

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5145
COMPANY NAME : Sealink International Berhad
FINANCIAL YEAR : December 31, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Sealink International Berhad ("Sealink") has primary responsibility for the governance and management of the Company, and fiduciary responsibility for the financial and organisation health of the Company.</p> <p>The delineation of board's roles and responsibilities are clearly set out in the Board Charter which serves a reference point for the Board activities to enable Directors to carry out their stewardship roles and discharge their fiduciary duties towards the Company. It also contains a formal schedule of matters reserved to the Board for deliberation and decision, for example discussion on strategic matters, so that the control and direction of the Company's businesses are in its hands.</p> <p>To assist in the discharge of its stewardship role, the Board has established Board Committees, namely Audit Committee ("AC"), Nominating Committee ("NC"), Remuneration Committee ("RC"), Risk Management Committee ("RMC") and Sustainability Committee ("SC"), to examine specific issues within their respective terms of reference, and for them to report to the Board their recommendations.</p> <p>The Board Charter and the Terms of Reference for respective Board Committees are available for reference at the Company's website at www.asiasealink.com.</p> <p>The Company's Board Charter defines the following key responsibilities of the Board:</p> <p>1.1.1 together with Senior Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;</p> <p>1.1.2 review, challenge and decide on Management's proposals for the Company, and monitor its implementation by Management;</p>

	<p>1.1.3 ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;</p> <p>1.1.4 oversee the conduct of the Group's businesses to evaluate and assess Management performance whether the businesses are being properly managed;</p> <p>1.1.5 ensure there is a sound framework for internal controls and risk management;</p> <p>1.1.6 understand the principal risks of the Group's businesses in recognition that business decisions involve the taking of appropriate risks;</p> <p>1.1.7 set the risk appetite within which the Board expects Management to operate, and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;</p> <p>1.1.8 ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management;</p> <p>1.1.9 ensure that the Company has in place procedures to enable effective communication with stakeholders;</p> <p>1.1.10 ensure that all its Directors are able to understand financial statements and form a view on the information presented;</p> <p>1.1.11 ensure the integrity of the Group's financial and non-financial reporting;</p> <p>1.1.12 ensure highest standard of ethical conduct, integrity and accountability in all business activities and operations and this including adopting a zero tolerance policy towards any form of bribery and corruption;</p> <p>1.1.13 ensure the governance of sustainability in the Group which includes setting the Group's sustainability strategies, business plan, priorities and targets; and</p> <p>1.1.14 review the adequacy and integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.</p>
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	The Board has also in place policies such as Code of Conduct/Ethics, Corporate Disclosure Policies and Procedures Document, Board Diversity Policy, Gender Diversity Policy, Directors' Fit and Proper Policy, Directors Remuneration Policy, Policies and Procedures to assess the Suitability, Objectivity and Independence of External Auditor, Whistleblowing Policy, Anti-Bribery & Corruption Policy, Sustainability Policy and Shareholders Communication Policy to promote good corporate governance.			
