MYDCD BERHAD

Registration No.: 202501030429 (1631841-A)
(Incorporated in Malaysia)

INTERNAL AUDITORS ASSESSMENT POLICY

1.0 PURPOSE

The Audit and Risk Management Committee ("**ARMC**") of MyDCD Berhad ("**the Company**") is responsible for the appointment of the Company's Internal Auditors, as well as for determining its scope of work and remuneration. The ARMC is entrusted by the Board of Directors ("**Board**") to review, assess, and monitor the performance, suitability, and independence of the Internal Auditors.

To objective is to outline the guidelines and procedures for ARMC to review, assess, and monitor the performance, suitability, and independence of the Internal Auditors ("**IA**").

2.0 SELECTION AND APPOINTMENT PROCEDURES

The ARMC plays a key role in reviewing the scope and result of the IA' functions together with the elements of independence and objectivity of the IA. The ARMC is responsible for reporting to the Board on the appointment, re-appointment and removal of the Company's IA.

The following are the procedures for the selection and appointment of IA when there is a need to appoint new IA due to the resignation, retirement or removal of the existing IA:-

a. To identify the internal audit firms which meet the criteria for appointment and to request their proposals of engagement for consideration;
b. To assess the proposals received and shortlist the suitable internal audit firms;
c. To meet and/or interview the shortlisted internal audit firms; and
d. To finalise a suitable internal audit firm to the Board of Directors ("**Board**") for appointment as the Company's IA.

The ARMC may delegate or seek the assistance of the Chief Executive Officer and/or Head of Finance (**"HOF**") to carry out items (i) and (ii) above.

The following are some of the criteria to be considered by the ARMC in the selection of IA:

a. Adequacy of resources and experience of the internal audit firm;
b. Quality processes of the internal audit firm;
c. Competency of the engagement team;
d. Governance and independence;
e. Internal audit fee, scope and planning; and
f. Internal audit reports and communications.

3.0 ASSESSMENT OF INDEPENDENCE

The IA are precluded from providing any services that may impair their independence or conflict with their role as IA.

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The ARMC shall obtain assurance from the IA confirming that they are, and have been, independent throughout the conduct of the internal audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

4.0 INTERNAL AUDIT ENGAGEMENT FEES

The ARMC is tasked with the role of ensuring that the fees payable to the IA are fair and realistic in terms of the size and complexity of the internal audit functions.

5.0 ANNUAL PERFORMANCE ASSESSMENT

The ARMC shall carry out an annual performance assessment of the IA and may request the CEO and/or the HOF to join the assessment.

6.0 REVIEW OF THIS POLICY

The ARMC will review this Policy from time to time and make any necessary amendments to ensure it remains consistent with the ARMC's objectives and responsibilities.