

GDEX BERHAD
[Registration No. 200301028159 (630579-A)]

AUDIT SERVICES CHARTER

Introduction

This Charter provides the framework for the conduct of the Internal Audit function in GDEX Berhad (“**GDEX**” or the “**Company**”) and its subsidiaries.

Objective

The objective of GDEX Audit Services (the company's internal audit function) is to provide independent, objective assurance and consulting services designed to add value and to enhance the improvement plan and group performance in GDEX’s operations. Audit Services enable GDEX to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control, and governance processes.

Scope of Work

Audit Services’ scope of work is to determine whether the organisation’s risk management, internal control and governance processes, as designed and represented by Management, are adequate and functional to ensure the following:

- Risks are appropriately identified and managed.
- Collaboration and interaction with the various governance groups for overall improvement plan as needed.
- Significant financial, managerial and operating information is accurate, reliable and timely.
- Employees’ actions are in compliance with policies, standards, procedures and applicable laws and regulations.
- Resources are acquired economically, used efficiently and adequately protected.
- Programs, plans and objectives are achieved.
- Quality and continuous improvement are fostered in the organisation’s control processes.
- Significant legislative or regulatory issues impacting the organisation are recognised and addressed properly.

In addition, Audit Services may identify opportunities for improving management control, profitability and the company’s image and reputation. If so, Audit Services will communicate such opportunities to the appropriate level of management.

GDEX BERHAD
[Registration No. 200301028159 (630579-A)]
AUDIT SERVICES CHARTER

Accountability

The Head of Internal Audit (“**HIA**”), in the discharge of his or her duties, shall be accountable to Management and the Audit and Risk Management Committee (“**ARMC**”):

- Provide an annual assessment on the adequacy and effectiveness of GDEX’s processes for controlling activities and managing risks in the areas set forth under the mission and scope of work.
- Report significant issues related to the processes for controlling the activities of the organisation and its affiliates, including potential improvements to those processes, and provide information concerning such issues through resolution.
- Provide results of the annual audit plan and the sufficiency of department resources.
- Coordinate with and provide independent oversight of other control and monitoring functions within GDEX (such as risk management, compliance, security, legal, ethics and environmental) as well as external audit.

Confidentiality

All information obtained during an internal audit is deemed confidential unless otherwise instructed.

Independence

To provide for the independence of Audit Services, its personnel report to the HIA, who reports administratively to the Managing Director/Group Chief Executive Officer and functionally to the ARMC of GDEX in a manner outlined in the above section on accountability. Audit Services will include, as part of its reports to the ARMC, a regular report on Internal Audit personnel.

All internal audit activities shall remain free of influence by any organisational elements.

Responsibility

The HIA and staff of the Internal Audit department are responsible for the following tasks in each category:

Annual Audit Plan

- Develop a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by Management and submit it to the ARMC for review and approval.
- Implement the annual audit plan as approved, including and as appropriate, any special tasks or projects requested by Management and the ARMC.

GDEX BERHAD

[Registration No. 200301028159 (630579-A)]

AUDIT SERVICES CHARTER

Professional Competence

- Maintain a professional audit staff with sufficient knowledge, skills, experience and professional certifications to meet the requirements of this Charter.
- Establish a Quality Assurance Program by which the HIA assures the operations of internal audit activities.

Consulting

- Perform consulting services, beyond internal auditing's assurance services to assist Management in meeting its objectives. Examples may include facilitation, process design, training and advisory services.
- Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations and control processes coincident with their development, implementation and/or expansion.

Reporting and Communications

- Issue periodic reports to the ARMC and Management summarizing results of audit activities.
- Keep the ARMC informed of emerging trends and successful practices in internal audit.
- Provide a list of significant measurement goals and results to the ARMC.

Investigations

- Assist in the investigation of significant suspected fraudulent activities within the organisation and notify Management and the ARMC of the results.

External Auditors

- Consider the scope of work of the external auditors and regulators as appropriate, for the purpose of providing optimal audit coverage to the organisation at a reasonable overall cost.

Related Party Transactions

- To evaluate and assess the accuracy of related (recurrent) party transactions and its figures, and notify ARMC of the results.

