

A professional meeting scene with a blue geometric overlay containing the company logo. The background shows a person in a light-colored suit writing on a document with a pen, and another person in a blue suit with their hands clasped. A tablet and a pen are on the table. The overlay is a blue diamond shape with a white outline, containing the text 'CONSULTING HAUS' in white. The word 'HAUS' has a horizontal line under the 'A'.

CONSULTING  
**HAUS**

**GOVERNANCE, RISK AND COMPLIANCE SERVICES**

AUGUST 2022



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SECTION 1

# INTRODUCTION



# 1. Introduction

OUR GOVERNANCE FRAMEWORK ESTABLISHMENT PROCESS IS BASED ON 5 KEY PILLARS WITH A NUMBER OF ASSOCIATED BENEFITS

## CH'S GOVERNANCE FRAMEWORK ESTABLISHMENT PROCESS

- CH's governance advisory services are designed to ensure there is a robust governance set-up with adequate internal controls.

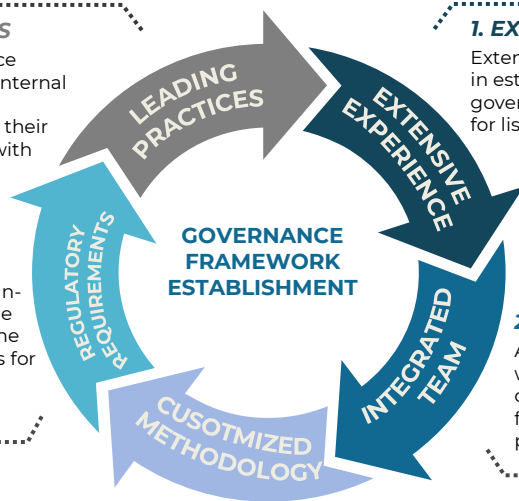
## VALUE PROPOSITION

### 5. LEADING PRACTICES

Establish robust governance framework for enhancing internal controls and equip the management in achieving their strategic priorities, in line with leading practices.

### 4. REGULATORY REQUIREMENTS

Extensive knowledge and in-depth understanding of the regulatory requirements line with the governance codes for listed companies.



### 3. CUSTOMIZED METHODOLOGY

Tailored methodology to cater to your specific requirements and objectives, with quality deliverables and commitment to building a long-term strategic alliance.

### 1. EXTENSIVE EXPERIENCE

Extensive and diverse experience in establishing corporate governance and internal controls for listed and non-listed entities.

### 2. INTEGRATED TEAM

A pool of qualified professionals with practical exposure in developing governance frameworks, policies and procedures.

