



KHEE SAN BERHAD

Registration No: 199401018697
(304376-A)

**CORPORATE ADMINISTRATION AND COMPLIANCE COMMITTEE
TERMS OF REFERENCE**

1. OBJECTIVES OF THE COMMITTEE

The principal objective of the Corporate Administration and Compliance Committee (“Committee”) is to assist the Board of Directors and Senior Management to:

- a) Promote good corporate governance culture within the company which reinforces ethical, prudent and professional behaviour;
- b) Review, challenge and decide on management’s proposals for the company, and monitor its implementation by management;
- c) Ensure that the strategic plan of the company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability; and
- d) Supervise and assess management performance to determine whether the business is being properly managed.

2. COMPOSITION

The Committee shall comprise at least three (3) members comprising of:

- a) One (1) member from Audit Committee;
- b) One (1) member from Board of Directors;
- c) The CEO of the Company;

If a member retires or resigns from his position, that member ceases to be member of the Committee. The Board may appoint a successor. The period of appointment shall be concurrent with their tenure on the Board unless otherwise decided by the Board.

3. CHAIRMAN

The Chairman of the Committee shall be elected from amongst the Committee members. The Chairman of the Committee shall be an independent non-executive director and approved by the Board of Directors.

4. SECRETARY

The Company Secretary shall be the secretary of the Committee.

5. TERM OF OFFICE

The Board of Directors of the Company shall review annually the term of office and performance of the Committee and each of its members, who are subject to re-appointment by the Board annually.

6. MEETINGS

The Committee shall meet at least two (2) times a year. The Committee may call such additional meetings as the Chairman decides are necessary for the Committee to fulfil its obligations.

The Committee meetings shall take into consideration the following:

- a) The Secretary shall draw up agenda for each meeting, in consultation with the Chairman of the Committee. The agenda shall be sent to all Members of the Committee and any other persons who may be required to attend the meeting;
- b) The Chairman of the Committee, or the Secretary on the requisition of the Members, shall at any time summon a meeting of the Members by giving due notice;
- c) The Chairman of the Committee shall chair the Committee meetings and in his absence, the Members present shall elect one of their Members to be Chairman of the meeting;
- d) Subject to the requirement to conduct the required meeting, in appropriate circumstances, the Committee may deal with matters by way of circular reports and resolution in lieu of convening a formal meeting; and
- e) Appropriate officer of the Company or professional advisors may be invited to attend the meeting where the Committee considers their presence necessary.

7. QUORUM

No business shall be transacted at any meeting of the Committee unless a quorum is present. The quorum for the meeting shall be two (2) Committee members.

8. MINUTES

The Secretary shall prepare the Minutes of the meeting and distribute it to each Member. Minutes of the proceedings of Committee meetings shall be recorded by the Secretary, approved in draft form by the Chairman and circulated to all the Committee members. Minutes of each meeting shall be kept at the registered office and distributed to each member of the Committee and also to other members of the Board for notation. The Minutes book shall be opened for the inspection by the Board, management or other persons deemed appropriate by the Company Secretary.

Wherever possible, minutes of the Committee meetings will be confirmed at the next meeting and signed by the Chairman.

9. REPORTING

The Committee shall report to the Board of Directors the proceedings, findings and recommendations of each meeting.

10. DUTIES AND RESPONSIBILITIES

In order to fulfil its responsibilities to the Board, the Committee shall draft and review the following:

- a) Terms of Reference of Board Committees (Review and Update to align with the MCCG)
- b) Corporate Disclosure Policy
- c) Whistleblower Policy (Review and Update)
- d) Code of Conduct and Ethics
- e) Dividend Policy
- f) SOP of Stakeholders' Communication up to the Board
- g) Evaluation Process of Directors (ID & Non-ID)
- h) Evaluation Forms of the Directors and Key Management
- i) Board Charter (Review and Update)

(Last reviewed on 28 August 2023)