Explanation for departure	:			
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Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied	
Explanation on application of the practice	:	<p>Mr Wong Chie Bin has been re-designated as a Non-Independent Non-Executive Chairman on 28th February 2023.</p> <p>The Company has adopted a Board Charter, which describes the role of Chairman as follows:</p> <ul style="list-style-type: none"> (i) providing leadership for the Board so that the Board can perform its responsibilities effectively; (ii) leading the Board in the adoption and implementation of good corporate governance practice in the Company; (iii) setting the Board's agenda and ensuring that Board members receive complete and accurate information in a timely manner; (iv) leading Board meetings and discussions; (v) encouraging active participation and allowing dissenting views to be freely expressed; (vi) managing the interface between Board and Management; and (vii) ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied	
Explanation on application of the practice	:	<p>The positions of the Chairman and Chief Executive Officer cum Managing Director (“CEO”) are held by different individuals and each has a clear accepted division of responsibilities to ensure a balance of power and authority, such that no one individual has unfettered powers in decision making.</p> <p>Mr Wong Chie Bin is the Non-Independent Non-Executive Chairman of the Board while Mr Yong Kiam Sam is the CEO of the Group.</p> <p>The Chairman of the Board is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board as a whole, whereas the CEO leads the Management of the Group, has overall responsibility for the business and day-to day management of the Company and the effective implementation of the Company’s strategic plans and policies established by the Board.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board is not a member of the NC, RC, AC, RMC, or SC. This ensures that the objectivity of the Chairman and the Board is not impaired when deliberating on observations and recommendations put forth by the respective Board Committees.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a qualified and competent Company Secretary. The Company Secretary, Madam Yeo Puay Huang is qualified to act as a Company Secretary under Section 235(2) (b) of the Companies Act 2016 and holds the practicing license issued by Companies Commission of Malaysia. She has over forty (40) years of experience in corporate secretarial practices. She is also the Secretary for all Board Committees.</p> <p>The Company Secretary plays an advisory role in supporting the Board and Board Committees in advising on its roles and responsibilities, governance matters and ensuring the Company complies with its own Constitution and all the law and regulations prescribed by the Companies Act 2016 and Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").</p> <p>The Company Secretary constantly keeps abreast of the evolving regulatory changes and developments in Corporate Governance through attendance at relevant conferences and training programmes.</p> <p>The Company Secretary's roles and responsibilities are specified in item 9.0 of the Board Charter which is available for reference on the Company's website www.asiasealink.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>Timely dissemination of meeting agenda, including the relevant Board and Board Committees papers to all Directors prior to the Board and Board Committees meetings respectively to give effect to Board and Board Committees members to make decisions and to deal with matters arising from such meetings, is observed. Board and Board Committees members are furnished on a timely basis with pertinent explanations and information on relevant issues and recommendations by Management. The issues are then deliberated and discussed thoroughly by the Board prior to decision making, including decisions to defer certain resolutions when the information needed to make informed decision is inadequate.</p> <p>The action to be taken by respective parties will be in the minutes so that the Board can follow up with the respective parties on the status of matters discussed during the previous meetings. The minutes captured the decision made, key deliberations, rationale for the decision made and any significant concerns or views that were raised. The decision made at meeting were communicated to Management or relevant parties in a timely manner to ensure appropriate execution.</p> <p>Minutes of a Directors' meeting would be distributed to all Directors on a timely basis for review and thereafter for confirmation at the next board meeting. The signed board minutes are entered in the minutes books kept at the Registered Office of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter, which serves as a reference point for the Board's activities to enable Directors to carry out their stewardship role and discharge their fiduciary duties towards the Company, also contains a formal schedule of matters reserved to the Board for deliberation and decision, for example discussion on strategic matters, so that the control and direction of the Company's businesses are in its hands.</p> <p>The Company's Board Charter clearly identifies the respective roles and responsibilities of the Board, Board Committees and individual directors including Executive Director/CEO and Non-Executive Directors. It also clearly identifies the issues and decisions reserved for the Board.</p> <p>The Board Charter together with the Terms of Reference of the Board Committees was last reviewed, revised and adopted by the Board on 12 April 2023 to align with the relevant best practices recommended under the Malaysian Code on Corporate Governance ("MCCG2021") issued by the Securities Commission. Amendments and updates are made from time to time in accordance with the need of the Company to ensure its effectiveness and consistency with the Board's objective and corporate vision as well as to be in line with changes to statutory and regulatory requirement.</p> <p>The Board Charter is available for reference on the Company's website at www.asiasealink.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p><u>Code of Conduct / Ethics</u> The Board recognises the importance of having in place a Code of Conduct / Ethics, setting out the standards of conduct expected from Directors and employees, to engender good corporate behaviour. The Board Charter sets out a Code of Ethics to be observed by Directors. As for the conduct of employees, the Board has formalised an Employee Handbook to be observed by all employees across the Group.