



Appendix D

AUDIT COMMITTEE CHARTER

(TERMS OF REFERENCE)

(A) Membership

The Audit Committee (“Committee”) shall be appointed by the Board from amongst the Directors and shall comprise no fewer than three (3) members, all of whom must be Non-Executive Directors with a majority being Independent Directors. The Chairman of the Board shall not be a member of the Committee. The Committee shall, collectively, possess the relevant range of skills necessary for it to discharge its duties as set out in these terms of reference.

The Committee shall include at least one (1) Director who is a member of the Malaysian Institute of Accountants or, alternatively, a person who must have at least three (3) years’ working experience and have passed any of the examinations specified in Part I of the First Schedule of the Accountants Act, 1967 or is a member of one of the associations/institutes specified in Part II of the said Schedule or fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad (“Bursa Securities”).

All members of the Committee shall be financially literate, i.e., able to read, analyse and interpret financial statements, competent and are able to understand matters under the purview of the Committee, including the financial reporting process of the Company. Accordingly, all members of the Committee shall undertake continuous professional development to keep abreast of relevant developments on accounting and auditing standards, practices and rules.

No former partner of the Company’s external auditors (“Audit Firm”) shall be appointed a member of the Committee unless the person has ceased as partner of the Audit Firm for a period of at least three (3) years. Partner refers to all former partners of the Audit Firm and/or its affiliates, including those providing advisory services, tax consulting, etc.

No Alternate Director shall be appointed a member of the Committee.

The members of the Committee shall elect a Chairman from amongst their number who shall be an Independent Director.

In the event of any vacancy in the Committee which results in a breach in the Main Market Listing Requirements of Bursa Securities, the vacancy shall be filled within three (3) months or any longer period with the approval of Bursa Securities. The terms of office and the performance of the Committee and each of its members shall be assessed annually by way of a “self and peer” review carried out by members of the Committee, with the outcome submitted to the Nominating and Remuneration Committee (“NRC”) for review. The terms of office of each member in the Committee shall be reviewed by the NRC annually to determine the need to refresh the Committee’s composition.

(B) Authority

The Committee is authorised by the Board, and at the cost of the Company, to:

- (1) investigate any matter within its Terms of Reference;



- (2) have the resources which are required to perform its duties;
- (3) have full and unrestricted access to any information pertaining to the Company and any of the subsidiaries;
- (4) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- (5) be able to obtain independent professional or other advice in connection with any matter within the remit of the Committee; and
- (6) convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other Directors and employees of the Company.

(C) Functions

The functions of the Audit Committee comprise the following:

- (1) review the following and report the same to the Board:
 - (a) the audit plan, evaluation of the internal control system of the Company and its subsidiaries (“Group”) and the audit report with the External Auditors; the assistance given by the employees of the Group to the External Auditors;
 - (b) the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - (c) the internal audit plan, processes, the results of the internal audit assessment or investigations undertaken and whether or not appropriate action is taken on the recommendations;
 - (d) the quarterly results and year-end financial statements, before approval by the Board of Directors, focusing particularly on:
 - (i) changes in or implementation of major accounting policy changes;
 - (ii) significant matters highlighted, including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions, and how these matters are addressed; and
 - (iii) compliance with accounting standards and other legal requirements;
 - (e) any related party transactions and conflict of interest situation that may arise within the Company or Group, including any transaction, procedure or course of conduct that raises questions of Management integrity;
 - (f) any letter of resignation from the External Auditors; and
 - (g) whether there is reason (supported by grounds) to believe that External Auditors are not suitable for re-appointment;



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- (2) consider the appointment and re-appointment of the External Auditors, the audit fee and any question of dismissal;
 - (3) assess, review and monitor the suitability and independence of External Auditors in accordance with the External Auditors Assessment Policy which take into consideration the following:
 - (a) written assurance from External Auditors confirming they are, and have been, independent throughout the conduct of audit engagement in accordance with the terms of relevant professional and regulatory requirements;
 - (b) the competence, audit quality and resource capacity of the Audit Firm in relation to the audit, including information presented in the Audit Firm's Annual Transparency Report which encompasses, inter-alia, the Audit Firm's governance and leadership structure and measures taken by the Audit Firm to uphold audit quality and manage risks; and
 - (c) the nature and extent of non-audit services rendered by the External Auditors and/or their affiliates, and the level of fees paid for such services relative to the audit fees;
 - (4) approve any appointment or termination of the head of internal audit function and review any appraisal or assessment of the performance of the head of internal audit function;
 - (5) set, review and approve a policy on non-audit services which may be provided by the External Auditors and/or their affiliates, and conditions and procedures which must be adhered to by the External Auditors and/or their affiliates in the provision of such services;
 - (6) approve non-audit services before they are provided by the External Auditors and/or their affiliates ;
 - (7) consider the major findings of internal investigations and Management's response; and
 - (8) any other function as may be required by the Board from time to time.

(D) Conduct of Meetings

The Chairman shall call for meetings to be held not less than four (4) times a year. Such meetings shall either be conducted physically at site or virtually via a secure online platform. Any member of the Committee may at any time requisite for, and the Company Secretary(ies), who are Secretary(ies) of the Committee, shall, on requisition of the member, arrange to convene a meeting of the Committee.

Except in the case of an emergency, a seven (7) days' notice shall be given in writing to all members before the date of the meeting.

The quorum for meeting shall be two (2) members who are Independent Directors. Meetings shall be chaired by the Chairman, and in his absence, by an Independent Director appointed from the remaining Committee members. Decision on a matter deliberated shall be made by a majority of votes.

The Head of Finance, Head of Internal Audit and the Committee Secretary(ies) shall normally attend the full meetings upon invitation of the Committee. Other Board members and employees



may attend meetings upon invitation of the Committee to provide explanations required on an agenda item involving them after which they shall be excused from the meeting. A representative of the External Auditors shall attend the meeting to present the audit plan and the outcome of their audit of the annual financial statements and such other meetings as determined by the Committee.

The Chairman has the right to request those who are present to leave the meeting when matters to be discussed are likely to be hampered by their presence or confidentiality of matters needed to be preserved.

(E) Reporting Procedures

The Committee Secretary(ies) shall record the proceedings of meetings, the draft minutes of which shall be made available to the members of the Committee for comments within one (1) month from conclusion of the meeting. Minutes of meetings which have been confirmed by the Chairman of the Committee shall be circulated to all members of the Board.

The Chairman of the Committee shall, following the conclusion of the Committee meeting, report to the Board of Directors at its meeting the matters discussed and deliberated, including the outcome of the Committee meeting, either for notation of the Board or for its approval as the case may be. On an annual basis, the Committee shall prepare for the Board, and for inclusion in the Company's Annual Report, a summary of its activities in the discharge of its functions and duties for the financial year under review.

The Committee may report to Bursa Securities any matter reported by it to the Board which has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Securities.

(F) Review of the Terms of Reference

The Audit Committee shall review and assess the Terms of Reference once in every two (2) years or at more frequent intervals as circumstances dictate to ensure that the Terms of Reference remain relevant and appropriate in the discharge of the Committee's responsibilities. Any proposed changes to the Terms of Reference shall be approved by the Board.

Revised on 14 September 2021