



CapAllianz

HOLDINGS LIMITED | 共享资本

(Company Registration No. 199905693M)

**POWERING GROWTH
THROUGH INNOVATION**

通过创新推动成长

SUSTAINABILITY REPORT 2024

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This sustainability report has been prepared by CapAllianz Holdings Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor (the “**Sponsor**”), ZICO Capital Pte. Ltd., in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.

This sustainability report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this sustainability report including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

CORPORATE PROFILE

CapAllianz Holdings Limited 共享资本集团 (“**CapAllianz**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is an investment holding company that oversees and manages a portfolio of investments.

The Group’s goal is to harness the strengths of its experienced team to identify and invest in promising businesses, as well as improve the business operations of investee companies, in order to maximise investment returns on its investment portfolio.

The Group’s current investment portfolio comprises (i) a wholly-owned subsidiary that focusses on software and application development as well as information technology consulting with the goal of providing artificial intelligence technical services; and (ii) a 20% equity interest in onshore oil concessions located at Phetchabun Basin, Thailand. The onshore oil concessions have generated consistent income from existing oil-producing wells. With substantial proven reserves for production and significant potential exploration upside, this investment holds the promise of value enhancement and sustainable long-term growth as the joint operators of the concessions continue to work towards unlocking the untapped reserves.

The Group aims to achieve sustainable, long-term growth in the financial performance of its investee companies in the investment portfolio.

CapAllianz is listed on the Catalist board of the Singapore Exchange Securities Trading Limited under stock code 594.

BOARD STATEMENT

The board of directors (the “**Board**”) of CapAllianz Holdings Limited (“**CapAllianz**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to present the annual sustainability report for the financial year ended 30 June (“**FY**”) 2024.

The Board and the management team of the Company recognise the efficacy of corporate policies and practices in mitigating and surmounting possible economic, environmental, social, and governance (“**EESG**”) impacts on our business operations. The Group is committed to conducting our business in a responsible manner in order to deliver sustainable value to our stakeholders.

We maintain our commitment to the effective management of possible EESG related risks and opportunities, collaborating with our teams within the Group and our stakeholders in Singapore and abroad, as the world continues to grapple with geopolitical and economic challenges.

During FY2024, we stepped up our efforts to build on our new investment in the digital development and information technology sector. As the business is still in its developing stage, this sustainability report will continue to discuss our sustainability initiatives and performance with regards to the Group’s investment management operations at the holding level in Singapore and our key investment – the 20% equity interest in the onshore oil concessions located in Thailand (“**Oil Concessions**”) held by our wholly-owned subsidiary, Loyz Oil Pte. Ltd. (“**Loyz Oil**”), for the 12-month period from 1 July 2023 to 30 June 2024.

Notwithstanding that the Group’s business sustainability is dependent on the performance of our investee companies, we remain committed to upholding our integrity and business ethics in accordance with the rules and regulations of the respective countries in which our investee companies operate and have business dealings. Meanwhile, the Audit Committee of the Company has initiated preliminary work on the identification and evaluation of climate-related risks and opportunities that are pertinent to the Group, while the Board oversees and validates the sustainability practices that are significant to our businesses. This will then assist the Company’s management and Board in developing strategies and establishing the necessary systems and processes to strengthen our business fundamentals.

This sustainability report has been prepared with reference to the 2021 Global Reporting Initiative (“**GRI**”) Sustainability Reporting Standards (“**GRI Standards**”) and is in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) as well as the SGX-ST’s Sustainability Reporting Guide under Practice Note 7F of the Catalist Rules. We have chosen the GRI Standards as the sustainability reporting framework as it is a well-known and globally recognised sustainability reporting standard. The Group recognises the importance of climate-related risks and opportunities in relation to the Task Force on Climate-related Financial Disclosures (“**TCFD**”), which we have initiated evaluation and disclosed in this sustainability report. In the coming years ahead, we strive to work towards greater maturity in the disclosure of climate-related information.

As part of the Group’s internal audit plan, our internal auditor conducted an internal review of our sustainability reporting processes in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors based on the audit cycle. External assurance has not been sought for this sustainability report.

The sustainability report is published annually and made available on the Company's corporate website at www.capallianzholdings.com and on SGXNet at <https://www.sgx.com/securities/company-announcements>.

We welcome stakeholders to provide us with feedback and suggestions on this sustainability report. You may reach out to us at enquiries@capallianzholdings.com.

On behalf of the Board

MR. YU JINFENG (于金峰)

Chairman and Non-Executive Independent Director

30 October 2024

SUSTAINABILITY GOVERNANCE

At CapAllianz, our sustainability focus is to generate stable and sustainable value for our prioritised stakeholders, which include customers, employees, business partners, and shareholders. We believe our sustainability approach, which involves managing possible impacts of material EESG factors and addressing concerns about potential risks and opportunities in our business, will ensure our Board and management team lead the Group to achieve stability and sustainability for the long term.

The Company's Audit Committee ("**AC**"), which consists of Non-Executive Independent Directors, oversees the organisation's sustainability reporting. The AC, which represents the majority of the Board, will review and deliberate on sustainability issues with the Executive Director, who also functions as the Chief Executive Officer, to ensure ongoing monitoring and proper management of the EESG factors. The AC, with the assistance of the finance team within the organisation, evaluates the Group's sustainability performance and material topics, assesses and analyses possible climate-related risks and opportunities, addresses stakeholder concerns, sets targets for material factors, and establishes processes to collect, verify, monitor, and report information that is necessary for the sustainability report. The AC meets to discuss, propose, coordinate, and promote the Group's sustainability practices in accordance with the internal audit plan based on the audit cycle.

The Oil Concessions continue to be the Group's core investment, while we continue to build on our new investment in the digital development and information technology sector. As a minority stakeholder in the Oil Concessions, we are not involved in the day-to-day operations of the joint operation. However, as we have a close working relationship with the majority stakeholder and joint operator, ECO Orient Energy (Thailand) Limited and ECO Orient Resources (Thailand) Limited (collectively known as "**ECO Orient**") of the Oil Concessions, ECO Orient keeps us updated regularly on sustainable operating efforts at the Oil Concessions. These updates are part of our review and deliberation at the investment holding level.