</p> <p><u>Anti-Bribery & Corruption Policy ("ABC Policy")</u> The Group is committed to conduct businesses professionally, fairly and with integrity and transparency.</p> <p>The Group has adopted a zero tolerance approach against all forms of bribery and corruption and takes strong stance against such act by implementing the Anti-Bribery and Corruption Policy, which was first formulated and adopted by the Board on 30 June 2020 and then was last reviewed, revised and adopted by the Board on 28 February 2023. This is in line with the amendment to Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009") to incorporate a new Section 17A on corporate liability for corruption which took effect on 1 June 2020.</p> <p>The Code of Conduct / Ethics and ABC Policy are available for reference on the Company's website at www.asiasealink.com.</p>
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has also adopted Whistleblower Policy which outlines when, how and to whom a concern may be properly raised about the actual or potential corporate fraud or breach of regulatory requirements involving employees, Management or Directors in the Group and to enable prompt corrective actions and measures to resolve them effectively.</p> <p>All disclosure shall be made to the Chairman of AC and the disclosure can be made in writing, orally, via electronic mail ("email") or short messaging system. Upon making a disclosure in good faith, based on the reasonable ground and in accordance with procedures set out therein the Whistleblower Policy, the whistleblower shall be protected from reprisal within the Group as a direct consequences of his/her disclosure and the identity will be protected.</p> <p>The Whistleblower Policy was last reviewed, revised and adopted by the Board on 12 April 2023. This Whistleblower Policy shall be reviewed, as needed and maybe amended from time to time, as deemed necessary by the Board, to ensure its relevance and effectiveness in keeping with the Group's business environment, administrative or operational needs and/or comply with the applicable laws and regulations.</p> <p>The Whistleblower Policy is available for reference on the Company's website at www.asiasealink.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board had established the Sustainability Committee to assist the Board in fulfilling its oversight responsibilities in relation to the SIB group of companies, sustainability strategy and initiatives covering environment, social and economic aspect as well as embedding sustainability practices into the business. The Committee is assisted by the Senior Management to drive sustainability best practices in the Group.</p> <p>The Group is in the process of enhancing its existing Sustainability efforts and sustainability strategy. For further info, the sustainability practices of the Group are disclosed in the Sustainability Statement of this Annual Report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company believes in transparency and open lines of communication with all the stakeholders. Transparency and communication are fundamental components of good corporate governance and serve to build vital relationship of trust the Company maintained with its stakeholders.</p> <p>The Company engages its stakeholders through various means of communication to enable them to understand the Group's business operations and seek their feedbacks and input on several matters relevant to them.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is aware of how critical it is for them to remain updated and comprehend sustainability issues pertinent to its business, including risk and opportunity related to climate change. The Board ensure that they stay abreast with the sustainability issues relevant to the Group by attending relevant training and briefings.</p> <p>In March 2023, the Group has arranged for an in-house training on Sustainability Governance, Management and Reporting- Implications to the Board of Directors and Management in overseeing the Economic , Environmental, Social and Governance conducted by an external consultant for the Directors and Management of the Group. This Training provides an overview to participants on the Sustainability Agenda, including its governance, management and reporting set out under the MMLR. This training is to enabled the participants to:</p> <ul style="list-style-type: none"> • understand what sustainability essentially is and its impact on the Group's future from the perspective of MMLR of Bursa Securities and MCGG; and • be familiar with the sustainability themes of Economic, Environmental, Social and Governance in the Group's business.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board of Directors has approved the Sustainability Committee's (SC) Terms of Reference dated on 31 May 2022 and has published in the Company's website. The terms of reference of SC specify the committee which comprises a majority of Independent Directors, to oversee, consider, deliberate and resolve matters relating to sustainability practices and to oversee and monitor the strategic management of material sustainability matters, risks as well as opportunities driven by Senior Management and monitor progress against the achievement of the Groups' sustainability targets (sustainability key performance indicators).</p> <p>The Board Evaluation for year 2022 had taken into consideration of the Board's overall performance in relation to its oversight of the Group in managing ESG Issues and addressing the Company's material sustainability risk and opportunities.</p> <p>Following the evaluation, the Directors are encouraged to attend any suitable training programs to keep abreast with the latest business and regulatory development including sustainability related topics.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	The CEO leads the Group's sustainability practices across management and operational fronts with the assistance of the Senior Management to drive sustainability best practices in the Group. A Sub-Committee at the Company level was set up to assist the Board on the Sustainability matters and Human Resources Manager, Mr Andes Hii Toh Heng was appointed as the designated personnel at the Company level to provide a dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the Group.

