

AMMB Holdings Berhad

Registration No. 199101012723 (223035-V)

AmBank (M) Berhad

Registration No. 196901000166 (8515-D)

AmBank Islamic Berhad

Registration No. 199401009897 (295576-U)

AmInvestment Bank Berhad

Registration No. 197501002220 (23742-V)

**JOINT AUDIT AND EXAMINATION
COMMITTEE TERMS OF REFERENCE**

(Established on 11 May 2026)

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1. PURPOSE

- 1.1 The Joint Audit and Examination Committee (“the Committee” or “Joint AEC”) is established as a joint committee of the Board of Directors (“the Board”) of AMMB Holdings Berhad (“AMMB”) and the banking subsidiaries to support the Board with the following primary objectives:
- 1.1.1 To provide independent oversight of AMMB and the banking subsidiaries’ financial reporting and internal control systems that facilitates appropriate checks and balances within AMMB and the banking subsidiaries.
 - 1.1.2 To serve as an independent and objective party in the review, where appropriate, of the financial information of AMMB and the banking subsidiaries that is presented by the Management to the Board and shareholders.
 - 1.1.3 To provide an independent and objective review of related party transactions and conflict of interest situations.
- 1.2 For the purpose of this document, “the banking subsidiaries” refer to AmBank (M) Berhad, AmBank Islamic Berhad and AmInvestment Bank Berhad.

2. COMPOSITION AND APPOINTMENT

- 2.1 The Boards of AMMB and the banking subsidiaries shall approve the Committee composition, which shall consist of at least four (4) members, all of whom shall be Independent Non-Executive Director. There shall be at least one (1) director representing AMMB and at least (1) director representing each banking subsidiary.
- 2.2 All Committee members shall be financially literate and are able to understand matters under the purview of the Committee including the financial reporting process. At least one (1) member of the Committee:
- i. Must be a member of the Malaysian Institute of Accountants; or
 - ii. Have at least three (3) years’ working experience in accounting or finance and:
 - passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
 - iii. Fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.
- 2.3 No alternate Director shall be appointed as a member of the Committee.
- 2.4 The Chairman of the Committee shall be an Independent Non-Executive Director from AMMB. The responsibilities of the Chairman, amongst others, are as follows:
- Planning and conducting meetings;
 - Encouraging open discussion during meetings; and
 - Developing and maintaining active on-going dialogues with Senior Management.
- 2.5 The Chairman of the Committee shall not be the Chairman of the Boards of AMMB and the banking subsidiaries.

2. COMPOSITION AND APPOINTMENT (CONTINUED)

- 2.6 The Committee members may relinquish their membership in the Committee with prior written notice to the Secretary.
- 2.7 If a member of the Committee resigns or for any reason ceases to be a member of the Committee and the vacancy results in non-compliance with the Listing Requirements of Bursa Malaysia Securities Berhad, then the Board which the outgoing member represents shall fill the vacancy within three (3) months from that event.

3. AUTHORITY

- 3.1 The Committee is authorised by the respective Boards of AMMB and the banking subsidiaries to perform the following:
- 3.1.1 Secure the resources in order to perform its duties as set out in its terms of reference.
- 3.1.2 Investigate any activity within its terms of reference and shall have direct communication channels with Senior Management.
- 3.1.3 Have full and unrestricted access to information pertaining to AMMB and the banking subsidiaries, their records, properties and personnel in the performance of its duties.
- 3.1.4 Obtain external legal or other independent professional advice as necessary.
- 3.1.5 Convene meetings with Senior Management, and if appropriate, the Company Secretary, whenever deemed necessary.
- 3.2 The Committee shall report to the Boards of AMMB and the banking subsidiaries on matters considered and its recommendations thereon. The representatives of the entities shall update the respective entity boards.

4. FUNCTIONS AND DUTIES

The main functions and duties of the Committee shall include, but are not limited to the following:

4.1 Financial Reporting and Internal Controls

- 4.1.1 To review the quarterly results and year-end financial statements of AMMB and the banking subsidiaries prior to approval by the respective Boards to ensure compliance with accounting standards and legal requirements, and to ensure fair and transparent reporting and prompt publication of the financial accounts.
- 4.1.2 To review and recommend any changes in accounting policies, accounting treatments and improvement in the system of internal control, where deemed necessary.
- 4.1.3 To determine that AMMB and the banking subsidiaries have adequate established policies, procedures and guidelines, operating and internal controls, and that they are being complied with and are operating effectively in promoting efficiency and proper conduct and protecting the assets of AMMB and the banking subsidiaries.

4. FUNCTIONS AND DUTIES (CONTINUED)

4.1 Financial Reporting and Internal Controls (continued)

- 4.1.4 To evaluate the adequacy and effectiveness of the internal control environment of AMMB and the banking subsidiaries through the review of the reports of both the external and internal auditors that highlight internal accounting, organisational and operating control weaknesses, and to determine that appropriate corrective actions are being taken by Management.
- 4.1.5 To review the adequacy of disclosures in the Directors' Report, corporate governance statement and other financial reports, including preliminary announcements in relation to the preparation of financial statements for AMMB and the banking subsidiaries, as applicable.
- 4.1.6 To review third-party opinions on the design and effectiveness of the internal control framework of AMMB and the banking subsidiaries.
- 4.1.7 To note the update on tax and other regulatory (such as EPF, SOCSO, etc.) payments to ensure compliance with due dates and the updates on all direct / indirect tax matters impacting AMMB and the banking subsidiaries.