## ASSOCIATED BENEFITS



ESTABLISHING EFFICIENT AND EFFECTIVE GOVERNANCE



ENHANCEMENT OF INTERNAL CONTROLS



IMPROVED OVERSIGHT AND DECISION MAKING



EFFECTIVE UNDERSTANDING & IMPLEMENTATION OF POLICIES & PROCEDURES



ASSURANCE TO KEY STAKEHOLDERS



COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

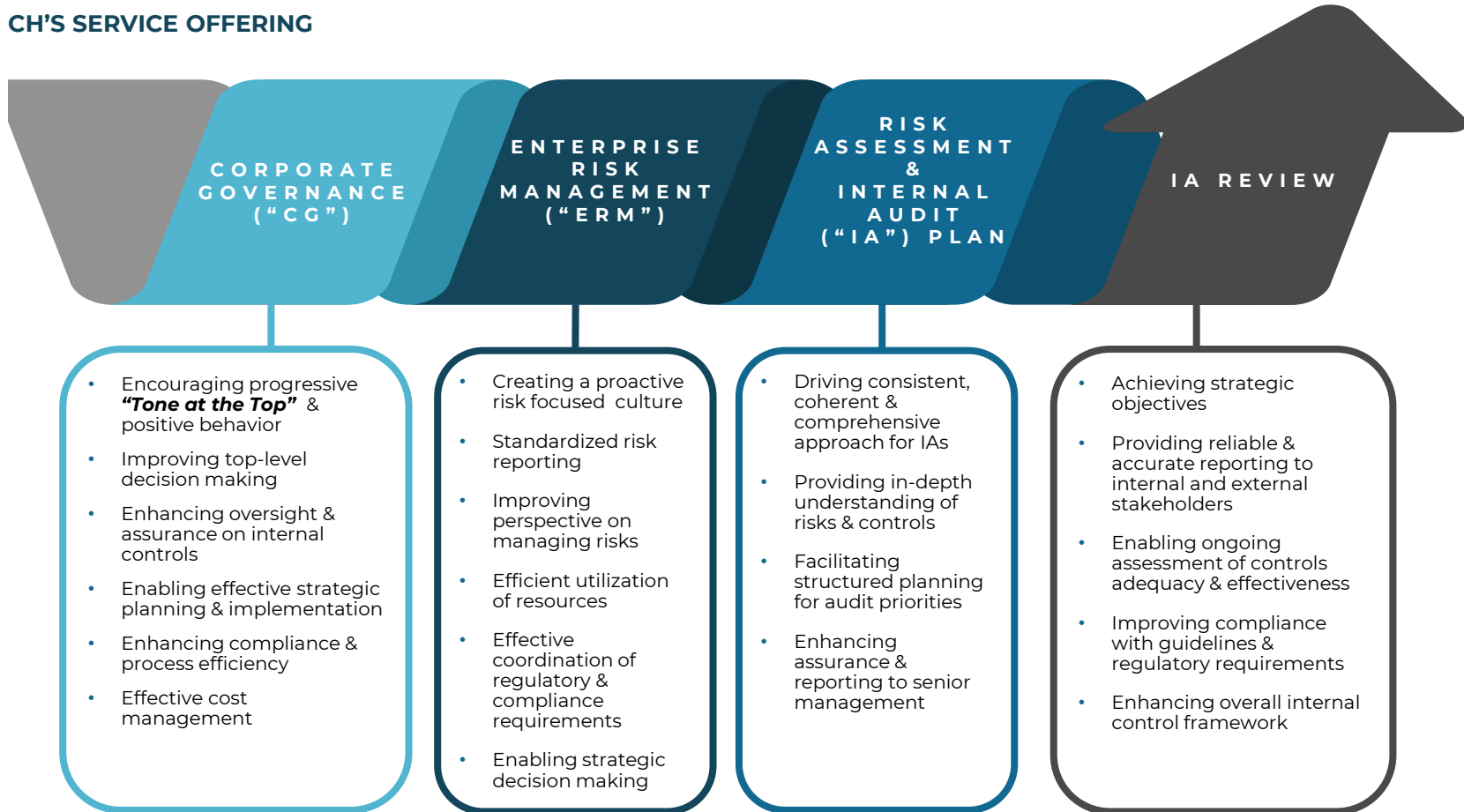




# 1. Introduction

## GOVERNANCE, RISK & INTERNAL AUDIT SERVICE OFFERINGS

### CH'S SERVICE OFFERING





SECTION 2  
**CORPORATE GOVERNANCE**



## 2. Corporate governance

### CORE ELEMENTS OF CG INFRASTRUCTURE

#### CH'S SERVICE OFFERINGS

- To determine the current and desired level of governance within an organization, below are the core elements of CG infrastructure in line with the model prescribed by the Institute of Internal Auditors ("IIA"), which ideally must be in place for any business or process to operate effectively.

**STRATEGIC MANAGEMENT**

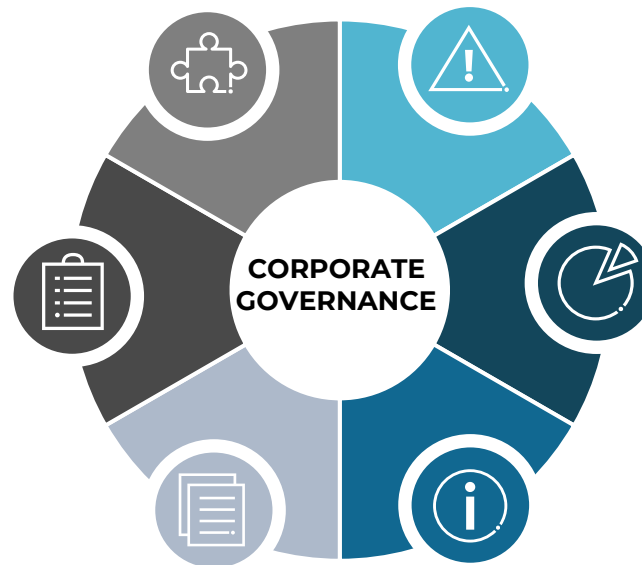
- Board of directors
- Board's committees
- Business strategy
- Governance

**AUDIT & REVIEW**

- Audit Committee
- Internal audit
- External audit
- Anti-fraud framework

**COMPLIANCE MANAGEMENT**

- Compliance management
- Regulatory requirements
- Monitoring and reporting



**RISK MANAGEMENT**

- Risk management strategy
- Corporate risks
- Operational risks
- Monitoring and reporting

**RESOURCE MANAGEMENT**

- Financial management
- Human resource management
- Performance management
- Succession planning

