



# GLOBETRONICS TECHNOLOGY BERHAD

Registration No. 199601037932 (410285-W)  
(Incorporated in Malaysia)

## TERMS OF REFERENCE OF EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

### TERMS OF REFERENCE OF EMPLOYEES' SHARE OPTION SCHEME ("ESOS") COMMITTEE

#### 1. Objectives

The primary objective of the ESOS Committee is to assist the Board of Directors ("Board") in their responsibilities to implement and administer the ESOS scheme and for this purpose, to enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions relating to the ESOS subject to the provision of the ESOS By-Laws.

#### 2. Composition of members

- The Board shall elect the ESOS committee members from amongst themselves, comprise mainly of non-executive Directors, a majority of whom must be independent.
- The composition of the Committee must not be less than three (3) members.

- Where the members for any reason are reduced to less than three (3), that Board shall within three (3) months of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members.
- All members shall hold office only for so long as they serve as Directors of the Company.
- The Board shall have power at any time and from time to time to rescind the appointment of any person in the Committee and appoint new members to the Committee as it shall deem fit.
- Alternate Director shall not be appointed as a member of the Committee.

### **3. Chairman**

The Chairman of the ESOS Committee, who is an Independent Director, shall be elected from amongst the ESOS Committee members. The Chairman of the Committee shall be approved by the Board.

### **4. Meetings**

- The ESOS Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. Additional meetings may be called at any time at the ESOS Committee Chairman's discretion or if requested by any member of the Committee.
- In the absence of the Chairman in a meeting, the members can elect from amongst themselves the Chairman for the meeting.
- A member of ESOS Committee may participate in a meeting by means of a telephone conference or video conference or any other means of audio-visual communications and the person shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.
- Minutes of meeting shall be kept and circulated to each member. The Company Secretary or any Officer appointed by the Committee for this purpose shall act as the Secretary of the Committee.
- The Chairman of the ESOS Committee or appointed person by the Chairman of ESOS Committee shall report to the Board on any matter that should be brought to the Board's attention, and provide the recommendations of the ESOS Committee that require the Board's approval.

### **5. Circular Resolution**

A resolution in writing signed or approved by letter, telex, telefax or other written electronic communications by the majority of the members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in like form, each signed by one or more directors.

### **6. Quorum**

In order to form a quorum, minimum two (2) members must be present.

## 7. Authority

The Committee is authorized by the Board to review, recommend and approve any matters within its Terms of Reference. The Committee shall have:

- the resources which are required to perform its duties including access to the advice and services of the Company Secretary;
- unlimited access to all the information and documents relevant to its activities, including but not limited to the following:
  - a) the full name and job title of a participant;
  - b) the date of commencement of his/her employment with the Group;
  - c) the total number of shares which comprise:
    - (i) the options granted to the participant
    - (ii) the options which had been vested
    - (iii) the options which had been accepted by him/her
  - d) the performance records of the participant.
- direct communication channels with the Human Resource Dept; and
- the discretion to invite any director or person of the Group or external counsel/adviser to attend ESOS Committee meetings, provided that the attendance of any such director or person is relevant to the specific meeting.

In discharging its duties, the Committee shall at all times be mindful of the provision of all applicable laws, regulations and guidelines.

## 8. Duties and Responsibilities

The duties and responsibilities of the ESOS Committee are as follows:-

- Develop and implement the Company's policies and guidelines in relation to the granting of Options in light of the Company's overall remuneration structure in accordance with the By-Laws;
- Select and determine eligible employees and subsidiary companies who shall be entitled to participate in the ESOS;
- Approve and determine the manner in which Options are granted to and subsequently exercised by eligible employees in accordance with the provisions of the By-Laws, including, inter alia, the determination of eligibility, grant level, terms of acceptance of Offer, terms of exercise of the Options, performance conditions and any other terms and other conditions imposed, at the discretion of the ESOS Committee provided always that no member of the ESOS Committee shall participate in any deliberation or decision in respect of options to be granted to himself;
- Recommend grants of Options to the executive directors for the approval of the Board and the Company's members in a general meeting;

- Determine the price at which the Grantee is entitled to subscribe for shares under an Option in accordance with the By-Laws;
- Determine whether or not to suspend (and if so, to later decide to lift such suspension of) the rights in respect of any Option of a Grantee in the event of the commencement of Disciplinary Proceedings (whether or not such Disciplinary Proceedings will give rise to a dismissal or termination of service) against such Grantee or determine any reduction in the number of shares comprised in the Options held by that Grantee which are unexercised at the time or determine whether or not the Grantee may continue to exercise his Options and to impose any limits, terms and conditions as it deems appropriate in respect of such exercise;
- Act in line with the directions of the Board; and
- Consider and examine such other matters as the ESOS Committee considers appropriate.

#### **9. Revision of Terms of Reference**

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

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

Reviewed and Approved by Board on 31<sup>st</sup> July 2019