

EXTERNAL AUDITORS ASSESSMENT POLICY

OBJECTIVE

The Audit Committee (“AC”) of Dataprep Holdings Bhd is responsible to review, assess and monitor the performance, suitability and independence of the External Auditors (“EA”).

It is also important that the AC has a formal process to evaluate annually on the effectiveness and efficiency of EA. This evaluation of the EA provides the AC with the discipline approach for monitoring an effective oversight of the EA respondents, performance and competency.

SELECTION AND APPOINTMENT OF EA

The AC plays a principal key role in reviewing the scope and result of the EA’s functions together with the elements of independence and objectivity of EA. The AC is responsible for reporting to the Board on the appointment, reappointment and removal of the company’s EA, although the shareholders are essentially the part appointing the EA.

Some of the criteria to be considered in the selection of EA include:

- Calibre and suitability of EA firm;
- Quality processes – performance based on International Auditing Standards of Practice;
- Competency of audit team;
- Independence and objectivity;
- Audit scope and planning in line with best practice; and
- Audit communication.

WRITTEN ASSURANCE FROM EA ON THE PROFESSIONAL QUESTIONS OF INDEPENDENCE

The AC is to obtain a written assurance from the EA confirming that they have been professionally independent throughout the conduct of the audit engagement in conformity with all relevant regulatory requirements and practices.

AUDIT & NON-AUDIT SERVICE FEES

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

The AC is also obligated to examine the nature of the non-audit services and the related fees rendered by the EA with the purpose of ensuring the undertaking of such non-audit services will not in any way impact on the auditors’ professional independence. To this end, the AC is guided specifically by the by-laws (on professional, ethics, conduct and practice) of the management accountants and International Ethics Standards Board for Accountants (“IESBA”) code of ethics for use by professional accountants.

REVIEW

The AC shall conduct a review of the policy periodically to ensure that it remains continuous and relevant and appropriate.

This Policy is reviewed and approved by the Board on 30 May 2017