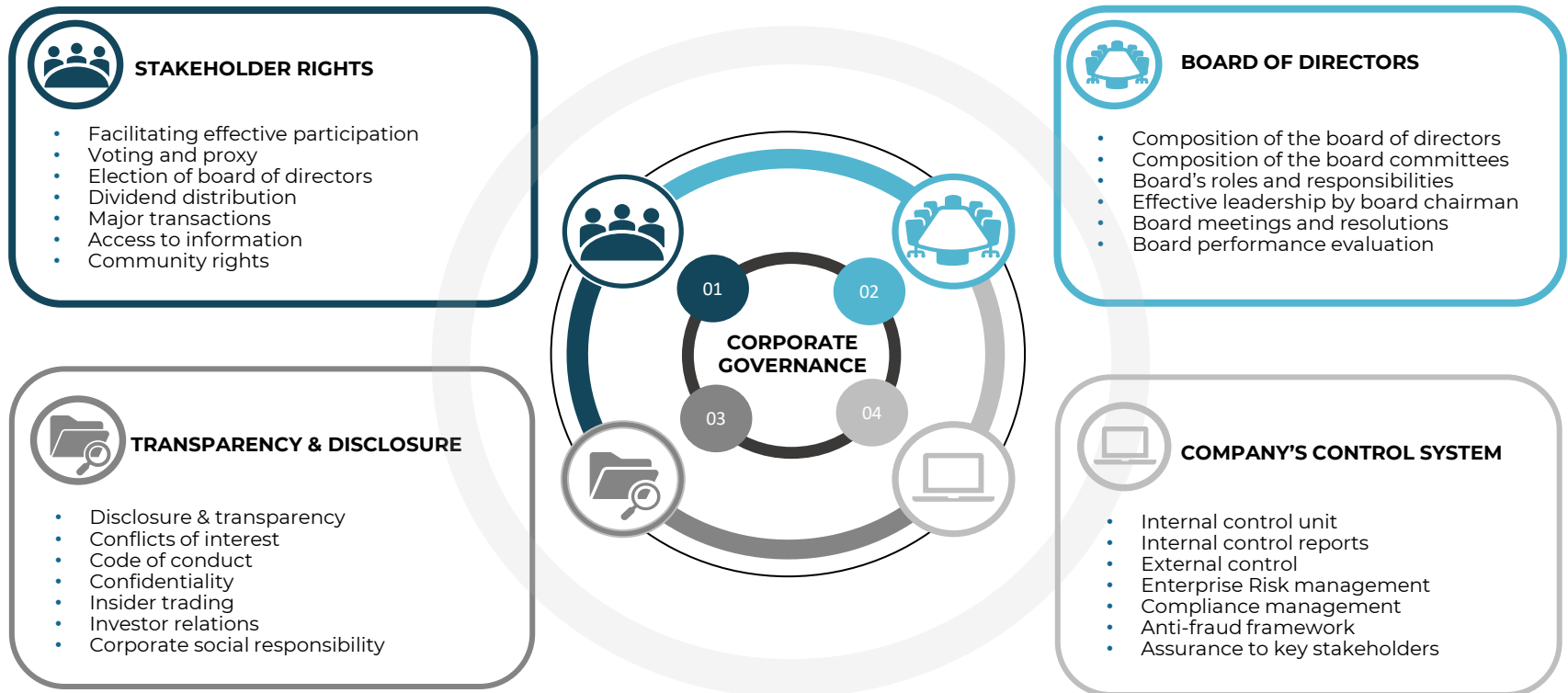
**INFORMATION MANAGEMENT**

- Information & network management
- Information security management
- Business continuity management

## 2. Corporate governance

### CORPORATE GOVERNANCE KEY ELEMENTS

#### TYPICAL CG RULES APPLIED TO PUBLICLY LISTED ENTITIES



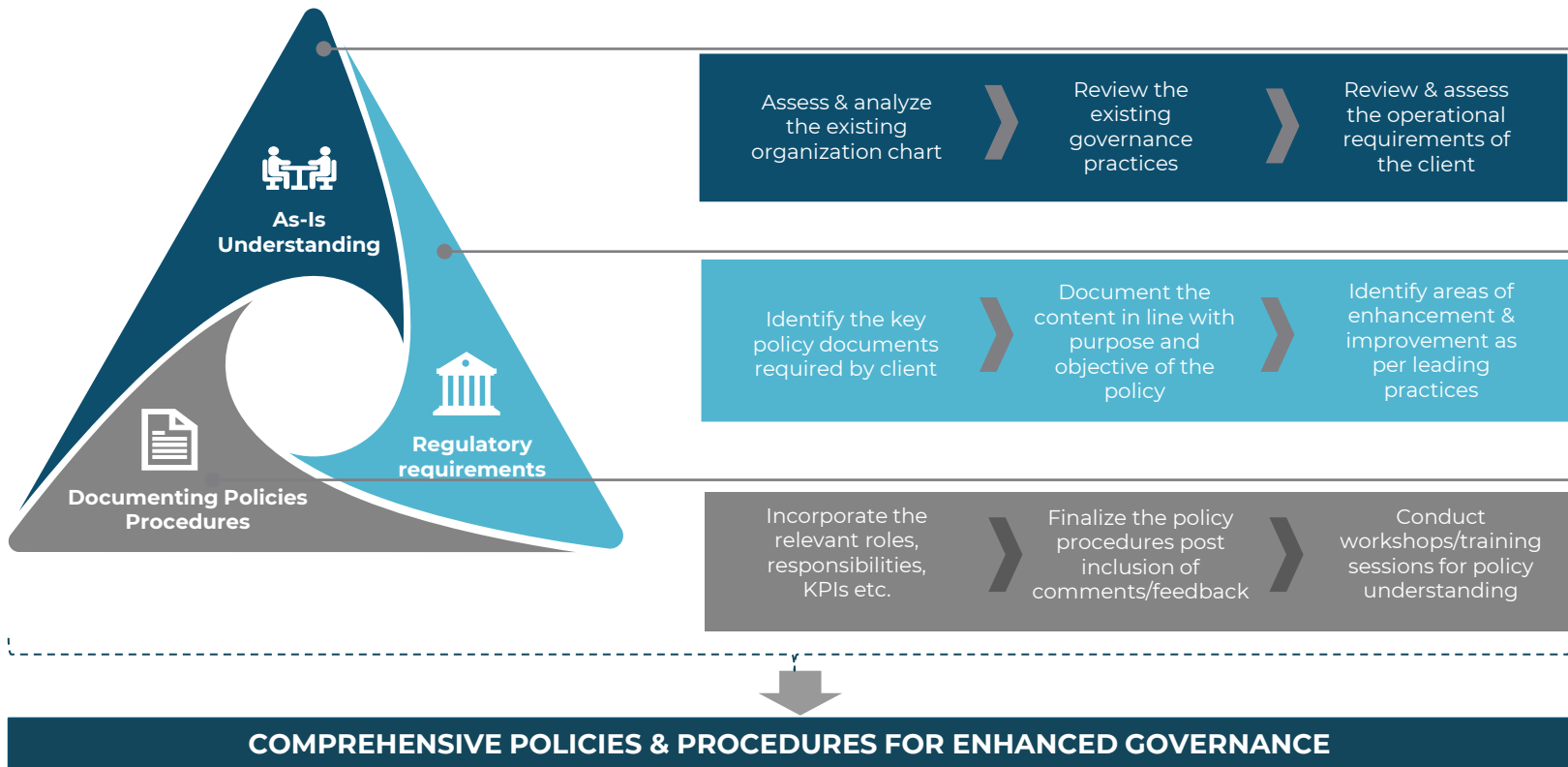


## 2. Corporate governance

### REVIEW AND DEVELOPMENT OF POLICIES AND PROCEDURES FOR GOVERNANCE AND INTERNAL CONTROLS

#### IMPORTANCE OF POLICIES & PROCEDURES

- Regardless of the organization's size, having formal policies & procedures facilitates increased process & controls efficiency. They communicate the values & vision of the organization, ensuring employees understand exactly what is expected of them. Below is the approach for development of policies & procedures, in line with the company's business requirements, for governance and internal controls.





