



## **JADE MARVEL GROUP BERHAD**

200201024617 (592280-W)  
("the Company")

### **TERMS OF REFERENCE**

#### **AUDIT COMMITTEE**

#### **COMPOSITION**

##### **Members**

1. The Members of the Audit Committee ("Committee") shall be appointed by the Board of Directors ("Board") and shall consist of not less than three (3) Members, comprising wholly of Non-Executive Directors with a majority of them being Independent Directors of the Company. No Alternate Directors shall be appointed as members of the Committee.
2. The Board shall at all times ensure that the Members should be financially literate and at least one (1) Member of the Committee:-
  - (i) must be a member of the Malaysian Institute of Accountants; or
  - (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and:
    - (i) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
    - (ii) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act, 1967; or
  - (iii) fulfils such other requirements as approved by Bursa Malaysia Securities Berhad ("Bursa Securities").
3. The former partner of the external audit firm of the Company, if any, shall observe a cooling-off period of at least three (3) years before being eligible to be appointed as a member of the Committee.

##### **Chairman**

The Members of the Committee shall elect a Chairman from among their number who shall be an Independent Non-Executive Director. In the event, the elected Chairman is not able to attend a meeting, the remaining members present shall elect one of themselves as Chairman for the meeting. The elected Chairman shall be an Independent Non-Executive Director.



## **Secretary**

The Secretary of the Committee shall be the Company Secretary or any other person so appointed by the Committee from time to time.

## **MEETINGS**

### **Frequency and Attendance**

1. The Committee shall regulate its own proceedings. The Committee shall meet at least four (4) times a year. Upon the request of any of its Members, the external auditors or Company's management, the Chairman shall convene a Meeting of the Committee to consider any matter the external auditors believe should be brought to the attention of the Directors or Shareholders.
2. Other Directors and employees may attend the Committee Meeting at the invitation of the Committee, specific to the agenda of the meeting.

### **Quorum**

A quorum shall consist of two (2) Members and a majority of the Members present must be Independent Non-Executive Directors.

### **Minutes of meetings**

Every meeting of the Committee must be recorded either by the Company Secretary or any other person approved by the Committee to take minutes and such minutes must be signed by the Chairman of that meeting or by the Chairman of the next succeeding meeting as evidence that the meeting was duly convened and held.

## **AUTHORITY**

The Committee shall in accordance with a procedure to be determined by the Board and at the cost of the Company:-

- (a) Have authority to investigate any activity within its terms of reference;
- (b) Have the resources which are required to perform its duties;
- (c) Have full and unrestricted access to any information pertaining to the Company and its subsidiaries ("Group");
- (d) Have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- (e) Be able to obtain independent professional or other advice; and
- (f) Be able to convene meetings with the external auditors, the internal auditors, or both, excluding the attendance of executive directors and employees of the Company, whenever deemed necessary.

## **TERMS OF OFFICE**

### **Retirement and Resignation**

In the event of any vacancy in the Committee resulting in non-compliance of the composition of Members under the Terms of Reference of the Committee, the Board shall within three (3) months of the vacancy, appoint such new Member(s) to comply with the composition of Members.

### **Review of the Committee**

The Nomination Committee shall review the term of office and performance of the Committee and each of its members annually to determine whether the Committee and its members have carried out their duties in accordance with their Terms of Reference.

## **FUNCTIONS AND RESPONSIBILITIES**

### **Financial Reporting**

- (a) To review the quarterly and year-end financial statements of the Group before the approval by the Board, focusing particularly on:-
  - (i) changes in or implementation of major accounting policy changes;
  - (ii) significant matters highlighted including financial reporting issues, significant judgments 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.
- (b) To discuss with the Company's management the scope and quality of accounting and financial reporting controls in effect;

### **External Auditors**

- (c) To review with the external auditors:
  - (i) the annual audit plan, scope and nature of the audit of the Company and Group;
  - (ii) before commencement of audit, the nature and scope of the audit and ensure coordination where more than one audit firm are involved;
  - (iii) their audit report, audit findings arising from the audit and any matters the external auditors wish to discuss (in the absence of the Company's management where necessary); and
  - (iv) their evaluation of the system of internal controls.
- (d) To review the external auditors' management letters and management's response.