Our sustainability reporting structure is as follows:



Sustainability concerns with respect to the possible risks and opportunities of the Group will be brought to the attention of the AC. The AC will then conduct an enterprise risk management assessment on the raised concern(s) at Board meetings. Together with the AC, the Board maintains efficient oversight by reviewing and considering the relevance and adequate practices in place to address potential sustainability issues. The Board will also integrate these findings into the strategies and policies to effectively handle potential risks and opportunities the Group may face. This process helps in considering and adequately addressing the EESG and climate-related matters significant to our business.

We believe that internal management of potential EESG impacts will effectively manage the risks and opportunities inherent in our business, generating sustainable value for our stakeholders.

Stakeholder Engagement

At CapAllianz, we believe sustainable operations require regular communication with both internal and external stakeholders. We remain committed to understanding our stakeholders' concerns, seeking to address them adequately, and aligning our stakeholders to participate in the Group's sustainable business journey.

In FY2024, we continued to improve our engagements with both internal and external stakeholders to align our vision, sustainable growth strategies, and practices through various online communication methods. The Group has evaluated the relevance of the material topics that are important to our business and our stakeholders, and we remain committed to building mutually beneficial relationships with our stakeholders and achieving the aligned long-term goals.

Our engagements with our key stakeholders are summarised as follows:

Our Stakeholders	Areas of Concerns	Our Engagements	Our Actions
Board of Directors	<ul style="list-style-type: none"> ▪ Effectiveness of internal policies and systems ▪ Compliance with relevant laws and regulations 	<ul style="list-style-type: none"> ▪ Board meetings ▪ Regular updates via electronic communications (emails, phone calls, virtual meetings) 	<ul style="list-style-type: none"> • Regular updates on corporate activities, developments, and financial performance • Seek advice and approvals from the Board on all material proposed developments
Employees	<ul style="list-style-type: none"> ▪ Career growth ▪ Training and education opportunities ▪ Competitive remuneration and incentives ▪ Pleasant and safe working environment 	<ul style="list-style-type: none"> ▪ Regular internal communications through staff meetings and electronic communications (emails, phone calls, virtual meetings) ▪ Regular review of working environment and welfare ▪ Training and development programmes ▪ Performance appraisal ▪ Employee feedback 	<ul style="list-style-type: none"> • Ensure effective implementation of human resources policies, internal systems and procedures • Regular internal meetings to review safety and healthy work environments • Staff training and development programmes • Sponsor employees to attend courses and conferences • Annual review on performance
Governments & Regulators	<ul style="list-style-type: none"> ▪ Good governance practices ▪ Compliance with laws and regulations 	<ul style="list-style-type: none"> ▪ Meetings ▪ Mails ▪ Electronic communications (emails, phone calls, video conferencing) ▪ Announcements on SGXNet 	<ul style="list-style-type: none"> • Ensure compliance with applicable laws and regulations • Correspondences with relevant authorities and agencies as and when necessary • Consistent update on relevant laws and regulations through seminars and training • Close monitoring on developments in laws and regulations in countries where we have invested • Ensure all public disclosures

Our Stakeholders	Areas of Concerns	Our Engagements	Our Actions
			<ul style="list-style-type: none"> on corporate results and material developments are disclosed accurately and timely via official announcements as and when appropriate
Investee Companies / Business Partners	<ul style="list-style-type: none"> Compliance with applicable laws and regulations Regular updates on operations and financial performance Long-term working relationship 	<ul style="list-style-type: none"> Regular meetings Electronic communications (emails, phone calls, virtual meetings) 	<ul style="list-style-type: none"> Regular assessment and analysis of risks and opportunities Regular reviews on operations and financial performance
Investment Community / Shareholders	<ul style="list-style-type: none"> Financial performance Dividends / investment returns Market presence Sustainability Good corporate governance 	<ul style="list-style-type: none"> Announcements on SGXNet General meetings Company's corporate website Emails Annual reports Sustainability reports 	<ul style="list-style-type: none"> Ensure all public disclosures on corporate results and developments are disclosed accurately and timely via official announcements as and when required Conduct general meetings with shareholders at least once a year Ensure sustainable business operations
External Professionals / Service Providers	<ul style="list-style-type: none"> Risk management Compliance with laws and regulations Timely payment and adherence to agreed terms Long-term working relationship 	<ul style="list-style-type: none"> Regular meetings Electronic communications (emails, phone calls, virtual meetings) 	<ul style="list-style-type: none"> Regular review and feedback on the quality, pricing, and evolving requirements Ensure compliance with all relevant laws and regulations in countries as well as good corporate practices Perform periodic evaluation
Community	<ul style="list-style-type: none"> Social and financial contributions at large 	<ul style="list-style-type: none"> Meetings Community activities 	<ul style="list-style-type: none"> To address potential ESG issues arising from oil production operations Engage in community activities, including donations to help the local community