## 2. Corporate governance

### ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) REPORTING

#### IMPORTANCE OF POLICIES & PROCEDURES

- While the specifics vary from company, industry & geography, we consider a common set of ESG factors when evaluating & engaging with companies seeking improvements in business practice & disclosure. ESG reporting is the disclosure of data explaining a business's impact and added value in three areas i.e. Environment, Social & Governance.



#### ENVIRONMENTAL

Climate Impact & Greenhouse Gas (GHG) Emissions, Energy Efficiency, Air & Water Pollution, Water Scarcity, Bio-diversity & Site Restoration



#### SOCIAL

Human Rights, Local Community Impact & Employment, Child Labor, General Working Conditions, Health & Safety & Anti-Corruption



#### CORPORATE GOVERNANCE

Alignment of Interests, Executive Compensation, Board Independence & Composition, & other Shareholder Rights

#### BENEFITS & GROWING IMPORTANCE OF ESG REPORTING GLOBALLY

- Presents an opportunity for companies to share what they are doing to sustain long-term interests of shareholders, while also addressing the interests of customers, employees, suppliers & communities in which they operate
- It is an inevitable response to the rapid growth of sustainable, responsible, and impact investing assets across the world
- Board & Senior Management prioritize this initiative for ensuring adequate assurance to the investors, & regulatory bodies
- It has assumed global significance in the recent years for maintaining & enhancing the overall brand value, recognition & reputation of the organization

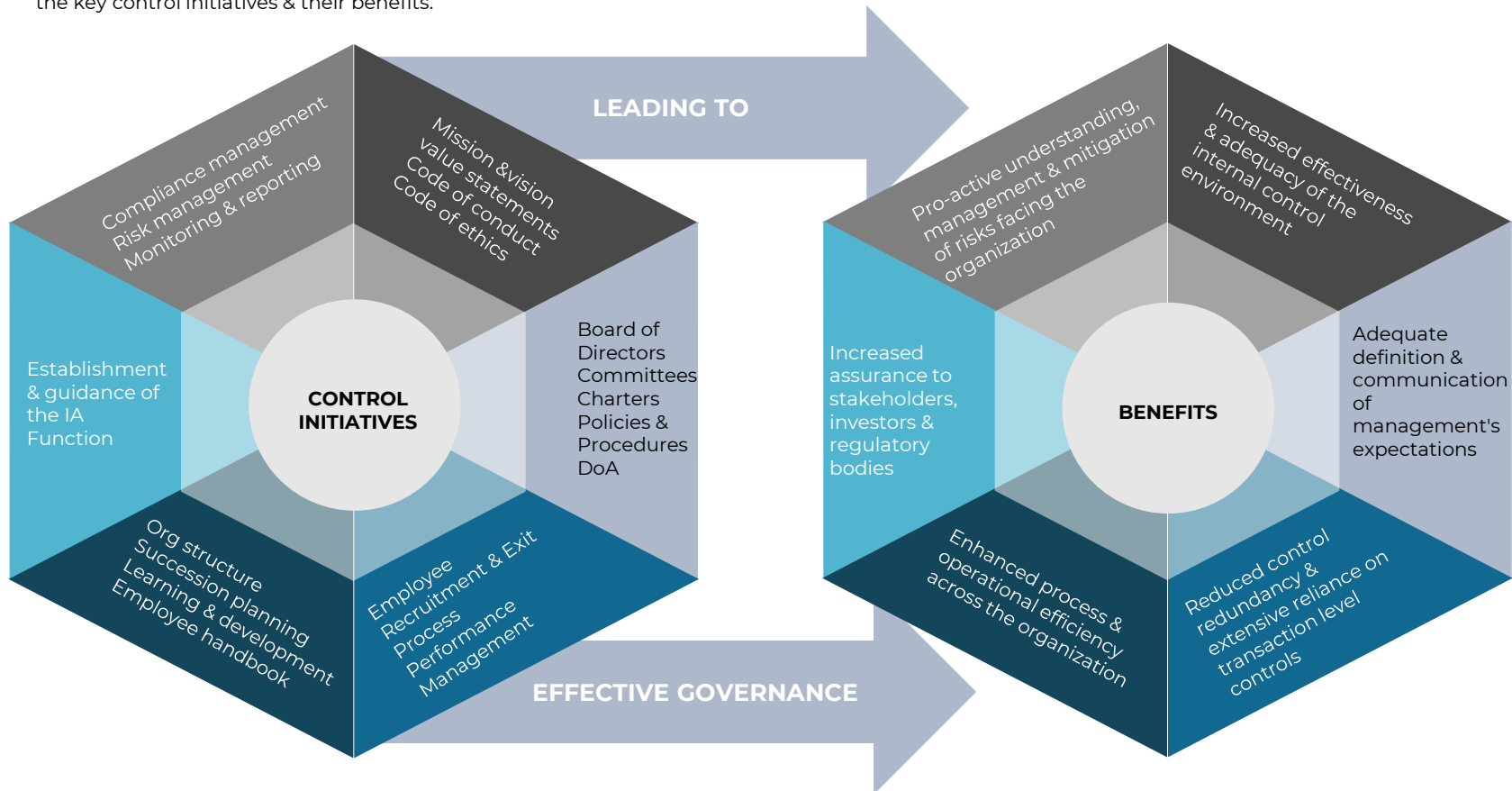


## 2. Corporate governance

### INTERNAL CONTROLS ASSESSMENT – ENTITY-LEVEL CONTROLS

#### ENTITY LEVEL CONTROLS

- Entity-Level Controls (also referred to as “Tone-at-the-Top” controls) help define an organization’s culture. They establish guidelines & set the foundation for effective governance by establishing accountability for each employee, including executives and directors. Below is an overview of the key control initiatives & their benefits.