- (e) To assess the suitability and independence of external auditors, to recommend their appointment and reappointment, their audit fees and any question of resignation or dismissal.
- (f) To review the assistance given by the Company's employees to the external auditors.
- (g) To review any letter of resignation from the external auditors of the Company.
- (h) To review whether there is a reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment.
- (i) To review with the Company's management and the external auditors to ensure suitability and adequacy of accounting policies and practices, its compliance with any regulatory or other external financial reporting controls and requirements.

### **Internal Auditors**

- (j) To review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work.
- (k) To review the internal audit plan, processes, results of the audit processes and the findings of any investigation and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function.
- (l) To review the adequacy and effectiveness of the Group's internal control systems and Risk Management framework, anti-corruption and whistle-blowing as evaluated, identified and reported by the Management, internal or external auditors as well as to review whether actions taken to ratify the same are appropriate or timely.

### **Sustainability**

- (m) To perform the following in relation to sustainability:
  - (i) oversee and review the development and implementation of the Company's sustainability vision, strategy, framework, initiatives, policies and practices, and explore ways to incorporate them into the Company's overall operations and business goals;
  - (ii) regularly review the sustainability framework of the Company which is grounded in the Environmental, Social and Governance (ESG) pillars, to ensure its alignment with evolving local and global sustainability trends and developments, while also confirming its feasibility within the Company's existing resources and capabilities; and
  - (iii) to assist the Board with regard to the disclosures in the Sustainability Statement to be included in the Company's Annual Report.



### **Related Party Transactions and Conflict of Interest Situations**

- (n) To review any related party transactions and conflict of interest situation that arose, persist or may arise within the Company or the Group including any transaction, procedure or course of conduct that raises question of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts;
- (o) To review and assess all disclosure of conflicts of interest by the Directors, Key Senior Management and legal representative(s) appointed by the Group, to evaluate their nature, significance, and potential impact on the Group. During the process of evaluating and handling the conflict of interest, the Committee has the authority to seek independent advice or opinions to aid in their evaluation.
- (p) To review the adequacy of the arrangements within the Group when dealing with any conflict of interest.
- (q) To review and recommend appropriate measures, such as reassignment, termination, or other appropriate actions if the disclosed conflict poses a significant risk to the Group.

### **Compliance and Other Matters**

- (r) To review procedures in place to ensure that the Group is in compliance with the Companies Act, 2016, Main Market Listing Requirements of Bursa Securities, Financial Reporting Standards issued by the Malaysian Accounting Standards Board and other relevant legal and regulatory requirements.
- (s) To consider and examine such other matters as the Committee considers appropriate or as authorised by the Board.
- (t) To evaluate risk assessment processes and measures in place are adequate to minimise any exposures to risks including frauds.
- (u) To monitor systems and procedures with the external and internal auditors to ensure that the existing level of internal control, asset protection and management information are satisfactory and effective.

### **COMMUNICATION TO THE BOARD**

1. The minutes of each Committee meeting shall be tabled to the Board for notation.
2. The Committee may from time to time submit to the Board its recommendation on matters within its purview for the Board's decision.
3. Where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Securities, the Committee must promptly report such matter to Bursa Securities.

## **GENERAL MEETINGS**

The Chairman of the Committee should attend the general meetings to answer to questions relating to the Committee's activities.

This Terms of Reference was reviewed and updated by the Board of the Company on 22 November 2023.

## TERMS OF REFERENCE

### REMUNERATION COMMITTEE

#### COMPOSITION

##### ***Members***

The members of the Committee shall comprise wholly or mainly of Non-Executive Directors and number at least 3 in total.

##### ***Chairman***

The Chairman of the Committee shall be appointed by the Board.

##### ***Secretary***

The Secretary of the Committee shall be the Company Secretary or any other person so appointed by the Committee from time to time.

