



CORPORATE  
SUSTAINABILITY  
REPORT

2022





# CORPORATE SUSTAINABILITY REPORT

cont'd

## ABOUT THIS REPORT



### SCOPE OF REPORTING

This report covers the financial year from 1st January 2022 until 31st December 2022 (FY2022). All disclosures in this report emphasise on all products and services offered by the GDEX Group.

### REPORTING FRAMEWORK



GDEX Corporate Sustainability Report for FY2022 has been written based on the following guidelines and frameworks:

- Global Reporting Initiative (GRI) 2020
- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- United Nations Sustainable Development Goals



### FEEDBACK

We encourage and welcome any feedback from our valued stakeholders. Kindly contact:

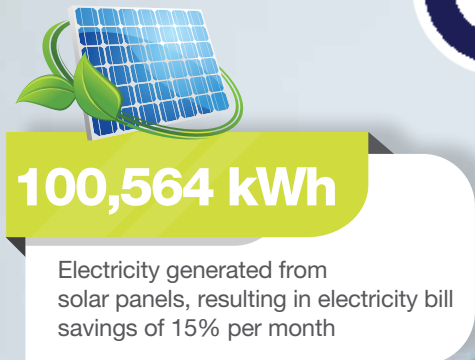
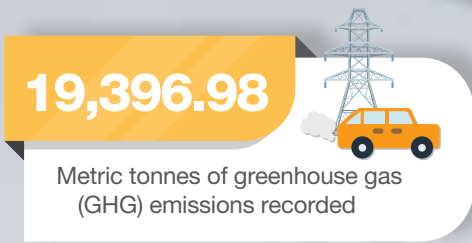
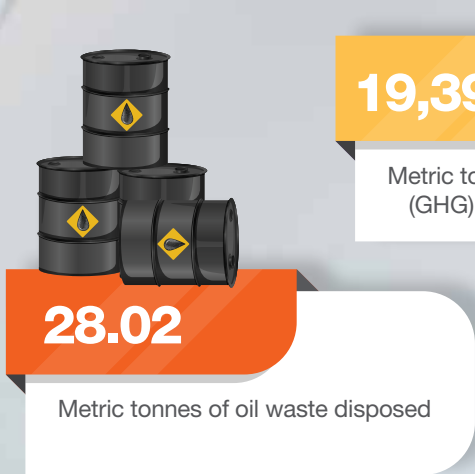
GDEX Corporate  
Communications

[corpcomm@gdexpress.com](mailto:corpcomm@gdexpress.com)

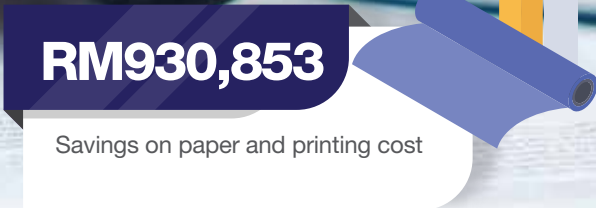
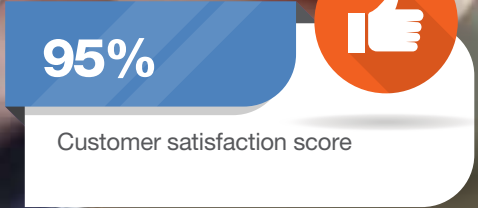


# CORPORATE SUSTAINABILITY REPORT

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## Sustainability Highlights 2022



# CORPORATE SUSTAINABILITY REPORT

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## GDEX'S APPROACH TO SUSTAINABILITY

GDEX Berhad is continuously committed to contributing to the global sustainable development efforts by adopting 12 of the 17 United Nations Sustainable Development Goals (SDGs). By aligning our businesses with the SDGs, our Group aligns the SDGs through the four key aspects: economic, environment, social, and governance, together with the identified stakeholders.

### Material Sustainability Matters

In FY2022, GDEX performed a robust review of the materiality assessment and stakeholder engagement to identify our most important and significant sustainability matters. This assessment was based on three steps: Identification, Prioritisation, and Validation. We performed the assessment with the guidance of Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) and Bursa Malaysia's Toolkit; taking into consideration the views of all stakeholders that align with GDEX's strategic priorities. The outcome of the material sustainability matters is reviewed and validated by the Board of Directors, together with the Combined Nomination and Remuneration Committee ("CNRC") and Sustainability Working Committee ("SWC").



#### Identification

- An online materiality assessment survey was conducted to identify the possible sustainability matters for our business.

#### Prioritisation

- To prioritise our sustainability matters, we engaged with all stakeholders to prioritise each of the sustainability matters.
- Through the engagement, we prioritised our sustainability matters based on three categories — low materiality, medium to high materiality and very high materiality.

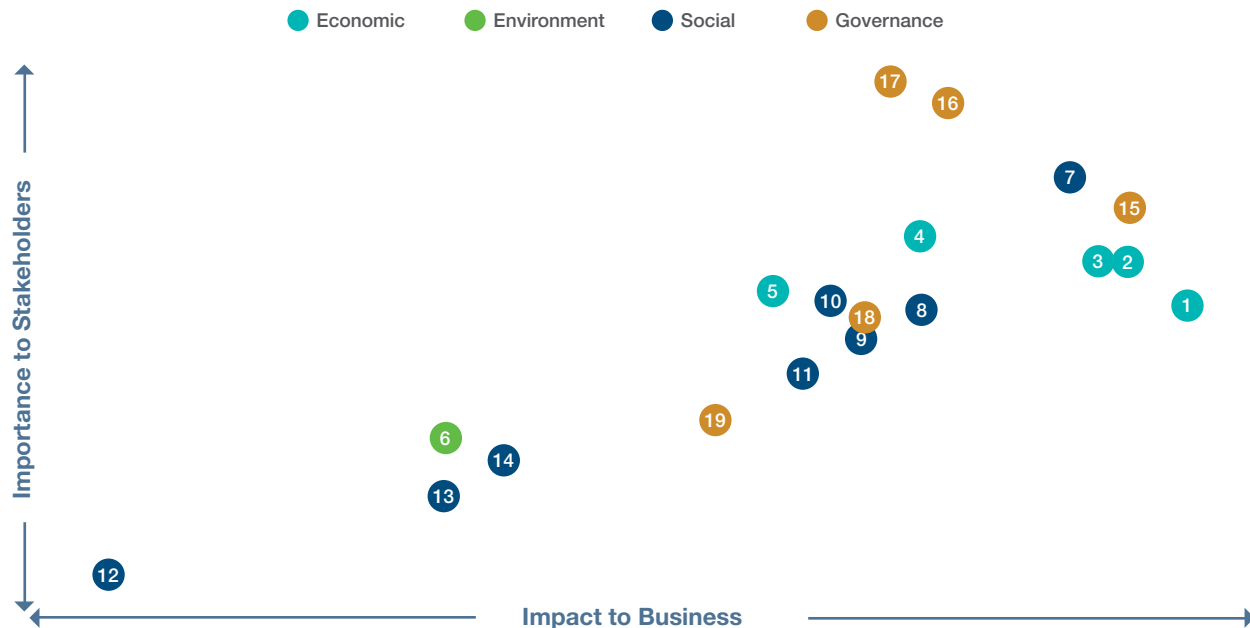
#### Validation

- Finally, the Board of Directors, together with the Combined Nomination and Remuneration Committee (CNRC) and Sustainability Working Committee (SWC), will review and validate the prioritisation of material sustainability matters.

