

M N C WIRELESS BERHAD
(635884-T)
(Incorporated in Malaysia)

INTERNAL AUDITORS ASSESSMENT POLICY

INTRODUCTION

The Audit Committee (“**AC**”) of M N C Wireless Berhad (“**the Company**”) is responsible for the appointment of the Company’s Internal Auditors, as well as to determine its remuneration. The AC is entrusted by the Board to review, assess and monitor the performance, suitability and independence of the Internal Auditors.

The objective of this Internal Auditors Assessment Policy (“**the Policy**”) is to outline the guidelines and procedures for the AC to review, assess and monitor the performance, suitability and independence of the Internal Auditors.

SELECTION AND APPOINTMENT PROCEDURES

The AC plays a principal key role in reviewing the scope and result of the Internal Auditors’ functions together with the elements of independence and objectivity of the Internal Auditors. The AC is responsible for reporting to the Board on the appointment, re-appointment and removal of the company’s Internal Auditors.

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

- i. To identify the internal audit firms which meet the criteria for appointment and to request for their proposals of engagement for consideration ;
- ii. To assess the proposals received and shortlist the suitable internal audit firms;
- iii. To meet and/or interview the shortlisted internal audit firms; and
- iv. To finalise the suitable internal audit firm to the Board for appointment as Internal Auditors of the Company.

The AC may delegate or seek the assistance of the Executive Directors and/or the Chief Financial Officer to carry out items (i) and (ii) above.

The following are some of the criteria to be considered by the AC in the selection of Internal Auditors:

- 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.

ASSESSMENT OF INDEPENDENCE

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

The AC shall obtain a written assurance from the Internal Auditors 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.

INTERNAL AUDIT ENGAGEMENT FEES

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

ANNUAL PERFORMANCE ASSESSMENT

The AC shall carry out annual performance assessment of the Internal Auditors and may request the Executive Directors and/or the Chief Financial Officer to join the assessment.

REVIEW OF THIS POLICY

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

This Policy was adopted by the Board of MNC on 26 April 2019.