4.2 Internal and External Audit

- 4.2.1 With respect to external auditors:
 - i. To recommend the appointment, reappointment, resignation or removal of the external auditors.
 - ii. To recommend to the Boards of AMMB and the banking subsidiaries for approval of the annual audit fees.
 - iii. To review and consider any request to dismiss the external auditor or reasons for resignation by the external auditor.
 - iv. To review and deliberate scope of audit, audit plan and audit reports and ensure coordination where more than one audit firm is involved.
 - v. To approve the appointment of and fees payable to the external auditors for the provision of non-audit services after having considered the scope of non-audit services and assurance provided by the external auditor that their independence will not be impaired and their professional judgement will not be jeopardised.
 - vi. To consider the external auditor's management letter on audit findings and recommendations including matters for improvement in AMMB and the banking subsidiaries' systems of internal control.
 - vii. To provide a forum for the prompt resolution of issues arising from the interim and final audits, and any matter the external auditor may wish to discuss (in the absence of Management where necessary).
 - viii. To ensure that no restrictions are being placed by the Management and employees on the scope of the external auditor's examinations or access to AMMB and the banking subsidiaries' records for audit purposes.
 - ix. To assess the objectivity, performance and independence of the external auditor. The assessment on the suitability, objectivity and independence of the external auditor to be conducted annually.

4. FUNCTIONS AND DUTIES (CONTINUED)

4.2 Internal and External Audit (continued)

4.2.1 With respect to external auditors (continued):

- x. To obtain written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
- xi. To maintain regular, timely and open communication with the external auditor, and requiring the external auditor to report to the Committee on significant matters. To meet with the external auditor without the presence of Management, at least twice a year.

4.2.2 With respect to internal audit:

- i. To review and approve the Internal Audit Charter of AMMB and the banking subsidiaries.
- ii. To ensure the adequacy and appropriateness of the scope, functions and resources of the internal audit function and that they have the necessary authority to carry out their work.
- iii. To review and approve the scope of audit (including *Shariah* audit), audit plan and audit reports of the internal auditors and ensure issues are being managed and rectified appropriately and recommend actions to be taken by Management, where appropriate.
- iv. To oversee *Shariah*-related matters such as *Shariah* deviation, *Shariah* non-compliance or issues concerning *Shariah* which require the Committee's attention.
- v. To ensure that no restrictions are being placed by the Management and employees on the scope of the internal auditors' examinations.
- vi. To establish a mechanism to assess the competency, performance and effectiveness of the internal audit function.
- vii. To review and approve the appointment, transfer, dismissal, setting of key performance indicators, performance evaluation and remuneration of the Group Chief Internal Auditor.
- viii. To provide oversight on the adequacy of resources and remuneration of the internal auditors.
- ix. To take cognisance of resignation of the Group Chief Internal Auditor and his / her direct reports and provide the resigning individual an opportunity to submit his / her reasons for resigning.
- x. To have direct communication channels with the internal auditors and able to meet with the internal auditor without the presence of Management.
- xi. To note disagreements between the Group Chief Internal Auditor and the rest of the Senior Management team, irrespective of whether these have been resolved, in order to identify any impact the disagreements may have on the audit process or findings.

4. FUNCTIONS AND DUTIES (CONTINUED)

4.3 Special Audits and Investigations

- 4.3.1 To ensure that audit of specialised areas is adequate by directing the engagement of external experts to carry out the review, if required and ensure that the terms and scope of the engagement, the working arrangement with the internal auditors and reporting requirements are clearly established.
- 4.3.2 To direct and supervise any special project or investigation considered necessary or as requested by the Boards of AMMB and the banking subsidiaries.

4.4 Related Party Transactions and Conflicts of Interest

- 4.4.1 To ensure that management establishes a comprehensive framework for the purposes of identifying, evaluating, approving, reporting and monitoring conflict of interest situations and related party transactions.
- 4.4.2 To review and report to the Boards of AMMB and the banking subsidiaries in a timely manner of any related party transactions and non-compliance with the conflict of interest policies for the Board and management that arose, persist or may arise, including transactions, procedures or course of conduct that raises questions of Management and Directors' integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts.

4.5 Reporting to the Board

- 4.5.1 To report to the Boards of AMMB and the banking subsidiaries, key matters discussed and agreed at the Committee meeting.
- 4.5.2 To advise the Boards of AMMB and the banking subsidiaries on matters within the scope of the Committee, as well as any major audit and / or tax related issues that merit the attention of the Boards.