# CORPORATE SUSTAINABILITY REPORT

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## GDEX Materiality Matrix



No	Material Sustainability Matters	Relevant Stakeholders	SDGs
<b>ECONOMIC</b>			
1	Financial Performance	Employees Shareholders	
2	Operational Excellence	Employees	
3	Business Continuity Plan	Employees Suppliers Vendors Business Partners	
4	Digitalisation and Technology	Employees Customers	
5	Innovation	Employees Customers	

# CORPORATE SUSTAINABILITY REPORT

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No	Material Sustainability Matters	Relevant Stakeholders	SDGs
<b>ENVIRONMENT</b>			
6	Environmental Initiatives	Regulators Community	  
<b>SOCIAL</b>			
7	Customer Experience and Satisfaction	Customers	 
8	Company Culture and Philosophy	Employees	  
9	Occupational Health and Safety	Employees	
10	Employee Well Being and Benefits	Employees	 
11	Talent Development and Retention	Employees	 
12	Corporate Social Responsibility Program	Community	   
13	Employee Engagement	Employees	
14	Socially Responsible Products & Services	Customers	

# CORPORATE SUSTAINABILITY REPORT

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No	Material Sustainability Matters	Relevant Stakeholders	SDGs
<b>GOVERNANCE</b>			
15	Regulatory Compliance	Regulators	 
16	Anti-Bribery and Corruption	Employees Suppliers Vendors Business Partners	 
17	Data Security and Privacy	Employees Customers	 
18	Corporate Governance	Regulators	  
19	Risk Management	Employees Business Partners	  

## Stakeholder Engagement

GDEX’s main objective in 2022 was to engage with all its stakeholders and continuously work towards strengthening and building a strong relationship with its Employees, Customers, Suppliers, Vendors & Business Partners, Government Agencies & Regulators, Local Communities, and Shareholders. Below is the disclosure of the engagement’s focus and objectives, together with its engagement approach for both internal and external parties. This builds a strong and effective communication network among all GDEX stakeholders to uphold good governance and implement environment, social, and governance initiatives within the GDEX community.

Annually - **A**

Quarterly - **Q**

Monthly - **M**

Daily - **D**

As needed - **N**

Stakeholder	Frequency	Engagement focus/objectives	Engagement approach
Employees	<b>M N</b>	<ul style="list-style-type: none"> <li>Employee welfare</li> <li>Safety, health, and security</li> <li>Equal opportunity</li> <li>Career development</li> </ul>	<ul style="list-style-type: none"> <li>Training programmes</li> <li>Educational programmes</li> <li>Awareness campaign</li> </ul>
	<b>M</b>		<ul style="list-style-type: none"> <li>Safety inspections</li> </ul>



# CORPORATE SUSTAINABILITY REPORT

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Stakeholder	Frequency	Engagement focus/objectives	Engagement approach
	<b>N</b>		<ul style="list-style-type: none"> <li>• Survey</li> <li>• Teambuilding</li> <li>• Townhall</li> <li>• Workshops</li> <li>• Employees Retreat</li> <li>• Family Day</li> </ul>
Customers	<b>D N</b>	<ul style="list-style-type: none"> <li>• Service satisfaction</li> <li>• Innovative offerings</li> <li>• Security protection</li> </ul>	<ul style="list-style-type: none"> <li>• Customer survey</li> <li>• Feedback on GDEX Website, Facebook &amp; Twitter</li> <li>• Call Centre</li> <li>• Customer Care Centre (CCC)</li> <li>• Point of Presence (POP) outlets</li> <li>• Refresh through campaigns/promotions</li> <li>• Event sponsorship</li> </ul>
Suppliers, Vendors & Business Partners	<b>A N</b>	<ul style="list-style-type: none"> <li>• Competitive pricing</li> <li>• Reliability</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier quotation</li> <li>• Supplier evaluation</li> <li>• Integrators collaboration</li> <li>• External audit exercise</li> <li>• Legal documents drafting and vetting</li> <li>• Financial matters</li> </ul>
Government Agencies & Regulators	<b>M N</b>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Regulatory compliance</li> <li>• Licensing</li> <li>• Certifications</li> </ul>	<ul style="list-style-type: none"> <li>• Audits</li> <li>• Site visits</li> <li>• Visitations</li> <li>• Seminars and training</li> </ul>
Local Communities	<b>Q N</b>	<ul style="list-style-type: none"> <li>• Community support and development</li> <li>• Employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Community events</li> <li>• Charity</li> <li>• Internship programme</li> </ul>
Shareholders	<b>A</b>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Financial performance</li> <li>• Growth plans</li> <li>• Shareholders' returns</li> </ul>	<ul style="list-style-type: none"> <li>• Annual report</li> <li>• Annual General Meeting</li> </ul>
	<b>Q N</b>		<ul style="list-style-type: none"> <li>• Analyst briefing and roadshows</li> </ul>
	<b>N</b>		<ul style="list-style-type: none"> <li>• Investor relations website</li> <li>• Press release</li> <li>• Media interviews</li> <li>• Announcements to Bursa Malaysia</li> </ul>

# CORPORATE SUSTAINABILITY REPORT

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## Strength in Certification

GDEX will continue to uphold good practices and ensure that we deliver the best and most reliable services to our customers, as we traverse our sustainable journey. We are committed to various certifications, such as ISO 14001:2015 Environmental Management System (EMS), ISO 9001: 2015 Quality Management System (QMS), and ISO 37001: 2016 Anti-Bribery Management System. GDEX shall achieve another significant milestone in 2023 when it receives the Good Distribution Practice for Medical Devices (“GDPMD”) certification.

## ECONOMIC PERFORMANCE

GDEX continues to improve and enhance our services with the ultimate goal of providing efficient and reliable express delivery as well as warehouse fulfilment services to the community. We are committed to continuously bringing positive impact to uphold our businesses as we are the connector of people, where we realise the aspirations and ideas of the communities and enable livelihoods. As part of our sustainable journey, we strongly uphold our full responsibility as corporate citizens in promoting and achieving sustainable business growth without compromising any compliance towards the environment. This will enable us to generate better returns for all our stakeholders and allow us to create more job opportunities for the community. This is clearly outlined in our good governance practices and policies, which serve as the backbone of our business.

With the current high demand for better and more reliable logistics services by customers, we continue to improve and invest in digitalisation and technology to cater for the promising demand. We also continue to enhance the comprehensiveness of our services and have expanded our business segments to include chilled and frozen delivery, insurance, social commerce, web and enterprise solutions, as well as cybersecurity solutions. The GDEX warehouse in Shah Alam was further expanded to cater for the rising demand for warehouse fulfilment services. The GDEX mini warehouse was also established to meet the requirements of smaller businesses and brands.

In FY2022, GDEX recorded a total revenue of RM383.47 million.

GDEX continues to emphasise a sustainable business model as the key component of our planning that aligns with our stakeholders' goals and moves forward to generate greater long-term value for all stakeholders. Moreover, we continue to adopt the latest technologies across our operations, which will significantly enhance the quality of logistics services offered to our community.

# CORPORATE SUSTAINABILITY REPORT

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## Operational Excellence

Timely deliveries and quality services are the two main aspects that remain top priorities at GDEX. We are committed to always upholding our excellence in operations. We perform continuous reviews to monitor our operating processes that are clearly outlined in our Quality Policy, which comprises stringent operational Key Performance Indicators (“KPI”). In addition, we adopted the Quality Management Review to optimise our strategies and reduce efficiency gaps.


The Group has almost completed construction of the GDEX Auto Hub in Petaling Jaya, which will have a fully automated, doubled decked sorting system. The Hub is expected to be operational in the first half of 2023 and will double the Group’s daily sorting capacity. The increased automation shall enable greater operational efficiencies, while delivering a better quality of service to our customers.

