

CORPORATE SUSTAINABILITY REPORT 2021



EMBARKING ON A SUSTAINABILITY JOURNEY



The capital market's push for sustainability today is building up, with corporations being assessed thoroughly for their involvement in environmental, social, and governance (ESG) matters, instead of the previously adopted exclusionary screening approach. ESG is now a component in the financial analysis of a company. In response to this, listed companies in Malaysia are making the effort to enhance their sustainability practices.

The importance of sustainability has been stressed over the years and today it is no longer about creating awareness on sustainability, but how sustainability is interwoven in every action of a responsible corporate citizen. GDEX Berhad is aware of its duty as a responsible last mile delivery and logistics player to prioritise the sustainable approach in its actions, after considering the implications from a cost-benefit perspective.

In this year's corporate sustainability report, GDEX takes another step forward in its sustainability journey. The Group identified its material matters that are ranked according to the Materiality Matrix and aligned them to the United Nations' Sustainable Development Goals.

CORPORATE SUSTAINABILITY REPORT

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GDEX Berhad’s Corporate Sustainability Report outlines the measures we undertake to instil sustainable practices across our operations.

SUPPORTING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Group’s sustainability pursuits are aligned to the Sustainable Development Goals (“SDGs”) adopted by the United Nations (UN), which are part of the UN Member States 2030 Agenda for Sustainable Development.



Out of the 17 UN SDGs, the Group identified seven SDGs that are relevant to the nature of our businesses and are supporting the global sustainability agenda through:

- Contributing towards socio-economic growth by applying technology solutions to enhance express deliveries and courier services (SDG 8, 9)



- Adopting environmentally friendly solutions in our operations to address global climate change risks (SDG 12, 13)



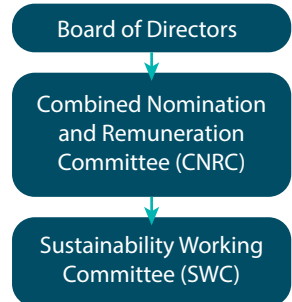
- Promoting ethical conduct, employee welfare, diversity, and a rewarding working experience (SDG 10, 11, 16)



GOVERNANCE STRUCTURE

GDEX’s sustainability governance structure aims to bring accountability in the implementation of sustainability commitments across our operations.

The Group’s Board of Directors (“Board”) provides strategic direction in our sustainability commitments, taking into consideration the three key pillars of sustainability: Economic, Environmental, and Social (“EES”). Meanwhile, the Combined Nomination and Remuneration Committee (“CNRC”), reporting to the Board, oversees and reviews integration of sustainability principles and polices, practices, and goals in the Group’s business strategy and decision making. The CNRC comprises Board representatives who are independent and non-executive directors of the Group.



CORPORATE SUSTAINABILITY REPORT

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Furthermore, the Sustainability Working Committee (“SWC”), which reports to the CNRC, is assigned to plan, coordinate, and implement identified sustainability initiatives. Members of the SWC comprise key management and sustainability representatives of various business divisions.

STAKEHOLDER ENGAGEMENT

The Group engages with various stakeholders to understand their needs, and garner valuable insights to support the formulation of sound business strategies beneficial to our stakeholders and the success of our Group.

The material issues identified for each stakeholder, as well as the method and frequency of engagement, are outlined below:

Stakeholder	Material Issues	Engagement	Frequency
Employees	<ul style="list-style-type: none"> Employee welfare Safety, health, and security Equal opportunity Career development 	<ul style="list-style-type: none"> Training programmes Educational programmes Awareness campaign 	<ul style="list-style-type: none"> Monthly/As needed
		<ul style="list-style-type: none"> Safety inspections 	<ul style="list-style-type: none"> Monthly
		<ul style="list-style-type: none"> Survey 	<ul style="list-style-type: none"> As needed
Customers	<ul style="list-style-type: none"> Service Satisfaction Innovative offerings Security Protection 	<ul style="list-style-type: none"> Customer Survey Feedback on GDEX Website, Facebook & Twitter Call Centre Customer Care Centre (CCC) Point of Presence (POP) Outlets Refresh Through Campaign/Promotion Events sponsorship (MIA conference, festive customer appreciation) 	<ul style="list-style-type: none"> Daily/As needed
Suppliers, Vendors & Business Partners	<ul style="list-style-type: none"> Competitive pricing Reliability 	<ul style="list-style-type: none"> Supplier Quotation Supplier Evaluation Integrators Collaboration External audit exercise Legal documents drafting and vetting Financial matters 	<ul style="list-style-type: none"> Annual/As needed
Government Agencies & Regulators	<ul style="list-style-type: none"> Corporate governance Regulatory compliance Licensing Certifications 	<ul style="list-style-type: none"> Audits Site visits Visitations Seminars and training 	<ul style="list-style-type: none"> Monthly/As needed

