



New Malwa Express Inc. Annual ESG Report

2024





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A photograph of a white New Malwa Express semi-truck with a long white trailer parked at a street intersection. The truck has the company name and phone number '1-877-560-9696' on the side. In the background is a large, modern building with a curved glass facade. A sign for 'LANCASTER' is visible on the left. The scene is set in a grassy area with a sidewalk and a tree in the foreground.

Introduction

About New Malwa Express Inc.

New Malwa Express is a leading logistics provider with over 25 years of experience and a prominent player in the transportation industry across Canada and the United States. At New Malwa Express, we want to provide a great environment for our drivers, their families, and our customers while delivering superb service and professionalism. Our reputation and success are built on the principles of integrity, fairness, and respect.

With a fleet of over 150 tractors, 250 dry vans, and specialized equipment including reefers, drop decks, and tri axles, our focus is on providing a full range of transportation services. We will exceed our customers' expectations with quality and dependability. Thus, our motto:

"We Deliver Satisfaction"

As New Malwa Express continues to grow and innovate, we remain committed to delivering satisfaction to our customers, setting new standards in the logistics industry across North America. We're constantly on the lookout for new technology paradigms that would improve our ability to better serve customers.

This report is conducted in accordance to the GHG Protocol and KPIs formally aligned to the SASB Sustainability Reporting Standards.



Key areas of coverage

Canada Head Office: 7040 Financial Dr. Mississauga, ON

US Head Office: 28666 Hildebrandt St. Romulus, MI



Gursewak Singh
Founder and President of New Malwa Express Inc.

Message from our Founder and CEO

Dear Valued Customers, Stakeholders, and Peers,

It is with immense pride and renewed commitment that I present to you New Malwa Express's Second Annual ESG Report for 2024. This report represents not just another milestone, but a testament to our unwavering dedication to environmental, social, and governance excellence during what has been one of the most challenging periods in our industry's recent history.

While the trucking industry navigates what many are calling a "freight recession" with 58% of small trucking companies concerned about the impact, we have achieved extraordinary ESG results. Despite expanding our fleet to over one hundred and forty trucks and growing our owner-operator network, we've reduced total GHG emissions by 10% year-over-year. Our Scope 1 emissions decreased by 6%, with sleeper cabs achieving an impressive 11% reduction and Canadian operations leading with a 14% decrease.

Since founding New Malwa Express in 2005, our early investments in fuel-efficient equipment and low rolling resistance tires continue to deliver industry-leading MPG performance. This foundation has proven invaluable during these turbulent times, demonstrating that environmental responsibility drives both sustainability and profitability. Our commitment extends beyond environmental metrics—we've maintained our partnerships with CAMSC and MMSDC, recognizing that true business resilience comes from strong community connections.

Our employees remain at the heart of our success. While others cut benefits to preserve capital, we've continued investing in our workforce, maintaining exceptional retention rates through enhanced compensation and an inclusive workplace culture. This people-first approach has been instrumental in our growth and stability during an unprecedented downturn.

Looking forward, we remain committed to leading by example in ESG practices. Our 2024 performance—achieving significant emissions reductions while growing operations during a freight recession—proves that principled business practices create competitive advantages. We believe our progress will inspire customers, stakeholders, and peers to recognize ESG as essential to long-term success, not a luxury reserved for prosperous times.

Thank you for your continued support as we navigate these challenges together. We look forward to building on these achievements and demonstrating that responsible business thrives even in the toughest markets.

Sincerely,

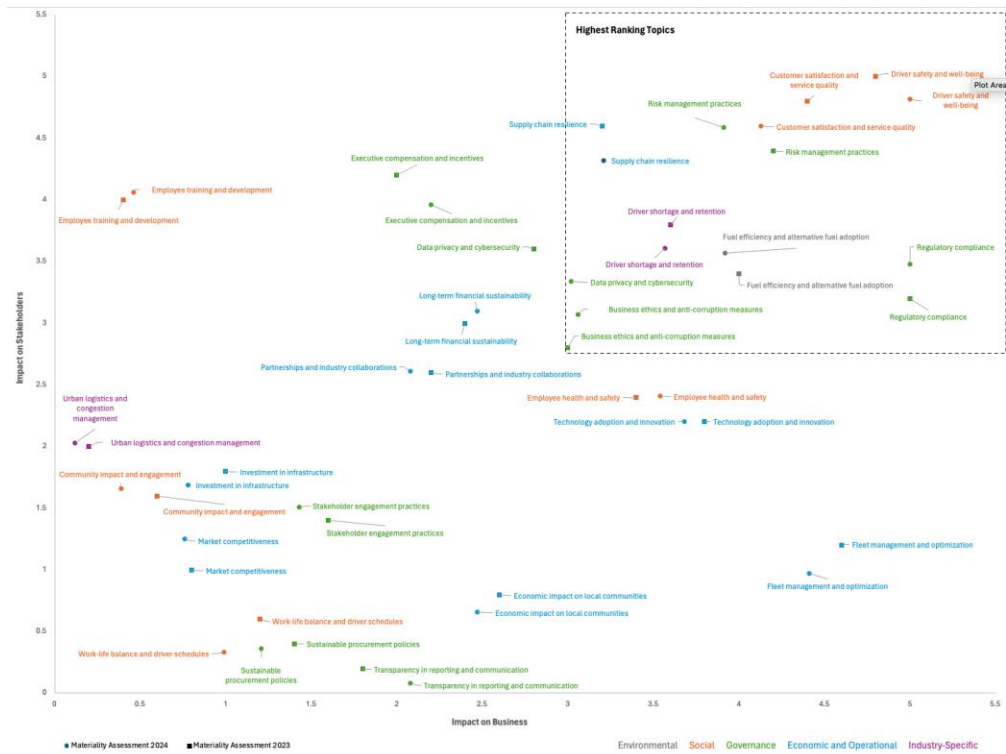
Gursewak Singh
President, New Malwa Express

