

CSC STEEL HOLDINGS BERHAD

(Registration No: 200401001854 (640357-X))
(Incorporated in Malaysia)

COMPOSITION AND TERMS OF REFERENCE OF AUDIT COMMITTEE

A. COMPOSITION OF AUDIT COMMITTEE

Composition and Designation

1. Mr. Pang Fee Yoon (Chairman/Member) (Resigned wef 2/6/2016)
(Independent Non-Executive Director)
2. Mr. Chong Khim Leong @ Chong Kim Leong (Member) (Resigned wef 2/6/2016)
(Independent Non-Executive Director)
3. Mr. Tan Chin Teng (Member) (Resigned wef 13/11/2008) *(amended on 31/7/2007 / 12/11/2008)*
(Executive Director)
4. Brig. Gen. (R) Dato' Mohd Zaaba @ Nik Zaaba Bin Nik Daud
(Member) (Resigned wef 1/11/2022) *(amended on 13/1/2022)*
(Non-Independent Non-Executive Director)
5. Mr. Phong Hon Wai (Member) (Appointed wef 7/5/2015)/
(Chairman) (Appointed as Chairman wef 2/6/2016)
(Senior Independent Non-Executive Director)
6. Ms. Lim Lay Ching (Member) (Appointed wef 7/5/2015)
(Independent Non-Executive Director)
7. Ms. Siti Haliza Binti Md Taib (Member) (Appointed wef 1/11/2022)
(Independent Non-Executive Director) *(amended on 13/1/2022)*

B. TERMS OF REFERENCE OF AUDIT COMMITTEE

Composition of the Committee [15.09 (1) of MMLR]

- (1) The Committee shall be appointed by the Board of Directors from amongst its board members which fulfils the following requirements:-
 - (a) must compose of no fewer than three (3) members;
 - (b) must be non-executive directors, with a majority of them being independent directors; *(amended on 12/11/2008)*
 - (c) at least one member of the audit committee:-
 - (i) must be a member of the Malaysian Institute of Accountants ("MIA"); or

- 2 -

- (ii) if he is not a member of the MIA, he must have at least three (3) years' working experience and:-
 - (aa) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - (bb) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- (iii) fulfils such other requirements as prescribed or approved by the Exchange. *(amended on 28/1/2008)*
- (iv) All members of the Committee should be financially literate and have sufficient understanding of the Company's business and must be able to read, analyse, interpret and understand financial statements, and ask pertinent questions about the Company's operating and business information.. *(amended on 29/5/2024)*
- (d) shall not comprise of any alternate director of the Company.
- (e) any former partners of the audit firm and/or the affiliate firm is required to observed a cooling-off period of at least three (3) years before one is eligible for appointment as Audit Committee member. *(amended on 22/8/2019, 24/2/2022 & 29/5/2024)*
- (2) In the event of any vacancy in an audit committee resulting in the non-compliance of the above, the Company must fill the vacancy within three (3) months.
- (3) The Nominating Committee must review the term of office and performance of the Committee and each of its members annually to determine whether such Committee and members have carried out their duties in accordance with their terms of reference. *(amended on 8/2/2018)*

Duties and Responsibilities of the Committee [15.12 of MMLR]

The Committee shall discharge the following functions:-

- (1) review the following and report the same to the Board of Directors:-
 - (a) with the external auditor:-
 - (i) the audit plan which comprises audit and non-audit services;
 - (ii) his evaluation of the system of internal controls;
 - (iii) his audit report;

