



INCORPORATED BERHAD

Registration No.: 196201000416 (4887-M)
(Incorporated in Malaysia)

REMUNERATION POLICY AND PROCEDURE DIRECTORS AND KEY SENIOR MANAGEMENT

Objective and Scope

The Remuneration Policy and Procedure for Directors and Key Senior Management (“the Policy”) is intended to address the remuneration package of the Directors and Key Senior Management of Seal Incorporated Berhad and its subsidiary companies (“the Group”). It is designed to provide a remuneration package needed to recruit, retain and motivate individuals of the necessary caliber and quality required to manage the business of Seal the Group.

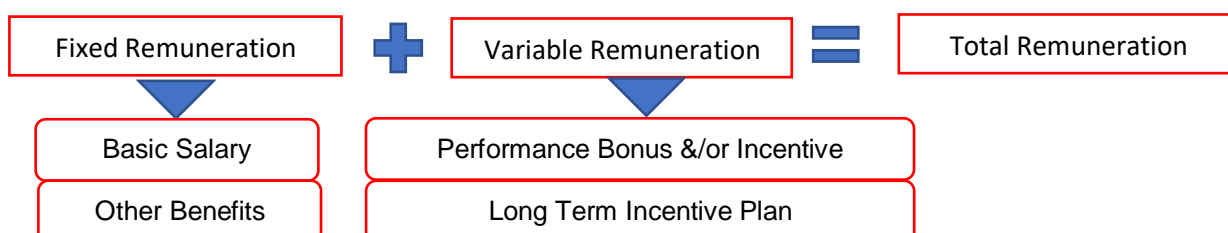
Remuneration of Executive Directors and Key Senior Management

1. The remuneration of Executive Directors and Key Senior Management shall consist of:-

- (i) Fixed basic salary; and
- (ii) Emoluments and benefits-in-kind

Emoluments and benefits-in-kind shall comprise of bonuses, mobile phone and package, medical and life insurance, Directors’ and Officers’ Liability insurance, fully expensed car or cash alternative in lieu of car, company driver, petrol allowance, provision for leave, allowances relating to business expenses (i.e. entertainment and travel), statutory contributions and incentives in the form of shares/options of Seal Incorporated Berhad.

- 2. The remuneration of the Executive Directors and Key Senior Management shall be reviewed and recommended by the Remuneration Committee to the Board of Directors (“Board”) for approval.
- 3. The Policy for Executive Directors and Key Senior Management are to ensure that the level of remuneration set reflect market competitiveness to attract, retain and motivate the Executive Directors and Key Senior Management with strong credentials and high caliber to competently manage the Group.
- 4. The remuneration package is reflective of the individual Director’s and Key Senior Management’s 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 and key senior management of other companies, of similar size and/or industry, the individual’s performance and responsibility, market competitiveness as well as the Group’s overall performance.
- 5. The summary of the composition of the Executive Directors and Key Senior Management’s remuneration are as follows:



6. The Group adopts 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 and Key Senior Management.

The performance bonus in the case of Executive Directors and Key Senior Management is designed to reward outstanding performance. The performance bonus is granted to reflect the Executive Directors and Key Senior Management's performance against annual measures and achievements.

Performance bonuses and/or incentive and long term incentive plan may be awarded and payable to the Executive Directors and Key Senior Management after being reviewed by the Nominating and Remuneration Committees and approved by the Board.

~~The performance bonus and/or incentive and long term incentive shall be based on individual performance against annual financial and operational performance of the Group.~~

The Executive Directors, do not participate in any way in determining their respective remuneration package.

7. The Executive Directors and Key Senior Management are not entitled to annual fees nor any meeting allowances for attending the Board Meetings, General Meetings and Board Committee Meetings.
8. On an annual basis, the Remuneration Committee shall discuss and agree on all measurable objectives for offering fair remuneration packages for Executive Directors and Key Senior Management and recommend them to the Board for adoption.

Remuneration of Non-Executive Directors

1. The remuneration of the Non-Executive Directors shall consists of Directors' fees and meeting allowances for attending Board of Directors' Meetings, General Meetings and Board Committees' Meetings. In addition, Non-Executive Directors may also receive other benefits-in-kind including but not limited to Directors' and Officers' Liability Insurance, car park allowances 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 of Seal Incorporated Berhad.
2. The remuneration of the Non-Executive Directors are reviewed by the Remuneration Committee and the Board annually.
3. Non-Executive Directors' remuneration packages shall be determined on the basis of their qualification, experience and competency, and shall be aligned with market standards and trends after taking into consideration remuneration paid to directors of other companies, of similar size and/or industry, the individual's performance and responsibility, market competitiveness as well as the Group's overall performance.
4. The remuneration of Non-Executive Directors shall not be based on commission, percentage of profits, or turnover and Non-Executive Directors are not entitled to receive performance-based bonuses nor participate in short-term and/or long-term incentive plans.
5. Directors' fees payable to Non-Executive Directors shall not be increased except pursuant to a resolution passed at a General Meeting, where notice of the proposed increase has been given in the notice convening the meeting.
6. Based on recommendations from the Remuneration Committee, the Board shall submit any adjustments in the Non-Executive Directors' remuneration to the General Meeting for approval by the shareholders.

Review of the Policy

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