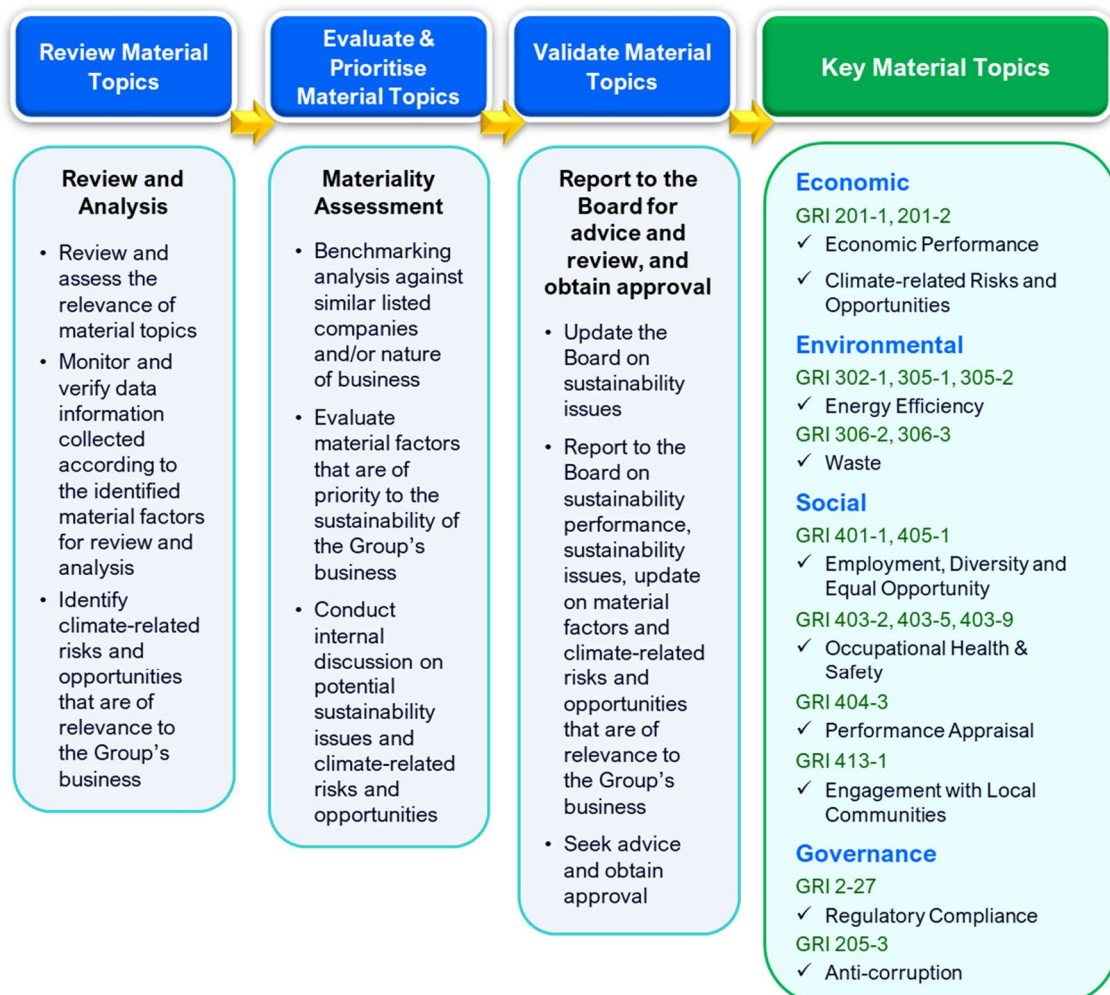
Materiality Assessment

We have conducted an internal review of the relevance of the material topics for FY2023 and continued to monitor these identified material factors for FY2024. This is to ensure that our performance data, based on the identified material topics, can facilitate the analysis of our performance in FY2024.

As a minority stakeholder in the Oil Concessions and not directly involved in the day-to-day operations of the joint operation, our ability to set targets is limited to the Singapore operations. Notwithstanding this, we will continue to work closely with ECO Orient, who keeps us regularly updated on sustainable operating efforts at the Oil Concessions. These updates enable us to monitor and manage the possible risks and opportunities of the Oil Concessions at our investment holding level.

We acknowledge the significance of climate-related risks and opportunities in relation to TCFD, for which we have initiated an evaluation, which identified climate-related risks and opportunities for our business, and disclosed them under the Economic Material Topic. Going forward, we will continue to review and analyse climate-related risks and opportunities, as well as improve our risk management against potential impacts of our investee companies, including our newly established technical services segment.

The sustainability reporting process and specific disclosures for each GRI Standard reported under the various material topics are set out in the chart below.



MATERIAL TOPIC: ECONOMIC

Economic Performance

GRI 201-1

The Group pursued a new sustainable strategic business in the digital development and information technology sector in FY2024 to balance our business risk in the oil and gas sector, which resulted in an inaugural revenue contribution of US\$1.35 million for the technical services segment. The Group's revenue increased by 25.4% year-on-year, from US\$3.32 million in FY2023 to US\$4.09 million in FY2024.

Revenue generated from the oil and gas segment was primarily due to the sale of crude oil produced from our 20%-owned Oil Concessions. The reduction in the production volume by 16.2% year-on-year, from 39,293 barrels in FY2023 to 32,928 barrels in FY2024, with a relatively consistent average oil price from US\$85.00 per barrel in FY2023 to US\$85.63 per barrel in FY2024, resulted in a decline in revenue by 17.4% year-on-year, from US\$3.32 million in FY2023 to US\$2.74 million in FY2024.

The Group continued to manage our resources prudently as we continued our expansion in the technical services segment. Taking into account the tax credit of US\$0.3 million that arose from the write-back of tax provisions for the Oil Concessions, we narrowed the net loss attributable to shareholders from US\$1.65 million in FY2023 to US\$0.56 million in FY2024.

Please refer to the following sections in our annual report for FY2024 (“AR2024”) for details on our operations and financial information:

- Letter to Shareholders on pages 3 to 4 of AR2024
- Business Operations on pages 9 to 10 of AR2024
- Operations and Financial Review on pages 6 to 8 of AR2024
- Financial Statements on pages 63 to 130 of AR2024

In September 2023, we entered into a technical service agreement with GPT Desk Pte. Ltd. (“GPT Desk”) to work together on the technology development, operation, and maintenance services of the “GptDesk.AI” platform, an artificial intelligence (“AI”) large language processing model developed by GPT Desk. This technical service agreement is still in effect and generates recurring revenue for the Group.

Building on the success of GPT Desk, the Group incorporated a wholly-owned subsidiary, Future AI Pte. Ltd., in early May 2024 to concentrate on software and application development and information technology consulting. Additionally, the Group entered into a one-year technical

Performance in FY2024

- Achieved target of no incident of non-compliance with management controls and procedures.
- Registered 25.4% year-on-year revenue growth to US\$4.09 million in FY2024, up from US\$3.32 million in FY2023.

Targets for FY2025

- Continue to maintain no incident of non-compliance with management controls and procedures.
- To enhance our financial performance by expanding our business in the digital development and information technology sector, particularly in the newly established technical services segment.

service agreement with Shenzhen Shoutou Industrial Co., Ltd. (“SSI”) to provide AI technical services for a fee of S\$1.00 million (inclusive of all taxes) to SSI’s downstream partners starting from 27 May 2024. We expect this initiative to positively contribute to the Group’s revenue in the financial year ending 30 June 2025.

The table below provides an analysis of our economic value distributed to various stakeholders, and the economic value retained.