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The NC assists the Board in ensuring the existence of the right mix of skills, knowledge, experience, qualities, gender, nationality, age and other attributes that are relevant and contribute to the effective functioning of the Board and these are reviewed yearly.</p> <p>During the financial year under review, the NC had reviewed the tenure of each Director and the level of Independence of the Independent Non-Executive Directors.</p> <p>In accordance to the Constitution of the Company, at least one-third (1/3) of the Board is required to retire at every Annual General Meeting ("AGM") and be subject to re-election by the shareholders. All of the Directors are required to offer themselves for re-election, at least once in every three (3) years. Newly appointed Directors shall hold office until the next AGM and shall then be eligible for re-election by the shareholders.</p> <p>During the year under review, the Board with the recommendation of NC, endorsed the following re-election of directors in accordance with the provisions of the Company's Constitution.</p> <ol style="list-style-type: none"> 1. Madam Yong Nyet Yun in accordance with Clause 117; and 2. Mr Yong Kiam Sam in accordance with Clause 118. <p>Prior to recommending the re-election of the Directors, the NC reviewed the individual directors' performance based on the results of the Directors' Evaluation Form for Financial Year Ended 31 December 2022 ("FYE 2022") and the completed Directors' Declaration on Fit and Proper.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	During the FYE 2022, the Board consists of five (5) members, comprising of four (4) Independent Non-Executive Directors and one (1) Executive Director.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied
Explanation on application of the practice	:	<p>Mr Eric Khoo Chuan Syn @ Khoo Chuan Syn was re-designated as Independent Non-Executive Director on 21 May 2014. As at the forthcoming AGM which will be held on 31 May 2023, the tenure of Mr Eric Khoo will exceed nine (9) years.</p> <p>The NC and the Board have recommended to retain Mr Eric Khoo Chuan Syn as Independent Director of the Company based on the following justifications:</p> <ul style="list-style-type: none"> • He has fulfilled the criteria under the definition of Independent Directors as stated in the MMLR of Bursa Securities; • He has possessed vast commercial experience and knowledge that complements the Company's board composition, and continue to provide valuable insights and contributions to the Board; and • He has participated in board discussions and able to bring independent and objective judgements to the Board. <p>Approval of the shareholders be sought to retain Mr Eric Khoo Chuan Syn @ Khoo Chuan Syn as an Independent Non-Executive Director through a two-tier voting process, as he has possessed the attributes necessary in discharging his role and function of Independent Director. He has exercised his professional duties in the best interest of the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>The NC practices a clear and transparent nomination process which includes the identification of candidates, evaluation of suitability of candidates, deliberation by NC and recommendation to the Board.</p> <p>Following the amendments made to MMLR of Bursa Securities, the Board had on 31 May 2022 adopted a Directors' Fit and Proper Policy which set out the approaches, guidelines and procedures to ensure a formal and transparent process is being adhered for the next appointment, re-appointment and/or re-election of the Directors of the Company. The Directors' Fit and Proper Policy is available for reference at the Company's website at www.asiasealink.com.</p> <p>The Board, through the NC will consider all nominations to the Board, taking into consideration the various skills, competencies, experience, knowledge, age, personal attributes and time commitment required to effectively fulfil his/her role as a director.</p> <p>During the year, a woman Director was appointed to the Board with effect from 1 June 2022. The appointment was carried out after NC and the Board, having reviewed and assessed her suitability and taken into considerations her skills, knowledge, experience and personal attributes.</p> <p>All directors complied with Paragraph 15.06 of the MMLR, i.e. does not hold more than five (5) directorship in public limited company and able to devote sufficient time and commitment based on the current level of directorship(s) held.</p>
Explanation for departure	:	

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Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The NC is primarily responsible for recommending suitable appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Director should bring to the Board. It assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director. Where considered appropriate, the NC considers recommendation of candidate for directorship by shareholders or existing Directors.</p> <p>The Board, with the help of NC, will look into the background, skill sets, career experience and professional qualifications of a candidate to determine whether he or she is able to contribute to the growth of the Group. The Board places particular attention on his or her past achievements to determine whether he or she can enhance the quality and robustness of the decision making process of the Board.</p> <p>The final decision on the appointment of a candidate recommended by the NC rests with the Board. The Company Secretary ensures that all appointments are properly made upon obtaining all necessary information from the Director.</p> <p>During the FYE 2022, the NC has mainly relied on the recommendation from the existing Board Member for the appointment of Madam Yong Nyet Yun as the Independent Non-Executive Directors with effect from 1 June 2022.</p> <p>Despite relying on recommendation from the existing Board Members for the identification of potential candidates, NC has considered and carried out the following measures to ensure an objective and independent review for the appointment of a new director:</p>