Besides that, we conduct regular reviews and tests of our organisation’s Business Continuity Plan, which proves our commitment to creating a comprehensive framework to maintain a high level of operational uptime and service reliability.

## Digitalisation and Technology

With the rapid development of digitalisation, especially after the COVID-19 pandemic, GDEX had the opportunity to advance our operations to cope with the digital development. This will enable GDEX to enhance and improve our digital platform to serve our customers better. Over the past four years, we have deployed various digital initiatives, such as myGDEX and myGDEX Prime. As a result of this digital advancement, we were able to reduce paper usage and carbonised printing costs by RM930,853.00 in FY2022. In FPE2021, the savings from paper usage and carbonised printing costs was RM1.14 million. We also rolled out digitalisation initiatives across our internal digital platforms and systems for improved process flow.

Apart from that, we deployed the iFleet Management System, which is an in-house developed application that allows GDEX to improve fleet efficiency by collecting, tracking, and reporting vehicle-related data such as speed, location, idling time, fuel and maintenance cost, vehicle documents as well as vehicle inspection log. This application replaces the manual way of recording data and collects data that would not have been able to be collected manually, such as speed and idling time. It is a driver-friendly app where all important modules are at the drivers’ fingertips



Online shipping platform that provides a user-friendly and hassle-free experience for customers to print consignment notes



Online shipping platform for businesses to integrate with online store, bulk print consignment notes, compile monthly statements, and arrange for pick-ups



Social commerce platform and all-in-one order management system for e-commerce businesses

# CORPORATE SUSTAINABILITY REPORT

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In addition, GDEX has incorporated a cashless market environment for our customers as the demand for shifting to a cashless environment is increasing drastically. We have strong partnerships with third-party merchants and payment providers, such as Touch 'n Go, Boost, GrabPay, and ShopeePay, among others. All these payment alternatives were made available and integrated into our e-payment portal, myGDEX, and myGDEX Prime.

All GDEX services and products are made available through various online platforms that customers can easily access via the GDEX website, myGDEX portal, our official Facebook and Twitter pages, as well as the GDEX mobile application.

## Supply Chain Management

As a responsible company, GDEX adopts stringent procurement policies and practices to ensure a sustainable and reliable supply chain. This ensures that GDEX always provides timely deliveries and quality services while maintaining affordable costs and adhering to ethical standards. We practise a strict evaluation process in selecting and awarding jobs or contracts to our suppliers, vendors, agents, contractors, and business partners. All third-party vendors must comply with the ISO certification quality standards, together with the GDEX Vendors' Code of Conduct as well as the GDEX Anti-Bribery and Corruption Policy. An annual assessment is conducted for all our suppliers and vendors to ensure that they continuously comply with our quality standards.

## ENVIRONMENT

GDEX is committed to addressing climate change and being a responsible corporate citizen. Since 2021, we have implemented two Go Green initiatives, which are electric motorcycles and solar panels. GDEX shall continuously invest in various green initiatives to ensure we achieve our long-term goal of addressing climate change issues, in line with the Paris Climate Agreement 2015 and the United Nations' Sustainable Development Goals. GDEX is identifying various strategic efforts to reduce the climate damage, particularly in reducing greenhouse gas (GHG) emissions from our businesses. In FY2022, GDEX has commenced the disclosure of Scope 1 and 2 GHG emissions, marking the first step towards contributing to the nation's goal of achieving net-zero carbon emissions by 2050. Apart from that, GDEX continues to strengthen our environmental policies and practices, particularly for waste disposal and carbon emissions, guided by both ISO 14001:2005 Environmental Management System (EMS) and ISO 9001:2005 Quality Management System in our business operations. Both ISO standards are verified annually by an independent party, Intertek Certification International Sdn Bhd. The ISO 14001:2005 EMS certification covers more than 90% of the sites of GDEX's operating subsidiaries in Malaysia.



Electric motorcycles  
launched in  
November 2021



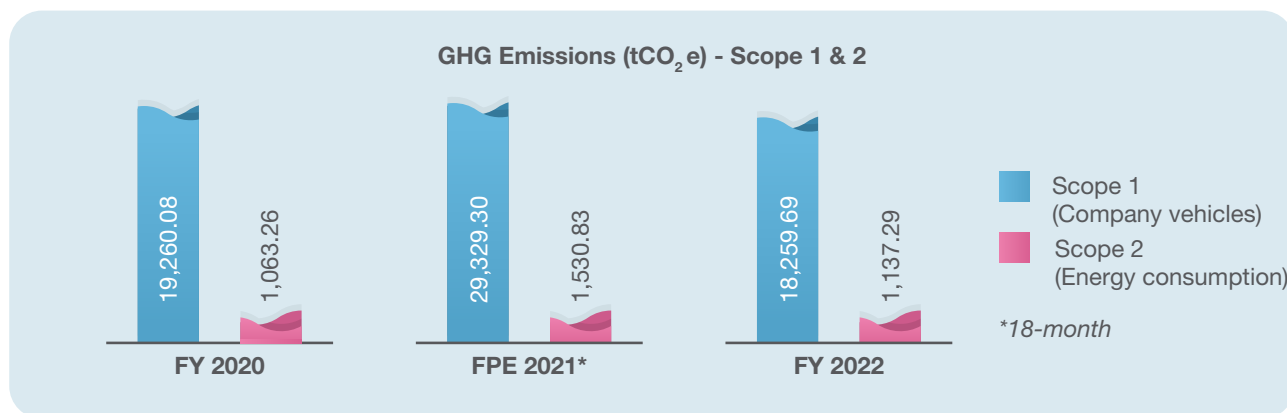
Solar panels launched  
in April 2022



# CORPORATE SUSTAINABILITY REPORT

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## Greenhouse Gas (GHG) Emissions



GDEX has commenced the disclosure of Scope 1 and 2 GHG emissions in FY2022, where we measured emissions from company vehicles and energy consumption in daily operations. We recorded a total of 19,396.98 metric tonnes of carbon dioxide (CO<sub>2</sub>) equivalent (tCO<sub>2</sub>e) in FY2022. In FPE2021, the total greenhouse gas emissions were 30,860.13 tCO<sub>2</sub>e. GDEX is dedicated to decreasing our GHG emissions going forward, as we explore various green strategies and initiatives within the Group.

	GHG Emissions (tCO <sub>2</sub> e)		
	FY2020	FPE2021*	FY2022
Scope 1 (Company vehicles)	19,260.08	29,329.30	18,259.69
Scope 2 (Energy consumption)	1,063.26	1,530.83	1,137.29
<b>Total</b>	<b>20,323.34</b>	<b>30,860.13</b>	<b>19,396.98</b>

\* 18-month

## Energy and Fuel Consumption

GDEX realises the importance of energy conservation, as energy is a crucial component of our carbon reduction goals. Through our GDEX Go Green initiatives, we are revolutionising our fleet. In November 2021, GDEX launched its first ever all-electric motorcycle, which only required RM1.00 for a full charge to travel up to 100 kilometres. This initiative will significantly reduce GHG emissions while preserving urban air quality for the benefit of communities in the areas that we operate in.