For financial year ended 30 June (in USD thousands)	FY2022	FY2023	FY2024
Economic value generated	3,056	3,315	4,087
Economic value distributed			
Operating costs	(825)	(870)	(958)
Employee wages and benefits	(1,771)	(1,254)	(1,279)
Payments to providers of capital	(18)	-	-
Payments to government by country (taxes)	(29)	(173)	(116)
Economic value retained	413	1,018	1,734

Notes:

- Operating costs include cost of sales, marketing and distribution expenses, administrative expenses, other expenses and exclude employee wages and benefits.
- Employee wages and benefits include Directors’ remuneration and employee salaries.
- Payments to providers of capital denotes interest paid to banks and dividends paid to shareholders.
- Payments to government by country (taxes) denotes to income taxes paid.

Climate-related Risks and Opportunities

GRI 201-2

We recognise that the aim of the TCFD is to improve transparency of organisations’ climate-related risks and opportunities so that stakeholders, particularly investors, can make informed decisions on where to deploy their capital.

The Group is conscious of the hazards that climate change poses to both our industry and business, as well as to society at large. As part of our commitment to operating ethically and sustainably, we dedicate ourselves to understanding climate-related risks and opportunities and integrating solutions into our Group’s strategy and operations.

In order to gain a better understanding of our baseline emissions in the context of our ongoing expansion of investments in new businesses, we have been progressively implementing the TCFD recommendations and developing and reporting our Scope 1 and Scope 2 greenhouse gas emissions.

Performance in FY2024

- Conducted preliminary discussion on identifying and assessing possible climate-related risks and opportunities that are critical to the Group’s business sustainability.

Targets for FY2025

- To expand coverage on possible climate-related risks and opportunities.
- To explore and consider the evaluation of the financial implications of the possible risks and opportunities, as well as the approach, and potential costs to manage these possible risks.

During FY2024, we conducted an internal discussion with the management executives to identify and assess possible climate-related risks and opportunities that are critical to the Group’s business sustainability.

The following table sets out the summary of the climate-related risks and opportunities that have been identified for the Group’s business exposure in the oil and gas and digital development and IT sectors, which we shall be prioritising in FY2025 to develop the necessary action plans.

Type	Climate-related Transition Risk	Potential Financial Impact
Policy and Legal	<ul style="list-style-type: none"> The government may increase taxes or pricing on greenhouse gases to encourage companies to reduce emissions. Increase GHG emissions reporting requirements on a regular and transparent basis. The government may impose stricter regulations on petroleum products and services, such as restricting the production or sale of certain high-emission products or requiring companies to adopt more environmentally friendly production processes. As global concern over climate change increases, companies may face lawsuits from investors, consumers, or environmental organisations. 	<ul style="list-style-type: none"> Incur higher operating costs for companies in the oil and gas business, which will affect profitability. This will increase the administrative burden and compliance costs. This may result in the need to adjust production processes and increase investment in research and development to meet new regulatory requirements. These lawsuits could result in the Group incurring significant legal costs and damage to the Group’s reputation.
Technology	<ul style="list-style-type: none"> The development of low carbon and renewable energy technologies, petroleum products are likely to be replaced by greener, low carbon alternatives. To adapt to a low-carbon economy and policy requirements, the Group may need to adjust our existing production and operation processes and invest in research and development of low-carbon technologies. 	<ul style="list-style-type: none"> This will result in a reduction in the Group’s market share in the oil and gas business and thereby an impact on our revenue. This will result in the Group incurring higher transformation costs in the short term, which may affect our financial position and profitability.

Type	Climate-related Physical Risk	Potential Financial Impact
Acute	<ul style="list-style-type: none"> • Extreme weather events are likely to become more frequent and severe as a result of global climate change. • Extreme weather events may also have an impact on our digital development and information technology operations, such as operational stability of data centres, equipment damage, and supply chain disruptions. 	<ul style="list-style-type: none"> • This will cause damage to the Group’s production, transportation, and infrastructure, increase our maintenance and recovery costs, and impact business continuity. • This will cause disruptions to our customers and thereby, affect our profitability and business continuity.
Type	Climate-related Opportunities	Potential Financial Impact
Energy Source	<ul style="list-style-type: none"> • Utilising the government’s incentive policies to participate in renewable energy projects. • Application of new technologies. • Participate in the carbon trading market. 	<ul style="list-style-type: none"> • The Group is able to reduce investment costs and generate economic efficiency. • The Group can improve energy utilisation efficiency, reduce energy costs, and enhance our market competitiveness. • The Group would be able to increase our profitability, decrease the cost of carbon emissions, and monetise the sale and purchase of carbon emission rights.
Products and Services	<ul style="list-style-type: none"> • Develop new environmentally friendly products and services through R&D and innovation. • Diversify business activities with a broader range of products and services that address environmental concerns. • Capitalize on the consumer trend toward environmental protection and sustainability and meet with consumer demand for such products and services. 	<ul style="list-style-type: none"> • The Group could enhance our market competitiveness, reduce market risks, improve profitability, and achieve sustainable development.

MATERIAL TOPIC: ENVIRONMENTAL

Energy Efficiency

GRI 302-1, 305-1, 305-2

The Group's oil and gas segment in Thailand continues to dominate our performance while we continue to build on the newly established technical services segment in Singapore in FY2024.

During FY2024, we continued to monitor and measure our environmental footprint together with our joint partners in Thailand, as well as our operations in Singapore. Energy consumption at our Singapore office primarily comprises electricity, while energy consumption at our joint operation in Thailand includes electricity and diesel. We aim to improve the consistency of our performance data as well as energy efficiency over time.

Our total energy consumption decreased by 15.6% year-on-year, from 10,534.9 gigajoules ("GJ") in FY2023 to 8,896.0 GJ in FY2024. The Thailand operations saw a 22.8% year-on-year decrease in fuel consumption, from 9,125.4 GJ in FY2023 to 7,042.7 GJ in FY2024, primarily due to a reduction in drilling activities. Electricity usage for Singapore operations was relatively stable at 36.6 GJ and 36.7 GJ for FY2023 and FY2024 respectively, but increased 31.5% year-on-year from 1,409.5 GJ in FY2023 to 1,853.3 GJ in FY2024 due to higher electricity usage for Thailand operations.