	<p>(i) NC has conducted the selection and evaluation of her suitability taking into consideration her skills, knowledge, expertise and personal attributes;</p> <p>(ii) Recommend the appointment of the candidate as a member of the Board Committee, where necessary; and</p> <p>(iii) The Board had approved the appointment of Madam Yong Nyet Yun as an Independent Non Executive as recommended by the NC.</p> <p>The NC and Board will consider to source for suitably qualified candidates via various means such as independent or search agencies if required.</p> <p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p> <p>Please explain the measure(s) the company has taken or intend to take to adopt the practice.</p>	
<p>Timeframe</p>	<p>:</p> <p>Choose an item.</p>	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>Whenever there is an appointment of a new Director to the Board, the Company will inform the shareholders through the Company's immediate announcement on Bursa Securities' website. The Company will also update its Company's website with the latest announcement(s) made.</p> <p>The profiles of Directors, including those Directors who are due for re-election or re-appointment are published in the Company's Annual Report 2022 and Company's website. These includes details such as their age, gender, position, date of appointment to the Board, qualifications, working experiences, directorship in other companies, any conflict of interest in the Company.</p> <p>The details of the Directors who are due to retire by rotation at the forthcoming AGM and the basis of assessment and consideration by the Board to recommend and support the re-election of the retiring Directors are set out in the Statement Accompanying Notice of AGM in the Annual Report 2022.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The NC is chaired by an Independent Director, Mr Eric Khoo Chuan Syn @ Khoo Chuan Syn.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	At the date if this Report, the Company has one (1) woman Director out of five (5) Directors on the Board. This is equivalent to 20% female representation of the Board which complies with the new requirement of MMLR of Bursa Securities.	
		Although the Company has not met the 30% woman Directors on the Board, the Company has nevertheless met the Government-mandated policy of having at least one (1) woman director on the board by 1 June 2023 for listed issuers not categorised as Large Companies.	
		The Board will give due consideration to additional female candidates when seeking new appointment of Directors to the Board.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board had on 22 February 2022 reviewed and adopted Gender Diversity Policy to improve its gender diversity in both Board and Senior Management levels.</p> <p>The Gender Diversity Policy is available for reference at the Company's website at www.asiasealink.com.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.

Application	:	Applied
Explanation on application of the practice	:	<p>For the FYE 2022, an annual assessment of the Board, Board Committees and contribution of each individual Director is carried out by the NC, with the assistance of the Company Secretary, taking the form of comprehensive evaluation questionnaires which provide the NC with an opportunity to score their opinion on a series of questions in relation to inter alia the execution and performance of the Board as a whole and the Board Committees, and to comment on procedure or any relevant matters.</p> <p>The NC carries out evaluation of Board effectiveness in the areas of Board mix and composition, quality of information and decision making, boardroom activities, Board's relationship with the Management, roles and responsibilities and Environmental, Social and Governance (ESG) Issue.</p> <p>As for the performance evaluation of Board Committees, the NC assessed the performance of the AC, NC, RC, RMC and SC based on the recommended evaluation criteria adopted from Corporate Governance Guide issued by Bursa Securities which includes Committees' composition, contribution to the Board's decision making, expertise, appointment as well as timeliness and quality of communication and minutes.</p> <p>Based on the above assessments, the NC was satisfied with the existing Board composition as well as the mix of qualifications, skills and experience among the Board and Board Committees members and was of the view that all Directors and Board Committees of the Company had discharged their responsibilities in a commendable manner and have performed competently and effectively. All assessments and evaluations carried out by the NC in the discharge of all its functions were properly documented.</p>

	<p>The Board is satisfied with the level of time committed by the Directors in discharging their respective duties and roles as Directors of the Company. All the Directors of the Company have complied with Paragraph 15.06 of the MMLR of Bursa Securities on the number of directorships held in public listed companies.</p> <p>The NC also reviewed the independence of the Independent Directors, and was satisfied with the experience, contributions, competencies and mix of skills of the Directors to enable the Board and the Board Committees to discharge their respective duties and responsibilities effectively, as well as with the independence of the Independent Director.</p> <p>In addition, the NC had reviewed the terms of office of the AC and each members of the AC, as well as the financial literacy of the AC members and was of the opinion that the AC had discharged its duties and obligations effectively.