Goals



Materiality Analysis - 7 Priorities driven from a holistic analysis

2024 Materiality Analysis



Evolving Priorities: Insights from Our 2024 Materiality Analysis

At New Malwa Express, we are pleased to present the findings from our 2024 Materiality Analysis. This year's assessment reflects an evolved understanding of the environmental, social, governance, and operational factors most critical to our business and stakeholders. Our updated analysis builds upon the foundational work from 2023, incorporating deeper stakeholder insights and sectoral shifts to ensure our priorities remain aligned with both internal strategy and external expectations.

- Methodology:** The 2024 Materiality Analysis was developed through a structured process involving a wide range of internal and external inputs. We conducted:
- Targeted interviews with senior leadership, operational managers, and frontline staff
 - Surveys sent to drivers, administrative teams, and long-term customers
 - Ongoing stakeholder dialogues through our community partnerships and supplier networks
 - Sector benchmarking using sustainability standards, regulatory guidance, and logistics industry ESG trends

- Each identified topic was evaluated on two dimensions:
- Impact on our business: including operational performance, financial risk, and strategic alignment
 - Importance to stakeholders: based on perceived relevance to employees, clients, partners, and communities
- A refined scoring framework was used to assign a weighted materiality score to each topic, ensuring transparency and comparability to our 2023 results.

- 2024 Material Topics: Key Findings:** This year's analysis surfaced a mix of familiar and newly elevated topics. The following were identified as the most material to New Malwa Express in 2024:
- Driver safety and well-being
 - Fuel efficiency and alternative fuel adoption
 - Customer satisfaction and service quality
 - Risk management practices
 - Supply chain resilience
 - Data privacy and cybersecurity
 - Driver shortage and retention

These areas represent the intersection of strategic business impact and elevated stakeholder concern. For example, data privacy has gained prominence due to heightened client awareness and evolving regulatory landscapes, while customer satisfaction remains a top priority as we expand our market presence across North America. Additionally, topics such as technology adoption, employee development, and long-term financial sustainability saw modest increases in relevance this year, reflecting both internal growth initiatives and stakeholder interest in operational resilience.

Materiality Analysis - 7 Priorities driven from a holistic analysis

Commitments Going Forward:

In light of the findings, New Malwa Express is committed to:

- Continuing investment in fleet modernization to reduce emissions and improve operational efficiency
- Enhancing digital infrastructure to strengthen cybersecurity and customer data protection
- Deepening our workforce engagement with expanded training, fair pay practices, and career advancement pathways
- Strengthening risk management and compliance systems, particularly across cross-border operations
- Reinforcing our customer-first culture through service quality KPIs and continuous feedback integration







We recognize that materiality is not static. As our company evolves and as stakeholder expectations shift, we will maintain a proactive approach to reassessing these priorities. We remain dedicated to embedding ESG into the core of our business model, not only as a compliance measure, but as a long-term value driver for our people, our clients, and the communities we serve.

Evolving Priorities, Deeper Engagement: Comparing Materiality Insights from 2023 to 2024:

From 2023 to 2024, New Malwa Express didn't just repeat its materiality exercise—it deepened it. In 2023, the company focused on building a solid baseline by engaging leadership and industry experts to identify key risks and opportunities. It was a top-down approach rooted in operational performance and regulatory awareness. By contrast, 2024 brought a more inclusive, ground-level perspective: employees, customers, and community partners all had a seat at the table. This shift led to a more nuanced view of what matters. While many high-priority topics remained, like driver safety, fuel efficiency, and risk management; new themes emerged, particularly around data privacy, employee growth, and digital resilience. The change in process reflects a maturing organization that's not only managing risk, but actively listening, evolving, and building a stronger bridge between business strategy and stakeholder trust.

