



CapAllianz

HOLDINGS LIMITED | 共享资本

Company Registration No. 199905693M

REJUVENATING FOUNDATION
Expanding Opportunities
振兴资产 扩展机遇

SUSTAINABILITY REPORT 2022



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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, ZICO Capital Pte. Ltd. (the “**Sponsor**”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist.

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.

1. 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 focusing on the oversight and management of a portfolio of investments. The Group’s strategy is to leverage on the strengths of its team of professionals to identify and invest in promising businesses and improve the business operations of the investee companies to maximise investment returns for its portfolio of investments.

The Group’s current portfolio of investments is primarily in the Oil and Gas sector, where its core investment is a 20% stake in the Thailand onshore oil concessions located at Phetchabun Basin. These concessions currently generate steady income from its existing oil producing wells. With substantial proven reserves for development as well as 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.

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

2. BOARD STATEMENT

The board of directors of the Company (the “**Board**”) is pleased to present the annual Sustainability Report (the “**Report**”) of the Group for the financial year ended 30 June 2022 (“**FY2022**”).

This Report covers the Group's two core business segments under its current portfolio of investments, namely (i) oil and gas business segment under Loyz Oil Thailand Pte. Ltd. (“**Loyz Thailand**”), a wholly-owned subsidiary of the Company, which is the holder of a 20% stake in three oil-producing onshore concessions – SW1, L44/43, and L33/43s located in the Phetchabun Basin, Thailand (the “**Concessions**”); and (ii) investments and trading business segment under CWX Investments Pte. Ltd. (“**CWX Investments**”), a wholly-owned subsidiary of the Company. The Group’s primary income flow for FY2022 is from the sale of oil extracted from the Concessions.

The Group takes effective corporate governance at all levels to ensure sound business decisions are made. Corporate governance also ensures business operations are carried out properly and with a proper monitoring feedback system to enhance future strategic formulations.

As responsible corporate citizens, we consider sustainability issues from the perspective of our own business growth. We will grow our sustainability approach in the medium and long term to bring in more Environmental, Social and Governance (“**ESG**”) factors to measure sustainability and ethical impact of our key investments under Loyz Thailand and CWX Investments.

The Board endorses the material ESG factors presented in this Report, while the management of the Company is responsible for ensuring that these material ESG factors are monitored on an ongoing basis and properly managed. The Board also provides oversight of the management and monitoring of these material ESG factors, through periodic review of the key performance indicators.

This Report is set out on a comply or explain basis in accordance with Rule 711B and Practice Note 7F on “Sustainability Reporting Guide” of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”). It is based on the Global Reporting Initiative (“**GRI**”) Standards (2016) (Core option) which provides a framework for the reporting of economic, environmental and social impact. In this Report, we have also described our

commitments, governance, policies, performance and targets in relation to managing the sustainability risks and opportunities during FY2022.

This Report is done in good faith and to the best of our knowledge. No external assurance was sought for this Report.

We welcome feedback from our stakeholders with regards to our sustainability efforts as this enables us to improve our policies, systems and results. Please send your comments and suggestions to enquiries@capallianzholdings.com. More information can be obtained from our corporate website at www.capallianzholdings.com.

Date of Report: 14 November 2022

3. OUR APPROACH TO SUSTAINABILITY

Report Scope

While the Group has a number of subsidiaries, this Report will focus on the Group's key investments under Loyz Thailand and CWX Investments (collectively, the "**Companies**"), which are the two key subsidiaries of the Company undertaking the Group's two core business segments, as described above.

Materiality Assessment

This Report uses a targeted approach to identify ESG factors which are of high importance to our stakeholders and essential for the Companies. Our materiality approach is closely guided by our core values of creating stakeholders' value and long-term sustainability of the Group's businesses. The criteria were determined through an internal survey of managerial staff and compiled into this Report.

The Companies adhere to the GRI Standards' principle on materiality and have adopted a three-step approach to identify, prioritise and validate various ESG factors significant to both the businesses and stakeholders of the Group.

Stakeholder Engagement

The Company currently adopts a variety of ways in which we engage with our stakeholders. We will continue to reach out extensively to our stakeholders to obtain feedback on how we can advance our sustainability initiatives.

Stakeholders	Engagement Platforms	Frequency of Engagement
Employees	<ul style="list-style-type: none"> ● Orientation training for new recruits ● Annual performance review and appraisals ● Team-building events ● Electronic communication and notice board 	When necessary
Wholesale and Retail Customers	<ul style="list-style-type: none"> ● Business review meetings ● Customer visits for wholesale customers ● Executive dialogue ● Customers surveys 	Throughout the year
Suppliers and Service Providers	<ul style="list-style-type: none"> ● Supplier surveys ● Business meetings with critical suppliers ● Supplier factory audit 	Throughout the year
Shareholders	<ul style="list-style-type: none"> ● Analysts meetings ● Corporate day event for institutional investors ● Web portal and electronic mail ● Annual General Meeting & Annual Report ● Quarterly/Half year and full year financial results announcements 	When necessary When necessary Throughout the year Annually Throughout the year, when necessary as required under the Catalist Rules

Stakeholders	Engagement Platforms	Frequency of Engagement
Local Communities	<ul style="list-style-type: none"> ● Donations ● Participation in community activities 	Throughout the year
Local Government and Regulators	<ul style="list-style-type: none"> ● Participation in government agencies' seminars on policy updates ● On-site advisory visits ● Regular reports ● Statutory reporting 	Throughout the year

Material Factors

As part of this Report, the Group has conducted an internal survey and has determined the following key material factors. Please refer to Diagram 1: Material Factors below for more information.



Diagram 1: Material Factors

Management Approach

Here at CapAllianz, we value integrity, professionalism, enterprise and mutual respect. We expect all our staff to adhere to these principles and strictly adhere to laws and regulations wherever we operate in the world. Please refer to Diagram 2: CapAllianz Business Method for more information.