</p> <p>The Company does not fall within the category of Large Companies. Thus, the Board was of the opinion that there is no necessity to engage independent experts to perform board evaluations.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Remuneration Policy and Procedures was last reviewed, revised and adopted on 22 February 2022, to facilitate the RC to review, consider and recommend to the Board for decision on the Directors' remuneration.</p> <p>The RC recommends to the Board the remuneration of Executive Director, largely based on his performance and also the Group's performance. In the case of Independent Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the Independent Directors concerned. In all instances, the deliberations are conducted with the Directors concerned abstaining from discussions on their individual remuneration.</p> <p>On an annual basis, the RC shall review and assess the effectiveness of the Policy. Any requirement for amendment shall be deliberated by the RC, and any recommendation for revisions shall be presented to the Board for approval.</p> <p>The Remuneration Policy and Procedures is available for reference on the Company's website at www.asiasealink.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied	
Explanation on application of the practice	:	<p>The RC, established by the Board with specific Terms of Reference, comprises the following members as at the date of this Report, who are exclusively Independent Directors:</p> <ul style="list-style-type: none">• Toh Kian Sing (Chairman);• Eric Khoo Chuan Syn @ Khoo Chuan Syn; and• Yong Nyet Yun. <p>The Terms of Reference of RC is available for reference on the Company’s website at www.asiasealink.com.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The details of the Directors' remuneration of the Group on a named basis for the FYE 2022 are as follows:

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Yong Kiam Sam	Executive Director	22	Input info here	6	Input info here	Input info here	0.811	28.811	22	Input info here	584	Input info here	Input info here	218	824
2	Wong Chie Bin	Non-Executive Non-Independent Director	83	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	83	Input info here	Input info here	Input info here	Input info here	Input info here	83
3	Eric Khoo Chuan Syn @ Khoo Chuan Syn	Independent Director	70	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	70	Input info here	Input info here	Input info here	Input info here	Input info here	70
4	Toh Kian Sing	Non-Executive Non-Independent Director	70	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	70	Input info here	Input info here	Input info here	Input info here	Input info here	70
5	Datuk Sebastian Ting Chiew Yew	Independent Director	29	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	29	Input info here	Input info here	Input info here	Input info here	Input info here	29
6	Yong Nyet Yun	Independent Director	41	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	41	Input info here	Input info here	Input info here	Input info here	Input info here	41
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company notes the need for transparency in the disclosure of its key senior management remuneration, the Company is of the opinion that the disclosure of remuneration details may not be in the best interest of the Company, given the competitive landscape for key personnel with requisite knowledge, technical expertise and working experience in the Company's business activities, where intense headhunting is a common industry challenge. Accordingly, such disclosure of specific remuneration information may give rise to recruitment and talent retention issues.</p> <p>The Board ensures that the remuneration of Senior Management is commensurate with the performance of the Company. Excessive remuneration payouts are not made to Senior Management Personnels in any instance.</p> <p>The disclosure of the remuneration of the top Senior Management of the Company is currently made on aggregate basis in the compensation of key management personnel note to the accounts and is available on page 115 of the Annual Report 2022.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the AC, Madam Yong Nyet Yun who is an Independent Non-Executive Director was appointed with effect from 1 June 2022 and she is not the Chairman of the Board.</p> <p>To ensure the objectivity of the Board’s review on the AC’s findings and recommendations, the Chairman of the Board and the Chairman of AC are held by two different individuals Directors.</p> <p>This also allows the Chairman of AC to provide full commitment and devote sufficient time to matters under the responsibilities of the AC and to exercise independent judgment.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	The AC has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC. This Policy is set out in the AC's Terms of Reference in the Company's Board Charter.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied	
Explanation on application of the practice	:	<p>The AC is empowered by the Board to review any matters concerning the appointment, re-appointment, resignations and dismissal of the External Auditors and review and evaluate factors relating to the independence of the External Auditors.</p> <p>The Policies and Procedures to assess the Suitability, Objectivity and Independence of External Auditors was last reviewed, revised and adopted by the Board on 28 February 2023. The said Policy aims to outline the guidelines and procedures for AC to review, assess and monitor the performance, suitability and independence of the External Auditor.</p> <p>The AC reviewed the performance of the external auditors in terms of their capability, professionalism, and independence before recommending them to the Board to be considered for re-appointment at the forthcoming AGM.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	During the FYE 2022, the AC comprises solely of Independent Non-Executive Directors.