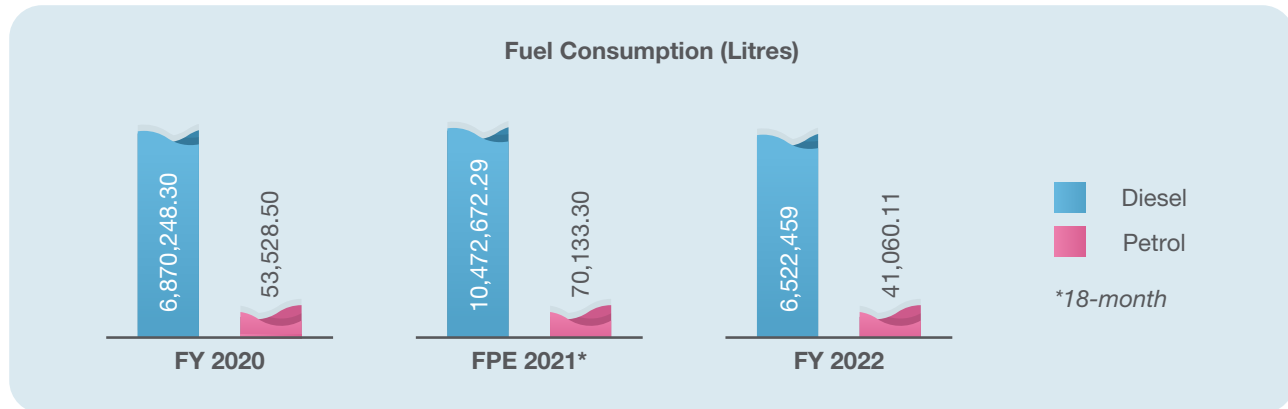
Furthermore, GDEX implemented a good practice by having its own GDEX motor vehicle workshop, managed by a skilled and experienced workforce responsible for repairing and maintaining our 1,423 vehicles. This is to ensure all vehicles are well-maintained to safeguard energy efficiency. In addition, GDEX continues to replace the old one-tonne and three-tonne trucks with lighter and more fuel-efficient models, which will in turn reduce GHG emissions.

As part of its future plans, GDEX will continue to explore other green alternatives such as biodiesel and hybrid vehicles

# CORPORATE SUSTAINABILITY REPORT

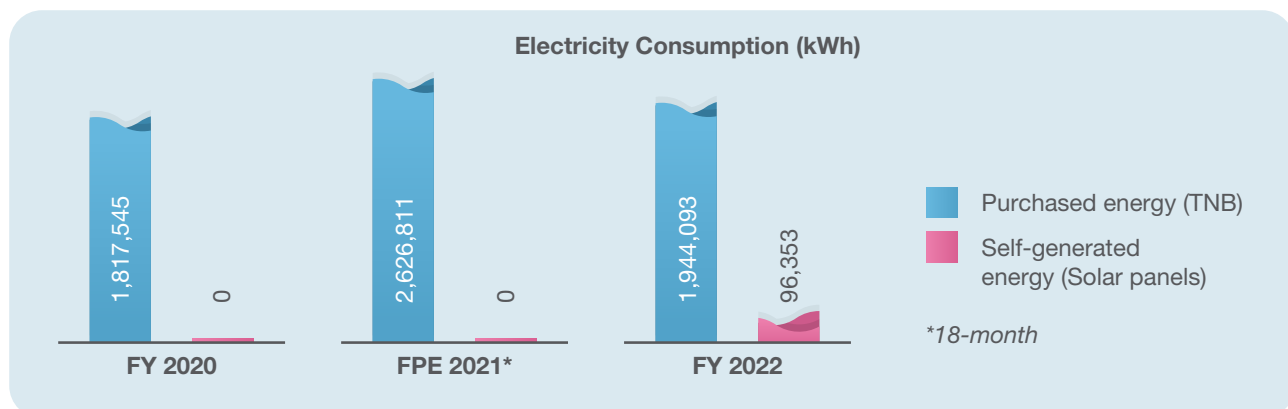
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to further reduce fuel consumption and GHG emissions.



In FY2022, the total fuel consumption was 6,563,520 litres, of which 6,522,459 litres were diesel and 41,060.11 litres were petrol, amounting to a total GHG emissions of 18,259.69 tCO<sub>2</sub>e. In FPE2021, the total fuel consumption was 10,542,805.5 litres, while the total fuel consumption in FY2020 was 6,923,776.8 litres, resulting in total GHG emissions of 29,329.3 tCO<sub>2</sub>e and 19,260.08 tCO<sub>2</sub>e, respectively. The breakdown of fuel consumption for FPE2021 is 10,472,672.29 litres of diesel and 70,133.3 litres of petrol. In FY2020, the fuel consumption comprised 6,870,248.3 litres of diesel and 53,528.5 litres of petrol.

Meanwhile, the total electricity consumption for FY2022 amounted to 2,040,446 kilowatt hours (“kWh”). The total electricity consumption in FPE2021 and FY2020 were 2,616,811 kWh and 1,817,545 kWh, respectively. Through the implementation of a GDEX Go Green initiative, the solar photovoltaic system installed at our Petaling Jaya headquarters in April 2022 has resulted in self-generated electricity of 100,564 kWh in FY2022. From this, 96,353 kWh was consumed while the remaining 4,211 kWh was sold to Tenaga Nasional Berhad (“TNB”). The total purchased electricity from TNB in FY2022 was 1,944,093 kWh, equivalent to GHG emissions of 1,137.29 tCO<sub>2</sub>e. GDEX continues to educate our employees on the importance of conserving energy through regular briefings, awareness campaigns, and reminders to switch off all lighting and electrical appliances when not in use, as well as turning off vehicle engines to reduce idling and conserve fuel.



# CORPORATE SUSTAINABILITY REPORT

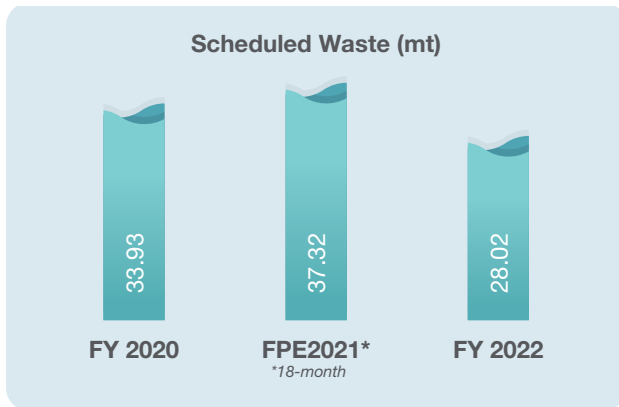
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## Waste and Effluents

Being a responsible corporate citizen, we emphasise on the safe disposal of our waste, complying with the Environment Quality (Scheduled Waste) Regulation 2005. We are proud to disclose that there were no environmental related incidents, fines, or penalties imposed on GDEX in FY2022. We implemented a good practice of performing regular reviews to enhance our environmental compliance and management.

A purpose-built waste disposal shed is available at the GDEX Headquarters to facilitate the safe storage and disposal of petroleum and lubricant waste, along with a scheduled waste disposal programme.

In FY2022, the total accumulated oil waste disposed is 28.02 metric tonnes. In FPE2021, the total oil waste disposed was 37.32 metric tonnes, while the total oil waste disposed in FY2020 was 33.93 metric tonnes. We continue to uphold effective waste management practices in ensuring minimal disposal of our waste.



## Reduce, Reuse, and Recycle (3R)

GDEX fully implements the 3R concept within the organisation in order to foster a strong culture of responsible consumption, in support of environmental conservation. In FY2022, GDEX recorded a total of 34,319.3 kilogrammes of paper sent for recycling. This initiative is a monthly commitment where old documents are collected from all GDEX branches and the Headquarters, to be sent to a third-party recycler for recycling purposes. In addition, employees are constantly reminded to use online platforms for any report submissions and correspondence to further minimise paper usage.