CORPORATE SUSTAINABILITY REPORT

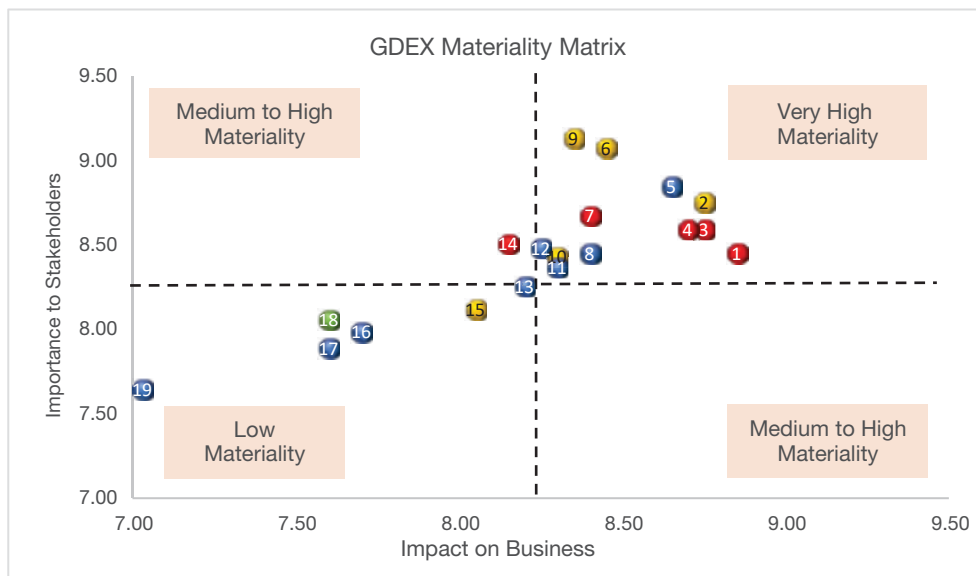
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Stakeholder	Material Issues	Engagement	Frequency
Local Communities	<ul style="list-style-type: none"> Community support and development Employment opportunities 	<ul style="list-style-type: none"> Community events Charity Internship programme 	<ul style="list-style-type: none"> Quarterly/As needed
Shareholders	<ul style="list-style-type: none"> Corporate governance Financial performance Growth plans 	<ul style="list-style-type: none"> Annual Report Annual General Meeting 	<ul style="list-style-type: none"> Annual
		<ul style="list-style-type: none"> Analyst briefing and roadshows 	<ul style="list-style-type: none"> Quarterly/As needed
		<ul style="list-style-type: none"> Investor relations website Press release Media interviews Announcements to Bursa Malaysia 	<ul style="list-style-type: none"> As needed

MATERIALITY ASSESSMENT

The Group identified 19 material issues that are categorised under the EES pillars.

Sustainability Materiality Matrix



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Economic

- 1** Company Financial Performance
- 3** Operational Excellence
- 4** Business Continuity Plan
- 7** Digitalization and Technology
- 14** Innovation

Governance

- 2** Regulatory Compliance
- 6** Anti-Bribery & Corruption
- 9** Data Security & Privacy
- 10** Corporate Governance
- 15** Risk Management and Internal Audit











Social

- 5** Customer Experience & Satisfaction
- 8** Company Culture and Philosophy
- 11** Occupational Health and Safety
- 12** Employee Well-Being/Benefits
- 13** Talent Development and Retention
- 16** Socially Responsible Products & Services
- 17** Employee Engagement
- 19** CSR Activities

Environment








- 18** Environmental Initiatives

ALIGNMENT TO SDGs

No.	Material Sustainability Matters	Relevant Stakeholders	Relevant SDGs
ECONOMIC			
1	Financial Performance	Employees, Shareholders	
2	Operational Excellence	Employees	 
3	Business Continuity Plan	Employees, Suppliers, Vendors, Business Partners	 
4	Digitalization and Technology	Employees, Customers	 
5	Innovation	Employees, Customers	 
6	Risk management	Employees, Business Partners	





