

Audit and Risk Management Committee: Terms of Reference

1. Membership

- 1.1 The Board of InfraCo Asia Development Pte. Ltd. (IAD or the Company) shall appoint an Audit and Risk Management Committee (ARC) comprising at least two members, including the ARC Chair who shall also be appointed by the Board.
- 1.2 The ARC shall be composed exclusively of independent non-executive directors. The Chairman of the Board should not be a member of the ARC.
- 1.3 A majority of the ARC members should have accounting or financial management expertise or experience.
- 1.4 The secretariat function will be provided by a member of the internal management team of the Company with the support of the Company Secretary.
- 1.5 The Board will from time to time review the composition of the Committee to ensure that, where appropriate, membership of the Committee rotates amongst the Company's independent non-executive directors.

2. Meetings

- 2.1 Meetings shall be held not less than four times a year and, as far as possible, should coincide with key dates in the Company's financial reporting cycle.
- 2.2 Quorum for an ARC meeting shall be two members.
- 2.3 The Company's auditors may request a meeting with the ARC Chair or the ARC as a whole whenever deemed necessary.
- 2.4 Meetings may be held in person or by telephone conference call.
- 2.5 No one other than ARC members shall be entitled to attend ARC meetings. The Chairman of the Board, other board directors, members of the management team, representatives of the auditor and other persons relevant to the deliberations of the ARC shall attend ARC meetings as and when necessary at the invitation of the ARC.
- 2.6 The ARC may ask any or all of those who attend but who are not members to withdraw from a meeting to facilitate open and frank discussion of particular matters.
- 2.7 A resolution shall be considered passed if:
 - (a) there is a majority of votes passed in favour of the resolution during a meeting of the Committee, or
 - (b) there is agreement in writing by a majority of members entitled to participate in the decision.
- 2.8 Any member who has an interest in any matters being reviewed or considered by the ARC shall abstain from voting on the matter.

3. ARC Resolutions in Writing

The members of the ARC may pass resolutions in writing, a copy of which is sent or circulated by letter, facsimile or electronic communications to all ARC members and which is signed by all of its members, shall be as valid and effectual as if it had been passed at a meeting of the ARC duly convened and held. Such resolutions in writing may consist of several documents each signed by one or more of the committee members in counterpart(s). The ARC may accept copies of signed resolutions in writing delivered to the Company by personal delivery, post, facsimile or electronic communication.

4. Responsibilities

4.1. The ARC shall provide oversight and advise the Board on the following:

4.1.1 **Financial reporting**, including:

- (a) Monitoring and assessing the quality and reliability of financial information provided by management and external accountants, in particular reviewing significant financial reporting issues and judgments so as to ensure the integrity of the Company's financial statements.
- (b) Reviewing the management accounts and other financial reports before submission to the Board and, where required, to PIDG, and before any public disclosure.

4.1.2 **Internal controls and risk management**, including:

- (a) Assessing the effectiveness of internal control and risk management systems established to identify, assess, manage and disclose financial and non-financial risks;
- (b) Reviewing management's risk reports which shall be submitted on a quarterly basis before submission to the Board;
- (c) Advising the Board on overall risk profile and reporting to the Board on any material risks identified and recommended risk management measures;
- (d) Reviewing anti-fraud procedures, whistle-blowing processes, and arrangements for special investigations.

4.1.3 **Audit process**, including:

- (a) Overseeing the Company's relations with the external auditor;
- (b) Making recommendations to the Board on the selection, appointment, reappointment and resignation of the auditor based on an assessment of the auditor's performance;
- (c) Reviewing and recommending the terms of engagement of the auditor, including fees, for Board approval;
- (d) Reviewing the auditor's independence and objectivity, including monitoring the nature and extent of non-audit services provided by the auditor to ensure independence and objectivity is not impaired;
- (e) Reviewing management's representation letter to the auditor before consideration by the Board;
- (f) Reviewing auditor's management letter and assessing the adequacy of management's response to issues raised by the auditor;
- (g) Following the completion of the annual audit, assessing the effectiveness of the audit process, including reviewing auditor's findings arising from the audit and any follow-up action required by the Company, whether the auditor has met the

agreed audit plan and reasons for any variations to the plan, accuracy of auditor's handling of the audit and in responding to any issues raised by the ARC or management during the audit.

- 4.1.4 **Related party transactions**, including:
- (a) Reviewing related party transactions to ensure they are on commercial terms and not prejudicial to the interests of IAD;
 - (b) Ensuring compliance with reporting requirements for related party transactions.

5. Authority

5.1 The ARC shall be authorised by the Board to:

- investigate any matter within its terms of reference or any matter which the Board may from time to time delegate to the ARC;
- seek any information that it requires within its Terms of Reference from any employee of the Company and any of its subsidiaries and associated companies and from any management/developer team member engaged in providing services to IAD under a management services agreement, and, where necessary, meet with any such person without the presence of his/her manager;
- have direct and unrestricted access to the representatives of the auditor and the external accountants; and
- obtain, at the Company's expense, external professional advice whenever deemed necessary and such advisors may, if invited, attend meetings as necessary.

5.2 The ARC shall have access to sufficient resources in order to carry out its duties.

6. Reporting

6.1 The ARC Chair will provide a report (either oral or written) of the key points of the ARC's deliberation to the Board after each meeting.

6.2 Minutes of the ARC meeting will be circulated to the Board as soon as practical and if necessary in draft form prior to confirmation at the ARC's next meeting.

6.3 The ARC Chair will provide an annual report to the Board, in conjunction with finalisation of the Annual Report and Accounts, summarising the ARC's work done and key findings during the year.

6.4 The ARC shall review its terms of reference and effectiveness annually and make any necessary recommendations to the Board.

Amended and approved by the Board of Directors on 30 January 2015.