- 3 -

- (iv) audit approach, including coordination of audit efforts with internal auditors, and the assistance given by the employees of the Company to the external auditors;
 - (v) external auditors' management letter and management's response thereto;
 - (vi) any significant audit findings, reservations, difficulties encountered or material weaknesses reported by the external auditors; and
 - (vii) the appropriateness of audit fees to support a quality audit.
(amended on 29/5/2024)
- (b) with the internal auditors:-
- (i) the adequacy of the scope, functions, competency, continuous of professional development and resources of the internal audit functions (which reports directly to the Committee) and that it has the necessary authority to carry out its work;
(amended on 28/1/2008 & 29/5/2024)
 - (ii) the internal audit plan, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- (c) review the appraisal or assessment of the performance of the Internal Audit ("IA") function and performance of the Head of IA, who is appointed to be responsible for the regular review and/or appraisal of the effectiveness of the risk management, internal control and governance processes within the Group, and submit the outcome of performance assessment of the Head of IA to the Nominating Committee for determination of reward allocation.
- (d) the quarterly results and year end financial statements, prior to the approval by the board of directors focusing particularly on:-
- (i) changes in or implementation of major accounting policy changes;
 - (ii) significant matters highlighted including financial reporting issues, significant judgment made by Management, significant and unusual events or transactions and how these matters are addressed;
(amended on 22/8/2019)
 - (iii) significant adjustments arising from the audit; and
 - (iv) compliance with accounting standards and other legal requirements;
(amended on 28/1/2008)

CSC STEEL HOLDINGS BERHAD (640357-X)
COMPOSITION AND TERMS OF REFERENCE OF AUDIT COMMITTEE

- 4 -

- (e) the annual performance assessment, including suitability, objectivity and independence of the external auditors in accordance with the Auditor Independent Policy and reference made to the information presented in the Annual Transparency Report of the external audit firm (if available), which takes into consideration the following:-
- (i) the competence, audit quality and resource capacity of external auditors in relation to the audit;
 - (ii) 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, including the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants;
 - (iii) to perform follow-up measures on areas requiring improvement, if any.

(amended on 29/5/2024)

- (f) the Statement on Risk Management and Internal Control to be published in the Annual Report;
- (g) any related party transaction and conflict of interest (“COI) situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
(amended on 28/1/2008)
- (h) any letter of resignation from the external auditors or suggestions for their dismissal;
- (i) whether there is reason (supported by grounds) to believe that the Company’s external auditor is not suitable for re-appointment; and
- (j) to review a new grants and the allocation of Employees’ Share Options (“ESOS”) for employees in accordance with the By-Law.

(amended on 4/5/2005 & 22/8/2019)

- (2) recommend the appointment, re-appointment and removal of a person or persons as external auditors.
- (3) report promptly to the Exchange where the Committee is of the view that a matter reported by it to the board of directors has not been satisfactorily resolved resulting in a breach of the Listing Requirements.

- 5 -

- (4) handle matters related to the whistleblowing as follows:
- (a) recommend the nomination of a person or persons as the members of Whistleblowing Committee (WBC);
 - (b) review the terms of reference, activities and complaints presented by the WBC and decide on the appointment of appropriate party to carry out an investigation for significant cases;
 - (c) report the investigation results/findings of the WBC and recommend the actions to be taken to the Board of Directors.

(added on 8/8/2016)

- (5) prepare Audit Committee Report annually concerning its activities in compliance with these terms and reference to be tabled to the Board and for inclusion in the Annual Report; including a summary of COI or potential COI situation received (excluding related party transaction) and measures taken to resolve or mitigate such COI, if any.

(amended on 29/5/2024)

- (6) carry out any other function that may be mutually agreed upon by the AC and the Board.

- (7) require obtaining the approval of AC for non-assurance audit/non-audit services ("NAS") before the services are being rendered by the external auditors and its affiliates (audit firms). As to facilitate the execution of NAS, a pre-approved non-audit services has been established as per Appendix I (approval required for the first revision and subsequent amendments thereto), and the Management shall notify the AC on any NAS that to be carried out by the audit firm.

(amended on 29/5/2024)

Rights of the Committee [15.17 of MMLR]

The Committee shall, in accordance with a procedure to be determined by the board of directors and at the cost of the Company:-

- (1) have authority to investigate any matter within its terms of reference;
- (2) have the resources which are required to perform its duties;
- (3) have full and unrestricted access to any information pertaining to the Company;
- (4) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity; *(amended on 28/1/2008)*
- (5) be able to obtain independent professional or other advice;
- (6) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of executive directors and employees of the Company, whenever deemed necessary and such meetings with the external auditors shall be held at least twice a year; and

(amended on 28/1/2008 & 29/5/2024)

- (7) recommend to the Board of Directors any appropriate changes to the duties of the AC.