CORPORATE SUSTAINABILITY REPORT

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No.	Material Sustainability Matters	Relevant Stakeholders	Relevant SDGs
ENVIRONMENT			
7	Environmental Initiatives	Regulators, Community	 
SOCIAL			
8	Customer Experience and Satisfaction	Customers	
9	Company Culture and Philosophy	Employees	  
10	Occupational Health and Safety	Employees	
11	Employee Well Being and Benefits	Employees	
12	Talent Development and Retention	Employees	
13	CSR Program	Community	
14	Employee Engagement	Employees	
15	Socially responsible products & services	Customers	

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No.	Material Sustainability Matters	Relevant Stakeholders	Relevant SDGs
GOVERNANCE			
16	Regulatory Compliance	Regulators	
17	Anti-Bribery and Corruption	Employees, Suppliers, Vendors, Business Partners	
18	Data Security and Privacy	Employees, Customers	
19	Corporate Governance	Regulators	

ECONOMIC

Economic Performance

GDEX's aspirations in providing our express delivery services to the community and businesses go beyond facilitating movement of goods. We adopt a holistic approach in bringing positive impact, where we are the connector of people, bringing to life the aspirations and ideas of communities, and enabling livelihoods.

Therefore, in fulfilling our role as a responsible corporate citizen, we are committed to achieving sustainable business growth, generating better returns for our shareholders, as well as creating more employment opportunities for the community. Our pursuits are firmly anchored in good governance practices, which serve as the backbone of a financially sound company.

Today, our customers are demanding more comprehensive logistics and warehousing services, to support their business growth and cater to the increasing digitalisation and use of technology in their operations.

In response, we continuously enhance the comprehensiveness of our solutions and services, as well as expand business segments such as Business-to-Business deliveries, international businesses, and warehouse fulfilment services.

On our financial performance, the Group achieved revenue of RM636.9 million and PATMI of RM41.5 million in FPE2021, generated by our regional businesses spanning Malaysia, Singapore, and Vietnam. In FY2020, the Group recorded revenue of RM364.0 million and PATMI of RM18.5 million.



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We continue to prioritise a sustainable business model, in alignment to the goals of our stakeholders, and towards generating greater long-term value for all. Furthermore, we are driven to understand and adopt latest technology across our operations, which will enhance our solutions offered to the community.

Operational Excellence

As our customers expect timely deliveries and quality services, we strive to uphold operational excellence and ensure utmost reliability and uptime.

In this regard, the Group undertakes regular review of our operating processes in line with our Quality Policy, which comprises stringent operational Key Performance Indicators. We also undertake a Quality Management Review to optimise strategies and narrow gaps to improve efficiency.

Additionally, we invest in automation across the organisation. Our upcoming new fully automated sorting hub in Petaling Jaya, Selangor, expected to be operational in end-2022 or early-2023, will result in increased automation that improves efficiency, workforce safety and comfort, as well as promotes greater customer satisfaction.



Furthermore, the Group conducts regular review of its organisation-wide Business Continuity Plan. This is in line with our efforts towards establishing a comprehensive framework for maintaining high levels of operational uptime and service reliability.

Digitalisation and Technology

In the era of digitalisation, we are developing digital technologies and platforms that cater to latest customer demands and enhance our industry competitiveness.

The Group's digital initiatives in the past four years include myGDEX and myGDEX Prime. myGDEX is an online shipping platform to enhance customer delivery experience and provide a user friendly and hassle-free process. myGDEX Prime enables customers to print their own airway bills in the comfort of their homes or offices. These initiatives helped reduced RM1.14 million of paper wastage and carbonised printing costs.

In March 2021, we launched Beeline, which leverages on our technology platforms and automation systems. Beeline extends our services to include social commerce platform and all-in-one order management system for e-commerce businesses.

Furthermore, our customers are increasingly shifting towards a cashless market environment. The Group offers convenient and seamless online payments and e-wallet solutions, which are integrated to our websites and mobile applications. The wide range of third-party merchants and payment providers we work with include Touch 'n Go, Boost, Grabpay, ShopeePay, among others.

The Group's services and product offerings are seamlessly integrated to its various online platforms, and customers can gain access via the GDEX website, myGDEX portal, our Facebook page or Twitter channel, as well as mobile applications.