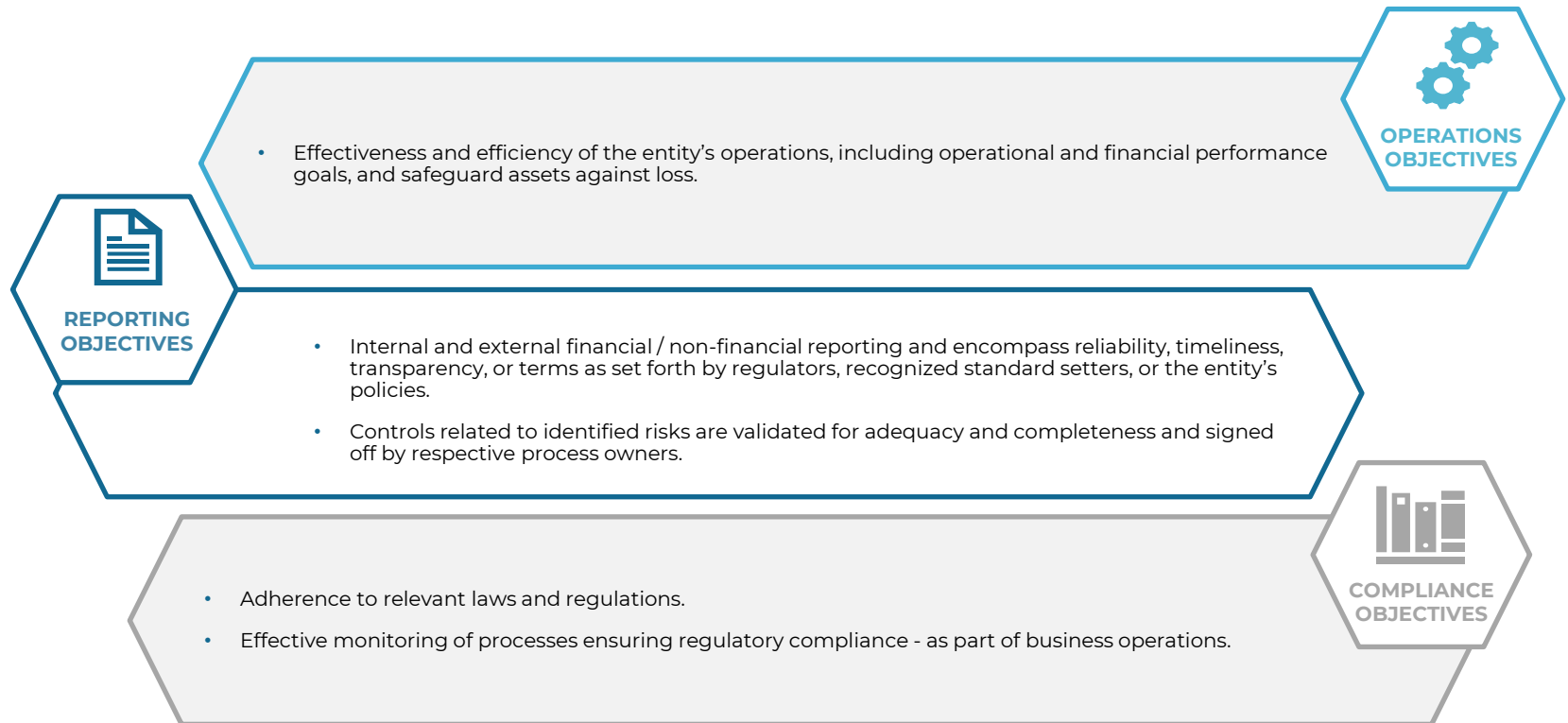


## 2. Corporate governance

### INTERNAL CONTROLS ASSESSMENT - FINANCIAL REPORTING CONTROLS

#### INTERNAL CONTROLS OVER FINANCIAL REPORTING

- Internal Controls over Financial Reporting (“**ICOFR**”) is a process, effected by an entity’s Board of Directors, Senior Management, and other personnel, designed to provide reasonable assurance regarding the achievement of entity objectives relating to operations, financial reporting, and compliance. Overall objectives of internal controls are segregated across three categories shown below:







SECTION 3  
**ENTERPRISE RISK MANAGEMENT**

### 3. Enterprise risk management

CH'S ERM CENTER PROVIDES A BLEND OF PRACTICAL AND FEASIBLE SOLUTIONS TO TACKLE YOUR RISK MANAGEMENT CONCERNS

#### INTERNAL CONTROLS OVER FINANCIAL REPORTING

- CH's ERM professionals leverage their extensive experience and expertise in risk management for crafting tailor-made solutions for each client's needs, from ERM framework establishment, gap assessment and remediation within existing ERM set-up, devising mitigation plans, creating awareness on the concept and process of ERM within people and communications support. CH's unique ERM CENTRE offers a diverse range of practical and feasible solutions, enabling organizations to achieve their ERM objectives and initiatives.