The Group's overall greenhouse gas ("GHG") emissions reduced by 21.6% year-on-year from 25,142.5 tonnes CO₂e ("tCO₂e") in FY2023 to 19,703.4 tCO₂e in FY2024.

Performance in FY2024

- Recorded a decrease of 15.6% in total energy consumption from 10,534.9 GJ in FY2023 to 8,896.0 GJ in FY2024.
- Overall GHG emissions decreased from 25,142.5 tCO₂e in FY2023 to 19,703.4 tCO₂e in FY2024.

Targets for FY2025

- To continue to monitor our overall energy consumption performance data for operations in Singapore and Thailand.

Energy Consumed from Non-renewable Sources

GRI 302-1

Energy Sources (in GJ)	Singapore		Thailand*		Group Consumption**		
	FY2023	FY2024	FY2023	FY2024	FY2023	FY2024	Variance
Fuel (Diesel)	-	-	9,125.4	7,042.7	9,125.4	7,042.7	- 22.8%
Electricity	36.6	36.7	1,372.9	1,816.6	1,409.5	1,853.3	+ 31.5%
Total	36.6	36.7	10,498.3	8,859.3	10,534.9	8,896.0	- 15.6%

Note: Thailand* denotes the 20% equity interest in the Oil Concessions, while Group Consumption** denotes Singapore and Thailand* (being the 20% equity interest in the Oil Concessions).

Direct (Scope 1) and Energy Indirect (Scope 2) GHG Emissions
GRI 305-1, GRI 305-2

GHG Emissions (in tCO ₂ e)	FY2023	FY2024	Variance
Scope 1	24,568.9	18,961.5	- 22.8%
Scope 2	573.6	741.9	+ 29.3%
Total	25,142.5	19,703.4	- 21.6%

Notes:

- (1) Scope 1 covers emissions from sources that an organisation owns or controls directly, and Scope 2 are emissions that a company causes indirectly and come from where the energy it purchases and uses is produced.
- (2) Conversion factors are based on published statistics from CEIC and Institute for Global Environmental Strategies.

We will continue to monitor and quantify our environmental footprint, in order to better understand our baseline consumption to facilitate us in setting realistic targets.

Waste

GRI 306-2, 306-3

The Group continues to demonstrate our commitment to environmental preservation and protection by adhering to all applicable environmental requirements and standards. Our joint operation in the Oil Concessions in Thailand primarily produces waste materials. We categorise these materials as hazardous and non-hazardous waste to ensure their appropriate disposal and management.

The joint operation is obligated to comply with local laws and regulations on wastewater management and the segregation of waste materials in accordance with Thailand's Department of Mineral Fuels, Ministry of Energy waste codes and management protocol.

Hazardous waste includes contaminated waste materials such as drilling mud, chemicals, hardware, and sewage water that arise from oil production and drilling activities, while non-hazardous waste comprises drill cuttings, as well as general waste and recyclable waste such as plastic bottles and paper that arise from oil production and drilling activities. The quantity of each type of waste materials, especially hazardous waste, has to be monitored and logged in the waste manifest system before being transported and treated by registered waste transporters and waste disposers, respectively. We continue to engage third-party service providers to manage all proper disposal of our waste materials.

Performance in FY2024

- Achieved target for FY2024.
- Record no incidents of non-compliance with the relevant laws and regulations of the environmental protection, which could result in penalty and public allegation.
- The total amount of waste generated declined from 4,336.7 tonnes in FY2023 to 93.7 tonnes in FY2024, due mainly to the minimal drilling activities.

Targets for FY2025

- To maintain no incident of non-compliance with the relevant laws and regulations of the environmental protection.
- To monitor waste generation in the event of workovers and testing for discoveries of oil and gas reserves, as well as new drilling campaign.

Total Amount of Waste Generated

GRI 306-3

Types of Waste (in tonnes)	FY2022	FY2023	FY2024
Hazardous	1,543.5	2,481.5	91.4
Non-hazardous	2,637.0	1,885.2	2.3
Total	4,180.5	4,336.7	93.7

The total amount of waste generated in FY2024 decreased significantly, from 4,336.7 tonnes in FY2023 to 93.7 tonnes in FY2024. The decrease was because there were minimal drilling activities conducted during FY2024, which resulted in the majority of the waste being generated during oil production activities.

We maintained zero incidents of non-compliance with the relevant laws and regulations of the environmental protection in FY2024. Together with our joint operators, we will continue to abide by all environmental-related laws and regulations at all times.

MATERIAL TOPIC: SOCIAL

Employment, Diversity and Equal Opportunity

GRI 401-1, 405-1

The Group is steadfast in our commitment to fair employment practices, fostering a healthy workplace that values equality and non-discrimination among our employees. We believe the well-being of our employees is integral to the sustainable growth of our business.

While we have in place our staff handbook and human resources (“HR”) manual that adhere to the legislation and guidelines in the country of operations, we are committed to conducting engagement sessions on a regular basis. We establish efficient communication within the organisation to foster effective interactions and cultivate the responsibility, involvement, and motivation of employees who contribute to the Group's overall success.

Our Group's recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity, and non-discrimination regardless of gender, race, marital status, pregnancy, disability, age, or family status. Remuneration packages which include the necessary social benefits are reviewed periodically to ensure consistency with the employment market and industry benchmark.

We maintained a total staff strength of 143 employees in FY2024, including our joint operation in Thailand, while our Singapore operations saw an increase from nine (9) employees in FY2023 to eleven (11) employees in FY2024. The growth in our strategic business in the technical services segment coincided with the increase in employees in our Singapore operations.

Due to an increase in permanent headcount in the Singapore operations and a decrease in both permanent and contractual headcount in the Thailand operations, the proportion of our full-time permanent employees to contractual employees marginally increased from 44.1% in FY2023 to 44.8% in FY2024.

The gender diversity of the industries in which we operate remains male-dominated. In FY2024, we did not achieve our target of 75% in gender diversity, as approximately 81.1% of our employees were male, as compared to 81.8% in FY2023. Nevertheless, we will continue to work toward the target of 75% in FY2025.