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Supply Chain Management

The Group adopts comprehensive procurement policies and practices for a reliable supply chain. This is crucial to maintain timely deliveries and quality services, as well as effective cost controls and adherence to ethical standards.

We enforce strict criteria in the evaluation and selection of suppliers, vendors, agents, contractors, and business partners. Stringent requirements are imposed, such as compliance with ISO Certification quality standards, GDEX Vendors' Code of Conduct, and GDEX Group Anti-Bribery and Corruption Policy. We also conduct an annual supplier evaluation exercise to ensure suppliers and vendors meet our quality standards.

ENVIRONMENT

Environmental Compliance and Management

The Group recognizes the importance to preserve environmental health to safeguard the communities around us. We continuously identify areas where we can contribute to the alleviation of climate change risks, which may impact the Group's business and operations in the long run if left neglected.

We are in the process of establishing time-specific targets to reduce our greenhouse gas emissions as well as pollution and waste. This will include increasing the disclosure of our emissions and waste produced, and employing accurate measurements to ensure veracity of the data collection process.

The Group strives to strengthen our environmental policies and practices, especially in waste disposal and carbon emissions, as well as continuously seek to enhance the integration of ISO 14001:2015 Environmental Management System (EMS) with ISO 9001:2015 Quality Management System (QMS) across our operations.



Our EMS and QMS are verified by an independent party, Intertek Certification International Sdn Bhd, on a yearly basis. The ISO 14001:2015 certification covers 90% of the sites of the Group's operating subsidiaries in Malaysia.

The Group also complies with the Environmental Quality (Scheduled Wastes) Regulation 2005. We have a purpose-built waste disposal shed which enables the storage and systematic disposal of petroleum and lubricant wastes in accordance with a scheduled waste disposal programme.

In FPE2021, the Group's oil waste disposal amounted to 37.32 mt³. Meanwhile in FY2020 and FY2019, the total oil waste disposed was 33.93 mt³ and 58.02 mt³, respectively. The annualised average waste disposed registered a declining trend, reflecting our commitment to responsible consumption and waste reduction to limit adverse impact on the environment.

CORPORATE SUSTAINABILITY REPORT

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In FPE2021, there were no environmental incidents, fine, or penalty faced by the Group. We will continue to review and enhance our environmental compliance and management practices to safeguard environmental health.

Energy Consumption and Management

We recognise that the conservation of energy and energy efficiency must be prioritised, to mitigate the impact of global warming and climate change. We strive to reduce our carbon emissions and use of fossil fuels across our operations.

As our machineries and vehicles depend on diesel, their maintenance and upkeep are important to ensure energy efficiency. We thus have our own GDEX motor vehicle workshop, manned by experienced and skilled staff responsible for repairing and servicing our 1,414 trucks and vehicles.



The Group has a vehicle replacement programme for older one-tonne and three-tonne trucks with lighter and more fuel-efficient vans that are suited to city driving, thus reducing fuel usage and carbon emissions. In FPE2021, we purchased 103 new trucks to expand our fleet size. For the long-haul sector, we also used more 40-foot container trucks that are fuel-efficient, require less servicing, and able to carry four times the load of the smaller trucks.

Additionally, the Group will explore greener alternatives such as biodiesel and hybrid vehicles to minimize fuel usage and carbon emissions.



In November 2021, we introduced our first all-electric motorcycles, which enables green deliveries in the urban setting. This will contribute to reduced carbon emissions, while preserving urban air quality for the benefit of communities.

Furthermore, the Group is committed to Reduce, Reuse, and Recycle (3R) initiatives in our consumption of electricity, fuel, and stationary. We encourage employees to use energy and other crucial resources conservatively, towards inculcating a culture of responsible consumption in support of environmental conservation.

Every month, old documents are collected from GDEX's headquarters and branches, to be sent to a third-party recycler for recycling. In FPE2021, the Group recycled a total of 59,743 kilogrammes of paper.

We constantly remind employees to switch off all electrical appliances when not in use. Truck drivers are trained to switch off engines to reduce idling and conserve fuel while making delivery rounds. Employees are also encouraged to go online for submission of reports and correspondence to minimise paper usage.

In addition, we are in the process of converting conventional lighting at GDEX properties and facilities to LED lightbulbs, which will lead to lower energy consumption and heat produced.

