved via electronic mail shall be filed with the minutes of the proceedings of the Board.

## **6. BOARD COMMITTEES**

If considered appropriate the Board may create various Board Committees to deal with audit, risk, compliance, remuneration, governance and such other matters as may be required. Board members may be nominated to sit on these committees. Each Board Committee shall have its own charter and its own Committee Chairperson.

- (i) The Chairperson of each Committee shall establish an annual schedule of meetings to be presented to the Board
- (ii) The Committee members and other Directors may suggest the addition of any matter to the agenda for any Committee meeting upon reasonable notice to the Committee Chairperson.

## **7. DIRECTOR COMPENSATION**

The form and amount of Director compensation and perquisites shall be determined by the Nominating & Governance Committee of the Board in accordance with the principles contained in its charter or any related policies. Directors who are Company employees shall not be compensated for their service as Directors.

## **8. STOCK OWNERSHIP GUIDELINES**

The Board believes that an alignment of Director interests with those of shareholders is important. All Directors are expected to own shares of the Company in accordance with the policy/policies established by the Nominating & Governance Committee. The Nominating & Governance Committee of the Board shall periodically review the share ownership guidelines applicable to Directors and shall recommend to the Board revisions to such guidelines as appropriate. Each Non-Executive Director is expected to own, outright or beneficially, stock in the Company in an amount that is five times such Director's annual cash retainer.

## **9. ACCESS TO MANAGEMENT**

In order to fulfill their oversight responsibilities, Directors shall have free access to management, management information and employees. Management is expected to be responsive to requests for information from Directors. The Board encourages the Chairperson, in consultation with the CEO (if not the same as the Chairperson), to invite management to make presentations at Board meetings in order to provide insight into the Company's business or to provide individuals with exposure to the Board for purposes of leadership development.