While the Company is, first and foremost, an investment company, we are acutely aware of the environmental impact of the industries we invest in and through our shareholdings and participation in meetings, we share our values of professionalism and adherence to all laws and regulations,

especially environmental regulations, in relation to our oil and gas business segment, to relevant stakeholders.

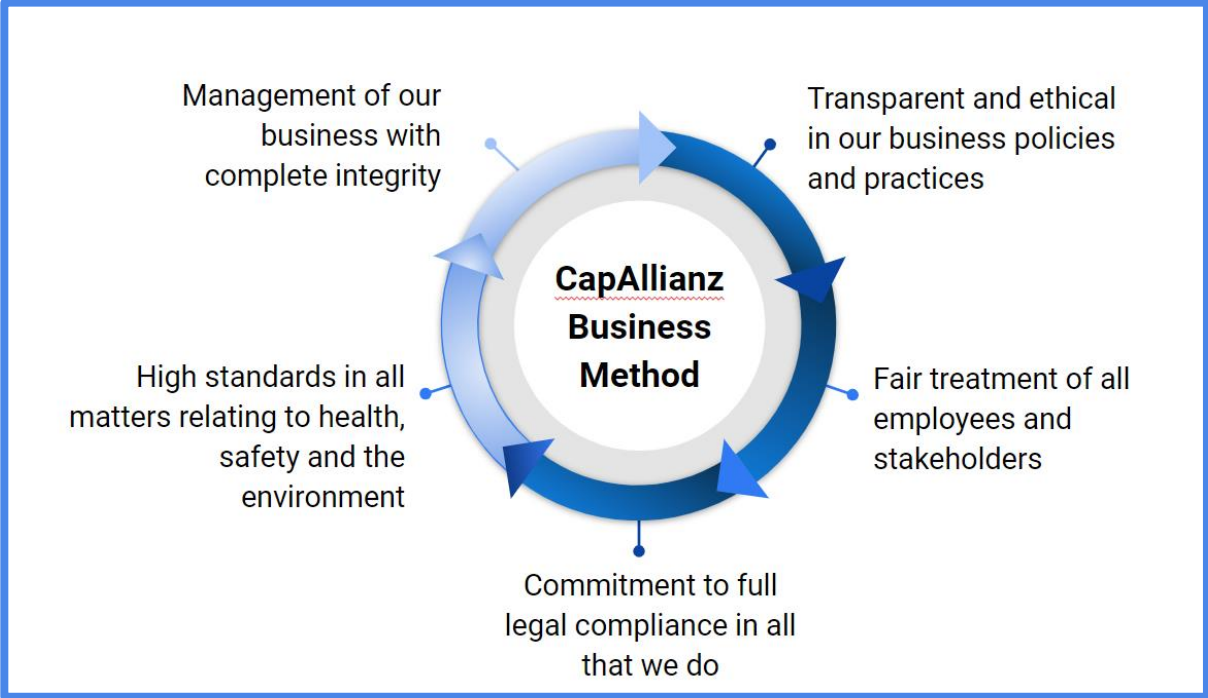


Diagram 2: CapAllianz Business Method

As mentioned in the Board Statement, the Group operates principally in two core business segments under its current portfolio of investments, namely (i) oil and gas business segment under Loyz Thailand, which is the holder of a 20% stake in the Concessions; and (ii) investments and trading business segment under CWX Investments. As the Group is a minority stakeholder in the Concessions, (i) the Group is thus reliant upon the operator and holder of a 60% stake in the Concessions (namely ECO Orient (as defined herein)) for all technical reporting and sustainability efforts; and (ii) the Group does not get involved with the day-to-day operations of the Joint Operation, and thus the highest governance body of the Group does not have a role in the management of impacts from sustainability of the Joint Operation.

Oil and Gas Business

Loyz Thailand holds a 20% participating interest in three producing Concessions – SW1, L44/43, and L33/43, a strategic joint operation located in the Phetchabun Basin in Thailand, which currently generates a steady income stream from its existing oil producing wells.

Loyz Thailand's partners in the Concessions are ECO Orient Energy (Thailand) Limited, ECO Orient Resources (Thailand) Limited and the Berlanga Group (together with Loyz Thailand, collectively known as the "**Joint Operation**"). The Concessions are currently run by ECO Orient Energy (Thailand) Limited and ECO Orient Resources (Thailand) Limited (collectively known as "**ECO Orient**"). ECO Orient are wholly-owned subsidiaries of ECO Environmental Investments Limited, which is a Hong Kong based energy company which focuses on the investment and management of a portfolio of new energy projects including energy infrastructure, chemical plants, oil and gas resources, as well as research and development.

The production license for the SW1 Concession was renewed for another 10 years from July 2016, while production licenses for L44/43 and L33/43 Concessions are due to expire in 2032. Currently, there are thirteen production areas covering an aggregate area of 124.7 square kilometres under these Concessions.

Loyz Thailand will continue to harness the potential of the Concessions which have proven reserves for production within the untapped areas of the Concessions. This asset holds substantial proven reserves for development as well as significant potential for further exploration, promising value enhancement and sustainable long-term growth.

The Group has diversified its business into the Investments and Trading business segment, and will continue to diversify its business to reduce reliance on the Concessions by diversifying its revenue stream, as well as improving prospects and better support the growth of the Group, in order to enhance shareholders' value for the Group.

Investments and Trading Business

The resurgence of new COVID-19 variants and sub-variants resulted in the underperformance of the Group’s investee company in the Consumer sector for the Investment and Trading business segment. Hence, the Group took the prudent approach to divest its 40% investment in Preferred Mart Pte. Ltd. (pending completion as of the date hereof) in the year under review, which invests and operates a supermarket, as well as a health and wellness business in Singapore.

