

SEAL INCORPORATED BERHAD (4887-M)

REMUNERATION POLICY AND PROCEDURE

Remuneration of Executive Directors, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”)

The remuneration of the Executive Directors, CEO and CFO shall be reviewed and recommended by the Remuneration Committee and to be approved by the Board of Directors (“Board”).

The Remuneration Committee policy for Executive Directors, CEO and CFO remuneration and other benefits (such as a fully expensed car or cash alternative in lieu of car, company driver, petrol allowance, private medical insurance and life insurance. Allowances relating to business expenses (i.e. entertainment and travel) incurred are reimbursed and etc) are to ensure that the level of remuneration is generally set to provide market competitiveness to attract, retain and motivate the Executive Directors, CEO and CFO who are with strong credentials, high caliber to competently manage the Company.

The remuneration package is reflective of the individual Director’s, CEO and CFO experience and level of responsibilities and it is structured to link to corporate and individual performance and shall take into consideration remuneration paid to directors of other similar companies, whether in size and/or industry, the individual’s performance and responsibility, market competitiveness as well as SEAL’s overall performance.

The summary composition of the Executive Directors, CEO and CFO are as follows:



The Group operates a Performance Remuneration Plan which consists of Performance Bonus and/or Incentive and Long Term Incentive Plan (paid via cash, shares or stock option) for all employees, including the Executive Directors, CEO and CFO. Performance bonuses and/or incentive and long term incentive plan may be awarded and payable to the Executive Directors, CEO and CFO is reviewed by the Nominating and Remuneration Committee and approved by the Board, with the presence of non-executive directors. The Executive Directors however, do not participate in any way when determining their respective remuneration package.

The Executive Director is not entitled to annual fees nor any meeting allowances for the Board and Board Committee meetings. Employee Directors are also not entitled to any annual fees in SEAL Group.

On an annual basis, the Remuneration Committee shall discuss and agree on all measurable objectives for offering fair remuneration packages for Executive Directors, CEO and CFO and recommend them to the Board for adoption.

Remuneration for Non-Executive Directors

The remuneration for Non-Executive Directors are reviewed by the Remuneration Committee and the Board annually.

Non-Executive Directors remuneration packages shall be determined on the basis of their qualification, experience and competence, shall be aligned with market terms, taking into consideration remuneration paid to directors of other similar companies, whether in size and/or industry, the individual’s performance and responsibility, market competitiveness as well as SEAL’s overall performance.

The remuneration of the Non-Executive Directors consists of directors' fees. In addition, Non-Executive Directors may also receive other benefits-in-kind including but not limited to car parking and other reimbursement/claimable benefits-in-kind as may be determined from time to time, for the purposes of carrying out their duties as Non-Executive Directors.

The remuneration of Non-Executive Directors shall not be based on commission, percentage of profits, or turnover and not entitled to receive performance-based bonuses nor participate in short-term and/or long-term incentive plans.

Director fees payable to Non-Executive Directors shall not be increased except in pursuant to a resolution passed at a General Meeting, where notice of the proposed increase has been given in the notice convening the meeting. Based on recommendations from the Remuneration Committee, the Board shall submit any adjustments in Directors' fees to the General Meeting for approval by shareholders.

Review of the Policy

The Remuneration Committee shall review and assess the effectiveness and continued relevance of this Policy periodically. Any revisions to the Policy as recommended by the Remuneration Committee will be submitted to the Board for consideration and approval.