New Malwa also utilizes the United Nations SDG to guide its ESG Goals

New Malwa is actively contributing to 6 of the UN Sustainable Development Goals

SDGs	Relevant SDGs KPIs	Our Impact
<div> <div>3</div> <div>GOOD HEALTH AND WELL-BEING</div>  </div> <div> <div>10</div> <div>REDUCED INEQUALITIES</div>  </div>	<p>3: Good Health and Well Being</p> <p>3.4 - By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being 3.6 - By 2020, halve the number of global deaths and injuries from road traffic accidents</p>	<p>At New Malwa, we continue to strengthen our health and wellness initiatives, expanding mental health resources and preventive care programs for our workforce. Our comprehensive wellness approach now encompasses physical, mental, and financial well-being support for drivers and their families.</p> <p>We have enhanced our safety protocols with advanced driver monitoring technologies and fatigue management systems. Our continued focus on work-life balance has contributed to improved driver satisfaction and retention rates.</p> <p>Furthermore, we maintain our commitment to COVID-19 safety measures and have expanded our health screening programs to address broader respiratory health concerns affecting our drivers' long-term well-being.</p>
<div> <div>5</div> <div>GENDER EQUALITY</div>  </div> <div> <div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div>  </div>	<p>5: Gender Equality</p> <p>5.1 - End all forms of discrimination against all women and girls everywhere 5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<p>Our commitment to creating an inclusive workplace continues to grow, with expanded mentorship programs aimed at supporting women in transportation roles. By strengthening partnerships with training institutions, we work to eliminate barriers for women entering the trucking industry. We have enhanced our recruitment strategies to reach diverse talent pools.</p> <p>We proudly maintain family-friendly policies including flexible scheduling options and have introduced new support systems for working parents.</p>
<div> <div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div>  </div> <div> <div>13</div> <div>CLIMATE ACTION</div>  </div>	<p>8: Decent Work and Economic Growth</p> <p>8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.8 - Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment 10.4 - Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality</p> <p>10: Reduced Inequalities</p>	<p>We aim to establish a work environment where everyone is respected, treated fairly, and valued for their individual differences. We ensure equitable compensation through competitive wage analysis and expanded professional development programs, providing clear pathways for career advancement within our organization. Through investments in modern equipment and driver comfort, we strive to make trucking an attractive and sustainable career choice for all.</p> <p>This year, we've deepened our commitment to reducing inequalities by expanding our supplier diversity program and strengthening partnerships with CAMSC and MMSDC. We actively support diverse owner-operators and minority-owned businesses throughout our supply chain, while ensuring our services reach all communities equitably. This approach demonstrates our dedication to creating a fair and inclusive atmosphere where economic opportunities are accessible to everyone, regardless of background.</p>
	<p>12: Responsible Consumption and Production</p> <p>12.2 - By 2030, achieve the sustainable management and efficient use of natural resources 12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p>	<p>At New Malwa, we've advanced our circular economy initiatives by optimizing route planning to minimize empty miles and implementing comprehensive waste reduction programs. By maintaining our fleet to the highest standards and extending vehicle lifecycles through preventive maintenance, we maximize resource efficiency.</p> <p>We continue to explore sustainable fuel alternatives and have enhanced our idle reduction policies to minimize resource consumption. Our commitment to responsible practices extends to partnering with clients who share our vision for sustainable logistics solutions.</p>
	<p>13: Climate Actions</p> <p>13.2 - Integrate climate change measures into national policies, strategies and planning 13.3 - Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	<p>At New Malwa, we've achieved meaningful reductions in our carbon footprint, with our 2024 data showing continued progress in emissions reduction across all scopes. We have strengthened our climate resilience planning, adapting our operations to changing weather patterns while maintaining service reliability.</p> <p>Our investment in fuel-efficient technologies and driver training programs continues to yield improvements in fleet MPG performance. We actively engage in industry initiatives promoting sustainable transportation and share best practices to accelerate sector-wide climate action. Additionally, we're exploring opportunities for carbon offset programs and investigating alternative fuel technologies for future fleet transitions.</p>

We're ahead of schedule and have progress on more than 50% of our long-term targets

New Malwa Environmental Targets		New Malwa Social Targets		New Malwa Governance Targets	
Energy and Fuel Consumption	Short Term Goals: <ul style="list-style-type: none">✔ Intensity Reduction Target: Reduce GHG emission per mile by 5% year/year✔ Incorporate fuel-saving equipment on 50% of fleet using anti-idling, telematics and aerodynamic equipment by 2028 Long Term Goals: <ul style="list-style-type: none">❑ Total Energy Consumption Target: 50,000 MWh by 2030❑ Absolute Scope 1 Reduction Target: 12,000 Metric Tons by 2030❑ Absolute Scope 2 Reduction Target: 100 Metric Tons by 2030❑ Absolute Scope 3 Reduction Target: 10,000 Metric Tons by 2030❑ Transition to 50% renewable energy sources by 2040	Child labor, forced labor and/or human trafficking	Goals: <ul style="list-style-type: none">✔ Zero tolerance policy for any unethical labor used at New Malwa✔ Conduct a supply chain audit every 5 years for unethical labor practices✔ Establish a robust incident reporting and response system	Leadership Team	Goals: <ul style="list-style-type: none">✔ Foster a culture of ethical decision-making and integrity at all levels of the organization❑ Increase the diversity of the board of directors, aiming for at least 20% representation of women and minorities by the end of 2028
	Water		Short Term Goals: <ul style="list-style-type: none">✔ Reduce water usage by 10% by 2026✔ Increase awareness of water saving strategies Long Term Goals: <ul style="list-style-type: none">✔ Install water-saving fixtures and technologies by 2030✔ Reduce water usage by 20% by 2030		External Stakeholder Human Rights
Air Pollution		Short Term Goals: <ul style="list-style-type: none">❑ Reduce total air pollutants by 10% by 2028 Long Term Goals: <ul style="list-style-type: none">❑ Adopt zero-emission technologies and processes by 2040❑ Achieve compliance with air quality standards globally by 2035	Diversity, Equity & Inclusion	Goals: <ul style="list-style-type: none">✔ Maintain a percentage of women in the workforce of at least 2% higher than industry for both overall employees and non-admin employees✔ Maintain a minimum of 20% representation of underrepresented ethnic groups in management positions by 2028✔ Ensure that at least 30% of candidates interviewed for any position are from underrepresented groups✔ Continue to partner with CAMSC Partnership and the Michigan Minority Supplier Development Council to continue recruiting diverse members of the community to be a part of New Malwa	
	Materials, Chemicals and Waste	Short Term Goals: <ul style="list-style-type: none">❑ Decrease hazardous material use per truck by 10% by 2028❑ Reduce non-hazardous material waste by 5% by 2028❑ Reduce non-hazardous material waste per person by 10% within by 2028 Long Term Goals: <ul style="list-style-type: none">❑ Achieve a 75% recycling rate for all waste by 2030❑ Reach 0% landfill through eco-friendly disposal by 2035		Accident Rate	Goals: <ul style="list-style-type: none">✔ Increase training hours per employee by 5% annually✔ Decrease overall violation rate by 1% annually✔ Achieve zero work-related fatalities or severe injuries yearly✔ Achieve at least a satisfactory carrier rating at all times✔ Conduct annual safety trainings for all employees with 50%+ attendance
Customer Health and Safety		Short Term Goals: <ul style="list-style-type: none">✔ Maintain a customer satisfaction score of 90% or above Long Term Goals: <ul style="list-style-type: none">❑ Provide 100% visibility on progress, emissions, and accidents for customer delivery by 2028	Labour Relations		Goals: <ul style="list-style-type: none">✔ Launch first ever annual employee survey with at least 60% completion rate✔ Score with an average of at least 70% positive responses in the employee survey✔ Hold semi-annual focus groups with employees across representations to gather feedback and identify areas for improvement❑ Maintain an employee turnover rate of below 50% per year (below the 90% turnover rate in industry average)
	Sustainable Consumption	Short Term Goals: <ul style="list-style-type: none">❑ Provide transparency on customer GHG emissions from New Malwa for at least 50% of customers✔ Retrofit telematics with driver coaching on 100% of vehicles to reduce fuel used for customers Long Term Goals: <ul style="list-style-type: none">❑ Provide customers with optionality to use our alternative fuel fleet by 2040		Living Wage	Goals: <ul style="list-style-type: none">✔ Conduct annual living wage analysis✔ Maintain a % of workforce paid a living wage of at least 90% at all times✔ Reach 100% of workforce paid a living wage by 2035❑ Invest in upskilling employees under a living wage to promote to higher roles
		Short Term Goals: <ul style="list-style-type: none">❑ Increase the number of hours in training by 5% by 2025✔ Ensure that 10% of management roles are internal promotions by 2026✔ Ensure 100% of employees have a personalized development plan by 2026✔ Conduct bi-annual performance reviews for 100% of employees starting in 2024	Working Conditions		Goals: <ul style="list-style-type: none">✔ Maintain a 100% attendance rate of employees HR benefits and resources training✔ Ensure that employees after hours are not on call unless absolutely necessary to promote work life balance✔ Host one annual company social to support camaraderie across team members cross-function✔ Maintain healthcare coverage for 100% employees
		Goals: <ul style="list-style-type: none">❑ Increase the number of hours in training by 5% by 2025✔ Ensure that 10% of management roles are internal promotions by 2026✔ Ensure 100% of employees have a personalized development plan by 2026✔ Conduct bi-annual performance reviews for 100% of employees starting in 2024		Career Management	