Whilst the Group’s current portfolio comprises mainly investments in the Oil and Gas business segment, which the Group will continue to build on the foundation of the Concessions, the Group is motivated to pursue strategic opportunities which may include investments in the Information Technology and related sectors to broaden as well as to balance its earnings base.

Oil’s Supply Chain

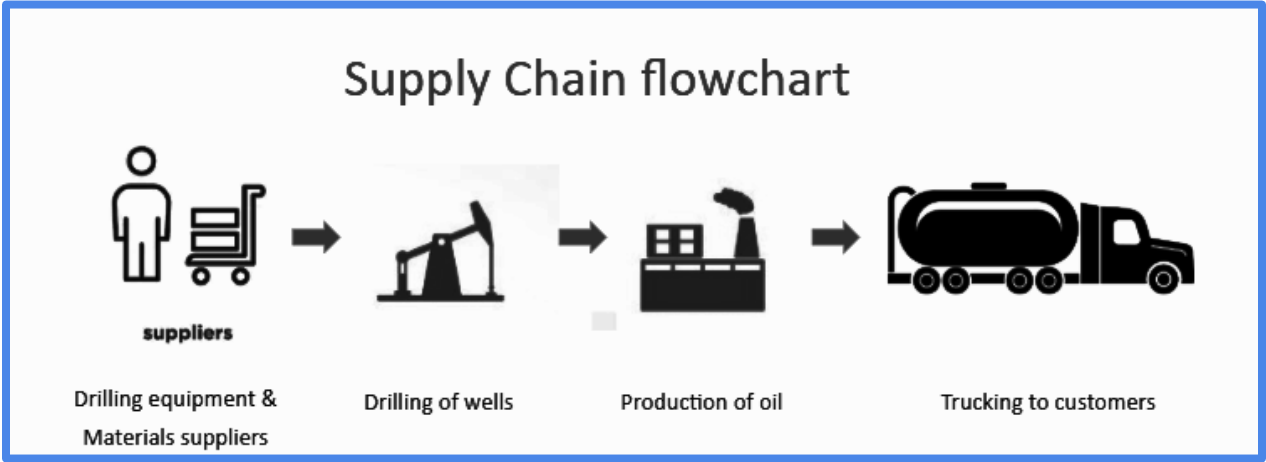


Diagram 3: Oil’s Supply Chain Flowchart

Financial Assistance Received from the Government

Since the onset of the COVID-19 pandemic, lockdowns have dampened demand in local and global markets. This created multiple effects on the supply chains and has affected the Group’s revenue. The Singapore government has stepped in to offer financial assistance to local companies.

Jobs Support Scheme

Since the onset of the COVID-19 pandemic in the first quarter of 2020, the Singapore government had rolled out its Jobs Support Scheme (“**JSS**”) to provide wage support to employers to help them retain their local employees, both Singapore Citizens and Permanent Residents, during this period of economic uncertainty. This scheme was further extended till March 2021.

As the COVID-19 pandemic restrictions continued into 2021, the Singapore government rolled out an enhanced payout corresponding to wages paid between August 2021 and October 2021, which was disbursed in December 2021. An aggregate wage subsidy amounting to S\$1,485 was received from the Singapore government in FY2022.

4. ECONOMIC

Markets Served

Oil and Gas Business

The Group's key asset is its 20% stake in the Concessions, which currently generates a steady income stream from its existing oil producing wells. The Joint Operation sells all of its produced oil to a single customer in Thailand.

There are currently thirteen production areas under the Concessions, covering an aggregate area of 124.7 square kilometers. This asset holds significant proven reserves for development as well as significant potential exploration upside that may create value enhancement and sustainable long-term growth.

Through continual cost optimization efforts, coupled with higher oil prices in FY2022, the operations of the Concessions are able to generate positive operating cash flows despite lower oil production volume. This has spurred the Joint Operation to expedite plans to conduct a drilling campaign for five wells. Currently, the joint operators of the Joint Operation are planning a new drilling campaign to take place in 4th quarter of 2022 in a bid to increase oil reserves and oil production volume for the long term. This new drilling campaign is expected to be fully funded by the positive cash flow generated from the sale of oil drawn from the existing producing wells, as well as bank facilities available to the Joint Operation.

More wells are expected to be planned for and drilled in the coming years, to take advantage of the strength of the oil prices.

Please refer to the following sections in the Company's Annual Report for FY2022 for detailed information on our financial results for FY2022:

- Letter to Shareholders
- Operations and Financial Review
- Key Financial Highlights

- Independent Auditor’s Report (including the Notes to the Financial Statements)

Investments and Trading Business

CWX Investments is a Singapore-based investment company with key investments in Singapore.

5. ENVIRONMENTAL

The Group is acutely aware of the environmental impact on its business operations. Through our influence in the Group's subsidiaries' operations, we ensure that our environmental impact is minimized, health and safety standards are upheld and that all current laws and regulations are fully adhered to. We have stood firm and required that each of the Group's subsidiaries meets the following (where applicable) in its operations:

- Conduct an Environmental Impact Assessment ("EIA") prior to commencement of any development activity;
- Assess energy efficiency at every level of operations, with the objective of minimizing energy consumption and emissions of greenhouse gasses;
- Ensure tracking, monitoring and reviewing of our environmental impact;
- Implement a strict asset maintenance regime to eliminate spills and other contamination;
- Educate and train our staff and subcontractors on our environmental policy and goals;
- Meet or exceed the required environmental or regulatory legislation during our operational and development activities;
- Implement office recycling, repurposing and upcycling especially usage of office paper printing;
- Support creative design concepts for our development activities that utilize alternative fuels, reduce flaring and minimize facility size; and
- Minimize carbon footprint by reducing electricity usage.

When it comes to seismic and extraction operations, the Joint Operation has a strict corporate policy to reduce risks to as low as practicable and aims to continue to closely monitor our environmental targets both against legal limits and internal targets going forward.