CORPORATE SUSTAINABILITY REPORT

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The Group’s electricity consumption amounted to 2,616,811 kilowatt-hour (kWh) for the 18 months of FPE2021. The electricity consumption in FY2020 was 1,817,545 kWh compared to 1,713,052 kWh in FY2019.



FY2019	1,713,052kWh
FY2020	1,817,545kWh
FPE2021*	2,616,811kWh

**18-month*

To enhance our energy efficiency, the Group initiated the planning of a solar rooftop photovoltaic system at our premises, which is expected to be commissioned in March 2022. This represents our initial steps towards using renewable energy, and we will work towards increased adoption of similar green solutions in future.

SOCIAL

Happy Customer Project

We recognize the importance of customer satisfaction to the success of our business, and continuously identify opportunities to deliver the highest service quality.

Additionally, we continue to expand our physical presence to bring greater convenience. In FPE2021, we introduced more neighbourhood GDEX POP (Point of Presence) outlets, located in diverse retail stores such as stationery shops, dry-cleaning centres, and sundry shops. With the increased number of GDEX POP, our customer access points, including branches and agents, have increased threefold from 450 outlets in FY2020.



For a better retail experience, we undertook facelift of our outlets in FPE2021, which received new and modern designs that are more aesthetically pleasing.

Company Culture and Philosophy

As we work towards building a more resilient organisation, we seek to form a strong bedrock of cultural excellence to drive the Group forward. This is guided by the principles of the GDEX Philosophy, which was launched in 2020, with new core values, management principles, corporate qualities, and an ultimate goal. The corporate qualities are defined as 4P’s and 1S, namely People, Process, Platform, Product, and Speed.

In FPE2021, we continued to organise a series of awareness programmes to bring greater understanding and awareness of the new philosophy, towards incorporating its elements across the Group’s culture and work processes.

Occupational Safety, Health, and Security



The 4,244-strong employees of GDEX are like family, and the management takes great effort to create a conducive workplace that looks after the welfare, health, and safety aspects of our employees. Our Safety policy covers employees, contractors, customers, and external shareholders. To ensure policies on these areas are not compromised, several oversight committees were established.

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As our operations involve the significant use of vehicles and machinery, there may be risks of accidents and injuries. To prevent safety incidents, the Group has adopted comprehensive safety policies to protect our employees, contractors, customers, and external stakeholders.

In this regard, the Group’s Safety and Health committee oversees the implementation and adherence of relevant policies. In the event of any accident/incidents, an investigation will be carried out to determine the root cause, and control measures will be proposed to prevent future recurrences.

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 emphasize risk assessment on safety and health and labour issues. This is consistent with the Branch Set-Up Flow as documented under ISO. The Group carries out regular safety awareness and training activities such as fire drills, defensive driving competitions, and training initiatives to enhance the skills of its drivers.

In FPE2021, we implemented various safety and health training programmes to maintain high levels of awareness. During the year, we had 85 staff trained on safety and 4,030 staff trained on general training which includes safety.

Training

The Group’s online training programme provides valuable training guides and is regularly updated to reflect the latest teaching and learning techniques. It enables our training outreach to all parts of the Peninsular and East Malaysia. The training programme provided 41,867 training hours, an average of 8 hours per employee, or an average of 1.1 days per employee.



In addition to training programmes, various measures have been put in place to reduce workplace accidents, including use of safety lanes, highly visible hazard labels and signs, and signs for proper handling procedures.

To implement practices and play our part in maintaining road safety for the community, we regularly liaise with relevant authorities such as JPJ, Department of Occupational Safety and Health (DOSH), Malaysian Institute of Road Safety Research (MIROS), and Traffic Police Division in matters concerning road safety activities. We hold an annual road safety competition endorsed by JPJ, DOSH, MIROS, and the Traffic Police Division.

In FPE2021, we recorded 20 workplace incidents, while in FY2020, there were 18 cases. The Lost Time Incident Rate was 1.88 in FPE2021, 1.23 in FY2020, and 3.0 in FY2019. Lost Time Incident is defined as an injury sustained on the job by an employee that results in the loss of productive work time. Based on the OSHA 1994 Act, the Lost Time Incident Rate covers both employees and contractors. The Group is committed to reduce the number of cases in every area, aligned to the Department of Occupational Safety and Health (DOSH) “Vision Zero Campaign”, where the number of cases is reduced until it reaches zero.