#### MEETINGS

##### ***Notice***

The Secretary, in conjunction with the Chairman, shall draw up an agenda, which shall be circulated together with the relevant support papers, at least one (1) week prior to each meeting to the members of the Committee.

##### ***Attendance***

The Executive Directors may be invited to attend meetings to discuss the performance of the Executive Directors and make proposals as necessary.

##### ***Frequency of Meetings***

The Committee shall meet at least once a year. Additional meetings may be held as and when necessary.

##### ***Quorum***

The quorum of the Committee shall be at least two (2) members.

##### ***Minutes of Meetings***

The minutes of meetings of the Committee shall be circulated to all members of the Board.

#### TERMS OF OFFICE

##### ***Retirement and Resignation***

In the event of any vacancy in the Remuneration Committee resulting in non-compliance of the composition of Members under the Terms of Reference of the Committee, the Board of Directors shall within three (3) months of the vacancy, appoint such new Member(s) to comply with the composition of Members.

## **FUNCTIONS AND RESPONSIBILITIES**

- a) To recommend to the Board of Directors the policy framework and remuneration structure of the Executive and Non-Executive Directors;
- b) To recommend to the Board of Directors (“Board”) on the remuneration of the Executive Directors in all its forms such that the component parts of remuneration are structured to link rewards to corporate and individual performance;
- c) To ensure the levels of remuneration be sufficiently competitive, attractive and be able to reward, motivate and retain the directors needed to run the Company successfully;
- d) To reward Non-Executive Directors based on the experience and level of responsibilities undertaken by the particular Non-Executive Directors concerned, taking into account comparable market rate;
- e) To consider other fringe benefits issues that may arise from time to time;
- f) To review indemnity and liability insurance policies for the Directors and Officers of the Company; and
- g) To consider and examine such other matters as the Remuneration Committee considers appropriate.



## TERMS OF REFERENCE

### NOMINATION COMMITTEE

#### COMPOSITION

##### ***Members***

The members of the Committee shall comprise exclusively of Non-Executive Directors and number at least 3 in total, a majority of whom being independent.

##### ***Chairman***

The Chairman of the Committee shall be an Independent Non-Executive Director appointed by the Board.

##### ***Secretary***

The Secretary of the Committee shall be the Company Secretary or any other person so appointed by the Committee from time to time.

#### MEETINGS

##### ***Notice***

The Secretary, in conjunction with the Chairman, shall draw up an agenda, which shall be circulated together with the relevant support papers, at least one (1) week prior to each meeting to the members of the Committee.

##### ***Attendance***

The Executive Directors may be invited to attend meetings as necessary.

##### ***Frequency of Meetings***

The Committee shall meet at least once a year. Additional meetings may be held as and when necessary.

##### ***Quorum***

The quorum of the Committee shall be at least two (2) members.

##### ***Minutes of Meetings***

The minutes of meetings of the Committee shall be circulated to all members of the Board.

#### TERMS OF OFFICE

##### ***Retirement and Resignation***

In the event of any vacancy in the Nomination Committee resulting in non-compliance of the composition of Members under the Terms of Reference of the Committee, the Board of Directors shall within three (3) months of the vacancy, appoint such new Member(s) to comply with the composition of Members.

## **FUNCTIONS AND RESPONSIBILITIES**

- a) To review the size of the Board with an aim to ensuring a fair representation of the shareholders on the Board and determining the impact of the number upon its effectiveness;
- b) To review the balance of executive and non-executive directors (including independent directors) with an aim to achieving a balance of views on the Board;
- c) To assess and recommend to the Board all candidates for directorships to be filled by the shareholders, the Board or any other stakeholder;
- d) To consider in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and within the bound of practicability, by any other senior executive or any director or shareholder;
- e) To ensure a formal and transparent procedure for the appointment of new directors to the Board;
- f) To assess and recommend to the Board, directors to fill the seats on Board Committees.
- g) To review the required mix of skills and experience and other qualities, including core competencies, of the members of the Board; and
- h) To assess the contribution of each individual director, the effectiveness of the Board as a whole and the committees of the Board.