## SOCIAL

### Our commitment to customers

At GDEX, we recognise the importance of customer satisfaction to the success of our business, and continuously identify opportunities to deliver the highest service quality. We actively engage with our customers to identify their needs and requirements as well as monitor the quality of our services. In addition, we continue to grow our neighbourhood GDEX Point of Presence (“POP”) outlets, which are located in retail stores like stationery stores and provision shops for our customers’ convenience.



# CORPORATE SUSTAINABILITY REPORT

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## Company Culture and Philosophy

We are a resilient organisation working towards attaining cultural excellence that will bring GDEX to greater heights. The GDEX Philosophy, which was revamped in 2020, serves as the foundation of our company culture and business operations. The corporate qualities are defined as Cost Effective (People, Process), Reliability (Platform, Product), and Speed, or better known as 4P 1S.



## Customer Satisfaction

We conduct an annual customer satisfaction survey to gauge our service performance in meeting our valuable customers' expectations. This customer survey is crucial in safeguarding our business reputation and acts as an assessment tool to evaluate our services. In FY2022, the customer satisfaction scores were 96% for overall performance of service quality, 97% for overall performance of operations, 89% for overall performance of GDEX's digital platforms, and 97% of survey respondents indicated that they would recommend GDEX's services to their family and friends.

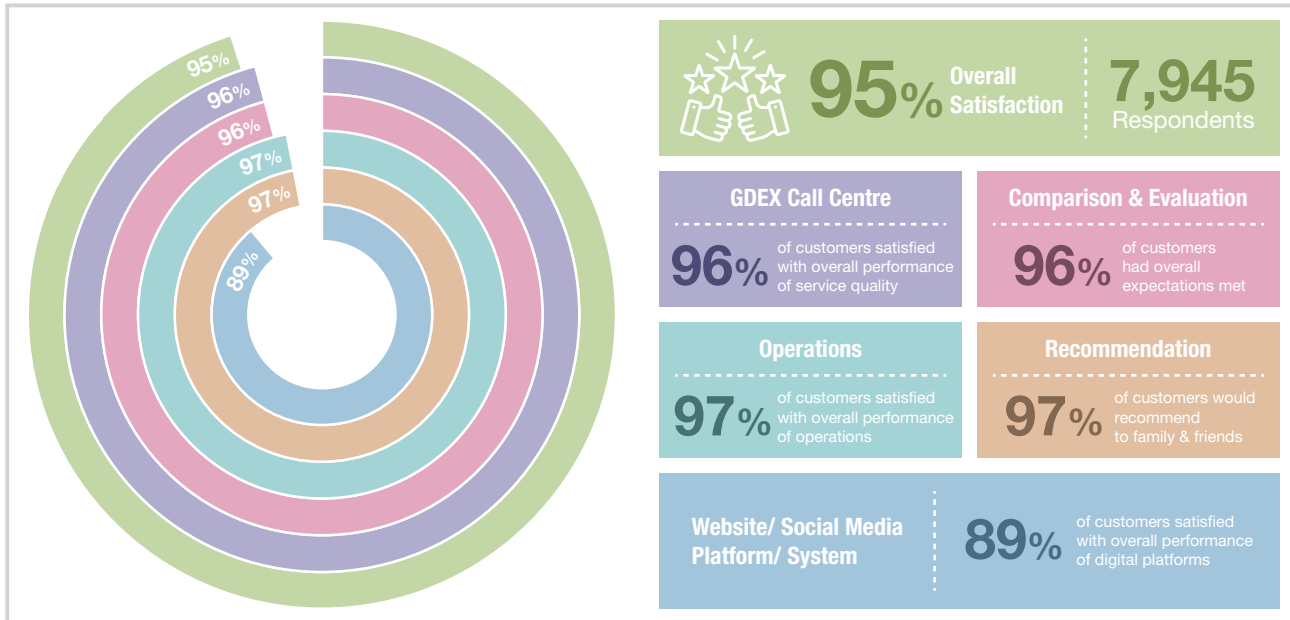




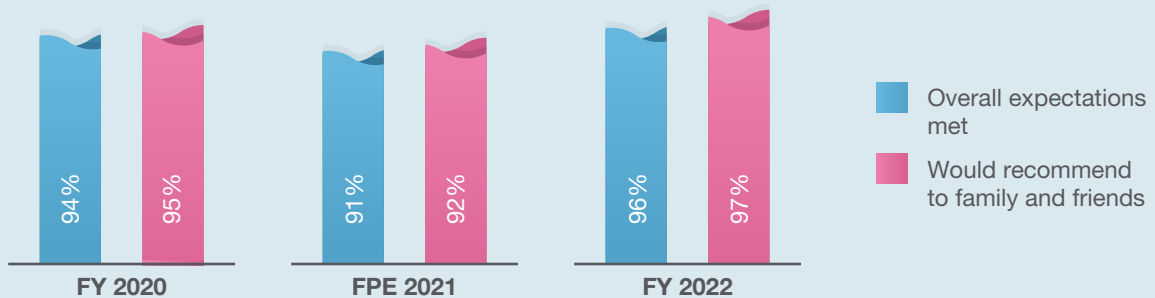
# CORPORATE SUSTAINABILITY REPORT

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## Summary of GDEX Customer Satisfaction Survey FY2022

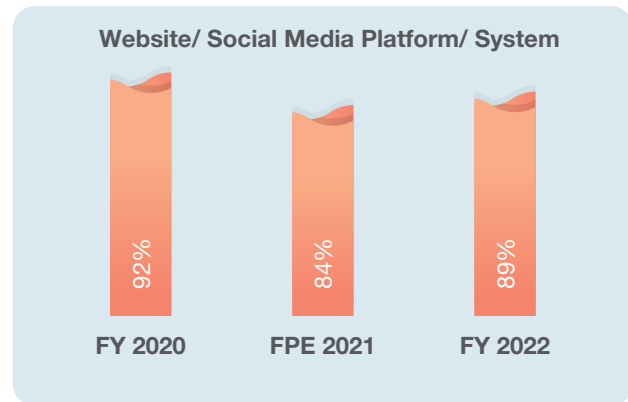
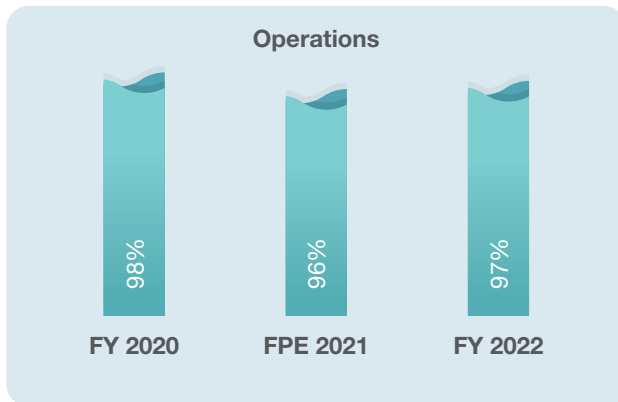


## Comparison and Evaluation



# CORPORATE SUSTAINABILITY REPORT

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## Our employees

We value and treat each of our employees fairly because they are the company's most valuable asset. We continue to uphold our commitment to being a socially responsible business by implementing good employment practices and engaging with our community actively. We provide various forms of employee benefits with the aim of valuing and incentivising our valuable talents. This includes attractive remuneration package, performance bonus and performance-based rewards, career development with great opportunity for career advancement, comprehensive training programme, as well as medical benefits.

In FY2022, a retreat for the senior to mid-management employees was organised to foster closer ties, renew connections, and push forward towards new goals and initiatives together in the GDEX 2.0 New Era. We conducted our GDEX Care survey in FPE2021 to seek a better understanding of the needs and expectations of our employees. This survey covers remuneration scheme, employee benefits, and career advancement opportunities. The outcome of this survey serves as the benchmark for GDEX to identify areas for improvement and further value our talents. The initiatives for employees' benefits, talent retention and development, as well as career advancement were rolled out in phases in FY2022, and will be continued in FY2023.