The background of the slide is a scenic landscape photograph. It shows a vast, green valley with rolling hills and a prominent, dark, rocky cliff face in the foreground. A winding road is visible in the distance. The sky is filled with dramatic, orange and yellow clouds, suggesting a sunrise or sunset. A white, rounded rectangular text box is overlaid on the left side of the image, containing the word "Environment" in orange text.

Environment

New Malwa 2024 GHG Emissions Footprint

Using GHG Protocol frameworks and methodologies, we have measured our Scope 1, 2 and 3 GHG emissions across our business. The findings enable us to assess opportunities for improvement and the impacts of ongoing initiatives. The methodologies for each are as follows:

Scope 114,732.66 Metric Tons

Direct emissions from sources controlled by New Malwa (e.g., on-road vehicles)

- New Malwa has **24.94% fewer overall emissions per truck** than the industry average for long-haul trucking carriers (NACFE)

Scope 2109.28 Metric Tons (Market Based)

Emissions associated with purchased energy used at New Malwa facilities

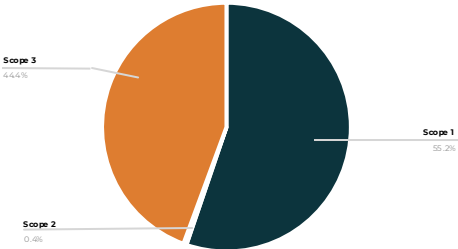
- Scope 2 Renewable Energy: **34.52 MWh**
- Scope 2 Non-renewable Energy: **52,793.31 MWh**

Scope 311,837.80 Metric Tons

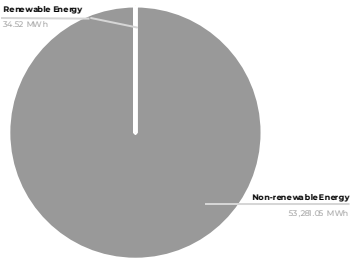
Scope 3 includes all other indirect emissions that occur in a company's value chain.

- Upstream Emissions: **11,837.80 Metric Tons**
- Downstream Emissions: **0.00 Metric Tons**

2024 GHG Emissions by Scope (tCO2e)



2024 by Nonrenewable vs Renewable Energy Used



Total 2024 Scope 1, 2, and 3 GHG Emissions: 26,679.74 Metric Tons

Total Energy Consumption: 52,827.82 MWh

Emissions Breakdown

Taking a closer look at our Scope 1 emissions, we've designated emissions by geographic areas, divisions of the company, and types of equipment used.