Based on our full-time permanent employees, we continue to maintain a relatively young workforce with approximately 90.5% of our permanent headcount are below the age of 50 in FY2024, as compared to 88.9% in

Performance in FY2024

- Recorded no incident of non-compliance with the relevant laws and regulations related to fair employment practices.
- Did not achieve target of 75% for gender diversity in FY2024. Male employees comprised 81.1% of our total workforce in FY2024, a marginal decrease from 81.8% in FY2023.
- Workforce based on full-time permanent employees below the age of 50 increased from 88.9% in FY2023 to 90.5% in FY2024.
- Did not achieve target of low employee turnover in FY2024. Employee turnover increased from 1.6% in FY2023 to 9.8% in FY2024.

Targets for FY2025

- Continue to maintain no incident of non-compliance with the relevant laws and regulations in fair employment practices.
- Continue to monitor and review the recruitment procedure and system to ensure fair and non-discrimination in recruitment.
- Continue to improve the diversity of our total workforce in terms of gender diversity to 75%.
- Continue to maintain low employee turnover.

FY2023. Our employee turnover rate increased from 1.6% in FY2023 to 9.8% in FY2024.

The demographics of our employees for our operations in both Singapore and Thailand are as follows:

Total Employment

Nature of employment / No. of employees	FY2022		FY2023		FY2024	
Permanent	61	49.6%	63	44.1%	64	44.8%
Contractual	62	50.4%	80	55.9%	79	55.2%
Total	123	100.0%	143	100.0%	143	100.0%

Total Employment by Gender

Gender / No. of employees	FY2022		FY2023		FY2024	
Male	97	78.9%	117	81.8%	116	81.1%
Female	26	21.1%	26	18.2%	27	18.9%
Total	123	100.0%	143	100.0%	143	100.0%

Permanent Employees by Gender

Gender / No. of employees	FY2022		FY2023		FY2024	
Male	37	60.7%	39	61.9%	39	60.9%
Female	24	39.3%	24	38.1%	25	39.1%
Total	61	100.0%	63	100.0%	64	100.0%

Permanent Employees by Age Group

Age group / No. of employees	FY2022		FY2023		FY2024	
Below 30 years old	1	1.6%	1	1.6%	1	1.6%
30 – 50 years old	55	90.2%	55	87.3%	56	88.9%
Above 50 years old	5	8.2%	7	11.1%	7	11.1%
Total	61	100.0%	63	100.0%	64	100.0%

New Employees and Employee Turnover for FY2024

Gender	New Hires	Resigned	Employee Turnover
Male	66.7%	100.0%	16.2%
Female	33.3%	0.0%	0.0%
Average turnover			9.8%

New Employees and Employee Turnover for FY2023

Gender	New Hires	Resigned	Employee Turnover
Male	100.0%	100.0%	2.6%
Female	0.0%	0.0%	0.0%
Average turnover			1.6%

Occupational Health and Safety

GRI 403-2, 403-5, 403-9

At CapAllianz, we are committed to providing a healthy and safe working environment for our employees. We manage and monitor our operations in accordance with the national health and safety guidelines and regulations where we operate.

We continue to stay vigilant in managing and monitoring the health and safety risks through enforcement of policies and procedures, including the Workplace Safety Policy as well as employee behaviour and responsibility guidelines stated in the Employees Handbook, as part of our effort to keep a healthy and safe working environment for the members of our organisation. All new employees will have to undergo orientations by the human resources personnel on health and safety topics at the workplace.

Our joint operator, ECO Orient, conducts extensive safety training programmes to ensure that all employees at the Oil Concessions in Thailand are informed with the latest safety protocols.

The field operators will report directly to the Shift Supervisor or Health and Safety (“HSE”) Officer if they suspect a hazard or risk incident. The Shift Supervisor will carry out the standard procedure, including:

- safety alert to line management, HSE, and all staff, and
- prepare an incident report within 24 hours and a root cause analysis and/or investigation report within 48 hours to the various departments such as HR, Administrative, HSE, Production, Engineering, and representatives of the Safety Committee.

The Safety Committee reviews and updates the relevance and currency of training courses, policies, and procedures. We believe that self-responsibility, through regular reminders and education, will minimise work-related injuries and accidents at the workplace.

At the joint operation in Thailand, refresher training courses, including first aid, basic firefighting, safety, and precautions of chemical usage and handling, as well as safe work for forklift drivers, will be conducted every quarter for all workers. This is to ensure that every employee understands

Performance in FY2024

- The Group failed to meet the target for FY2024 due to an incident that led to a fatality.
- Recorded no incident of non-compliance with the relevant laws and regulations relating to occupational health and safety.

Targets for FY2025

- Continue to conduct refresher training courses regularly for our employees.
- To achieve zero incidents resulting in fatality and permanent disability.
- Maintain no incident of non-compliance with the relevant laws and regulations relating to occupational health and safety, providing a safe working environment, and protecting our employees from occupational hazards.

the policies and standard procedures, and consistently emphasises the significance of adhering to workplace safety standards and rules to minimise work-related injuries. The HSE team will also conduct refresher training for the drivers of the road tanker company on road safety as well as the company's policy on an annual basis.

In FY2024, we recorded an incident that led to a fatality in our Thailand operations. Nevertheless, we will strive to achieve zero incidents resulting in fatality and permanent disability for FY2025.

Performance Appraisal

GRI 404-3

On an annual basis, we conduct performance appraisals for our employees based on their roles and responsibilities in the group.

The employee performance review comprises mainly quantifiable evaluation criteria for all employees. We also actively collect performance information through inputs from direct supervisors and periodical employee communication sessions. We believe regular communication with employees enables us to foster better working relationships and keep us attuned to the growth and well-being of our employees, which will improve talent retention.

We grant discretionary incentives such as bonuses to eligible employees based on their performance, contributions to the Group, and the Group's overall performance. We regularly review remuneration policies and packages to ensure that compensation and benefits align with industry benchmarks. This helps the Group in our recruitment and retention of talent.

In FY2024, the Group achieved an overall performance evaluation of 92% for our employees. Our joint operation in Thailand evaluated all permanent employees, while the Singapore operations evaluated only 54.5% of the permanent employees. This was mainly due to some permanent employees who were still under probation as at 30 June 2024.

We aim to conduct annual performance evaluation for all employees as our operations stabilise.

Performance in FY2024

- Did not achieve target of 100% performance evaluation.
- Recorded 92% of all employees being evaluated in FY2024, due to some employees who were still under probation.