Furthermore, GDEX always embraces the International Human Rights Pillars; Protect, Respect, and Remedy. We practise equal opportunity for all employees, regardless of differences, and focus on respecting their effort and hard work. The employee's welfare and benefits are clearly outlined in the Employee Handbook.

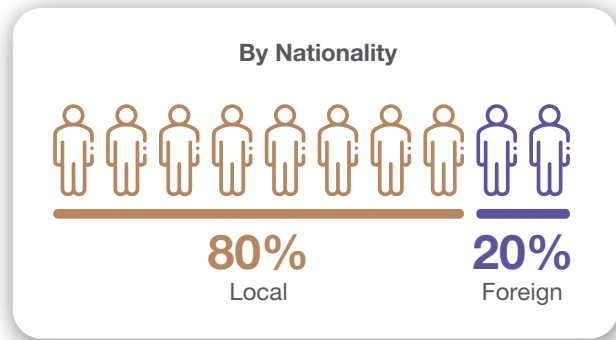
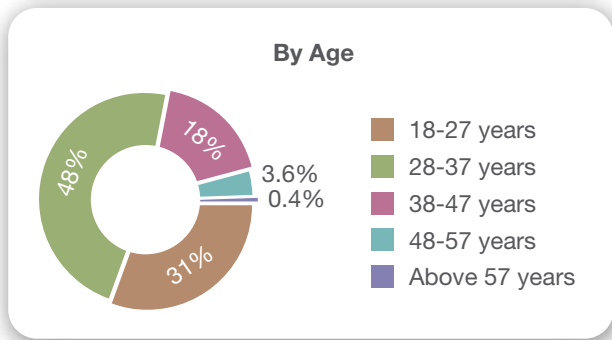
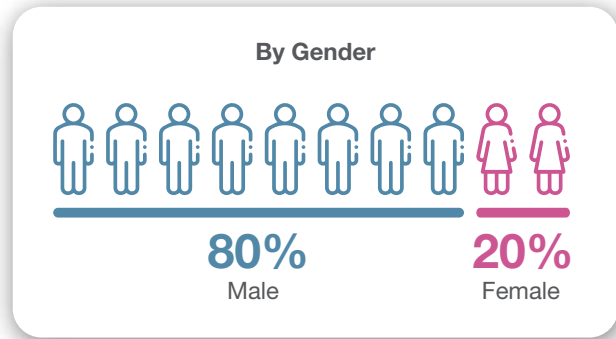
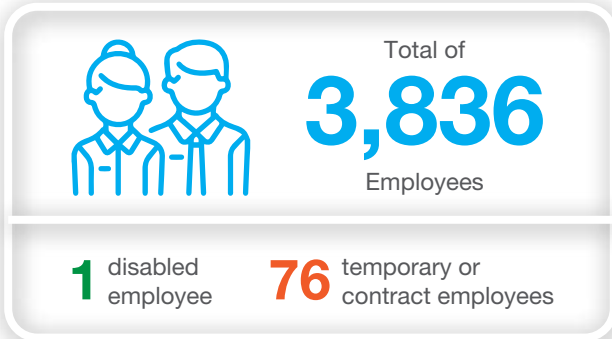
GDEX strictly abides by the Child Labour Policy, where it is stated clearly in our hiring policy that GDEX will only hire adults above the age of 18, in line with international efforts to prevent child and forced labour. This also aligns with the Employment Act 1955. All GDEX policies and practices comply with government guidelines and the national minimum wage policy.

GDEX strives to enhance the work-life balance of employees, via comprehensive scheduling that prevents excessive working hours which may affect the employee's health, family time, and productivity.

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## FY2022 Diversity of Employees



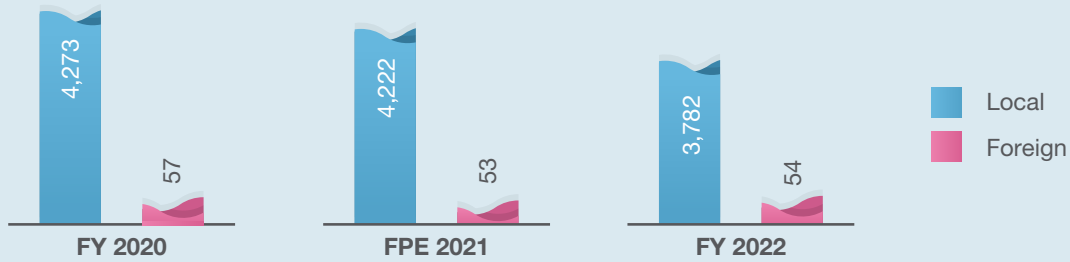
GDEX is committed to the diversity of our employees to ensure equal opportunities in regards to their differences in nationality, race, religion, gender, sexual orientation, and age. This is to ensure we respect each of our employee’s contribution and competency that will help GDEX provide the best quality of service to our customers. In FY2022, we have a total of 3,836 employees, which comprises 3,782 local and 54 non-local staff. We continue to support local talents, especially in hiring the unemployed to support the local economy and communities. GDEX’s operations are mainly supported by male employees (80%) compared to females (20%). This is due to the nature of GDEX’s businesses, which are express delivery and logistics services. However, GDEX does not discriminate against any individual in the hiring of new employees.



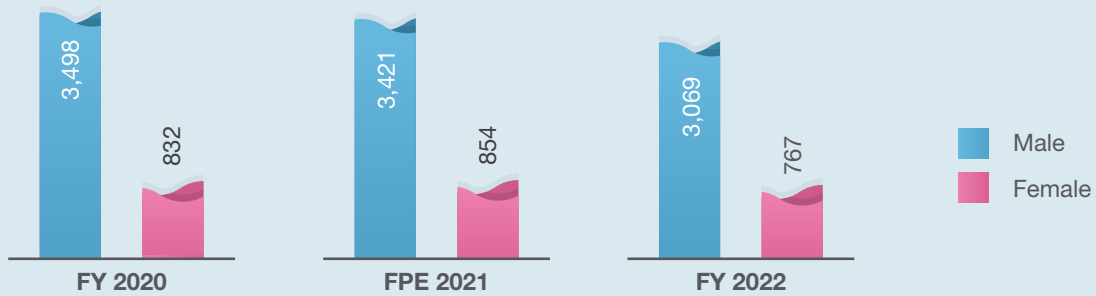
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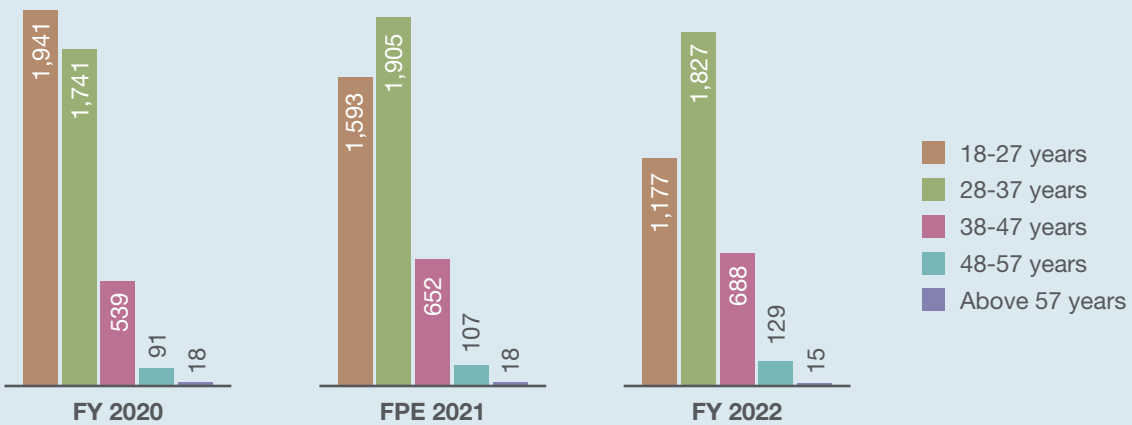
**Distribution of Employees: Nationality**



**Distribution of Employees: Gender**



**Distribution of Employees: Age**





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In addition, GDEX provides a transparent platform for employees to report cases that involve any form of discrimination or an unwelcomed workplace through the Whistleblowing Governance Unit. We always encourage our employees to voice their concerns and report their grouses to the top management without fear of favour or prejudice. All reports are deemed important, and a formal investigation will be undertaken in confidentiality.

