

GLOSTREXT BERHAD
REGISTRATION NO. 202201005343 (1451040-T)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1. PURPOSE AND OBJECTIVES

The objective of the Terms of Reference of the Remuneration Committee (“RC”) is to establish a documented, formal and transparent procedure for the RC to support and advise the Board of Directors (“Board”) of Glostrex Berhad (“Company”) with reviewing the remuneration framework, policy and procedures for directors and key senior management and to recommend the remuneration package to the Board as a whole for approval, with each Director concerned abstaining from any decision as regards his/her remuneration.

2. COMPOSITION AND MEMBERSHIP

- 2.1 Members of the RC shall be appointed by the Board amongst its Directors and shall comprise at least three (3) members, all of whom must be Non-Executive Directors, and a majority of whom must be Independent Non-Executive Directors.
- 2.2 The Chairman of the Board must not be a member of the RC.
- 2.3 Where the members of the RC for any reason are reduced to less than three (3), the Board shall based on the recommendation of the Nomination Committee within three (3) months from the occurrence of the event, appoint such number of new member(s) as may be required to make up the minimum number of three (3) members.

3. CHAIRMAN

- 3.1 The Chairman of the RC shall be appointed by the Board and shall be an Independent Non-Executive Director.
- 3.2 In the absent of the Chairman of the RC, the other members of the RC shall amongst themselves elect a Chairman who must be an Independent Non-Executive Director to chair the meeting.

4. SECRETARY

The Company Secretary shall be the Secretary of the RC.

5. QUORUM AND MEETING PROCEDURES

- 5.1 The RC shall meet at least once a year or as and when the RC deems necessary to fulfil its responsibilities.
- 5.2 If any member is unable to be physically present, he/she may choose to participate by means of a conference telephone or any other audio, or audio-visual, communication equipment which allows all persons participating in the meeting to hear and speak with each other and the person shall be deemed to be present in person and shall be entitled to vote or be counted in a quorum accordingly.

- 5.3 The main venue of the meeting shall be the place where the Chairman is present.
- 5.4 The quorum for the meeting shall be two (2) members, majority of members present must be Independent Non-Executive Directors.
- 5.5 The Company Secretary, in consultation with the Chairman of the RC, shall draw up the agenda of the meeting. The agenda, together with the relevant supporting papers, shall be circulated at least five (5) business days, or shorter notice where it is unavoidable prior to each meeting to the members of the RC.
- 5.6 The RC may, as and when deemed necessary, invite any Board members or any member of management or consultants, who the RC thinks fit, to attend its meetings to assist and provide pertinent information as necessary.
- 5.7 A matter put to vote at the RC meetings shall be decided by a simple majority of the votes, each member of the RC having one (1) vote. In the case of an equality of votes, where two (2) members form a quorum, the Chairman of a meeting at which only such a quorum is present, or at which only two (2) members are competent to vote on the question at issue, shall not have a casting vote. Otherwise in the case of an equality of votes, the Chairman has a second or casting vote.
- 5.8 A member of the RC who has an interest or is involved directly or indirectly in any matter under consideration by the meeting, shall abstain from deliberating and voting.

6. MINUTES

- 6.1 The Company shall cause minutes of all proceedings of the RC meeting to be entered in books for that purpose. Minutes of each meeting shall be signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.
- 6.2 Minutes shall be kept by the Company at the Registered Office and shall be open for inspection by any RC member or Board member.
- 6.3 The minutes of each RC meeting shall be distributed to the Board members for notation.

7. WRITTEN RESOLUTION

- 7.1 A resolution in writing signed by a majority of the RC members for the time being (in accordance with the quorum that is required for a RC meeting) shall be as valid and effectual as if it had been passed at a meeting of the RC duly called and constituted.
- 7.2 The resolution may consist of several documents in like form, each signed by one (1) or more RC members. Such document may be accepted as sufficiently signed by a RC member if it is transmitted to the Company by any technology purporting to include a signature and/or an electronic or digital signature by the RC member.

8. REPORTING

The RC, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each RC meeting. When presenting any recommendations to the Board for approval, the RC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

9. AUTHORITY

The RC shall in accordance with a procedure to be determined by the Board of Directors and at the expense of the Company:-

- (a) have the resources which are required to perform its duties;
- (b) have full and unrestricted access to all information and documents within the Group to perform its duties;
- (c) obtain external professional advice or other advice and invite persons with relevant experience to attend its meetings, if necessary; and
- (d) seek input from management on remuneration policies, but no individual should be directly involved in deciding their own remuneration.

All the recommendation of the RC are subject to the approval of the Board of the Company.

10. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the RC are as follows:-

- 10.1 To establish and recommend to the Board, the remuneration package for Executive Directors and key senior management such as the terms of employment or contract of employment/service, benefit, pension, incentive scheme, bonuses, fees, expenses, compensation payable on termination of the service contract by the Company and/or the Group;
- 10.2 To review and recommend to the Board the remuneration packages of Non-Executive Directors for shareholders' approval at the Annual General Meeting;
- 10.3 To consider other remunerations or rewards to retain, motivate and attract Directors and key senior management;
- 10.4 To assist the Board in developing and administrating a fair and transparent procedure for setting policy on remuneration of Directors and key senior management;
- 10.5 To recommend to the Board any performance related pay schemes for the Company and/or the Group;
- 10.6 To ensure fees and benefits payable to Directors, and any compensation for loss of employment of Executive Directors are approved by shareholders at general meetings of the Company in accordance with the Companies Act 2016; and
- 10.7 To perform such other functions as may be requested by the Board.

11. REVIEW OF THE WRITTEN TERM OF REFERENCE

11.1 Any amendments to this term of reference of the RC shall be approved by the Board. These terms of reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the RC's responsibilities.

11.2 The written terms of reference will be made to public on the Company's website.

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