

## **REMUNERATION COMMITTEE TERMS OF REFERENCE**

### **1. CONSTITUTION**

The Board of Directors (“the Board”) of Sealink International Berhad (“Sealink” or “the Company”) resolved on 28 May 2008 to establish a committee known as the Remuneration Committee. The Terms of Reference of Remuneration Committee is available on Sealink’s website at [www.asiasealink.com](http://www.asiasealink.com) .

### **2. OBJECTIVES**

The Remuneration Committee has been appointed with a view to:

- 2.1 establishing a formal and transparent procedure for setting a policy on remuneration of executive directors and senior management and for fixing the remuneration packages of all directors and senior management which takes into account the demands, complexities and performance of the Company as well as skills and experience required; and
- 2.2 ensuring that the levels of remuneration of directors and senior management are commensurate with their qualifications, roles, responsibilities and that such levels of remuneration are sufficient to attract and retain the directors and senior management but not excessive.

### **3. MEMBERSHIP**

- 3.1 The Remuneration Committee shall be appointed by the Board from amongst the directors and shall consist of non-executive directors of whom a majority of them must be independent non-executive directors.
- 3.2 The Chairman shall be a non-executive director appointed by the Board and, in his absence, members present may elect another member to chair the meeting.
- 3.3 The Company Secretary shall act as Secretary of the Remuneration Committee.

### **4. PROCEEDINGS**

- 4.1 The Remuneration Committee shall meet at least once during each financial year and shall hold such additional meetings as the Chairman shall deem necessary in order to fulfill his duties.
- 4.2 The quorum for a meeting shall be two (2) members including at least one (1) independent non-executive director.
- 4.3 Resolutions of the Remuneration Committee shall be passed by a majority of votes of members present provided that no director should be involved in deciding his own remuneration. In the event that only two (2) members are present, any resolution shall be passed by them unanimously.

## **5. AUTHORITY**

- 5.1 The Remuneration Committee shall report directly to the Board and shall, where appropriate, consult the Chairman of the Board and/or Executive Director about their proposals relating to the remuneration of other executive directors and senior management unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).
- 5.2 The Remuneration Committee is authorised to obtain external professional advice if it considers necessary.
- 5.3 The Remuneration Committee shall be provided with sufficient resources to discharge its duties.

## **6. DUTIES**

The duties of the Remuneration Committee include:

- 6.1 making recommendations to the Board on the policy and structure for remuneration of directors and senior management and on the establishment of a formal, fair and transparent procedure for developing policy on such remuneration;
- 6.2 recommending to the Board for approval the specific remuneration packages of all executive directors and senior management, including, without limitation, base salaries, deferred compensation, stock options and any benefits in kind, pension rights and incentive payments and any compensation payable for loss or termination of their office or appointment, and to make recommendation to the Board on the remuneration of non-executive directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment, responsibilities of the directors and employment conditions elsewhere in the group and in the market and desirability of performance-based remuneration;
- 6.3 reviewing and approving performance-based remuneration by reference to corporate goals and long-term objectives resolved by the Board from time to time;
- 6.4 review and approving the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- 6.5 reviewing and approving compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate; and
- 6.6 ensuring that no director is involved in determining his own remuneration.

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