In addition, the Group is supportive of the underprivileged, people with disabilities, and those without formal education by providing job and training opportunities. In FY2022, we employed one (1) employee with disabilities, while 76 employees are employed under contract or as temporary staff.

In this reporting year, we are proud to disclose that we recorded no incidents of any discrimination or violations of child labour, forced labour, or human rights.

## **Talent Development and Retention**

GDEX actively focuses on the talent development of our employees by continuously providing various training and workshop opportunities to upskill our employees and enhance their skills so they can further contribute to the success of our business.

We are proud of our achievement of being the first express delivery company in Malaysia to set up our own training academy, GDEX Academy, that provides school and university leavers the opportunity for industrial training that leads toward a professional certificate in logistics and express delivery. The academy's educational programmes are conducted with the support and collaboration of the Department of Skills Development of the Human Resources Ministry and adhere to the National Occupational Skill Standard for Courier Operations Service Syllabus. Furthermore, we work closely with "Pembangunan Sumber Manusia Berhad" ("PSMB") to develop and personalise our training modules and education programmes for all our employees. The ultimate goal is to enhance our employees' knowledge and ensure they are updated with the latest technology and policy implementations that will support their professional growth.

In support of good governance practices, we regularly conduct trainings and workshops on topics such as Human Resource procedures, Anti-Bribery Management System, Whistleblowing Policy, Sexual Harassment, Health, and Safety Operational Procedures. This is to ensure all our employees are aware of the importance of complying with these policies and procedures.

At GDEX, we actively engage with our employees by creating different avenues for them to interact with each other through training and workforce development. We organise an annual network conference where all the executives, from the supervisory level onward, share their experiences and exchange views on the GDEX's plans and directions. This will enlighten employees to be on the same path and direction as the Group.

Besides training, we appreciate the contributions of our employees by holding various annual events, such as award ceremonies and festive gatherings to appreciate and recognise the efforts of our people, as well as foster a family spirit and a sense of belonging.

# CORPORATE SUSTAINABILITY REPORT

cont'd

## Occupational Safety and Health

At GDEX, providing a safe and conducive workplace to all our employees is the top priority of the management. A comprehensive safety policy is in place to protect our employee's welfare, health, and safety due to the nature of our operations, which are highly dependent on vehicles and machinery. Furthermore, this policy also covers our contractors, customers, and external stakeholders. We continue to uphold our strong commitment with the establishment of several oversight committees in ensuring full compliance to all policies.

The Group's Safety and Health committee oversees the compliance and adherence of the safety policies. In the event of any accidents or incidents, an independent investigation will be performed to determine the root cause and identify the mitigation steps to prevent the occurrence of any similar accidents/incident in the future.

For all existing and new operations, which entail new branch opening, relocation, and expansion, the Network Committee works closely with the Safety and Health Committee. Of particular importance, the committees emphasise risk assessment on safety, health, and labour issues. This is consistent with the Branch Set-Up Flow as documented under ISO.

In this reporting year, we provided 15 safety-related training for 54 of our employees and 5,058 employees were trained on general training, which includes safety, to cultivate a sense of responsible and safe workplace for all. The conducted trainings are listed in the following table.

### List of Safety and Health Training

- 1 Defensive Driving & Maintenance
- 2 Defensive Riding for Motor Couriers
- 3 Ergonomics & Manual Handling
- 4 Safety Committee & Nadopod Training
- 5 Occupational Safety and Health 1994 Act Training
- 6 Latihan Kajian Keselamatan Jalan Raya oleh MIROS
- 7 Forklift Safety and Certification Training
- 8 First Aider with AED and CPR Skill Training
- 9 Reach Truck & Power Pallet Training
- 10 Dangerous Goods Training
- 11 Hino Safety & Eco Cien Driving Training @ Hino Sendayan
- 12 Conducting Effective HIRARC Training
- 13 Spill Drill Training
- 14 Schedule Waste Management Training
- 15 Radiation Protection

# CORPORATE SUSTAINABILITY REPORT

cont'd

GDEX has stringent implementation of safety policies and regularly provide safety-related training our employees. In FY2022, we recorded 8 cases of workplace accidents. In FPE2021, there were 18 cases of workplace accidents. The lost time incident rate in FY2022 was 0.81, while FPE2021 was 1.88. A total of 362 employees underwent training on health and safety standards in FY2022. Lost Time Incident is defined as an injury sustained on the job by an employee that results in the loss of productive work time. According to the OSHA 1994 Act, the Lost Time Incident Rate covers both employees and contractors. GDEX will continue to uphold the policies to further reduce the cases in the next reporting year, aligned to the Department of Occupational Safety and Health (“DOSH”) campaign on Vision Zero.

There were 8 theft cases this year, while FPE2021 saw 13 cases. We are committed to comply to other issues such as violence, harassment, intimidation, as well as unsafe and disruptive behaviour. In addition, across our operations, strategic locations were installed with security cameras, along with 24-hour security patrolling in our premises to safeguard employees’ safety.

Besides safety training, we practise various safety precautions, such as safety lanes, highly visible hazard labels and signs, as well as proper handling procedure signs. This proves the commitment of GDEX in always providing a safe and healthy workplace.



## LOST TIME INCIDENT RATE *(per one million man hours)*

1.23

FY 2020

1.88

FPE 2021

0.81

FY 2022



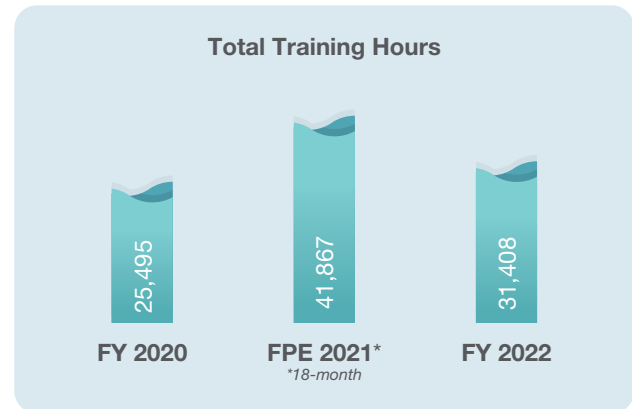
# CORPORATE SUSTAINABILITY REPORT

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## Training and Development

We continue to uphold and embrace the upskilling of our employees by providing valuable training guides through the Group's Multimedia Remote Learning ("MMRL") programmes. This is an onboarding training that reaches out to all our employees, covering both Peninsular and East Malaysia.