4.6 Whistleblowing Channel

- 4.6.1 To have oversight of whistleblowing and / or complaint cases of AMMB and the banking subsidiaries, via the investigation report. Where the investigation involves Group Chief Executive Officer, Chief Executive Officer, Chief Officer / Managing Director and above, the investigation report shall then be presented directly to AMMB's Board and the respective entities as the case may be.

4.7 Sustainability and / or Climate Risk

- 4.7.1 To review matters relating to sustainability / or climate risk arising from independent audits and assurance reports as well as other sustainability reporting or disclosures as may be required by regulatory bodies.
- 4.7.2 To review the effectiveness of the governance structure and adequacy of internal controls and risk management systems for sustainability and / or climate risk by considering the assessment results by the internal audit function or other independent reviewers.

5. MEETINGS

5.1 Frequency and Attendance

- 5.1.1 The Committee shall meet at least quarterly in a financial year. The Chairman of the Committee, in consultation with the Secretary, should determine the frequency of committee meetings. Additional meetings shall be scheduled as considered necessary by the Chairman of the Committee or should circumstances require.
- 5.1.2 The *Shariah* Committee (to be represented by at least one of the members) shall be invited to the Joint AEC meetings (at least twice a year) to highlight any concerns of the *Shariah* Committee on *Shariah*-related matters.
- 5.1.3 There shall be in attendance at the meeting of the Committee by invitation the Group Chief Executive Officer, Chief Executive Officer [or representative(s)] of each banking subsidiary, Group Chief Financial Officer, Group Chief Internal Auditor and members of Management, and such other persons as deemed necessary by the Committee.
- 5.1.4 Committee members are expected to attend at least 75% of total Committee meetings in any applicable financial year.

5.2 Meeting Agenda and Papers

- 5.2.1 The agenda and meeting papers shall be circulated at least seven (7) calendar days before each meeting to the Committee members. Any submission of meeting paper less than three (3) calendar days before each meeting shall be considered a late paper and will require the approval of the Chairman.

5.3 Quorum

- 5.3.1 The quorum for a meeting of the Committee shall be more than 50% of the Committee members.
- 5.3.2 In the absence of the Chairman, the remaining members present shall elect one of their Independent Non-Executive members as Chairman of the meeting.

5.4 Meeting Mode

- 5.4.1 A meeting shall be conducted in person or via telephone conference or video conference or similar communications equipment or other appropriate means as determined by the Committee to enable effective discussion.
- 5.4.2 The Committee may from time to time and if deemed appropriate, consider and approve and / or recommend relevant matters via a Circular Resolution in writing, including approval by legible confirmed transmission by facsimile or other forms of electronic communications, in lieu of formally convening a meeting. The Circular Resolution shall only be undertaken with prior approval from the Chairman, and it shall follow the voting rights as set out in clause 5.5. The Circular Resolution shall be as valid and effectual as if it has been passed by a meeting of the Committee duly convened.
- 5.4.3 Circular Resolutions must be signed by all Committee members, subject to clause 5.5.2. Members who do not agree with the resolution shall also sign the document but may record their dissent in writing at the time of signing. Circular Resolutions passed since the last Committee meeting shall be circulated for notation at the next Committee meeting.

5. MEETINGS (CONTINUED)

5.5 Voting

5.5.1 All resolutions of the Committee shall be adopted by a simple majority vote, each member having one vote. In case of equality of votes, the Chairman of the meeting shall have a casting vote.

5.5.2 A Committee member is required to abstain from deliberations and voting in respect of any matter that arose, persist or may give rise to an actual, potential or perceived conflict of interest situation. If, as a result, only two (2) members remain to vote on the question at issue, the Chairman shall not have a casting vote, and the matter shall be escalated to the Board for decision-making. Entity-specific matters shall be tabled to the Board of the specific entity, whereas matters affecting AMMB and the banking subsidiaries shall be tabled to the Boards of AMMB and the banking subsidiaries.

5.6 Meeting Minutes

5.6.1 Minutes shall be duly recorded by the Secretary, confirmed as an accurate record of the proceedings by the Committee and signed by the Chairman of the meeting at which the proceedings are held, or by the Chairman of the next succeeding meeting.

5.6.2 Copies of minutes of each meeting shall be distributed to all members of the Boards of AMMB and the banking subsidiaries for information, and to all members of the Committee and relevant Senior Management members to ensure proper key actions are acted upon.

5.7 Secretary

5.7.1 The Company Secretary or nominee shall act as the Secretary of the Committee.

6. ANNUAL PERFORMANCE ASSESSMENT

6.1 The Boards of AMMB and the banking subsidiaries shall review the composition, performance and effectiveness of the Committee and each of its members annually to determine the effectiveness of the Committee and each of its members in carrying out the duties as set out in this Terms of Reference.

6.2 All such assessments shall be properly documented.

7. REVIEW OF THE TERMS OF REFERENCE

7.1 The Committee shall review and assess the adequacy of this Terms of Reference at least once in every two (2) years or when necessary. Any proposed changes to the Terms of Reference shall be approved by the Boards of AMMB and the banking subsidiaries.