Targets for FY2025

- To continue to conduct interactive meetings for employees on regular basis to encourage active participation in the business operations.
- To achieve annual performance evaluation for all employees.

Engagement with Local Communities

GRI 413-1

The Group is committed to maintaining mutually beneficial relationships with the local communities at our Oil Concessions in Thailand. We believe sustainable business involves improving the livelihoods and living standards of the local communities. Therefore, our joint operator, ECO Orient, adopts a proactive approach to engage with the local communities from the outset.

The stakeholder engagement plan includes individuals, small groups, communities or villages, sub-district, district, and provincial levels, as well as public forums. It involves sharing information about oilfield operations and defining preventive measures and resolutions for potential impacts on the environment and local communities. We believe engaging the local communities helps us understand and address their concerns in response to our operations and thus enhances solidarity.

We have initiated and continue to execute the “Social Investment Project” to enhance the quality of life in the local communities that are in close proximity to our Oil Concessions operations in a sustainable manner. Our corporate social responsibility (“CSR”) initiatives are motivated and well supported by the participants in these targeted local areas.

During FY2024, the Group’s joint operation in Thailand participated in a total of thirty-three (33) community and charitable events with a total contribution in excess of THB 485,000 (equivalent to approximately US\$14,503). This was a marked increase in participation in community and charitable events, from eleven (11) events in FY2023.

Some of the notable community and charitable events include:

- Collaborated with SAO Tarong and Ban Tung Yai School to organise “Tree Planting” activity for the celebration of the Queen’s Mother 90th Birthday anniversary in August 2023.



Performance in FY2024

- Achieved targets of being involved in improving the livelihoods and living standards of the local communities.
- Participated in a total of 33 community and charitable events in FY2024, as compared to 11 events in FY2023.
- CSR initiatives have resumed back at the pre-pandemic level.

Targets for FY2025

- Maintain our commitments and efforts towards improving the livelihoods and living standards of the local communities in the areas of operations in Thailand.

- A group of students and professors of Asian Institute of Technology visited the operations of the Oil Concessions.



- Our employees participated in the “Candle Festival” and “Kathinna Ceremony” with the local communities in support of the conservation effort toward their tradition and culture.



- Social investment support towards:
(1) House Renovation for the less fortunate at Ban Mai Wilaiwan, Borang Wichianburi



(2) Village Development Project Year 2023



(3) Education/School Development Project Year 2023



(4) Annual Sports Games against Drug Abuse in December 2023



(5) Sports Activity Projects



On 21 Jul'23, provided budget support sports of public relations, "Masses Football Game of Wachian Buri District"



On 6 Oct'23, provided budget support Banchatsal School, Si Thep District where is located surrounding NSE-K Well Site to organize School Sport activity.



On 1 Nov'23, provided budget support to Ban Na Takrud , Srithep District for organize sport activity



On 24 Nov'23, provided budget support to Wichianburi Police Station for organize annual sport activity.



On 1 Dec'23, provided budget support Ban Tong Yai school, Wichianburi District to organize School Sport Activity.



On 20 Dec'23, participated in sport activity of Bor Rang Education Development Center, Wichianburi District and provided fund support to this activity.



On 2 Jan'24, funding support Badminton Sport Club of Wichainburi



On 26 Jan'24, funding support Volleyball Sport activity of Wichainburi District



On 12 Mar'24, funding football Sports of Teacher Summer Cup, Wichianburi



On 12 Mar'24, football sport of Ratchasri games of Village Headman Club.



On 5 Apr'24, Futsal Sports of Moo 9, Tha Rong Sub district, Wichianburi



MATERIAL TOPIC: GOVERNANCE

Regulatory Compliance

GRI 2-27

The Group remains committed to operating our business in accordance with relevant social, economic, and environmental regulations and standards. The Group is also committed to maintaining good corporate governance, adhering to applicable laws and regulations, and exceeding these requirements.

ECO Orient is accountable for the management, monitoring, and verification of environmental and social impacts at our joint operation in Thailand to ensure compliance to environmental regulations. The Office of Natural Resources and Environmental Policy and Planning (“**ONEP**”) has accredited a third-party organisation to conduct assessments every six months. The results of environmental and social impact assessments on the Thailand Operations are submitted to the appropriate government sections and communities on a biannual basis. These assessments are accessible on the Smart EIA Plus website at <https://eia.onep.go.th/>.

We are pleased to report that there were no violations of environmental or socioeconomic laws and regulations during FY2024. Our goal for FY2025 is to ensure that there are no instances of non-compliance in either the socioeconomic or environmental areas.

Corporate Governance

CapAllianz’s Board and management team are committed to ensuring the Group’s operations are sustainable and protecting the interests of all stakeholders by adhering to rigorous corporate governance and transparency standards.

We are committed to maintaining the highest standards of corporate transparency and disclosures, and we have established a set of policies and procedures that regulate our adherence to our risk management guidelines and compliance with relevant legislation. The pursuit of corporate excellence is a constant source of motivation for us to enhance our performance by implementing a more transparent, accountable, and equitable system.

Please refer to pages 18 to 51 of the AR2024, for more details on the Group’s corporate governance practices, precautionary measures, and risk management structure.

Performance in FY2024

- Achieved the targets set for FY2024.
- Recorded zero incident of non-compliance with the relevant laws and regulations in the social, economic, and environmental areas that could potentially result in internal disciplinary action or public allegation.
- Complied with the principles and provisions as set out in the Singapore Code of Governance 2018, where appropriate.
- Recorded no incident of non-compliance with management controls and procedures.

Targets for FY2025

- Maintain no incident of non-compliance with the relevant laws and regulations in the social, economic, and environmental areas.
- Maintain no incident of non-compliance with management controls and procedures.
- Continue to monitor and update the adequacy of the management controls and procedures as the Group reviews the possible impacts of climate-related issues on its operations.
- Continue to comply with the principles and provisions as set out in the Singapore Code of Governance 2018.

Anti-corruption

GRI 205-3

The Group has zero tolerance for fraudulent and corrupt practices that may disrupt business operations and impede our business's growth. We remain committed to conducting our business with integrity and transparency, with no compromise on corruption.