(amended on 22/08/2019)

Procedure of Committee Meeting [15.14 of MMLR]

- (1) **Chairman [15.10 of MMLR, MCCG Practice 9.1]**

The Chairman shall be elected by the Committee from among their members who shall be an independent director. The AC Chairman shall not be the Chairman of the Board.

(amended on 09/02/2018)

If at any meeting the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting, the members present shall choose one of their numbers, to act as the Chairman of the meeting.

- (2) **Quorum [15.18 of MMLR]**

The majority of members who must be the independent directors present at the meeting shall be a quorum.

(amended on 22/08/2019)

- (3) **Attendance [15.13 of MMLR]**

The Head of Finance, the representatives from the internal and external auditors shall normally attend the meeting. Other directors and employees attend any particular audit committee meeting only at the Committee's invitation, specific to the relevant meeting. The Committee may invite any person to be in attendance to assist in its deliberations.

The Company Secretary shall act as the secretary of the Committee during his/her term of appointment.

(amended on 22/08/2019)

- (4) **Calling**

Any member may at any time and the Head of Finance and the Secretary shall on the requisition of any of the members or the external auditors summon a meeting.

The meetings may be conducted by means of telephone conference, video conference or any other form of audio or audio-visual instantaneous communication and the participation in the meeting pursuant to this provision shall constitute presence in person of such meeting.

(amended on 22/08/2019)

- (5) **Frequency**

Meetings shall be held at least four (4) times a year to review the quarterly results and year-end financial statements.

(amended on 20/1/2005)

(6) Resolution in Writing

A resolution in writing signed by all members of the Audited Committee for the time being entitled to receive notice of an Audit Committee meeting, shall be as valid and effectual as if it had been passed at a meeting of the Audit Committee duly convened and held.

Any resolution coming within the provisions of this Regulation may consist of several documents in like form, each signed by one or more member of the Audit Committee.

Any such document may be accepted as sufficiently signed by a member if transmitted to the Company by any technology purporting to include a signature and/or an electronic or digital signature of the member. *(amended on 22/08/2019)*

(7) Notice

Except in the case of an emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to any member either personally or sending it by facsimile transmission or email transmission or through the post or by courier to such member to his/her registered address as appearing in the Register of Directors, as the case may be.

The notice and agenda shall be distributed to all members about seven (7) days before the meeting. *(amended on 22/08/2019)*

(8) Voting and Proceedings

A resolution put to the vote of the meeting shall be decided on a show of hands. In the case of an equality of votes, the Chairman shall be entitled to a second or casting vote.

(9) Keeping of Minutes

The minutes shall be signed by the Chairman of the meeting which the proceedings were held or by the Chairman of the next succeeding meeting and shall be circulated to the Committee and the Board of Directors.

(10) Custody, Production and Inspection of Such Minutes

The minutes shall be kept by the Company at the Registered Office or the principal place of business in Malaysia of the Company, and shall be opened to the inspection of any member of the Committee without charge.

NON-ASSURANCE SERVICES/NON-AUDIT SERVICES (“NAS”) PRE-APPROVAL SCOPE

1. INTRODUCTION

This document sets out the scope of NAS that have been agreed between CSC Steel Holdings Berhad (“CHB”) and the audit firm.

On Section A, it contains a list of permissible NAS (not all inclusive) that may be provided by the audit firm. The permissible NAS on Section A can be provided after the approval of this document (“Appendix I”) as well as any subsequent amendments thereto, no separate specific approval from the AC is required.

On Section B, it contains a list of strictly impermissible / prohibited NAS, which the audit firm cannot be provided, as these NAS will impair the independence of the audit firm.

All other NAS (not listed on SECTION A) will require specific approval by the AC before the NAS could be commenced. Any approval from the AC is valid for a 12-month period from the date of approval unless noted otherwise by CHB or the audit firm (including as a result of changes in independence rules, changes in scope of work or changes in corporate structure, etc).

In order to assist the audit firm to comply with the approval requirements, CHB agrees to periodically provide the audit firm with up-to-date corporate tree information, including the legal names of any entity that controls CHB, directly or indirectly, and any entity that is controlled directly or indirectly by CHB.

2. REQUESTING SPECIFIC APPROVAL FOR SERVICES

Requests to provide NAS that require specific approval by the AC is to be submitted to the Accounting Department of CHB.