Conflict of Interests

- Upon request by the ARMC, to assist the Committee to verify any conflict of interests transactions and notify ARMC of the results.

Whistleblowing

- To assist the Whistleblowing Governance Unit to investigate any whistleblowing cases per the Whistleblowing Policy and Procedures.

GDEX BERHAD
[Registration No. 200301028159 (630579-A)]
AUDIT SERVICES CHARTER

Authority

The HIA and staff of Audit Services are authorised to do the following:

- Have full and unrestricted access to all functions, records, property and personnel.
- Have full and free access to the ARMC.
- Allocate resources, set frequencies, select subjects, determine scopes of work and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel in units of the organisation where they perform audits, as well as other specialized services from within or outside the organisation.
- The HIA and staff of the Internal Audit department are precluded from doing the following:
 - i) Performing any operational duties for the organisation or its affiliates.
 - ii) Initiating or approving external accounting transactions to the Internal Audit department.
 - iii) Directing the activities of any organisation employee not employed by the Internal Audit department, except to the extent such employees have been appropriately assigned to audit teams or to otherwise assist the Internal Auditors.

Standards of Audit and Risk Management Practice

The planning and conducting of internal audit and risk management is basing on the following standard/framework closely:

- i) Internal Audit- Professional Practices Framework (Standards and Guidance by The Institute of Internal Auditors (Global) and International Standards for the Professional Practice of Internal Auditing (Institute of Internal Auditors Malaysia).
- ii) Risk Management- ISO 31000:2018.

Review of the Charter

This Charter will be reviewed annually and as and when required by the Audit and Risk Management Committee and updated in accordance with the needs of the Company and any new regulation that may have an impact on the Charter.

GDEX Whistleblowing Policy and Procedures

INTRODUCTION

We, at GDEX Group are committed to applying the highest standards of ethical conduct, integrity and accountability in all our business activities and operations in compliance with anti-bribery and related laws, and ISO 37001:2016 Anti-Bribery Management System (ABMS) that are applicable to the organization.

In this regard, GDEX is committed to implementing Whistleblowing Policy and Procedures (WBPP) under the Whistleblower Protection Act 2010, guided by the following principles:

- To encourage culture of openness, accountability and integrity
- To establish formal mechanisms for reporting
- To establish clear communications about the process of reporting
- To ensure confidentiality and anonymity
- To prevent punishment or unfair treatment of whistleblower who reports in good faith
- To ensure no mis-use of whistleblowing procedure
- To safeguard position of the person who is subject of report
- To notify reporter of outcome of findings

OBJECTIVES

- 1) To ensure all GDEX employees and stakeholders, through understanding the WBPP, will come forward to express his or her concerns about a (suspected) malpractice or improper governance, without fear of punishment or unfair treatment.
- 2) Provide proper internal reporting channel to disclose any improper or unlawful conduct in accordance with the procedures provided in this WBPP.
- 3) Address a disclosure in an appropriate and timely manner.
- 4) Provide protection for the whistleblower from reprisal as a consequence of making disclosure and to safeguard whistleblowers' confidentiality.
- 5) Treat both whistleblower and alleged wrongdoer fairly.

This WBPP will guide GDEX employees and stakeholders on how to raise such concerns.

DEFINITION

Whistleblowing is a term used for what is legally known as Public Disclosure, which is when employees and stakeholders disclose information about malpractice or wrong doing they discover occurring in GDEX.

Whistleblower is a person making a protected disclosure. He/she shall provide initial information related to a reasonable belief that a malpractice or improper governance activity has occurred. He/she is not an investigator and does not have a right to participate in any investigative activities other than as requested by the investigators.

