

AUDIT & RISK MANAGEMENT COMMITTEE 2026-2027



DICKON ADDIS
CHAIR



JIM LEE



ALICIA TAN



LOW BOON HON

Audit and Risk Committee (“ARC”)

Terms of Reference ¹

Scope

The DAS Group that covers the Dyslexia Association of Singapore and its subsidiaries DAS International and DAS Academy.

Overview

The Audit and Risk Committee is a sub-committee of the Board of Directors. Their role is to assure that the DAS Group’s internal controls are effective. This includes controls over financial oversight, risk management, compliance with statutory & regulatory frameworks and internal audit. The Committee does not make decisions about risk management but provides challenge and assurance to the Board of Directors (“Board”).

Additionally, the Committee provides advice of the DAS Group’s Environmental, Social, and Governance (ESG) strategy and efforts, supporting sustainable and responsible practices within the organisation.

Focus

The Audit and Risk Committee provides assurance that the charity:

- reviews and monitors external & internal audits
- operates within subscribed regulatory frameworks
- abides by their risk policies and procedures
- reviews and monitors the ESG initiatives to support sustainable and socially responsible practices

¹ The updates were discussed and approved during the Board meeting on 16 Nov 2024

Responsibilities

External & internal audits

- i. To oversee the financial reporting and disclosure process and monitor the choice of accounting policies and principles. (Note: the Finance & Investment Committee is tasked to work with staff to design financial reports and ensure that reports are accurate and timely.)
- ii. To review the audit plans and reports of the external auditors and internal auditors, and consider the effectiveness of the actions taken by management on the auditors' recommendations.
- iii. To ensure that internal auditors conduct periodic internal checks on key processes to ensure compliance with the established procedures, and report to the Board on the findings and recommendations for improvements.
- iv. To ensure that internal auditors check to ensure the risks that are associated with the key processes are addressed.
- v. To report to the Board of any financial irregularities, concerns and opportunities. (Note: the Finance & Investment committee is tasked to ensure regular and accurate monitoring and accountability for funds and report to Board on any financial irregularities and concerns.)
- vi. To liaise with auditors on any significant matters arising.
- vii. To recommend to Board on the appointment, reappointment, and removal of the external auditor.
 - a) To meet at least once a year with external auditor, recommend to the Board the appointment/re-appointment, removal, and remuneration of the external auditor
 - b) To meet at least 4 times a year among the members of the ARC or at other times in the year, as considered appropriate by the ARC. Meetings will be always be held prior to the announcement of any financial or performance results of the DAS
- viii. To review the independence of the external auditor and the non-audit service provided by the external audit.

ESG Responsibilities

The Committee shall review the DAS Group's Environmental, Social, and Governance (ESG) strategy, ensuring effective integration and accountability across the organisation. This includes:

- i. *ESG Strategy and Objectives:* Review of ESG targets, key performance indicators, and the internal and external communication of ESG initiatives.
- ii. *Monitoring and Review:* Monitoring the perception of the ESG strategy among employees, stakeholders, and regulators, and ensuring alignment with industry practices and regulatory expectations.
- iii. *ESG Reporting:* Advice on ESG-related disclosures in the Annual Report and compliance with the Charities Code of Governance.
- iv. *Policy Governance:* Ensuring that appropriate policies are maintained to support the ESG framework and, where relevant, made accessible for transparency.

Regulatory frameworks

- i. To oversee regulatory compliance and whistle-blower guidelines.

Risk policies and procedures

- i. To review the Group's overall risk assessment processes that inform the board's decision-making
- ii. To review regularly and recommend to the board the risk management parameters and the methodology used
- iii. To review all risk reports and assess management's responsiveness to the findings
- iv. To review the ESG-related risks identified, monitored, and integrated into the Group's overall risk management framework.

Committee chair

The Audit & Risk Committee chair should be a member of the Board of Directors. The chair should not be the Treasurer or currently chair the Finance Committee.

Quorum

The quorum shall be $\frac{1}{2}$ of the Committee membership or at least two (2) members of the Committee, whichever is higher. In the absence of the Committee Chair, the remaining members present shall elect one of the members to chair the meeting.

Term Limits

The Committee shall be appointed by the Board for a one (1)-year term. During the term, new members can be added. At the end of each term, the whole Committee steps down. The exiting Committee members may be re-appointed by the Board for another term.