Managing Exploration, Appraisal and Development Well Operations

The following summarizes the activities undertaken by the Joint Operation in connection with exploration and appraisal drilling operations:

- Well design and planning;
- Well construction and handover or abandonment;
- Prepare drilling facilities and worksites;
- Management of well equipment and materials;
- Selection and management of contractors;
- Logistics management; and
- Environmental and waste management.

Waste Management

The Joint Operation has a wastewater management plan that complies with all local laws and regulations during the reporting period, meeting the target set last year. Each type of waste is segregated according to Thailand's Department of Mineral Fuel ("**DMF**"), Ministry of Energy waste codes and management protocol. The quantity of each type of waste is carefully logged in the waste manifest system before being transported and treated by registered waste transporters and waste disposers respectively.

Drilling cutting waste, which is non-hazardous, will be sent to the landfill to comply with the waste management plan, while mud/clay drilling waste, which is hazardous, will be sent to a cement kiln to be used as a raw material for the construction industry.

DMF's waste codes and management protocol go far beyond drilling operations with different codes for toxic water and various drilling muds, but also extends to the disposal of drilling hardware, filters, lubricants and containers. All our waste processing is expected to meet or exceed the guidelines set out in the initial EIA.

DMF's waste codes and management protocol also extend to office waste, such as using different codes for different types of AA and AAA batteries as well as different classes of paper and cardboard for recycling. Office waste on site uses a septic tank in accordance with local regulations.

The Joint Operation aims to continue to meet legal and regulatory requirements with respect to waste management for the financial year ending 30 June 2023 ("FY2023") and going forward.

Biodiversity

The Joint Operation has a reforestation programme around all the well sites within the Concessions, upon termination of the extraction, to encourage biodiversity.

Emissions

The laws of Thailand do not require air quality to be part of the EIA report. However, the Joint Operation goes above and beyond these environmental regulations and has put in place a system to monitor the air quality in the villages and communities near the drill sites to compare them with an established baseline before the project was started. To date, the Joint Operation has not recorded any deterioration in air quality attributed to the extraction operations within the Concessions.

The Joint Operation will continue to monitor these environmental concerns going forward into FY2023 and beyond.

6. OCCUPATIONAL HEALTH AND SAFETY

Health and Safety Policy

The Joint Operation has a Safety Management System (“SMS”) policy in place with regular inspections and audits. The Joint Operation has designated three levels of responses, with an emergency response group with each level. The Joint Operation has a database of personnel charged with emergency management responsibilities.

An Incident Response Team (“IRT”), which is located at the drill site in Wichian Buri, is trained to handle all envisaged incidents and emergencies alongside a country-level Emergency Response Group (“ERG”), which is based in Bangkok, Thailand.

The ERG conducts regular tests of both procedures and equipment to ensure that they are always in a state of readiness along with regular training of all personnel to ensure everyone knows how to respond to an emergency.

The IRT is the first responder to deal with all incidents and emergencies. The ERG provides support, advice and off-location assistance, communicates with authorities and next-of-kin and coordinates specialist support and recovery. Please refer to Diagram 4: Flowchart of Emergency Response for more information.

In FY2022, there were no work-related injuries and no work-related illnesses reported, and the Group aims to maintain this record of zero cases of work-related injuries and illnesses in FY2023 and beyond.

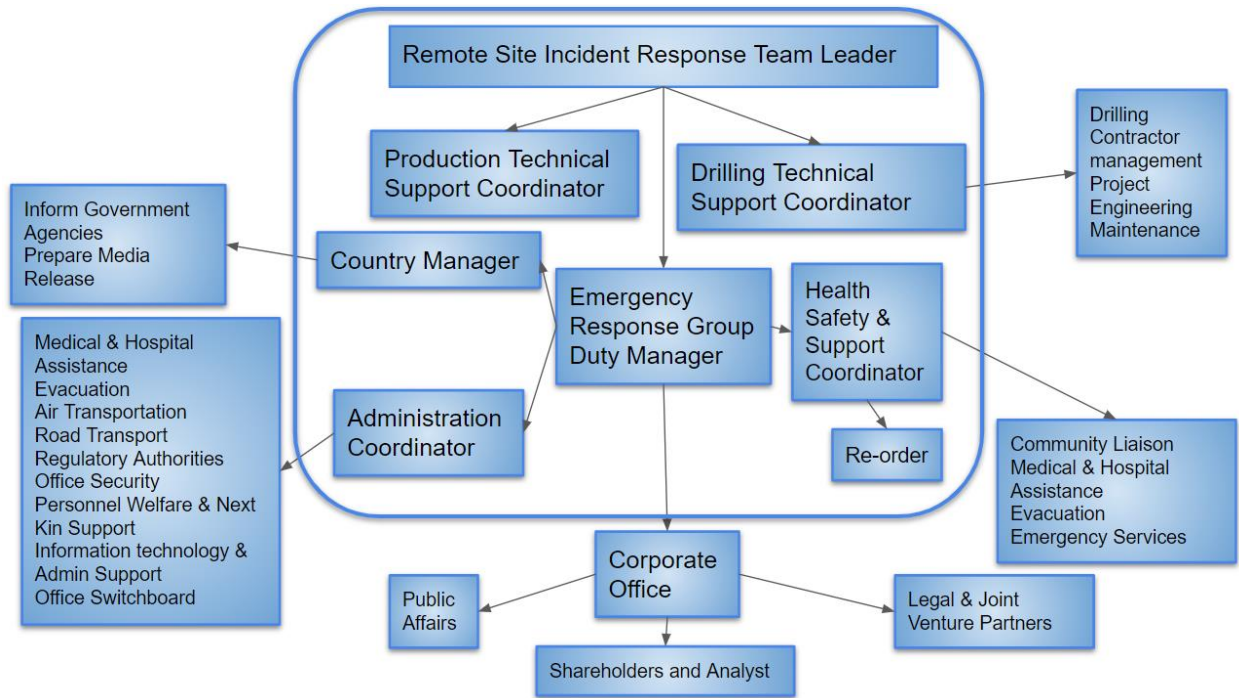


Diagram 4: Flowchart of Emergency Response

Control of Substances Hazardous to Health

The Joint Operation is committed to eliminate, or control risks arising from the use of any hazardous substances that may present a health risk to employees. All such substances in use are carefully identified and any potential risks are evaluated. Internal controls will then be put in place to reduce that risk to an acceptable level.