In Singapore, we have in place the Whistleblowing Policy, where stakeholders are able to report any illegal or unethical practices without fear of retaliation. Our joint operator, Eco Orient, enforces all new hires to understand and agree with its Code of Business Ethics contract before they commence employment. We also remind all members of the organisation to take proactive steps to prevent, govern, and facilitate the reporting of any illegal or unethical practices within the organisation.

In FY2024, the Group continued to have zero corruption, bribery, extortion, fraud, or money laundering violations. We will continue to be vigilant in monitoring and keeping our policy and practices relevant and updated.

Performance in FY2024

- Achieved the targets set for FY2024.
- Recorded zero incident of non-compliance with the relevant laws and regulations relating to corruption, bribery, extortion, fraud, and money laundering.

Targets for FY2025

- To monitor and keep our policy and practices relevant and updated.
- Aim to ensure zero incident of non-compliance with the relevant laws and regulations relating to corruption, bribery, extortion, fraud, and money laundering.

GRI Content Index

Statement of use	CapAllianz Holdings Limited has reported this information cited in this GRI Content Index for FY2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standards	Disclosure	Reference
GRI 2: General Disclosures 2021	2-1: Organisational details	Sustainability Report (“ SR ”) – Company Profile, page 2
	2-2: Entities included in the organisation’s sustainability reporting	SR - Board Statement, pages 3 to 4
	2-3: Reporting period, frequency and contact point	SR - Board Statement, pages 3 to 4
	2-6: Activities, value chain, and other business relationships	Annual Report (“ AR ”) – Letter to Shareholders, pages 3 to 4 AR – Business Operations, pages 9 to 10 AR – Operations and Financial Review, pages 6 to 8
	2-9: Governance structure and composition	SR – Sustainability Governance, pages 5 to 6 AR – Board of Directors, pages 13 to 14 AR – Corporate Governance, pages 18 to 51
	2-27: Compliance with laws and regulations	SR – Regulatory Compliance, page 25
	2-29: Approach to stakeholder engagement	SR – Stakeholder Engagement, pages 7 to 8
GRI 3: Material Topics 2021	3-1: Process to determine material topics	SR – Materiality Assessment, page 9
	3-2: List of material topics	SR – Materiality Assessment, page 9
	3-3: Management of material topics	SR – Materiality Assessment, page 9
GRI 201: Economic Performance	201-1: Direct economic value generated and distributed	SR – Economic Performance, pages 10 to 11
GRI 205: Anti-corruption 2016	205-3: Confirmed incidents of corruption and actions taken	SR – Anti-corruption, page 26
GRI 302: Energy 2016	302-1: Energy Consumption	SR – Energy Efficiency, page 14
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	SR – Energy Efficiency, page 15
	305-2: Energy Indirect (Scope 2) GHG emissions	SR – Energy Efficiency, page 15
GRI 306: Waste 2020	306-2: Management of significant waste-related impacts	SR – Waste, page 15
	306-3: Waste generated	SR – Waste, page 16

GRI Standards	Disclosure	Reference
GRI 401: Employment 2016	401-1: New employee hires and employee turnover	SR – Employment, Diversity and Equal Opportunity, pages 17 to 19
GRI 403: Occupational Health and Safety 2018	403-2: Hazard identification, risk assessment, and incident investigation	SR – Occupational Health and Safety, page 19 to 20
	403-5: Worker training on occupational health and safety	SR – Occupational Health and Safety, page 19 to 20
	403-9: Work related injuries	SR – Occupational Health and Safety, page 19 to 20
GRI 404: Training & Education 2016	404-3: Percentage of employees receiving regular performance and career development reviews	SR – Performance Appraisal, page 20
GRI 405: Diversity and equal opportunity 2016	405-1: Diversity of governance bodies and employees	SR – Employment, Diversity and Equal Opportunity, pages 17 to 19
GRI 413: Local Communities 2016	413-1: Operations with local community engagement, impact assessments, and development programs	SR – Engagement with Local Communities, pages 21 to 24

TCFD Content Index

Based on the requirements in Rules 711A and 711B of the Catalist Rules as well as the SGX-ST's Sustainability Reporting Guide under Practice Note 7F of the Catalist Rules, we have outlined our climate-related disclosures based on TCFD recommendations in the table below.

TCFD Thematic Areas	Recommended Disclosures	Reference
GOVERNANCE		
Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities.	SR – Board Statement, pages 3 to 4 SR – Sustainability Governance, pages 5 to 6
	Describe management's role in assessing and managing climate-related risks and opportunities.	SR – Sustainability Governance, pages 5 to 6
STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	SR – Economic: Climate-related risks and opportunities, pages 11 to 13
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Potential financial impacts have been identified in the TCFD table. SR – Economic: Climate-related risks and opportunities, pages 11 to 13
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	The Group currently does not employ scenario analysis in identifying climate risks and opportunities. However, there are plans to integrate scenario analysis into our assessment of climate risks and opportunities in the future.
RISK MANAGEMENT		
Disclose how the organisation identifies, assesses, and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks.	SR – Economic: Climate-related risks and opportunities, pages 11 to 13 The Company is working progressively and it shall be disclosing more information in future reports.
	Describe the organisation's processes for managing climate-related risks.	The Company is working progressively on the processes for managing climate-related risks, and it shall be disclosing more information in future reports.
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	The Company is working progressively on the processes for managing climate-related risks, and it shall be disclosing more information in future reports.

TCFD Thematic Areas	Recommended Disclosures	Reference
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>SR – Environmental: Energy Efficiency, pages 14 to 16</p> <p>As part of CapAllianz’s annual sustainability reporting, we track metrics such as:</p> <ul style="list-style-type: none"> - Scope 1 and 2 GHG emissions - Consumption of non-renewal energy, and - Waste generated
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	<p>Scope 1 and Scope 2 GHG emissions are disclosed in our SR – Environmental: Energy Efficiency, pages 14 to 15</p> <p>We have reported and compared our Scope 1 and Scope 2 GHG emissions for FY2024 and FY2023 based on our office operation in Singapore and joint operations of the Oil Concessions in Thailand.</p> <p>We will review and develop and report our Scope 3 GHG emissions, as and when appropriate.</p>
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	The Company is working progressively and shall be disclosing more information in future reports.



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