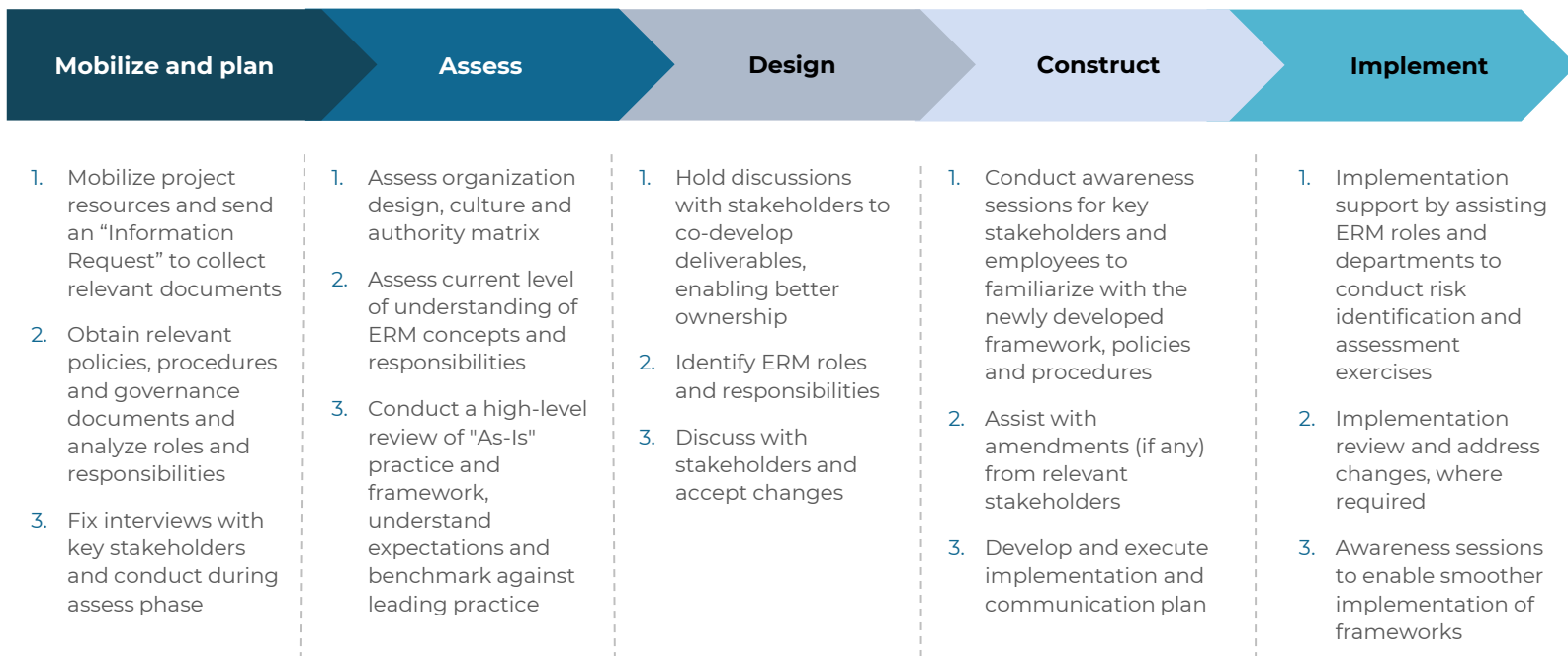


### 3. Enterprise risk management

#### CH'S OUR APPROACH TO ERM ADVISORY

#### ERM: A 5 PHASED APPROACH

- CH uses a proven, principles-based approach to develop tailor-made and effective ERM and FRM systems that are transformational for our clients. This has been refined over years of working with leading organizations from around the world and is aligned to recognized international standards (e.g., COSO). Recognizing the importance of developing a strong sense of ownership for risk management within the Company, our approach is partner based and centers around proactive and sustained collaboration with all key stakeholders throughout the engagement.



### 3. Enterprise risk management

#### ENTERPRISE RISK MANAGEMENT – INFRASTRUCTURE AND PROCESS



##### DESIGN RISK MANAGEMENT PROCESS



##### BUILD INFRASTRUCTURE

- Policies
- Processes
- Organization
- Methodology
- Monitoring
- Reporting

##### INTEGRATE WITH MANAGEMENT PROCESSES

- Strategic objective setting and planning
- Annual business planning and performance monitoring

##### BUILD & DRIVE CULTURE

Enabling activities that operationalize ERM and aspects of culture that can inhibit implementation



### 3. Enterprise risk management

CH'S RISK MANAGEMENT IS IN LINE WITH LEADING PRACTICES AND GLOBALLY ACCEPTED FRAMEWORKS

#### ISO 31000

- ISO 31000 Risk Management Guideline document is for use by entities who create and protect value in organizations by managing risks, making decisions, setting and achieving objectives and improving performance. Managing risk is based on the framework and process outlined in ISO 31000 including human behavior and risk culture.



#### ENTERPRISE RISK MANAGEMENT



#### Framework



#### How ERM supports & benefits an Organization

- Greater awareness about the risks facing the organization (internal & external) and the ability to respond effectively.
- Enhanced confidence about the achievement of strategic objectives.
- Improved compliance with legal, regulatory and reporting requirements.
- Increased efficiency & effectiveness of operations by proactively implementing controls & developing action plans.

### 3. Enterprise risk management

CH'S RISK MANAGEMENT IS IN LINE WITH LEADING PRACTICES AND GLOBALLY ACCEPTED FRAMEWORKS



#### COSO ERM – integrated framework



1. It is accepted by the organizations in their efforts to manage risk.
2. It was viable and suitable for designing, implementing, conducting, and assessing internal control, and for consequent reporting.
3. It was addressing the evolution of ERM and the need for organizations to improve their approach to managing risk to meet the demands of an evolving business environment.

#### Leading to



1. Increasing complexity of the business environment and changes of the complexity of risk.
2. Stakeholders are more engaged, seeking greater transparency and accountability for managing impact of risk.
3. Board of Directors & Senior Management have enhanced their awareness and oversight of risk management while asking for improved risk reporting.