Lost Time Incident Rate (Per one million man hours)		
FPE2021	FY2020	FY2019
1.88	1.23	3.0

The Group is also committed to maintaining a workplace that is free from theft, violence, harassment, intimidation, and unsafe and disruptive behaviour. Across our operations, security cameras are placed in strategic locations to ensure employees safety, and we hire a 24-hour security services provider to safeguard our premises. There were 12 theft cases reported in FPE2021, while FY2020 saw 21 cases.

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Additionally, with the advent of the COVID-19 pandemic, the Group has implemented health and safety procedures to protect our employees and stakeholders. Some of the prevention and mitigation measures for operations and the workplace includes increased ventilation, sanitisers, physical distancing, team rotation, and wearing of face masks.

Employee Well Being and Benefits

GDEX strives to ensure that our people are fairly rewarded for their contribution to the Group, through providing competitive remuneration aimed at retaining and incentivising valuable talent. We conducted the

GDEX Care Survey in 2021, which seeks to better understand the needs and expectations of all GDEX employees. The survey included remuneration scheme, employee benefits, and career advancement opportunities, in order to identify areas of improvements in the coming years.



In addition, the Group embraces the values of the International Human Rights Pillars, “Protect, Respect and Remedy”. We prioritise equality among human beings, respect their effort and energy, and protect workers’ right and welfare. These principles are cascaded, shared, and disclosed in our Employee Handbook. In our hiring policy, only adults aged 18 years old are hired in line with international efforts to prevent child or forced labour.

All policies and practices within the Group are aligned with the Employment Act 1955, government guidelines, as well as 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.

Furthermore, the Group is committed to diversity in the workplace, and ensures equal opportunities for all groups, irrespective of nationality, race, religion, gender, sexual orientation or age.

Employees that face any form of discrimination and unwelcome workplace incidences are encouraged to report their grous to the 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.

As at FPE2021, out of our 4,244 employees, employees with disabilities in our Malaysia and Singapore operations registered at 0.05% of our workforce count, while another 1.27% are employed under contract or as temporary staff.

CORPORATE SUSTAINABILITY REPORT

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Talent Development and Retention

GDEX strives to promote the professional development and growth of our employees. Our efforts will not only play a crucial role in enriching the lives of our employees and their families, but also contribute towards the success of our business.

The management works closely with Pembangunan Sumber Manusia Berhad (PSMB) certified trainers to plan structured training and education programmes for all employees.

These initiatives are aimed at enabling our employees to keep abreast of latest industry practices and enhance their skillset in support of their professional growth.

GDEX was also among the first express delivery companies in Malaysia to set up its own academy, GDEX Academy, which provides school leavers with industrial training, leading to a professional certificate in logistics and express delivery.

The academy's education programmes are delivered in collaboration with the Department of Skills Development of the Human Resources Ministry, and adheres to the National Occupational Skill Standard of Courier Operations Service Syllabus.

Additionally, the Group provides regular training for all employees on important workplace topics, such as Human Resources procedures, Anti-Bribery Management System, Whistleblowing Policy, Sexual Harassment, Health, and Safety Operational Procedures. This initiative is aimed at supporting greater employee welfare and nurturing a supportive work environment.

Furthermore, the Group also facilitates an avenue for staff interaction which is deemed a vital part of training and workforce development. GDEX organises a network conference annually where executives from the supervisory level onwards across the country share their experiences, and exchange views on the Group's plans and directions. The conference also enables bonding and forming of closer relationships among employees. However, the conference did not take place during the financial period due to MCO and travel restrictions.

The Group also holds annual events, such as annual dinners, long service award ceremonies, and festive gatherings to appreciate and recognize the efforts of our people, as well as foster a family spirit and a sense of belonging. While many of these activities have not been carried out in FPE2021 due to the COVID-19 pandemic situation, the Group will strive to gradually recommence these activities in the next year, after careful assessment of safety and health considerations.



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Community Development

On community participation, the Group commits to a domestic workforce where 98.13% of employees are local. The Group also aims to create a positive relationship with the local community. The Group's comprehensive networks can provide direct employment opportunities and help to build local skills and expertise. 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.



GDEX community-based activities strive to provide relief and support to those in need. The Group continues to invest in the community by extending myGDEX Prihatin to Malaysians, which offers special courier service delivery rates. This initiative was offered under Prihatin Rakyat Economic Stimulus Package to support e-commerce entrepreneurs during the pandemic.