We continue to organise our annual road safety competition which gained the support and endorsement by The Malaysian Road Transport Department, Department of Occupational Safety and Health, Malaysian Institute of Road Safety Research, and the Traffic Police Division. The aim of this competition is to provide and maintain road safety for the community. As of FY2022, we organised a total 31,408 hours of training with an average of 6.1 hours per employee.



## Engaging and Empowering Communities



GDEX's commitment to engaging and empowering communities extends beyond our business. The local community is also encouraged to join the GDEX enterprise development programme through G-Partner and crowdsourcing programme known as KITA. This strategic collaboration aims to strengthen the local economy by promoting entrepreneurship and supporting the young entrepreneur who will later contribute to the local business development and job creation.

We are proud to have contributed to our corporate social responsibility and humanitarian programmes. In October 2022, we conducted the GDEX We Share, We Care programme with the aim of reaching out to the homeless in Kuala Lumpur and Petaling Jaya. The team moved around these areas, distributing food and goodie bags to the homeless. This initiative is in line with and contributes to Sustainable Development Goal 2: Zero Hunger.



# CORPORATE SUSTAINABILITY REPORT

cont'd



Besides that, GDEX also focuses on the importance of Science, Technology, Engineering, and Mathematics (“STEM”) education, which is why the team organised the “GDEX Jalanan Kasih Bersama Anak-Anak Rumah Amal Budi Bestari” in December 2022. The aim of this event is to provide the children from Rumah Amal Budi Bestari the opportunity to explore STEM education at the National Science Centre. This event brings great benefit to the children, as some are making their first visit to the National Science Centre. The children are exposed to STEM and have an enjoyable time at the centre.



# CORPORATE SUSTAINABILITY REPORT

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Furthermore, through the GDEX Internship Programme, GDEX actively engages with communities, particularly in youth development. This programme aims to provide a platform for the youth to learn and employment opportunities to students and fresh graduates from various universities. In addition, this programme allows the students to further develop their professional and leadership skills. The Group's internship programme is available at the GDEX Headquarters. In FY2022, GDEX welcomed the first batch of interns from Universiti Tunku Abdul Rahman ("UTAR"), as part of the Memorandum of Understanding ("MOU") inked between both parties. The Managing Director/Group Chief Executive Officer was invited for a sharing session with the logistics undergraduates during a CEO Talk Series organised by UTAR. Apart from that, GDEX conducted industrial visits for the lecturers and faculty members of UTAR, for a better understanding of the last mile and logistics industry.

In FY2022, the group does not contribute/donate to any political parties or non-profit organisations.



# CORPORATE SUSTAINABILITY REPORT

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# CORPORATE SUSTAINABILITY REPORT

cont'd

## GOVERNANCE

GDEX is fully committed to the implementation of sustainability governance within the group. The Board of Directors took into consideration the three key pillars of sustainability – Economic, Environmental, and Social (EES) in framing up the company’s sustainability direction and goals. In addition, the Board of Directors oversees the inculcation of a strong and committed sustainability culture throughout the company with the support of two committees, the Combined Nomination and Remuneration Committee (CNRC) and the Sustainability Working Committee (SWC). There are three Board representatives (independent and non-executive directors) that are part of the CNRC to ensure the Group achieves the targeted sustainability goals.



### Governance

At GDEX, we uphold strong corporate governance as we believe this will provide the backbone for GDEX to successfully achieve all our targeted sustainability initiatives. A strong governance mechanism enables the Board of Directors to play an important role in sound strategic planning to achieve the sustainability goals. The Board of Directors is fully committed and takes full accountability in this matter with a top-down approach that significantly proves our strong commitment to embracing sustainability as a Group agenda.

We continue to adopt the best practices and standards outlined by the Malaysian Code on Corporate Governance (“MCCG”), Minority Shareholders Watch Group (“MSWG”), Corporate Governance Scorecard, the FTSE4GOOD Bursa Malaysia Index, and the Bursa Malaysia Corporate Governance Guide in our corporate governance. The Group’s full Corporate Governance Report is available on our website at [www.gdexpress.com](http://www.gdexpress.com).

### Data Security and Privacy

We acknowledge the importance of protecting the privacy of our customers, vendors, and employees’ data, and we fulfil our commitment by proactively ensuring highly secure online platforms. With the advancement of technology and increase in online threats, we must ensure continuous improvement to provide a secure platform for our customers and protect their personal information. We continue to review the management and mitigation of our cybersecurity-related risks and ensure we continue to maintain compliance with all relevant regulations. Thus, with the strong commitment to protecting customer data and privacy, GDEX has deployed advanced Artificial Intelligence and Machine Learning powered cybersecurity solutions. The Group is in the midst of obtaining the ISO 27001 Standard for Information Security Management Systems (“ISMS”).

# CORPORATE SUSTAINABILITY REPORT

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## Anti-Bribery and Anti-Corruption

We, the entire GDEX community, including the Board of Directors, uphold a strong culture of good ethics, integrity, and reliability in our business operation, with a zero-tolerance stance against bribery and corruption. Since 2020, the Group has adopted the Anti-Bribery and Corruption Policy Statement and No Gift Policy, which comply to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These policies are applicable to GDEX directors and staff, as well as any third parties that we engage with. Additionally, in 2021, GDEX had been certified by Sirim QAS International Sdn Bhd to be compliant with the ISO 37001:2016 Anti-Bribery Management System.

The Anti-Bribery and Corruption Committee is assigned to oversee the implementation of the GDEX Anti-Bribery Management System and has direct access to the Board and management for issues relating to bribery and corruption. The No Gift policy outlines that it does not allow any of its employees to solicit, accept, or provide any gifts, offers, entertainment, corporate hospitality, or anything of monetary value from/to any party (ies) who have direct or indirect dealings with GDEX Group. Meanwhile, the Whistleblowing policy outlines the standard procedures for any whistleblower to lodge a complaint or report. All these policies are publicly available on our corporate website at [www.gdexpress.com](http://www.gdexpress.com).

We conduct regular engagement sessions with our employees through various training sessions on Anti-Bribery and Anti-Corruption to ensure GDEX always maintains and upholds good ethics and is accountable for our business. Due to such commitment by the entire GDEX community, we can proudly declare that in FY2022, we recorded zero cases of corruption. We will continue and are committed to always ensuring good governance in the GDEX Group.

## Regulatory Compliance and Engagement

The Group adheres to latest regulations and guidelines from various authorities and regulatory bodies as part of our commitment to ensuring good governance within the GDEX Group. We engage with the following ministries, regulators, government agencies, and organisations:

- Ministry of Communications and Digital (“MCD”)
- Malaysian Communications and Multimedia Commission (“MCMC”)
- Ministry of Transport (“MOT”)
- Road Transport Department Malaysia (“JPJ”)
- Land Public Transport Agency (“APAD”)
- Ministry of Human Resources (“MOHR”)
- Securities Commission
- Bursa Malaysia Securities Berhad
- Royal Malaysia Police (“PDRM”)
- Royal Malaysian Customs (“JKDM”)
- Malaysian Investment Development Authority (“MIDA”)
- Malaysia Institute of Road Safety Research (“MIROS”)
- Department of Occupational Safety and Health (“DOSH”)
- Department of Environment (“DOE”)
- Malaysian Productivity Corporation (“MPC”)
- Malaysia Digital Economy Corporation (“MDEC”)
- CyberSecurity Malaysia
- Ministry of Living and Cost of Living (“KPDNKK”)
- The Wildlife Trade Monitoring Network (“TRAFFIC”)
- Department of Standards (“JSM”)

## CONTINUING THE JOURNEY

We continue to embrace the sustainable journey in our business with other green initiatives that will be announced by the Group in the future. In addition, we continue to further strengthen our business sustainability and performance by emphasising good governance and social responsibility.