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied	
Explanation on application of the practice	:	<p>All members of the AC have undertaken continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.</p> <p>The training attended by each members are disclosed in Directors’ Training and Education of the Corporate Governance Overview Statement as set out in the Annual Report 2022.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges its overall responsibility for maintaining a sound risk management practices and internal control system, as well as reviewing its adequacy and operating effectiveness and integrity and so as to safeguard shareholders' investment and Group's assets. The Group's risk management process and internal control system covers not only financial controls but operational and compliance controls.</p> <p>The Board has delegated the responsibility to oversee the overall management of all identified risks of the Group and overall compliance with applicable laws and regulations, internal policies and approval limits to the AC.</p> <p>Details of the Group's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control of the Annual Report 2022.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges its responsibility for reviewing the adequacy and integrity of the Group’s risk management and internal control system; identify the key risk faced by the Group; and establishing an appropriate actions plan to manage the risks.</p> <p>Key elements of the Group’s risk management and internal control systems have been established to facilitate the proper conduct of the Group’s businesses.</p> <p>The Board is committed towards operating and maintaining a sound system of internal controls and recognises that the system must continuously evolve to support the type of business and size of operations of the Group. Internal controls have been designed to provide reasonable assurance that the likelihood of significant adverse impact on business objectives arising from an event is at an acceptable level to the Group. The system is also designed to manage and control risks appropriately, rather than eliminate the risk of failure to achieve business objectives. Due to the limitations that are inherent in any system of risk management and internal control, the system can only provide reasonable, but not absolute assurance.</p> <p>The features of its risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in the Annual Report 2022.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	The RMC comprises a majority of Independent Directors, to oversee the Company's risk management framework and policies.

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises the importance of the internal audit function and outsourced to a professional entity, KPMG Management & Risk Consulting Sdn. Bhd. [Registration No. 198601000916 (150059-H)] to assist the Board and AC in providing an independent assessment of adequacy, efficiency and effectiveness of the Group's internal control system.</p> <p>The main role of the internal audit function is to provide independent and reasonable assurance on the adequacy and effectiveness of the risk management, internal control and governance processes by conducting audits that are based on risk-based internal audit methodology approach and on audit scope in the Internal Audit Plan that have been discussed and approved by the AC.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has outsourced its internal audit function to an independent professional entity, KPMG Management & Risk Consulting Sdn. Bhd. (“KPMG MRC”) to carry out reviews and assess the adequacy and integrity of the system of internal control of the Group. The Internal Auditors have direct access and report all the findings on internal control to the AC.</p> <p>The Engagement Executive Director, Encik Mohd Khaidzir Shahari with the Internal Audit, Risk and Compliance Services (“IARCS”) practices of KPMG MRC, has provided overall direction for the Engagement and be responsible for all stages of the work therein. Encik Mohd Khaidzir is a Professional Member and Certified Internal Auditor (The Institute of Internal Auditors Incorporated), a Chartered Accountant (Malaysia Institute of Accountants), a Certified Global Management Accountant, and has a qualification from the Chartered Institute of Management Accountants. He is also currently a Board of Governors for the Institute of Internal Auditors Malaysia (“IIAM”) and is the Chairman of IIAM’s Research and Technical Advisory Committee.</p> <p>In FYE 2022, the internal auditor has assigned three (3) personnels (“the Internal Audit Team”) to provide internal audit services and they are free from any relationships or conflicts of interest with those involved and carry out the internal audit review independently. The Internal Audit Team performed their works based on internal audit methodology approach, which aligned with the International Standard for the Professional Practice of Internal Auditing of the Institute of Internal Auditor.