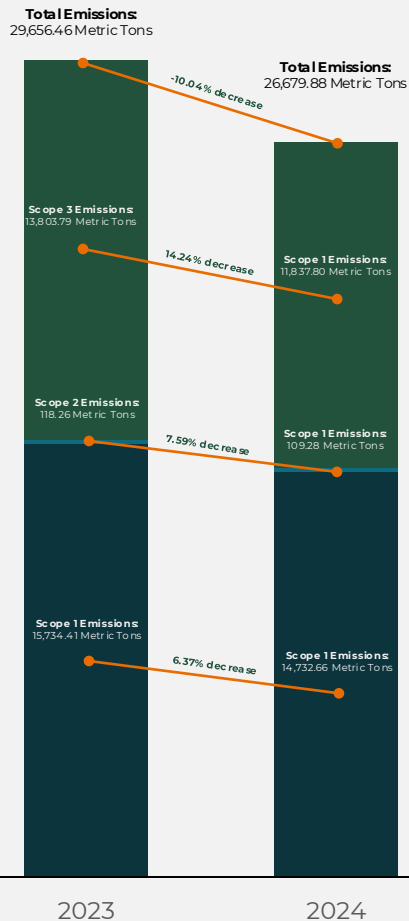
By Country



By Division



 Indicates yards and operations locations.



New Malwa 2023-2024 Comparison

New Malwa has decreased its emissions by more than 10% since last year, driven across all three scopes

Scope 1

6.37% Decrease since 2023

Scope 1 Emissions decreased 6.37% in 2023; largely driven by significant investments in newer fuel-efficient trucks with retrofitted APUs, Cab Heaters, and other state of the art fuel-efficient equipment ensuring that New Malwa operates with 10% better mileage per gallon than the average fleet. **Our decrease in overall scope 1 emissions is especially impressive considering we bought 34 new trucks and increased our fleet size by more than 8%.**

Scope 2

6.80% Decrease since 2023












Scope 2 Emissions decreased 7.59% in 2023; largely driven by awareness campaigns on reducing electricity usage, and natural gas usage. With top-down communication from leadership to ensure we conserve everyone conserves electricity, to ensuring after everyone leaves the building we turn off utilities, **we were able to successfully drive down Scope 2 Emissions in Canada, our larger office by 24.70% since last year**

Scope 3

14.24% Decrease since 2023

Scope 3 emissions decreased 14.24% since 2023; the largest decrease across emissions generated by New Malwa Express. This is largely driven by a decrease in downstream emissions which dropped by 1,183.04 Metric Tons to no tractors or trailers sold this year. However, looking forward this likely won't be sustainable in future years.

New Malwa 2024 Additional Environmental KPIs Updated

<p>Nitrogen oxides (NO_x) </p> <p>KPIs: NO_x Emissions New Malwa's 2024 Emissions are 28.19 Metric Tons produced across its fleet</p> <p>Investments in reducing Nitrous Oxide: New Malwa is reducing its Nitrous oxide production through having retrofitted cab heaters to reduce idling and start-stop in trucks as these two KPIs drive a significant amount of NO_x</p>	<p>Water </p> <p>KPI: Overall Water Consumption and per location New Malwa has a total water consumption of 43371 M³, with 90.61 M³ coming from the US and 34310 M³ coming from Canada</p> <p>Investments in reducing Water Consumption: New Malwa has invested in utilizing low flow faucets and low flow toilets/urinals to achieve reduction in water usage. We will continue to invest in employee education to minimize water usage</p>	<p>Noise Pollution </p> <p>KPI: DB of the truck New Malwa Trucks measured noise pollution tracked between 70-85 Decibels Decibel difference of highway traffic noise level and New Malwa Truck difference: 5 Decibels</p> <p>Investments in reducing Noise Pollution: New Malwa Express Inc. invests in purchasing the newest models of trucks for its fleet, including the 2025 Volvo VNLs which Volvo has stated decreases noise pollution compared to its previous models</p>	<p>Electricity </p> <p>KPIs: KWH of Energy Used New Malwa's 2024 electricity usage was 52,827.82 MWh of energy in our US and Canada offices, generating 4344 Metric Tons of Co2</p> <p>Investments in reducing Electricity Usage: New Malwa Express Inc. has fitted all its offices with LED lighting to significantly decrease energy usage. We also leverage electricity suppliers that utilize at least 5% of renewable energy in their electricity fuel mix.</p>
<p>Particulate Matter (PM₁₀) </p> <p>KPIs: PM₁₀ Emissions New Malwa has produced 113 Metric Tons PM₁₀ across its fleet</p> <p>Investments in reducing Particulate Matter: New Malwa has upgrades its fleet every year with newer trucks that have modern diesel engines and significantly lower PM10 emitted</p>	<p>Non-Hazardous Waste </p> <p>KPIs: CO2 produced from Non-hazardous Waste New Malwa has a total disposal of non-hazardous waste (including food, papers and cans and recycling tires) produced 118,060.04 kgs of waste and 10.76 metric tons CO2e</p> <p>Investments in reducing Non-hazardous waste: We partner with disposal companies that prioritize environmental safety and adhere to the strictest eco-friendly standards. These partnerships ensure that all waste materials minimizes their environmental footprint</p>	<p>Materials, Chemicals and Waste </p> <p>KPIs: Materials, Chemicals and Waste Hazardous waste consists of 5,960 gallons of lubricating Oil that is recycled and produces life cycle GHG emissions of 63,923.35 kg of Co2e</p> <p>Investments in reduce Materials, Chemicals and Waste: New Malwa has established robust procedures for collecting and recycling used oil from our fleet vehicles. This not only prevents harmful environmental impacts but also allows the oil to be reprocessed and reused, contributing to resource conservation</p>	<p>Customer Health and Safety </p> <p>KPIs: Customer Health and Safety Our recent customer surveys show New Malwa maintains a 90% satisfaction score, demonstrating our dedication to health and safety excellence.</p> <p>Ongoing enhancements to Customer Health and Safety: We're actively expanding our feedback monitoring systems to capture health and safety concerns, enabling swift response and resolution.</p>
<p>Environmental Services & Advocacy </p> <p>KPIs: Environmental Services & Advocacy Published annual report containing environmental goals and investments that New Malwa is involved in to increase advocacy</p> <p>Investments in Environmental Services and Advocacy: We are committed to investing time and resources to publish an annual environmental report to track progress and maintain transparency with all stakeholders about our environmental impact</p>	<p>Air Pollutants </p> <p>KPIs: Weight of Air Pollutants from Fuel Combustion New Malwa has a total release of air pollutants including carbon monoxide, sulfur dioxide, NO₂, VOC, and particulate matter coming to a total of 38.48 Metric Tons</p> <p>Investments in reducing Air Pollutants: New Malwa is investing in fuel-efficient technologies to reduce air pollutants, enhancing operations and supporting global environmental efforts</p>	<p>Sulfur Oxides (SO_x)</p> <p>KPIs: SO_x Emissions New Malwa total operations produced of 0.14 Metric Tons of Sulfur Oxide (SO_x) annually due to the sulfur content in the fuels used across our fleet</p> <p>Investments in reducing Sulfur Oxide: New Malwa is reducing sulfur dioxide (SO₂) emissions by investing in fuel-efficient engines that decrease the use of sulfur-rich fuels</p>	<p>Road Congestion </p> <p>KPIs: Road Congestion New Malwa emphasize increased scheduled delivery and optimized route efficiency to reduce road congestion and air pollution</p> <p>Investments in reducing Road Congestion: The company invests in advanced routing software, staff training, and strategic delivery scheduling to achieve these goals</p>

