

SUSTAINABILITY POLICY

1. Background

GDEX Bhd (“**GDEX**”) envisages that sustainable private sector development requires responsible business management of environmental, social and governance (“**ESG**”) matters. GDEX is aware of its role in upholding sustainability in all that the Group does.

2. Objectives

This Sustainability Policy lays out the principles, objectives, policies, and management systems for sustainable and responsible operations with respect to ESG. GDEX aims to manage its organisation and operate its business in a sustainable manner, by taking into account the social, economic, and environmental impact created. Concurrently, the Group intends to achieve a good balance on “People, Planet, and Profit”, to be an environmentally and socially responsible company. The Group will implement practices that promote economic security, social betterment and environmental stewardship and will strive for continuous improvement of performance in these areas.

3. Governance

The policy serves as guidance for Board of Directors, Combined Nomination, Remuneration and Sustainability Committee (“**CNRSC**”), Sustainability Working Committee, Senior Management Team and various process owners of the Group.

4. Application

All employees, suppliers, vendors, business partners, and directors of GDEX are expected to infiltrate sustainability concerns on all processes and activities carried out by them.

5. Definition

Sustainability refers to the adoption and application of environmentally responsible practices, sound social policies and exceptional governance structures in order to minimize risks and volatility and to enhance the long-term development impact of corporate activities.

Stakeholders are a group or individuals who can affect, or be affected by a corporation or its activities.

6. Principles

GDEX will:

- (a) Comply with all applicable laws, regulations and codes of conduct;
- (b) Minimise adverse impacts and enhance positive effects on the environment, workers, and all stakeholders, where appropriate;
- (c) Commit to continuous improvements with respect to management of the environment, social and economic matters;
- (d) Work towards applying relevant international best practice standards, setting appropriate targets accordingly to achieve them;
- (e) Employ management systems which effectively address ESG risks and realise ESG opportunities as a fundamental part of a company’s value;

- (f) Comply with, and exceed where practicable;
- (g) Integrate sustainability considerations into all business decisions and practices;
- (h) Ensure that all employees are fully aware of the Group's Sustainability Policy and are committed to implementing and improving it;
- (i) Practise sustainability in company operations and in the conduct of business;
- (j) Ensure that external stakeholders are aware of the Group's Sustainability Policy, and encourage them to adopt sound sustainable management practices;
- (k) Review and report sustainability performance on an annual basis; and
- (l) Understand the competitive advantage of the Company on the sustainability spectrum and identify focus areas where environmental and social benefits converge with good governance to create economic value.

7. Sustainability Goals

Through sustainability initiatives, the Group aims to achieve the following:

- (a) Protect and enhance brand and intangible values;
- (b) Act as a catalyst for innovation;
- (c) Identify new business opportunities;
- (d) Reduce risks and manage changes relating to environmental and social issues; and
- (e) Improve cost efficiencies.

8. Sustainability Commitments

Sustainability initiatives or programmes can be categorised into three (3) pillars as follows:

- (a) Economic – Aim to optimise operations and manage the business for long-term economic benefits for the company;
- (b) Environment – Aim to conserve ecosystems and biodiversity, as well as manage the impact of a company's operations on the environment; and
- (c) Social – Aim to contribute to communities positively and uphold standards of talent development and retention.

9. Roles and responsibilities of the Board & CNRSC

Board

- (a) Discuss and approve the company's sustainability strategy;
- (b) View sustainability as part of the Board's duty of providing oversight and managing strategic, social, ethical and environmental risks for better decision-making;
- (c) Develop sustainability Terms of Reference for the CNRSC;
- (d) Delegate responsibility for social and environmental oversight to CNRSC;
- (e) Include sustainability as part of the board agenda with the board making decisions about the Company's sustainability position and direction; and
- (f) Review and sign-off on materiality of sustainability issues.

CNRSC

- (a) Build sustainability into the Group's mission and value;
- (b) Communicate Board's commitment;
- (c) Build sustainability into risk management;
- (d) Integrate sustainability into business strategy and provide oversight;
- (e) Approve budget for sustainability initiatives and commitment; and
- (f) Report to stakeholders on sustainability performance.

10. Roles and Responsibilities of CEO

- (a) Oversee management of material sustainability issues through robust processes and controls;
- (b) Ensure alignment on purpose of stakeholder engagement and readiness to manage risks and issues raised;
- (c) Monitor output of stakeholder engagements and make decisions to improve the Company's sustainability position and direction;
- (d) Ensure Management considers investor and other stakeholder needs to balance between shareholder value and non-financial performance;
- (e) Review performance of key sustainability initiatives and recommend improvements;
- (f) Cascade understanding that sustainability brings long-term value to the company;
- (g) Encourage transparent reporting to increase credibility;
- (h) Discuss reported results with management and oversee the required key improvements; and
- (i) Assess relevance of report in attracting institutional investors and socially responsible investors.

11. Sustainability Working Committee

Members of the Sustainability Working Committee will be:

- (a) CEO;
- (b) Advisory team;
- (c) Economic sub-group;
- (d) Environmental sub-group; and
- (e) Social sub-group.

The roles and responsibilities of the Sustainability Working Committee are as follows:

- (a) Plan, coordinate and implement Sustainability initiatives/programmes in the respective aspects of EES;
- (b) Prioritise plans based on the materiality of the impact, stakeholders' expectations and corporate strategy;
- (c) Embed sustainability practices within the operational process and align sustainability initiatives with corporate strategy;
- (d) Establish targets, key performance indexes, timeline, and evaluation;
- (e) Review and recommend sustainability policies and management systems;
- (f) Report Sustainability plans and progress to the CNRSC;
- (g) Assist and advise the CNRSC in fulfilling its oversight responsibilities in relation to GDEX Sustainability strategies and initiatives to embed Sustainability practices into the business;
- (h) Obtain CNRSC's approval on sustainability budget;
- (i) Ensure that sustainability policies are communicated to all employees in the Group;
- (j) Monitor the progress of the sustainability programmes and measure performance against targets set;
- (k) Ensure all conducts and activities conform to sustainability policies;
- (l) Monitor and oversee sustainability risk management plans; review effectiveness of issue identification and management;
- (a) Determine overall scope of, provide input on, and recommend Board adoption of Board sustainability report;
- (b) Review incidents and remedial actions and monitor crisis readiness and emergency plans; and
- (c) Review and make recommendations on sustainability impacts of major business decisions.

12. Quality Sustainability Reporting

Key considerations:

- (a) Adopt balanced frameworks that provide positive and negative aspects of activities undertaken;
- (b) Reports should be complete, clear, accurate, reliable, easy to analyse and facilitate comparison;
- (c) Define reporting boundary. It should cover entities which the Group exercises control or has significant influence over; and
- (d) Address any gaps, shortfall in targets and issues highlighted for future improvement.

13. Policy Review

This policy will be reviewed annually or as needed to ensure its continuing suitability and effectiveness for the Company's operations.