The audit firm will provide the following information with each request:

- the name of the entity(s) requesting the NAS;
- details of the nature and scope of the proposed NAS;
- details of the basis and amount of the proposed fee;
- an independence assessment and conclusion that the NAS is not prohibited under the Code and MIA By-Laws, and all threats identified are at an Acceptable Level, or safeguards have been applied to eliminate the threats or reduce them to an Acceptable Level.

CHB will respond within a week or an agreed timeline between CHB and the audit firm.

3. NOTIFYING ON ENGAGED NAS

The Management shall notify the AC on any NAS (listed on Section A) that to be carried out by the audit firm in the nearest AC meeting.

4. REPORTING BY AUDIT FIRM

The audit firm shall update the AC on the NAS annually, during the closed meeting with the AC. This update shall include all services that have been performed since the last update or that are in process and the related fees for each service. The audit firm shall provide a summary of NAS related information to CHB.

The audit firm will provide the following information in the summary:

- details of the nature and scope of the service;

- status of the service;
- category of fees (eg assurance, tax, consulting); and
- fees paid and expected remaining fees, and its consolidated subsidiaries an independence assessment that any self-interest and intimation threat identified by these fees are at an acceptable level, or safeguards have been applied to eliminate the threats or reduce them to an acceptable level.

SECTION A: Permissible NAS (non-exhaustive)

A1: Any **administrative services** involving assisting Clients with their routine or mechanical tasks within the normal course of operations, which are clerical in nature and require little to no professional judgment, such as:

- Word processing or document formatting
- Preparing administrative or statutory forms for Client approval
- Submitting such forms as instructed by the Client
- Monitoring statutory filing dates and advising an Audit Client of those dates

A2: Providing **tax return preparation** services related to:

- Assisting Clients with their tax reporting obligations by drafting and compiling information, including the amount of tax due (usually on standardized forms) required to be submitted to the applicable tax authorities.
- Advising on the tax return treatment (based on tax laws) of past transactions.
- Responding on behalf of the Client to the tax authorities' requests for additional information and analysis (for example, providing explanations of and technical support for the approach being taken),

PROVIDED:

- (a) Tax return preparation services are based on historical information and principally involve analysis and presentation of such historical information under existing tax law, including precedents and established practice; and
- (b) Tax returns are subject to whatever review or approval process the tax authority considers appropriate.

A3: Providing **tax advisory and tax planning services where self-review threat will not be created**, whereby all the conditions are met:

- (a) The services are supported by a tax authority or other precedent
- (b) The services are based on an established practice (being a practice that has been commonly used and has not been challenged by the relevant tax authority); or
- (c) Have a basis in tax law that the audit firm is confident is likely to prevail

A4: Preparation of required documentation to support **tax-related transfer pricing** policies and methodologies under the existing tax regulations of each relevant jurisdiction.

<p>A5: Providing the following IT systems services as long as the audit firm <u>does not assume a management responsibility</u>:</p> <ul style="list-style-type: none"> (a) Designing or implementing IT systems that are unrelated to internal control over financial reporting (b) Designing or implementing IT systems that do not generate information forming part of the accounting records or Financial Statements; and (c) Implementing “off-the-shelf” accounting or financial information reporting software that was not developed by the firm, if the customization required to meet the Client’s needs is not significant.
<p>A6: Performing gap analysis / gap assessment study between client’s existing state / system with the “to-be” / planned state (decided by Client) / regulatory or legal requirement</p>
<p>A7: Evaluating and providing recommendations (for client’s consideration and decision-making) with respect to an IT system designed, implemented or operated by another service provider or the Client</p>
<p>A8: Providing the following recruiting service as long as individuals within the firm do not assume a management responsibility:</p> <ul style="list-style-type: none"> (a) Reviewing the professional qualifications of a number of applicants and providing advice on their suitability for the position. (b) Interviewing candidates and advising on a candidate’s competence for financial accounting, administrative or control positions.
<p>A9: Acting as a witness when the individual acts as a “witness of fact” in relation to a matter that involves any audit client, and the individual provides an opinion within their area of expertise in response to a question asked in the course of giving factual evidence.</p>
<p>A10: Provide generic, high-level client training on technical matters based on regulatory requirements, accounting standards, tax laws, etc (e.g., industry-specific training and answering generic questions, without answering specific questions on the entity’s financial statements or individual transactions).</p>
<p>A11: Merger and acquisition due diligence services at the direction of the Company’s management in connection with a potential acquisition or disposal of, investment in, or financing of a target company, including accounting / financial due diligence and tax due diligence.</p>