Corporate Social Responsibility

GDEX strives to enrich the lives of the communities around us, and we undertake corporate social responsibility and humanitarian programmes to give back and to be of service.

In January 2021, the Group collaborated as the official logistics partner in Malaysia's Sin Chew newspaper and Singapore's Zaobao newspaper gift exchange campaign during the Chinese New Year. Through this campaign, families who are apart due to the pandemic are able to send their love via gifts delivered by GDEX.

To support the efforts of the Government's National Immunisation Programme, we donated Personal Protective Equipment and light refreshments to vaccination centres (PPV) in the Klang Valley in FPE2021.



Then in July 2021, a mobile vaccination kiosk sponsored by the Group was set up at the GDEX Cheras branch, benefitting 500 GDEX employees.

Additionally, the Group had set up Kotak Prihatin program in August 2021, which saw the distribution of 2,000 care boxes of food supplies to families in need across Malaysia.

GDEX also assisted Kechara Soup Kitchen and MRCB as the logistics partner to deliver 150 sets of food aid to Penang during a Food Mission in September 2021.

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Meanwhile, communities in the Klang Valley were badly hit by floods following torrential rains in December 2021. The Group had contributed financially to GDEX employees who were affected by the flood.

The Group also holds annual visits to orphanages, handicapped homes, and the Orang Asli community, especially during the festive season, to bring cheer to the community, as well as provide foodstuff, toys, and educational items to disadvantaged children. However, these physical activities were not conducted in FPE2021 due to the COVID-19 pandemic to prevent the spread of the virus.

In addition to CSR activities, the Group is also committed to youth development via its GDEX Internship Programme. The programme aims to provide learning opportunities and employment opportunities to students and fresh graduates, and to develop useful professional and leadership skills. The Group's internship programme is available in selected GDEX branches throughout the country.

During the financial period, there was no contribution/donation made to any political parties or non-profit organisations.

GOVERNANCE

Regulatory Compliance

The Group adheres to latest regulations and guidelines from various authorities and regulatory bodies, to ensure compliance to relevant local laws and standards. The key organisations we engage with include the Malaysian Communications and Multimedia Commission (MCMC), Department of Environment, Road Transport Department, Securities Commission, and Bursa Malaysia Securities Berhad.

Corporate Governance

The Group recognizes that maintaining good corporate governance is essential to enhance the long-term growth and corporate value of the Company, as well as delivering sustainable growth in the interests of its stakeholders.

We ensure that the principles and best practices in corporate governance as set out in the Malaysian Code on Corporate Governance (MCCG) are practiced through the Group. The Group's Corporate Governance Report is available on our corporate website at www.gdexpress.com.

We implement measures to enhance our corporate governance standards, in accordance to best practices stipulated in the Minority Shareholder Watchdog Group (MSWG) Corporate Governance Scorecard, FTSE4 Good Bursa Malaysia Index, Bursa Malaysia Corporate Governance Guide.

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Anti-Bribery and Anti-Corruption

The Group is committed to high standards of ethical conduct, integrity, and accountability in our business activities, and takes a zero-tolerance stance against bribery and corruption.

The Board has adopted Anti-Bribery and Corruption Policy Statement and No Gift Policy, in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad effective 1 June 2020. These policies are applicable to all Directors and employees, suppliers, vendors, and business partners.

Furthermore, the Group had been certified by Sirim QAS International Sdn Bhd on 3 August 2021 to be compliant with the ISO 37001:2016 Anti-Bribery Management System.

The Group Anti-Bribery and Corruption Policy Statement, Whistleblowing Policy and Procedures, and No Gift Policy, are available on our corporate website at www.gdexpress.com.

There was no case occurred on dismissal due to non-compliance on anti-corruption policy and no fines and penalties imposed concerning anti-corruption in FPE2021.

Data Security and Privacy

GDEX is cognizant of increasing cybersecurity threats in the digital era and has in place adequate systems to ensure data confidentiality, integrity, as well as disaster prevention and recovery capabilities. We are committed to data protection and privacy requirements to safeguard our customers' sensitive information.

The Group is working towards being certified to ISO 27001 standard for Information Security Management Systems (ISMS).

CONCLUSION

GDEX's sustainability measures are aimed at instilling responsible business practices that go beyond maximizing shareholders' profit. We will continuously enhance our initiatives towards reinforcing our business sustainability and performance, while bringing greater social good that translate into enhanced value for our stakeholders.