



CS02 AUDIT COMMITTEE TERMS OF REFERENCE

Strategy and Business Planning

1. HCB Group business plan and changes thereon.
2. HCB Group sustainability governance.
3. Creation of new business or activities or termination of existing business or activities which significantly change the nature of HCB Group and any of its businesses.
4. HCB's corporate identity and brand architecture.
5. HCB Group policies and any revisions or amendments thereto.

Finance and Controls

1. Approval of quarterly, annually unaudited and audited financial statements or any audited financial statements for special purposes.
2. Declaration of interim dividend and recommendation of final dividend.
3. Approval of any significant change in accounting policies and practices of HCB and its subsidiaries.
4. Reports and findings of the external auditors.
5. Capitalisation of reserves.
6. Write-off, disposal and acquisition of assets/investments/business (in accordance with the limit of authority sets out in the Finance Manual).
7. Limit of authority and any revisions or amendments thereto in respect of Finance Manual.
8. Opening and closing of bank account(s).
9. Writing-off of inter-company transactions or balances (in accordance with the limit of authority sets out in the Finance Manual).
10. Change in mode of operation and cheque signatories of bank account(s).
11. Increase / decrease of share capital.
12. Provision / acceptance of inter-company advances and loans.
13. Provision of corporate / financial guarantee and letter of comfort / support.



Finance and Controls (cont')

14. Acceptance of working capital credit facilities.
15. Creation of financial instruments and derivatives (in accordance with the limit of authority sets out in the Finance Manual).
16. Entering of related party transaction(s) (in accordance with the limit of authority sets out in the Finance Manual and Related Party Transaction Policy & Procedures).

People

1. Changes to HCB Group's human resources policy and terms and conditions of employment and benefits.
2. Changes to HCB's organisational or Senior Management structure that significantly alters the governance or operational direction of HCB Group.
3. Annual salary increments and performance bonus.
4. Remuneration, benefits, entitlements and terms of conditions of employment of Executive Directors, key positions of HCB and its major subsidiaries.
5. Payment of long-term employment incentives.
6. Appointment or termination or resignation of top key positions of HCB and its major subsidiaries and changes thereafter.
7. Succession plan for top key personnel.
8. Performance evaluation of Executive Director(s).

Compliance and Support

1. Legal action against any person which will have a significant impact on HCB Group's business or long-term plan / strategy.
2. Settlement of litigation (in accordance with the limit of authority sets out in the Finance Manual).
3. Appointment of power of attorney.
4. Appointment of Board and Board Committee members.
5. Approval of HCB Board and Board Committees' charter, terms of reference and changes thereto.



Compliance and Support (cont')

6. Convening of annual general meeting and extraordinary general meeting(s).
7. Key statements for annual reports, prospectuses and circulars to shareholders.
8. Changes to Constitution.
9. Appointment and termination of Share Registrars and Company Secretary / Secretarial Agents.
10. Change of registered office.
11. Appointment of proxy/ies and corporate representative(s) of the Company.
12. Change of Company's name.
13. Winding up of HCB's business.

Assurance

1. Internal audit charter and any revisions or amendments thereto.
2. HCB Group internal audit plan.
3. HCB Group Internal audit report.