

PRACTICE ON REWARD FOR THE PERFORMANCE OF THE COMPANY BEYOND SHORT-TERM FINANCIAL MEASURES

Overview

The First Myanmar Investment Public Company Limited (“Company”), understands that to win in the marketplace, it must first win in the workplace. It continuously strives to provide a safe, secure and innovative workplace for its employees to be in line with its vision to achieve investors’, customers’ and employees’ satisfactions as employees’ performance is a key factor for its to achieve sustainable growth.

Since 2016, it has adopted the Employee Share Incentive Scheme (ESIS) to reward and recognize the loyal and long-term contribution of employees to the Company by granting them a the Company’s shares, at no cost (“Award Shares”).

Objective

The objectives of the ESIS are:

- to enable a the Company’s employees to become shareholders of the Company;
- to promote a sense of ownership and the motivation to perform better, having now being in participation of the Company’s equity, in their current and future positions while working for the Company.

The selected employees for the ESIS (“Awarded Employees”) are evaluated based on their overall performance and number of service years. Below are the key terms and conditions for the Award Shares:

- The ownership of the Award Shares is vested over a period of given years in a proportionate basis from the announced date;
- Vesting of Award Shares is subject to continuing employment of the Awarded Employees in FMI;
- Award Shares are in addition to the employees’ respective terms of employment and remuneration packages; They shall not be considered as an entitlement under the Employment Contract;
- It is in the Company’s discretion to withhold or cancel any or all Award Shares given to the Awarded Employee irrespective of any vesting schedule if the Award Employee has failed to perform to a standard that can reasonably be expected of an employee in that Awarded Employee’s position.
- The Award Employee will receive any cash dividend declared by the Company on the Award Shares prior to the vesting. However, the Award Employee does not have the right to subscribe to any Right Issue or receive Scrip Dividend or Bonus Issue associated with those unvested Award Shares.

Additionally, as part of Yoma 2020 vision, FMI is working on delivering holistic and considerate compensation schemes, such as pension plans and life insurance plans, to continuously reward the dedication from its employees. The pension plan will feature the Company’s matching of employee’s saving. The escalation of the matching fund shall be aligned with the employee’s tenure and pension plan. The overall objective of this plan is to ensure that employees have sufficient amount of financial savings when they retire and can afford to purchase products offered by the Yoma Group, for example – affordable apartments at attractive rates. This long-term arrangement will allow employees to buy their homes independently without financial assistance from their family members.