WHAT TO REPORT

The malpractices or wrongdoings that an employee / stakeholder should report under WBPP are:

- non-compliance to laws and regulations
- financial malpractice
- misuse of GDEX funds or assets
- deliberately or accidentally steal, damage or misuse the data stored within GDEX computer systems
- discrimination
- danger to public or employee health and safety
- suspected fraud or criminal activity
- corruption, bribery or blackmail
- breach of confidentiality
- breach of GDEX Code of Ethics and Conduct as stipulated in GDEX Employee Handbook or non-compliance with GDEX policies and procedures
- sexual assault or sexual harassment
- concealment of any of the above malpractice
- any other similar or related irregularities

The procedures under WBPP should NOT be used for:

- poor performance
- lack of professionalism
- personal disputes
- personal grievances

Sometimes it is not clear whether a particular action falls under the malpractices described above. In such cases, the whistleblower can seek advice from the Whistle Blowing Governance Unit (WBGU) for further direction.

The intentional filing of a false report, whether orally or in writing is itself considered an improper act which GDEX has the right to act upon.

IMPORTANCE OF WBPP TO GDEX

- Enable management to be informed at an early stage about possible contraventions
- support a culture of openness, accountability and integrity
- ensure good corporate governance and curb unethical and illegal practices at all levels
- minimize harm and damage to GDEX and its stakeholders

ROLE OF EVERY GDEX EMPLOYEE / STAKEHOLDER

- to be aware and understand the WBPP
- to understand the importance of whistleblowing
- to be encouraged to whistleblow on malpractices as listed above.

REPORTING RULES & PROCEDURES

- GDEX employee / stakeholder should report any malpractice or wrongdoing to the WBGU [Independent Director and Head of Corporate Office].
- The report can be made in the following manner:
 - a. by Email to WBGU (wbg@gdexpress.com)
 - b. by WhatsApp / SMS to handphone no: +60 16 339 0719
- The whistleblower can choose to remain anonymous or the whistleblower must disclose his/her name, NRIC number and contact details to be protected under the policy.
- The WBGU will ensure all information received will be kept in strictest confidence. The name of the whistleblower will be kept confidential at all times.
- The whistleblower will be given protection and will not be punished or treated unfairly if the reporting is made in good faith.
- If upon investigation by WBGU the reported concerns cannot be confirmed or may not have substance, no action will be taken against the whistleblower raising the concerns in good faith.
- The whistleblower will not be required to testify against the reported person in any hearings if this is requested by the whistleblower.
- An employee who misused the WBPP by purposely making a false report may have his/her employment reviewed.
- Until the investigation is completed & concerns proven without doubts, the confidentiality of the person who is the subject of the report will be safeguarded.
- WBGU will notify the whistleblower of the outcome of its findings within 30 days of receipt of report.

ASSURANCE

- Every effort will be made to treat the whistleblower's identity with appropriate regard for confidentiality. The identity of a subject should be maintained in confidence to the extent possible given the legitimate needs of law and the investigation.
- GDEX gives the assurance that it will not reveal the identity of the whistleblower to any third party not involved in the investigation or prosecution of the matter. The whistleblower making the allegation will retain anonymity to all other employees and public unless he or she agrees otherwise. Where concerns cannot be resolved without revealing the identity of the whistleblower (e.g. if the evidence is required in court), a dialogue will be carried out with the whistleblower concerned as to whether and how the matter can be proceeded.
- The only exception to this assurance relates to an overriding legal obligation to breach confidentiality. GDEX is obligated to reveal confidential information relating to a whistleblowing report if ordered to do so by the court of law.
- The assurance of confidentiality can only be completed effectively if the whistleblower likewise maintains confidentiality.
- The WBGU will be impartial and independent to all parties concerned, have a duty of fairness, objectivity, thoroughness, ethical behaviour and observance of legal and professional standards.

CONCLUSION

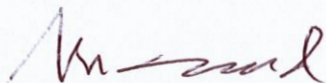
The Board of Directors of GDEX is strongly committed in having a strong whistleblowing culture and will, through the WBGU, regularly assess the company internal whistleblowing system.

GDEX employees / stakeholders are encouraged to provide suggestions and feedback on improving the company whistleblowing system.

POLICY REVIEW

This Policy will be reviewed as and when required to determine whether the Policy is effective in ensuring accurate, complete and timely disclosure in accordance with GDEX's disclosure obligations.

This Policy can be extended and revised by virtue of new legislations and rules issued by the relevant regulatory authorities.



Muhammad bin Ibrahim
Chairman

WBPP Flow Chart