Although the Joint Operation provides suitable personal protective equipment (Personal Protective Equipment HSE-PM-004) for use by employees, this is not considered to be the primary control measure. Elimination or substitution with a less harmful substance is the preferred management option.

The Production Assets Manager, or Project Manager, is responsible for implementing all the necessary precautions and controls and to ensure that the product has been assessed and any hazards/risks evaluated.

The Joint Operation provides all employees with an annual health check-up programme in accordance with the local laws and regulations in Thailand. Furthermore, all employees, who are involved with extraction and who may come into contact with crude oil, have to undergo additional periodic checks for benzene exposure through monitoring of their urine samples.

The Joint Operation has an Environmental Management System with its own Health Safety and Environmental policy with clear procedures on oil spills, blowouts and chemical leakages. The Joint Operation understands its legal and financial responsibilities to clean up any pollution arising from its operations. The Joint Operation has contingency plans in place, which cover everything from exploration, drilling to loading.

The drill sites are designed to protect underground water but nevertheless water quality is carefully monitored in case of any unforeseen contamination. Water samples are taken as a baseline before drilling and further samples are tested after drilling and after any level 2 oil spills. Samples are taken and tested in areas near to the drilling site. Regular annual testing is also performed. All drainage effluents are monitored and are currently within the limits of the pollution control department standards of Thailand.

Similarly, surface water is monitored for contaminants with a baseline before and after drilling, after any incident and annually to ensure safety.

Soil monitoring is conducted outside the boundary of the drill site, one upstream and one downstream. Soil samples are checked for a list of pollutants at the end of the first year of operations and every five years thereafter.

The Joint Operation uses non-toxic drilling fluids in its operations. Muds are stored in a polyvinyl chloride (PVC)-lined sump that is constructed one meter above the site to ensure that they will not leak into groundwater or soils.

Consideration is given to nearby residents, the closest of which are those living in a village two kilometers from the site. Trucks deliveries are minimised and limited to during daylight hours.

The majority of waste gas is re-used for heating in the separation process though a small amount is flared. Flaring has much less environmental and health impacts than venting of volatile hydrocarbons. Air quality samples are taken at regular intervals around the clock, not just at the site but also at three locations in three nearby villages. These results are carefully monitored for traces of toxics, such as carbon monoxide, nitrogen dioxide and sulfur dioxide, and are reported to the local community. To date, there have been no incidents regarding pollution from flaring. The site also monitors and analyses PM10 soot as a by-product of flaring.

The Joint Operation has set procedures for the end-of-life of a well once the project is at a close. Wellsite abandonment involves re-injecting sump liquids into the well or solidifying in a cement mixture, capping the well with cement and planting trees over the entire area as part of introducing biodiversity.

7. PEOPLE

Labour Practices and Decent Work

The Group has a clear non-discrimination policy and also a strict anti-slavery and zero tolerance child labour policy which is communicated within the Group.

We aim to continue our policies of zero child labour and anti-slavery and pay all employees their contractual salaries promptly.

Employment

The Group has a fair, non-discriminatory employment policy through a formally structured interview procedure. The Group recognizes the importance of training our entire staff in order to improve standards and boost morale. As the Joint Operation operates in the oil and gas industry, specific Health and Safety training is carried out and strictly overseen by both public and private bodies and this certification certifies not just the Joint Operation's full time employees but also the Joint Operation's contractors to ensure safety at all times.

Labour/Management Relations

Efficient communication within the organization is essential for the SMS and other management systems to function effectively. The communication structure is designed not only for the passage of information but to motivate people through their involvement and understanding. It is recognized that well motivated employees contribute more towards the overall success of the Group. Regular meetings are held at the site of the Joint Operation, as well as the respective management and corporate levels of the Joint Operation and the Group to ensure operational safety as well as to motivate our employees.

Training and Education

Here at CapAllianz, we believe in our employees and help them reach their fullest potential. The Group has regular training for employees at all levels. For instance, office staff in Singapore are trained and kept up to date with the latest accounting standards, rules and regulations of the SGX-ST and related courses under the Institute of Singapore Chartered Accountants and SkillFuture. At the end of each training programme, participants are asked to summarize and circulate key points learnt to the rest of the organization. We also encourage employees to further develop their skills by allowing for study leave.

In addition, the Group (including the Joint Operation) provides extensive safety training programmes to ensure that all staff are up to date with the latest safety procedures and new staff are made aware of the safety procedures in place.

In FY2022, the Group conducted over 40 man-hours of training. Please refer to Table 1: Training of Staff of the Group for more information.

TRAINING SUMMARY	2022 (1 Jul 2021-30 Jun 2022)			2021 (1 Jul 2020-30 Jun 2021)			2020 (1 Jul 2019-30 Jun 2020)			2019 (1 Jul 2018-30 Jun 2019)*			2018 (1 Jul 2017-30 Jun 2018)*		
	Hours	Total No. of Employees Attended Training and %		Hours	Total No. of Employees Attended Training and %		Hours	Total No. of Employees Attended Training and %		Hours	Total No. of Employees Attended Training and %		Hours	Total No. of Employees Attended Training and %	
Total No. of Training Hours	42	4	8.0%	30	5	17.0%	42	2	4.0%	204	28	25.0%	300	32	31.0%
Average Training Hour / Employee	10.5			6.0			21.0			7.3			9.4		

* Included the Joint Operation

Table 1: Training of Staff of the Group

Diversity and Equal Opportunity

In formulating employment policies, CapAllianz has been guided by relevant legislations to establish its employees' contracts.

