



GLOMAC BERHAD

[Registration No. 198301015139 (110532-M)]

Terms of Reference of the Remuneration and Employees' Share Scheme Committee

1. Composition

- i) The Remuneration and Employees' Share Scheme Committee shall comprise at least three (3) Directors, a majority of whom are Independent Non-Executive Directors.
- ii) The Remuneration and Employees' Share Scheme Committee will elect an Independent Non-Executive Director from amongst them as its Chairman. Individual Directors do not participate in the decisions regarding their individual remuneration.
- iii) In the event of any vacancy in the Remuneration and Employees' Share Scheme Committee, the Board of Directors shall, within three (3) months of that event, fill the vacancy.

2. Meetings and Quorum

- i) The Remuneration and Employees' Share Scheme Committee shall meet at least once a year. However, additional meetings may be called at any time at the discretion of the Chairman of the Remuneration and Employees' Share Scheme Committee.
- ii) The quorum for all Remuneration and Employees' Share Scheme Meetings shall be two (2) members, a majority of whom shall be Non-Executive Directors.
- iii) The Group Managing Director / CEO, if not a member of the Remuneration and Employees' Share Scheme Committee, may be invited to attend the Remuneration and Employees' Share Scheme Committee meetings.

3. Secretary to Committee and Minutes

The Company Secretary shall be the secretary of the Committee and as a reporting procedure the minutes shall be circulated to all members of the Board.

4. Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee for the purpose of discharging its functions and responsibilities.

The Committee is also authorised to obtain legal or other independent professional advice and to ensure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

5. Duties and Responsibilities

The duties and responsibilities of the Remuneration and Employees' Share Scheme Committee shall be as follows:

a. With regards to remuneration matters:-

- i) To review the annual remuneration packages of each individual Director (both Executive and Non-Executive) such that the levels of remuneration are sufficient to attract and retain the Directors needed to run the Company successfully;
- ii) To recommend to the Board the remuneration packages of the Directors (both Executive and Non-Executive) of the Company, which includes the fees and benefits payable to the Directors of the Company (including any compensation for loss of employment of director or former director).

Pursuant to Section 230 of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors including any compensation for loss of employment of a director or former director of the Company shall be approved at a general meeting; and

b. With regards to the Employee Share Scheme:-

- i) Do all acts and things and in such manner as it in its discretion, deems fit and enter into any transaction, agreement, deed, document or arrangement and make such rules and regulations, impose such terms and conditions which are to be done by the Board pursuant to the Bye-Laws of the Company's Employee Share Scheme ("By-Laws");
- ii) To determine all questions of policy and expediency that may arise in the administration of the Employee Share Scheme, and generally the exercise of such powers and performance of such act as are deemed necessary or expedient to promote the best interests of the Company in accordance with the By-Laws;
- iii) To develop and maintain the Company's policies and implementation guidelines in relation to the granting of the Employee Share Options and RSG shares in light of the overall remuneration philosophy in accordance with the By-Laws;

- iv) To approve and determine the manner in which the Employee Share Options and RSG shares are granted to and subsequently vested/exercised by the Eligible Employees in accordance with the provisions of the By-Laws; and
- v) To perform such other duties and functions as may be requested by the Board for the purpose of administering the Company's Employee Share Scheme pursuant to the provisions of the By-Laws.

6. Remuneration of the Board and Senior Management

- a. In determining the level of remuneration, the Remuneration and Employees' Share Scheme Committee will take into account all factors which it deems necessary in order to attract, retain and motivate the Directors and Senior Management of high caliber who are able to provide the necessary skills and experience as required. The level of remuneration shall commensurate with the responsibilities for the effective management and operations of the Company and should also be in alignment with the business strategy and long-term objectives of the Company.
- b. A detailed disclosure of the remuneration of the individual Directors shall appear in the Company's Annual Report, having regards to the interest of all parties including the Company, the Directors and the shareholders.
- c. Directors who are shareholders shall abstain from voting at general meetings to approve their own fees.