Climate Transition Plan - Progress To Date towards 1.5°C alignment



Our Approach



People

Employees maximize fuel efficient behaviors



Process

Processes in place to reduce fuel waste



Technology

Leverage the most efficient technologies available

1. People

For drivers and staff alike, comprehensive training ensures our organization can operate vehicles efficiently and minimize environmental impact. Coupled with ongoing performance coaching and a stable workforce, these programs help embed sustainable practices consistently across our operations.

Driver Training

We provide comprehensive training to minimize harsh acceleration, reduce unnecessary idling, and ensure efficient vehicle operation. Drivers are equipped with the latest guidance on how modern engines perform optimally with minimal warm-up time, helping reduce fuel waste.

Behavior Reinforcement

Telematics and onboard video systems provide real-time and post-trip coaching, enabling continuous improvement in driver performance. This ensures consistent application of fuel-efficient behaviors across the fleet.

Employee Stability

With no voluntary turnover in 2024, our workforce remains highly stable. This continuity enhances the effectiveness of our training programs and ensures that fuel-efficient practices are consistently embedded across operations.

Diversity & Compensation

New Malwa maintains a diverse and inclusive workforce with 7% women overall, 15% women in top management, and 0% on the board. Eighty-five percent of employees come from minority or vulnerable groups, including 90% at top management, and 30% of management positions are held by underrepresented ethnic groups. These efforts strengthen workforce engagement, promote operational consistency, and support overall sustainability objectives.

2. Process

Our processes and policies ensure that New Malwa continues to make measurable progress toward its environmental and operational goals. These initiatives are designed to build upon one another, compounding over time to deliver meaningful benefits for both the environment and the communities in which we operate.

Environmental Assessment: An annual environmental assessment is conducted to identify emissions sources, evaluate performance, and uncover opportunities for improvement. This allows us to continuously refine our operations and maximize environmental impact reduction.

Good Neighbor Policy: Team members are trained to properly dispose of waste and hazardous materials, maintain anti-idling zones, and minimize material consumption by selecting high-quality consumables (e.g., tires) and ensuring proper equipment maintenance (e.g., tire air pressure). These practices reduce pollution and demonstrate our commitment to responsible operations.

Renewable Energy Commitment: We purchase a minimum of 10% renewable energy from suppliers to power our facilities in the US and Canada. Currently, through agreements with DTE Energy and Alectra Utilities, over 50% of our electricity needs are met through renewable sources, supporting our transition to a low-carbon operation.

Route Optimization: Dispatch policies are designed to reduce deadhead mileage, optimize routes, and minimize congestion during peak hours. For example, loads requiring more than 300 km of deadhead mileage are not accepted, ensuring efficient use of resources and lower emissions.

Regular Equipment Checks: All vehicles undergo scheduled maintenance, including replacement of diesel particulate filters and other critical components, to minimize particulate matter emissions and extend vehicle lifecycle efficiency.

Emissions Transparency: New Malwa provides public reporting of customer transport-related emissions through our annual sustainability report. This transparency enables clients to calculate Scope 3 emissions and make informed sustainability decisions.

Government Policy Alignment: We actively participate in regulatory and industry programs to ensure compliance and excellence in emissions performance. EPA SmartWay Certification: Maintains high standards for emissions reduction; New Malwa achieved "2023 High Performer" recognition in the Carbon category for TL/Dry Van operations. Green Freight Program (Natural Resources Canada): Supports fleet transition to more fuel-efficient equipment and promotes sector-wide sustainability best practices.

These robust processes demonstrate our commitment to operational efficiency, environmental stewardship, and responsible corporate citizenship.

3. Technology

Modernization of vehicles is the most important factor in minimizing atmospheric pollutants and reducing environmental impact. NACFE studies indicate that the US national average for fleet fuel economy increased from 6.24 MPG in 2020 to 7.23 MPG in 2022, an efficiency improvement of over 15%. To achieve similar gains, New Malwa operates a fleet of late-model equipment and maintains active engagement with OEMs to assess the integration of next-generation vehicles.