These policies are regularly reviewed and new policies are introduced following consultation with employees.

CapAllianz is committed to the promotion of Diversity and Equality and takes its responsibility to promote equality of opportunity and eliminate unlawful discrimination seriously.

CapAllianz recognizes and embraces the benefits of diversity on the Board. The Board's policy in identifying nominees for directorship is primarily to have an appropriate mix of expertise with complementary skills, core competencies and experience for facilitating effective decision making, regardless of gender. Each director of the Company has been appointed based on the strength of his/her caliber, experience and stature and is expected to bring a valuable range of experience and expertise to contribute to the development of the Group's strategies and the performance of its business. The current Board and various sub-committees of the Board have the appropriate requisite mix of expertise, knowledge and experience, and collectively possesses the necessary core competencies for effective functioning as well as independent and informed decision-making to avoid groupthink and foster constructive debate. Such experiences and competencies include finance and accounting, strategic planning, investment management, relevant industry knowledge, entrepreneurial and management experience, familiarity with regulatory requirements and risk management.

For the Group's employees, the Group's policy is to hire and select based on merit. We look at potential employees' skills, experience or ability to perform the job regardless of age, race, gender, religion, marital status and/or disability. Our goal is to create and maintain a healthy and positive working and learning environment, which creates mutual respect and dignity and enables everyone to realize their full potential.

The Group has a strict policy against bullying, discrimination, harassment, or victimization by or towards any of our employees, contractors, suppliers, stakeholders and visitors. Any such cases are taken seriously and may result in disciplinary or other appropriate action and, in serious cases, may lead to termination of contract. The Group had zero cases of bullying, discrimination, harassment or victimization during FY2022, and aims to maintain this record of zero cases in FY2023 and beyond.

In our Singapore headquarters, the Singapore government policy is followed in respect to parental leave. Employees are given six days off work a year with pay for employees whose children are below six years old and three days for employees whose children are above six years old.

Employees wishing to leave are to give three, two or one months' notice for management, manager and all other employees respectively.

All staff are subject to annual performance review. Those staff who are top performers are given more responsibilities and those not performing are monitored more closely. Furthermore, all staff have an annual career review and necessary training is scheduled to ensure all staff are up to date.

As at the end of FY2022, the Group has nine permanent staff in Singapore and the Joint Operation has fifty-three permanent staff in Thailand. Please refer to Diagram 5: Breakdown of Thailand and Singapore employees for 2018 to 2022 and Diagram 6: Length of Service for 2018 to 2022 for more information.