#### COSO ERM — Integrating with strategy & performance



1. Highlights the importance of considering risk in both the strategy-setting process and in driving performance.
2. Connect ERM more clearly with a multitude of stakeholder expectations.
3. Position risk in the context of the company's performance



SECTION 4  
**INTERNAL AUDIT**

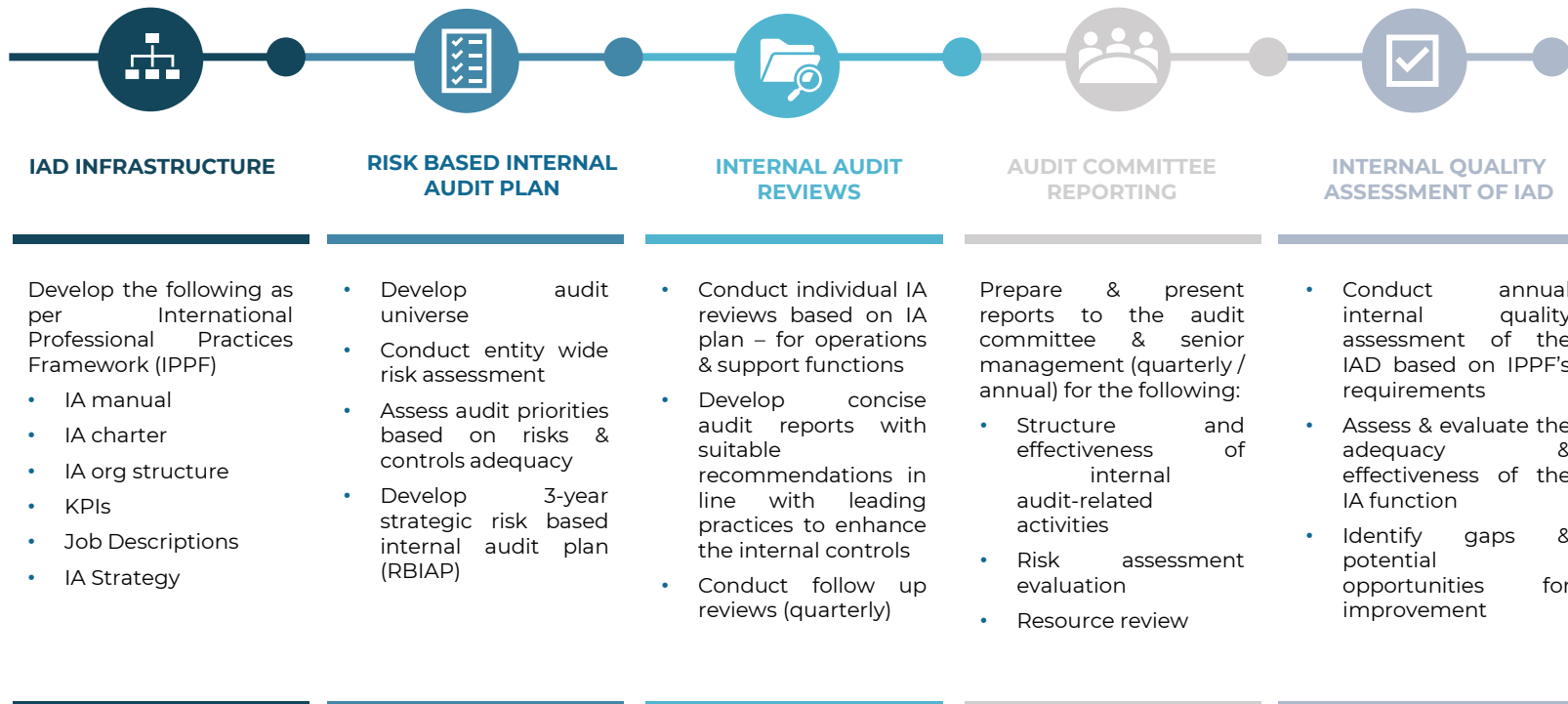


## 4. Internal audit

### INTERNAL AUDIT DEPARTMENT – IDEAL SET UP

#### INTERNAL AUDIT INFRASTRUCTURE

- Below is an overview of the key components for a robust & efficient Internal Audit Department (“IAD”) for an organization





## 4. Internal audit

### CH WILL UTILIZE AN EFFICIENT AND EFFECTIVE COLLABORATIVE IA MODEL

#### INTERNAL AUDIT INFRASTRUCTURE

Our intent is to work in conjunction with the client, in-line with the collaborative IA model which will enable you to accomplish your business objectives & achieve maximum value addition through the following:

- Ensuring that IA&RM department infrastructure is in place and is working effectively (IA manual, IA charter, org structure, job descriptions, IA plan etc.);
- Identifying needs, performance gaps, and recommending cost-effective solutions to more effectively manage risk;
- Supporting senior executives and management by confirming that employees and activities comply with established policies and procedures along with contributing to the overall mission of the organization;
- Being a steady source of creative ideas and productivity enhancements;
- Identifying and sharing leading business and control practices to help the organization be more competitive and successful; and
- Working collaboratively and routinely with the ARC to ensure governance is optimized.

#### Detection

1. Report problems; recommend solutions
2. Compliance checking against established policy

#### Extension

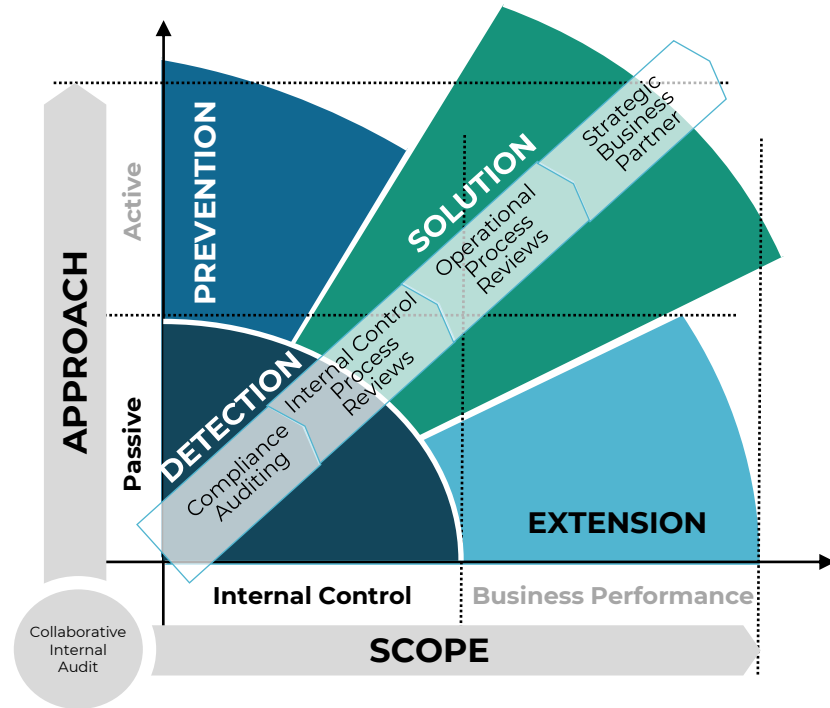
1. Process improvement opportunities defined; when identified
2. Benchmark performance of operation processes against best practices