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	The Board believes in embedding a culture in the Group that seeks to balance compliance requirements with the need to deliver long term strategic value to shareholders and stakeholders through performance, predicated on entrepreneurship, control and ownership, and with consideration towards ethics and integrity. Apart from disclosures in the Annual Report 2022, the Company has also established a Company's website at www.asiasealink.com that houses, inter-alia, documentation on the Group's corporate governance practices like the Board Charter, Whistleblower Policy, Code of Conduct/Ethics for Directors and employees of the Group, Corporate Disclosure Policies and Procedures Documents, Sustainability Policy, Gender Diversity Policy, Fit and Proper Policy and Anti-Bribery & Corruption Policy that are useful for investors as well as potential investors to be apprised on how the Board views corporate governance and engagement with investors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:	The Board is mindful of the benefits of integrated reporting which is applicable for Large Companies. As Sealink International Berhad is not under the category of Large Companies, the Company has not adopted the integrated reporting framework.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Notice of 14th AGM was circulated at least twenty-eight (28) days before the date of meeting to shareholders and was published in a national daily newspaper which had given shareholders sufficient time to prepare themselves to attend the AGM or to appoint a proxy to attend and vote on their behalf. Items of special business included in the Notice of AGM was accompanied by an explanation of the proposed resolution.</p> <p>The Notice of forthcoming 15th AGM of the Company which is scheduled to be held on 31 May 2023 will be sent to shareholders at least twenty-eight (28) days before the date of 15th AGM as well. Shareholders who are unable to attend personally are allowed to appoint proxy/proxies to attend, participate, speak and vote on their behalf at the 15th AGM.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied	
Explanation on application of the practice	:	At the 14 th AGM held on 31 May 2022, all the Directors, the Chairman of the AC, NC, RC, RMC, SC and Senior Management were present in person to engage directly with shareholders and be accountable for their stewardship of the Company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3

Listed companies should leverage technology to facilitate—

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company issues an AGM administrative guide with the Notice of the AGM, which provides information to the shareholders regarding the details of the AGM, their entitlement to attend the AGM, their right to appoint a proxy and information as to who may count as a proxy. The Company allows a member to appoint a proxy who need not be a member of the Company.</p> <p>Shareholders who are unable to attend personally are allowed to appoint proxy/proxies to attend, participate, speak and vote on their behalf at the AGM.</p> <p>Despite the recommendation Practice 13.3 that the Company should leverage on technology to facilitate voting including voting in absentia and remote shareholders' participation at the General Meeting, the Board has assessed and of the opinion that it is not necessary to have meetings in remote locations as it is deemed not cost effective in view of the current numbers and spread of shareholders.</p> <p>The Board took note the advantage of electronics voting as promoted by the MCCG 2021.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.

Application	:	Applied
Explanation on application of the practice	:	The Board always encourage the shareholders to attend the Company's general meetings, particularly the AGM, which is the principal forum for direct interaction and dialogue between the Shareholders, the Board and the Management. The AGM provides an opportunity for the Shareholders to seek and clarify any issues and to have a better understanding of the Group's performance and other matters of concern. At the AGM, Shareholders participated in deliberating resolutions being proposed or on the Group's operations in general. The Board will ensure that all the Board Members, Management Team, External Auditors and Company Secretary are present to respond to Shareholders' queries during the AGM and any other general meetings.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice	:		
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	Minutes of the 14 th AGM were made available on the Company's website at www.asiasealink.com within thirty (30) business days after the 14 th AGM.
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
	:	

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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