Note: The NAS listed in Appendix A is only permissible provided it does not give rise to any self-review threats and the audit firm addresses all other threats to independence that are not at an Acceptable Level and the audit firm does not assume any management responsibilities or perform any management activities.

SECTION B: Prohibited NAS¹ (non-exhaustive)

B1: Any non-assurance service that **might create a self-review threat**, which is the risk that:

- (a) The results of the service will form part of or affect the accounting records, the internal controls over financial reporting, or the financial statements on which the firm will express an opinion; and
- (b) In the course of the audit of those financial statements on which the firm will express an opinion, the audit team will evaluate or rely on any judgments made or activities performed by the firm or network firm when providing the service.

B2: Any non-assurance service that involves **assuming a management responsibility** such as controlling, leading and directing an entity, including making decisions regarding the acquisition, deployment and control of human, financial, technological, physical and intangible resources for the audit client. Examples:

- (a) Setting policies and strategic direction.
- (b) Hiring or dismissing employees.
- (c) Directing and taking responsibility for the actions of employees in relation to the employees' work for the entity.
- (d) Authorizing transactions.
- (e) Controlling or managing bank accounts or investments.
- (f) Deciding which recommendations of the firm or network firm or other third parties to implement.
- (g) Reporting to those charged with governance on behalf of management.
- (h) Taking responsibility for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.
- (i) Designing, implementing, monitoring or maintaining internal control.

B3: Provision of **Managed Services**

B4: **Accounting and bookkeeping** services, including payroll services

B5: Preparation of **financial statements**

B6: Staff Loan / Temporary Personnel Assignment

Prohibited, unless:

- (a) Such assistance is provided only for a short period of time;
- (b) Such personnel will not assume management responsibilities and the audit client will be responsible for directing and supervising the activities of such personnel;
- (c) Any threat to the independence of the firm or network firm arising from the professional services

¹ In accordance with the Code and MIA By-Laws, the audit firm may provide certain non-assurance services that would otherwise be prohibited to entities that have direct or indirect control over CHB provided that (a) the audit firm does not express an opinion on the financial statements of the parent entity; (b) the audit firm does not assume a management responsibility, directly or indirectly, for the entity on whose financial statements the firm will express an opinion; (c) the services do not create a self-review threat; and (d) the audit firm addresses other threats created that are not at an acceptable level.

undertaken by such personnel is eliminated or safeguards are applied to reduce such threat to an acceptable level; and

- (d) Such personnel will not undertake or be involved in professional services that the firm or network firm is prohibited from performing by the Code and MIA By-Laws.

B7: Valuation services that might create a self-review threat

B8: Providing a **tax service or recommending a transaction** if the service or transaction relates to marketing, planning, or opining in favor of a tax treatment that was initially recommended, directly or indirectly, by the audit firm, and a significant purpose of the tax treatment or transaction is **tax avoidance**, unless the audit firm is confident that the proposed treatment has a basis in applicable tax law or regulation that is likely to prevail.

B9: Preparing **tax calculations for the purpose of preparing accounting entries**, including of current and deferred tax liabilities (or assets)

B10: Providing **tax advisory and tax planning services that might create a self-review threat**, including when:

- (a) The effectiveness of the tax advice depends on a particular accounting treatment or presentation in the financial statements; and
- (b) The audit team has doubt as to the appropriateness of the related accounting treatment or presentation under the relevant financial reporting framework.