#### Prevention

1. Actively promoting compliance with internal controls
2. Assist finance and operations in enhancing internal controls

#### Solution

1. Enterprise-wide risk management





## 4. Internal audit

### IA ASSESSMENT PLAN DEVELOPMENT

We will establish the frameworks for IA & RM, with the required policies and procedures and then work collaboratively with the key process owners and the client's senior management to conduct an entity-wide comprehensive & detailed risk assessment to develop a risk-based, process-focused IA plan responsive to the client's key stakeholders using the methodology below.



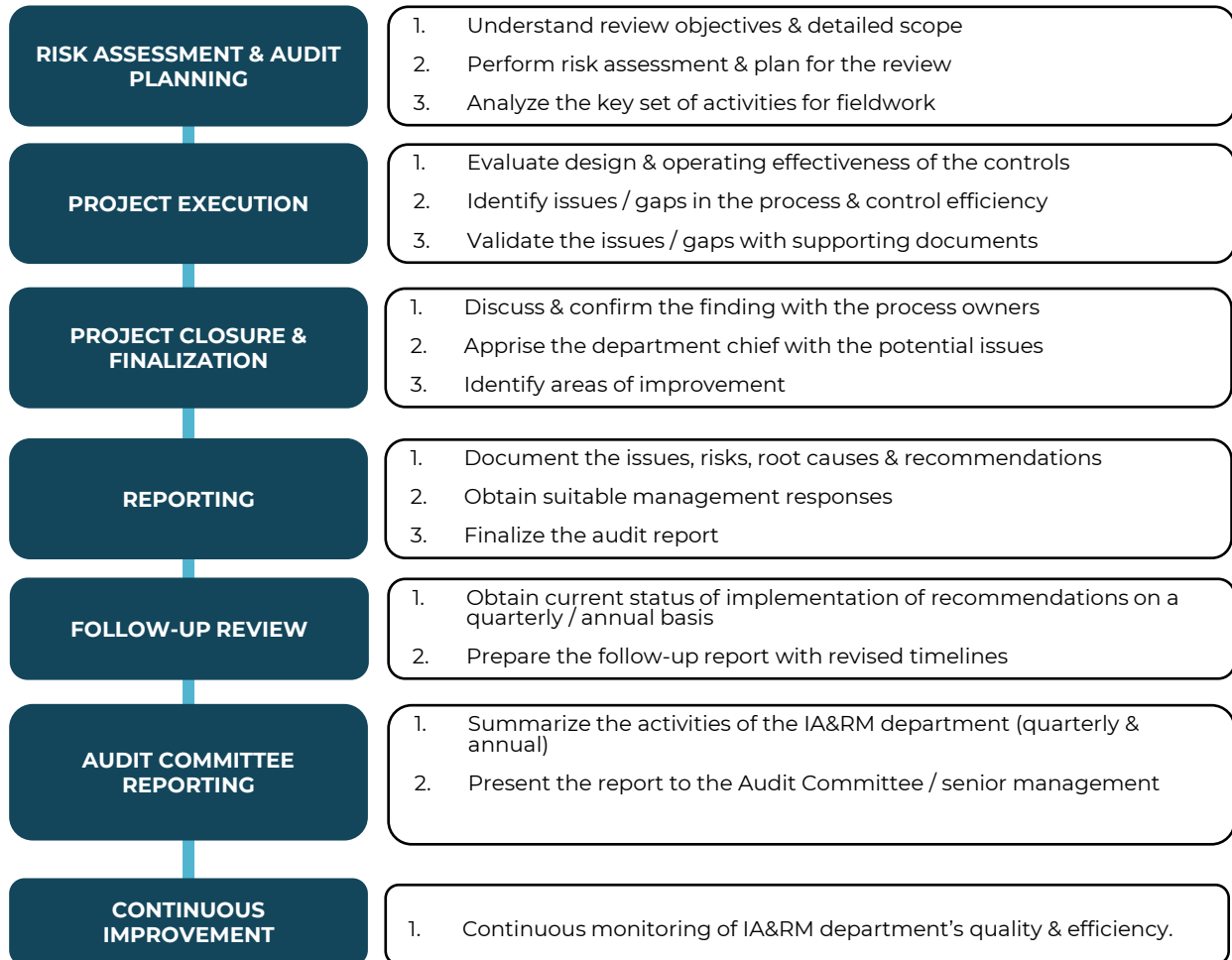
## 4. Internal audit

IA METHODOLOGY - OUR IA METHODOLOGY IS CONSISTENT WITH THE IA STANDARDS, IIA AND IPPF.



### IA&RM DEPARTMENT INFRASTRUCTURE

- IA charter
- IA manual
- IA organization structure & staff
- IA methodologies processes & technologies
- Risk based IAP



A photograph of two people shaking hands in an office setting. The image is overlaid with a large, white-outlined geometric shape that resembles a stylized 'H' or a series of overlapping triangles. The text 'CONSULTING HAUS' is centered within the top-right portion of this shape. The background is a blurred office desk with papers and pens.

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