Data & Insights

Our fleet is equipped with Lytx camera systems and Geotab telematics, providing industry-leading technology to support driver performance and safety.

- Retrospective video analysis enables coaches to provide performance guidance based on past trips.
- Real-time feedback via Geotab helps drivers adjust behaviors during trips for fuel efficiency.
- Route optimization software, dash cameras, and onboard sensors monitor vehicle and cargo conditions, ensuring safe, efficient, and low-emission operations.

Purchasing New Equipment

New Malwa prioritizes the acquisition of 2023 and 2024 model tractors, ensuring access to the latest engine efficiency innovations. This approach minimizes air pollutants and optimizes fleet performance. Our long-term goal is to allocate 100% of capital expenditure toward electric vehicles by 2050, contingent on market availability and supporting infrastructure.

Fuel Saving Retrofits

Trucks and trailers are routinely outfitted with all manufacturer-offered fuel-saving features at the time of purchase, including:

- Automatic transmissions
- APU units
- Extended cab fairings
- Lane departure and collision mitigation systems
- Adaptive cruise control and brake assist

For any upgrades not received from the factory (e.g., cab heaters) or equipment replacements needed (e.g., low rolling resistance tires), investments are made promptly to maximize fleet fuel efficiency.

This integrated approach to modern equipment, technology solutions, and retrofits ensures New Malwa consistently reduces fuel consumption, emissions, and overall environmental impact while maintaining operational excellence.

A background image showing a group of people in a library or study area. In the foreground, three men are looking at a laptop screen with interest and joy. One man is pointing at the screen. In the background, there are tall bookshelves filled with books and binders. A woman is partially visible on the right side of the frame.

Social

Diversity, Equity & Inclusion at New Malwa

At New Malwa Express, we are dedicated to creating a diverse, equitable, and inclusive workplace that leverages the unique perspectives and talents of all employees. This commitment extends beyond our organization into the community through partnerships with NGOs and support for minority-owned businesses.

Diversity, Equity and Inclusion at New Malwa

DE&I Strategy at New Malwa Express

At New Malwa Express, we continue to champion an environment where all employees feel valued, respected, and empowered to contribute fully. Our sustained commitment to Diversity & Inclusion (D&I) efforts maintains clear, measurable goals and metrics to ensure ongoing effectiveness.

Our DE&I strategy is built on three pillars: Recruitment, Inclusion, and Retention, with clear, measurable goals to ensure effectiveness.

Recruitment Strategy

- Maintaining our diverse candidate pool, with over 30% of interviewed candidates continuing to come from underrepresented backgrounds
- Ongoing partnership with organizations including CAMSC and the Michigan Minority Supplier Development Council to sustain our diverse talent pipeline
- Continued inclusive job postings that reinforce our DE&I commitment.

Inclusion Strategy

- Sustained semi-annual focus groups and annual employee engagement surveys, consistently achieving ≥85% positive responses on inclusion and belonging metrics
- Continued feedback mechanisms ensuring a culture of respect and empowerment remains strong

Retention Strategy

- Maintained equitable pay practices across all DE&I categories, with regular compensation reviews continuing throughout 2024
- Sustained promotions based on performance and merit
- Continued leadership focus on minority representation and diverse talent development

Community Engagement & Supplier Diversity

- Sponsor cultural events to celebrate diversity and promote understanding.
- Support minority-owned businesses in our supply chain; 40% of spend in the past year went to CAMSC-certified suppliers, including women-owned and aboriginal-owned businesses.
- Supplier evaluation includes targeted questions and qualification forms to ensure transparency, fairness, and inclusion.
- Regular assessments track adoption of inclusive practices and support for women-owned enterprises.

Impact & Monitoring

- Maintained procurement team engagement with certified women-owned suppliers through consistent annual performance reviews
- Continued goal alignment: increasing spending with diverse suppliers while sustaining the impact of our DE&I initiatives throughout the supply chain

Workforce Diversity & Living Wage Alignment

- Sustained competitive compensation with 7% of employees earning wages at or above the living wage threshold
- Continued minority and vulnerable group representation: 85% of employees from minority backgrounds, including 90% at top management and 30% of management from underrepresented ethnic groups
- Maintained compensation above living wage benchmarks (Canada \$2,720/month; USA \$2,497.60/month), reinforcing our commitment to engagement, retention, and operational excellence

New Malwa has

3%

More female drivers than industry average¹



New Malwa has

51%

More minority representation than the industry average²

Continued Partnership with CAMSC



At New Malwa Express, we believe that minorities deserve equal opportunities

New Malwa Express continues to proudly highlight its longstanding partnership with the Canadian Aboriginal and Minority Supplier Council (CAMSC). Since our recognition as an award winner by CAMSC in 2014, New Malwa has consistently collaborated with the organization to advance diversity and inclusion throughout the supply chain. This sustained partnership underscores our commitment to supporting minority-owned businesses and fostering an inclusive environment that drives innovation and growth. By continuing our work with CAMSC, we enhance our recruitment efforts and expand opportunities for underrepresented groups within our community.



¹ <https://www.washtodaymagazine.com/news/ontario-introduces-program-to-attract-women-to-trucking-industry/#:~:text=Only%20two%20percent%20of%20Ontario%20h%20%20outstanding%20job%20vacancies>

² <https://www.diepaiddtrack.com/blog/employee-diversity-trucking-industry>

Governance



New Malwa ESG Team



Gursewak Singh President

With a career spanning over two decades in the trucking industry, Gursewak Singh is a seasoned veteran and a pivotal figure in Toronto's logistics sector.

