



GHL Systems Berhad

(293040-D) Incorporated in Malaysia

POLICY

STATEMENT ON

**AUDITOR
INDEPENDENCE**

February 2022

1. Policy Overview

The Auditor Independence Policy is a comprehensive policy (“Policy”) governing all aspects of GHL Systems Berhad.’s (“GHL”) relationship with the External Auditor, including:

- The audit firm must remain independent of GHL at all times and comply with the requirements of applicable laws, rules, and regulations dealing with auditor independence.
- The audit firm is not to provide non-audit services under which the auditor assumes the role of management, becomes an advocate for the GHL, audits its own professional expertise or creates a mutual or conflicting interest between the auditor and GHL.
- All non-audit assignments awarded to external auditors must be approved in advance by ARC Committee or, between Committee meetings.
- All non-audit assignments are to be reported to the ARC Committee every six months. This policy on auditor independence applies to services supplied by the audit firm and their related firms to GHL, its related entities.

2. Policy Details

2.1 Rules for Engaging External Auditor

Prohibited Services

The ARC Committee of GHL is responsible for ensuring that the only services performed by the External Auditor are “permitted services”. Pursuant to the relevant legal and regulatory requirements, the External Auditor’s independence would be impaired if the External Auditor, while serving as auditor, provides any non-audit services that breach their independence by the ARC Committee.

For all services falling deemed as prohibited services, the External Auditor cannot be engaged to perform these services. Please refer to Appendix A for a list of prohibited services. The list is non- exhaustive and it is subject to change at the discretion of the ARC Committee.

Permitted Services

Conversely, a “permitted service” is a service believed to be naturally aligned with the audit function. As a general rule, such permitted services do not involve a delegation of management’s authority or decision-making power to the External Auditor, and do not impede the External Auditor’s ability to provide reasonable assurance on the accounts audited. In making its

determination, the ARC Committee will assess if the performance of the service would impair the independence of the External Auditor.

For all services deemed as permitted services, an approval must be granted by the ARC Committee prior to engaging the External Auditor. Please refer to Appendix B for a list of permitted services.

2.2 Hiring of Personnel as External Auditor

This section of the Policy covers the hiring of personnel as an External Auditor to certain positions that may compromise the arm's length relationship that must exist between GHL and the External Auditor.

Anyone hired as the External Auditor, a role where the person has significant influence within GHL (i.e. Director, Chief Financial Officer, etc), is subject to a 3 years cooling-off period in which the person must not be involved in GHL audit for 3 years prior to being hired.

The hiring of such personnel from the External Auditor in a capacity that has a significant influence within GHL must be cleared by the Nomination Committee Board.

The hiring of personnel of the External Auditor in capacity that has a limited influence within GHL is not subject to any cooling-off period and does not need to be cleared by the Nomination Committee Board.

There are no restrictions for hires outside these conditions.

3. Revision and Updates

This policy will be reviewed and updated periodically by the ARC Committee to align with the changes or amendments of the Main Market Listing Requirement of Bursa Malaysia, Malaysia Code on Corporate Governance, and other regulatory requirements.

List of Prohibited Services:

- Bookkeeping services or other services related to accounting records or financial statements
- Financial information systems design and implementation
- Appraisal or valuation services, fairness opinions, or contribution-in-kind reports
- Actuarial services
- Internal audit outsourcing services
- Management functions
- Human resources functions
- Broker-dealer, investment advisor or investment banking services
- Legal services
- Recommend aggressive or confidential tax transactions
- Personal tax services to persons in financial reporting oversight roles

List of Permitted Services

- Accounting Research (audit-related)
- Due diligence work on mergers and acquisitions
- Review of prospectuses and offering circulars
- Regulatory audits/filings
- Non-statutory audits
- Audit and reviews
- Special audits on control procedures
- Prospectus work
- Tax compliance
- Other services not specifically prohibited

No	GHL Systems Berhad Auditors Independence Policy	Date
I	Adopted	8 th December 2017
ii	Second Revision	19 th March 2019