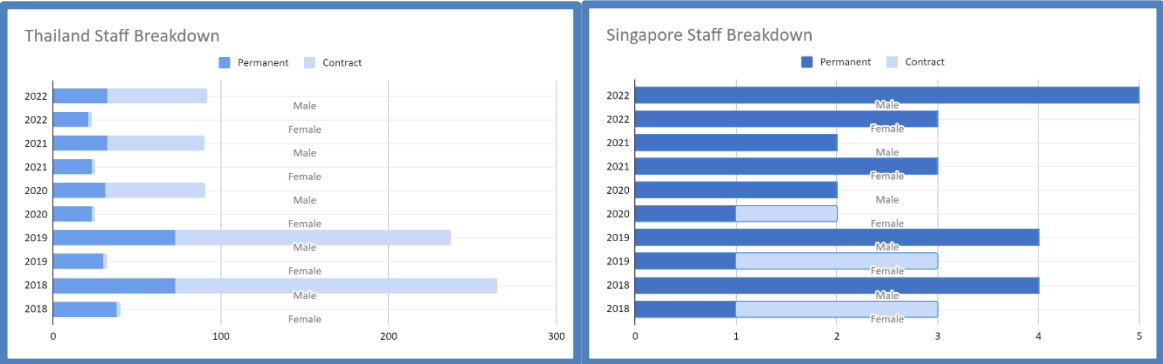


Diagram 5: Breakdown of Thailand and Singapore employees for 2018 to 2022

Length of Service - Permanent Staff

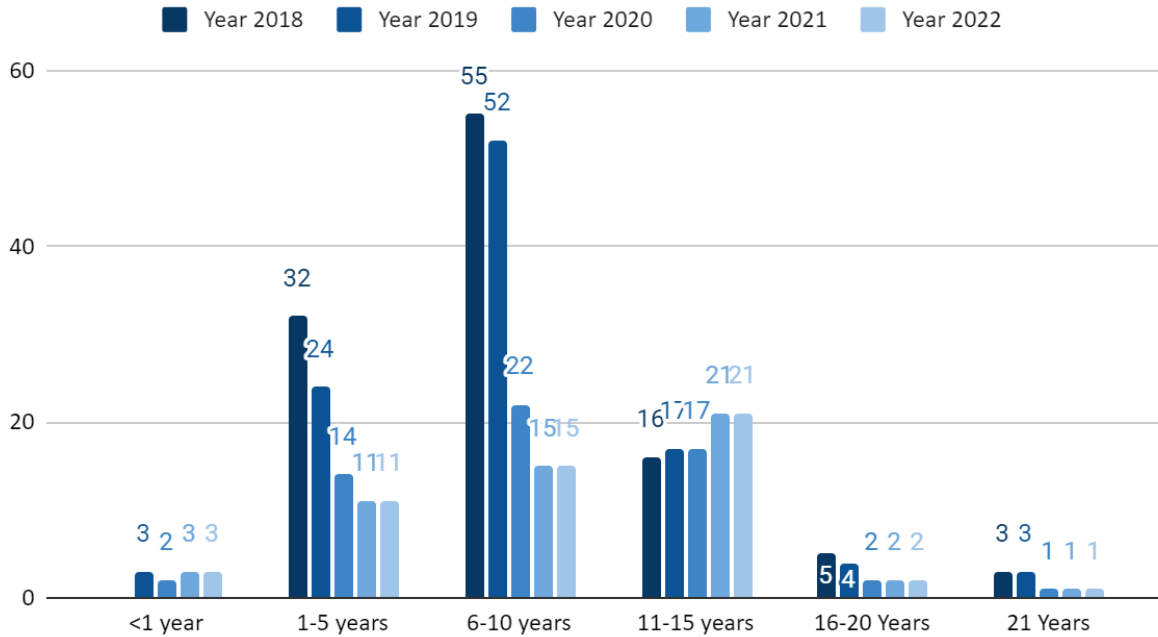


Diagram 6: Length of Service for 2018 to 2022

Equal Remuneration for Women and Men

The Group has an equal remuneration policy regardless of gender. We aim to continue employing qualified individuals in their area of expertise and at the same time encourage them to grow to the best of their abilities.

Labour Practices and Grievance Mechanisms

All employees, suppliers, visitors, contractors and other stakeholders working at or on behalf of CapAllianz share the responsibility of adhering to CapAllianz's equality and diversity policies, procedures and practices at all times whilst carrying out their duties.

They are also expected to maintain the highest standards of conduct whilst working on our behalf or representing the Group. This also includes the duration of participation in professional and social activities undertaken during the course of the Group's business.

The Group emphasizes the importance of the well-being of all our staff. The Group strongly supports career progression, allows employees to take time off to settle family issues, promotes working from home in view of the current COVID-19 pandemic and organizes company dinners to give employees valuable bonding time away from work. The Group provides the standard dental and medical plans, annual leave and parental leave (in accordance with the regulations), bonuses and insurance to its employees.

The Group had zero labour grievances during FY2022, meeting its target set last year. The Group aims to maintain this record of zero labour grievances in FY2023 and beyond.

The Group has no collective bargaining agreements in place.

Local Communities

In Singapore, the Company will continue to stay vigilant against the risk of a new wave of COVID-19 cases. We also strongly urge eligible individuals who have not received their primary series and booster vaccinations to do so quickly, so as to protect themselves from the risk of severe illness should a new infection wave emerge in the next couple of months. We will progressively return to normalcy and learn to live with COVID-19.

Masks, wet wipes and sanitizers are distributed to the employees and placed in the office premises to ensure cleanliness of the work environment.

Corporate Social Responsibility ("CSR")

In Thailand, the Joint Operation participated in a total of 33 community and charitable events during FY2022 with a total contribution of THB592,888 (equivalent to approximately S\$24,000).

Some of the CSR highlights for FY2022 are as follows:

- (i) The Joint Operation awarded 200 scholarships to 20 schools in the operation areas (Wichianburi and Si Thep Districts)



Niyomsil School, Wichianburi



Ban Mai Wilanwan School, Wichianburi



Banklongbong School, Wichianburi



Ban Na Rai Daew School, Wichianburi



Ban Mapsamor School, Wichianburi



Ban Nong Bua Kaow School, Wichianburi



Non Formal Education Center, Wichianburi



Ban Nong Sa Kae School, Wichianburi



Watnairungsi School, Wichianburi



Ban Tung Yai School, Wichianburi

(ii) Supporting local government and communities by:



Donating for a royal reforestation programme under Cavalry Division 1 in July 2021.



Participating in and donating for Children's Day activities.

8. GOVERNANCE

Anti-Corruption

CapAllianz will always act honestly, openly, fairly and ethically wherever we do business. We are committed to preventing corruption in all its forms and do not tolerate it in the course of our business or in those with whom we do business with.

We strive to uphold all laws aimed at countering corruption in all jurisdictions in which we operate.

CapAllianz has a zero-tolerance approach to corruption and expects this of all staff, suppliers and business partners.

Our policies encourage any employee who has any suspicion of bribery or other form of corruption to report the suspicion to the audit committee chairman where it will be dealt with appropriately and without fear of reprisal.

The Group had zero corruption issues reported during FY2022, meeting its target set last year. The Group aims to maintain this zero corruption record in FY2023 and beyond.

Anti-Competitive

The Group had zero legal actions for anti-competitive behavior, anti-trust, and monopoly practices.

Enterprise Risk Management

The Group has in place several risk management measures to manage its exposure to risks that are associated with the conduct of its business. Please refer to our financial statements set out in the Company's Annual Report for FY2022 for more details. Going forward, we endeavor to further develop our risk management measures as our business diversifies.

Corporate Governance

The Board and the management of CapAllianz are committed to ensure high standards of corporate governance for the protection of interests of the Company's shareholders and to promote investors' confidence. The Company has complied substantially with the principles and provisions set out in the Singapore Code of Corporate Governance 2018 for FY2022 and will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and review such practices on an ongoing basis to ensure compliance with the Catalyst Rules. Please refer to the "Corporate Governance Report" section of the Company's Annual Report for FY2022 for information on the Group's corporate governance practices.

Whistleblowing Policy

In line with good corporate governance practices, CapAllianz has implemented a whistleblowing policy and has incorporated it into the Company's internal control procedures. The whistleblowing policy provides a well-defined and accessible channel in the Group through which whistleblowers may raise concerns about improper conduct within the Group. Please refer to the "Corporate Governance Report" section of the Company's Annual Report for FY2022 for information on the Group's whistleblowing policy.

The Group had no reported whistleblowing incidents during FY2022.