Entering the industry in 1996 as an immigrant, Gursewak purchased his first truck in 1998, marking the start of a significant entrepreneurial journey. Under his leadership, his business has seen remarkable growth, expanding from a single truck to a fleet of 150. Personally having experienced the struggles of building a business as a minority, he feels passionate about helping provide opportunities for other minorities who are struggling to make a life for themselves.

With his ultimate ambition being to establish his company as one of the most formidable and resilient logistics enterprises in North America, he strives to lead the charge in sustainability, diversity, and inclusion.

Manny Mavi Chief Sustainability Officer and Head of US Operations

Manjinder (Manny) Mavi began his career at New Malwa Express as a driver, and then a dispatcher, where he gained first hand experience on the wants and needs of New Malwa's customers and employees.

After displaying strong leadership qualities and operational acumen, he's rapidly ascended within the company with his prior experience. Under his management, US operations have achieved sustained success, marked by smooth and effective operational practices. He has spearheaded investments in sustainable practices and fuel-efficiency improvements which have been pivotal to his success.

Manny holds a bachelor's of science degree from Eastern Michigan University in Public Health, which has been instrumental in ensuring the health and safety for all drivers and customers.

As New Malwa's new chief sustainability officer, Manny priority will be identifying opportunities to improve fuel-efficiency and reduce the company's emissions across the board.





Our Value and Ethics

New Malwa's mission is to be the "Best in Class" Transportation Provider, with the highest level of customer satisfaction, at a competitive cost and the highest level of profitability and safety.

We will exceed our customers' expectations with quality and dependability. Thus, our motto:

"We Deliver Satisfaction"

Our reputation and success are built on the principles of integrity, fairness, and respect. This Code of Ethics and Conduct outlines the standards of behavior expected of all employees, contractors, and associates of New Malwa. Adhering to these guidelines is essential to maintaining our commitment to ethical business practices and fostering a positive work environment.

Professional Integrity

- **Honesty and Transparency:** Always be truthful in your dealings with clients, colleagues, and other stakeholders. Provide accurate information and disclose any conflicts of interest. Misrepresentation, falsification, or omission of information is strictly prohibited.
- **Accountability:** Take responsibility for your actions and decisions. Report any unethical behavior or violations of this code to the appropriate authorities within the company.
- **Quality of Work:** Strive to perform your duties to the best of your abilities, maintaining high standards of quality and efficiency. Ensure that work is completed accurately and on time.

Respect and Fairness

- **Equal Opportunity:** Treat all employees and applicants fairly, without discrimination based on race, color, religion, gender, age, national origin, disability, or any other characteristic protected by law. Ensure that employment decisions are based on merit and business needs.
- **Respect for Others:** Foster a workplace environment that is free from harassment, bullying, and retaliation. Treat everyone with dignity and respect, valuing diverse perspectives and contributions.
- **Fair Treatment:** Provide equitable access to opportunities for growth, training, and development. Ensure that workloads are distributed fairly, and that recognition is given for contributions.

Our Ethical KPIs for this year include:

- 100% of employee trained on ethics through our employee handbook and managers coaching
- 0 reports from whistleblowers on unethical behaviours
- 0 reported corruption incidents
- 0 reported IT security incidents

"We deliver satisfaction"

Thank you

Date of completion This report was compiled and completed on June 1, 2025

General Disclaimers

This sustainability report has been prepared by New Malwa Express Inc. to provide stakeholders with an overview of our sustainability initiatives and performance for the fiscal year 2024. The information contained in this report is based on data available at the time of publication and includes estimates and third-party information that may be subject to change. While we strive for accuracy, New Malwa disclaims any responsibility for errors or omissions.

Forward-Looking Statements

This report contains forward-looking statements, which are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Factors that could affect these outcomes include, but are not limited to, market conditions, regulatory changes, and economic influences.

There can be no assurance that the underlying opinions, estimates, and assumptions will prove to be correct. Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors not currently known to us or that we currently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information.

Baselines and Reporting Year

While every effort has been made to ensure the accuracy of the data presented in this report, some information may be based on estimates or third-party data, and therefore, may be subject to change. The company disclaims any responsibility for errors or omissions.

Baseline and Reporting Year

This report reflects our sustainability initiatives and performance for 2024 as our baseline.

Scope of the Report

The scope of this report includes the operations and activities of New Malwa Express Inc. unless otherwise stated. Certain data points may exclude specific operations or activities due to data availability.

Environmental Data

Environmental data, including greenhouse gas emissions and energy consumption, have been calculated using standard industry practices and may involve a degree of estimation and uncertainty.

Third-Party Information

This report includes information provided by third parties. New Malwa Express Inc. has not independently verified the accuracy of such information and assumes no responsibility for its accuracy or completeness.

Regulatory Compliance

This report has been prepared in accordance with relevant regulatory guidelines and frameworks. However, the company may not be in full compliance with all local, regional, or international regulations, and readers should consider this when interpreting the data.

Use of Reporting Standards

This report has been prepared in accordance with GHG Protocol Standards, the Sustainability Accounting Standards Board (SASB) guidelines, and/or other relevant frameworks. Any deviations from these standards are noted within the report.

Legal and Financial Disclaimers

This report is for informational purposes only and does not constitute legal, financial, or investment advice. Readers should seek independent advice before making any decisions based on the information presented.

Materiality

The materiality of the topics and data presented in this report is based on New Malwa Express Inc.'s internal assessments and stakeholder consultations. Materiality may vary depending on individual perspectives and external factors.

Contact Information

For feedback, inquiries, or further information regarding this report, please contact New Malwa Express Inc.





Appendix

Certifications