B11: Providing **tax services involving valuation (valuation for tax purposes)** if the provision of such service might create a self-review threat (i.e. when there is a risk that the results of the service will affect the accounting records or the financial statements on which the firm will express an opinion)

Note: performing a valuation for tax purposes for an audit client will not create a self-review threat if:

- (a) *The underlying assumptions are either established by law or regulation, or are widely accepted; or*
- (b) *The techniques and methodologies to be used are based on generally accepted standards or prescribed by law or regulation, and the valuation is subject to external review by a tax authority or similar regulatory authority.*

B12: Providing **assistance in the resolution of tax disputes** if the provision of such service might create a self-review threat

B13: Resolution of Tax Matters Involving Acting as an Advocate for the Audit Client Before a Tribunal or Court.

B14: Internal audit services which might create Self-Review Threats, or that involves assuming management responsibilities, including internal audit service which relates to:

- (a) Setting internal audit policies or the strategic direction of internal audit activities
- (b) Directing and taking responsibility for the actions of the Client's internal audit employees
- (c) Deciding which recommendations resulting from internal audit activities to implement.
- (d) Reporting the results of the internal audit activities to Those Charged with Governance on behalf of management.

- (e) Performing procedures that form part of the internal control,
- (f) Taking responsibility for designing, implementing, monitoring and maintaining internal control.
- (g) Performing outsourced internal audit services, comprising all or a substantial portion of the internal audit function, where a Member Firm is responsible for determining the scope of the internal audit work; and might have responsibility for one or more of the matters noted above.
- (h) The internal controls over financial reporting.
- (i) Financial accounting systems that generate information for the client's accounting record or financial statements.
- (j) Amounts or disclosures that relate to the financial statements.

B15: Information technology systems services which might create a self-review threat, including those involving designing or implementing IT systems that:

- (a) Form part of the internal control over financial reporting; or
- (b) Generate information for the client's accounting records or financial statements on which the audit firm will express an opinion.

(Note: In addition to the above, any IT systems services which involves designing or implementing IT systems that will generate financial information for purposes of client decision-making is also prohibited)

B16: Litigation support services which might create a self-review threat, including providing advice in connection with a legal proceeding where there is a risk that the outcome of the service affects the quantification of any provision or amount in the financial statements on which the audit firm will express an opinion.

B17: Acting as an "expert witness", unless the expert witness is:

- (a) Appointed by a tribunal or court to act as an expert witness in a matter involving a client; or
- (b) Engaged to advise or act as an expert witness in relation to a class action (or an equivalent group representative action) provided that:
 - i. The audit firm's audit clients constitute less than 20% of the members of the class or group (in number and in value);
 - ii. No audit client is designated to lead the class or group; and
 - iii. No audit client is authorized by the class or group to determine the nature and scope of the services to be provided by the audit firm or the terms on which such services are to be provided.

B18: Providing legal advice which might create a self-review threat, including:

- (a) Estimating a potential loss arising from a lawsuit for the purpose of recording a provision in the audit client's financial statements.
- (b) Interpreting provisions in contracts that might give rise to liabilities reflected in the audit client's financial statements.

B19: Acting as General Counsel for an audit client

B20: Acting in an advocacy role in resolving a dispute or litigation before a tribunal or court

B21: Recruiting services which:

(a) involves acting as a negotiator on the client's behalf.

(b) relates to:

- i. Searching for or seeking out candidates;
- ii. Undertaking reference checks of prospective candidates;
- iii. Recommending the person to be appointed; or
- iv. Advising on the terms of employment, remuneration or related benefits of a particular candidate,

with respect to the following positions:

- A Director or Officer; or
- A member of senior management in a position to exert significant influence over the preparation of the accounting records or the financial statements on which the audit firm will express an opinion

B22: Provision of advice in relation to corporate finance services where:

(a) The effectiveness of such advice depends on a particular accounting treatment or presentation in the financial statements on which the audit firm will express an opinion; and

(b) The audit team has doubt as to the appropriateness of the related accounting treatment or presentation under the relevant financial reporting framework

B23: Provision of a corporate finance service that involves promoting, dealing in, or underwriting the shares, debt or other financial instruments issued by the audit client or providing advice on investment in such shares, debt or other financial instruments

B24: Provision of a corporate finance service which might create a self-review threat.

Note: The prohibition in Appendix B mainly addresses prohibitions arising from the Self-Review Threat to independence and management responsibilities / management activities. The audit firm will need to also consider other Threats to Independence in assessing permissibility of NAS.