Membership of Associations

CapAllianz is a member of the Singapore Business Federation

GRI Content Index

GRI Standard Number and Disclosure Number	Disclosure Title	Reference Section
GRI 2: General Disclosures 2021	2-1 Organizational details	1. Corporate Profile 2. Board Statement
	2-2 Entities included in the organization's sustainability reporting	3. Our Approach to Sustainability - Report Scope
	2-3 Reporting period, frequency and contact point	2. Board Statement
	2-4 Restatements of information	None
	2-5 External assurance	2. Board Statement (No external assurance was sought)
	2-6 Activities, value chain and other business relationships	1. Corporate Profile 2. Board Statement 3. Our Approach to Sustainability - Management Approach; Oil and Gas Business; Investment and Trading Business
	2-7 Employees	6. Occupational Health and Safety 7. People
	2-8 Workers who are not employees	N/A
	2-9 Governance structure and composition	2. Board Statement 3. Our Approach to Sustainability - Management Approach
	2-10 Nomination and selection of the highest governance body	Annual Report for FY2022 - Corporate Governance Report

GRI Content Index

GRI Standard Number and Disclosure Number	Disclosure Title	Reference Section
	2-11 Chair of the highest governance body	Annual Report for FY2022 - Board of Directors
	2-12 Role of the highest governance body in overseeing the management of impacts	2. Board Statement 3. Our Approach to Sustainability - Management Approach
	2-13 Delegation of responsibility for managing impacts	2. Board Statement 3. Our Approach to Sustainability - Management Approach
	2-14 Role of the highest governance body in sustainability reporting	2. Board Statement
	2-15 Conflicts of interest	None
	2-16 Communication of critical concerns	7. People - Labour/Management Relations; Labour Practices and Grievance Mechanisms 8. Governance - Whistleblowing Policy
	2-17 Collective knowledge of the highest governance body	Annual Report for FY2022 - Board of Directors
	2-18 Evaluation of the performance of the highest governance body	Annual Report for FY2022 - Corporate Governance Report
	2-19 Remuneration policies	7. People - Equal Remuneration for Women and Men Annual Report for FY2022 - Corporate Governance Report (Principles 6 to 8)

GRI Content Index

GRI Standard Number and Disclosure Number	Disclosure Title	Reference Section
	2-20 Process to determine remuneration	Annual Report for FY2022 - Corporate Governance Report (Principles 6 to 8)
	2-21 Annual total compensation ratio	Annual Report for FY2022 - Corporate Governance Report (Principles 6 to 8)
	2-22 Statement on sustainable development strategy	3. Our Approach to Sustainability
	2-23 Policy commitments	3. Our Approach to Sustainability
	2-24 Embedding policy commitments	3. Our Approach to Sustainability
	2-25 Processes to remediate negative impacts	7. People - Labour Practices and Grievance Mechanisms
	2-26 Mechanisms for seeking advice and raising concerns	7. People - Labour/Management Relations; Labour Practices and Grievance Mechanisms 8. Governance - Whistleblowing Policy
	2-27 Compliance with laws and regulations	3. Our Approach to Sustainability - Management Approach 5. Environmental 8. Governance - Anti-Corruption
	2-28 Membership associations	8. Governance - Membership of Associations
	2-29 Approach to stakeholder engagement	3. Our Approach to Sustainability - Stakeholder Engagement

GRI Content Index

GRI Standard Number and Disclosure Number	Disclosure Title	Reference Section
	2-30 Collective bargaining agreements	7. People - Labour Practices and Grievance Mechanisms
GRI 3: Material Topics 2021	3-1 Process to determine material topics	3. Our Approach to Sustainability - Material Factors
	3-2 List of material topics	3. Our Approach to Sustainability - Material Factors
	3-3 Management of material topics	3. Our Approach to Sustainability - Material Factors
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report for FY2022 - Key Financial Highlights; Financial Statements
	201-2 Financial implications and other risks and opportunities due to climate change	Annual Report for FY2022 - Corporate Governance Report Note 32 of the Financial Statements for FY2022
	201-3 Defined benefit plan obligations and other retirement plans	There were no termination, retirement or post-employment benefits granted to the directors and key executives of the Company in FY2022.
	201-4 Financial assistance received from government	3. Our Approach to Sustainability - Financial Assistance Received from the Government
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Annual Report for FY2022 - Corporate Governance Report
	205-2 Communication and training about anti-corruption policies and procedures	8. Governance - Anti-Corruption

GRI Content Index

GRI Standard Number and Disclosure Number	Disclosure Title	Reference Section
	205-3 Confirmed incidents of corruption and actions taken	8. Governance - Anti-Corruption
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	8. Governance - Anti-Competitive
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	7. People - Diversity and Equal Opportunity
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	7. People - Diversity and Equal Opportunity; Labour Practices and Grievance Mechanisms
	401-3 Parental leave	7. People – Diversity and Equal Opportunity; Labour Practices and Grievance Mechanisms
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	7. People - Diversity and Equal Opportunity
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	6. Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	6. Occupational Health and Safety
	403-3 Occupational health services	6. Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	6. Occupational Health and Safety
	403-5 Worker training on occupational health and safety	6. Occupational Health and Safety 7. People - Training

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GRI Standard Number and Disclosure Number	Disclosure Title	Reference Section
	403-6 Promotion of worker health	6. Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6. Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	6. Occupational Health and Safety
	403-9 Work-related injuries	6. Occupational Health and Safety – Health and Safety Policy
	403-10 Work-related ill health	6. Occupational Health and Safety – Health and Safety Policy
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	7. People - Training and Education
	404-2 Programs for upgrading employee skills and transition assistance programs	7. People - Training and Education
	404-3 Percentage of employees receiving regular performance and career development reviews	7. People - Training and Education
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	7. People - Diversity and Equal Opportunity; Labour Practices and Grievance Mechanisms
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	7. People - Local Communities
	413-2 Operations with significant actual and potential	N/A

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GRI Standard Number and Disclosure Number	Disclosure Title	Reference Section
	negative impacts on local communities	



8 Wilkie Road

#03-01 Wilkie Edge

Singapore 228095

Tel: (65) 6826 2549

Website: www.capallianzholdings.com

Investors and Media: enquiries@capallianzholdings.com