



CapAllianz

HOLDINGS LIMITED | 共享资本

Company Registration No. 199905693M

通过创新促进未来增长

# Embracing Innovation for Future Growth

Sustainability Report 2023



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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 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.

## 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**”) 2023.

The Board and the management team of the Company acknowledge the importance of effective implementation to manage and overcome the economic, environmental, social, and governance (“**EESG**”) impacts on the Group’s business operations. The Group remains conscientious in conducting our business responsibly to deliver sustainable value to our stakeholders.

As the world braced towards normalcy post-pandemic, we continue to strive to effectively manage EESG-associated risks and opportunities together with our teams within the Group as well as our stakeholders in Singapore and overseas. During FY2023, we continued the effort to streamline underperformed investee companies in the consumer sector, and at the same time, tapping on the professionals with expertise in the information technology (“**IT**”) sector to pursue strategic opportunities in a bid to foray into the specialised IT sector. Meanwhile, the Board and our management team remain mindful of the evolving business environment and consistently oversee and monitor the EESG material factors of the Group and validate the sustainability practices that are material to our business.

This sustainability report discusses 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% stake in the oil concessions located in Thailand (“**Oil Concessions**”) held by Loyz Oil Thailand Pte. Ltd. (“**Loyz Oil**”), throughout the 12 months, from 1 July 2022 to 30 June 2023. Notwithstanding that the Group’s business sustainability is dependent on the performance of our investee companies, we remain committed to uphold 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. Going forward, we will also explore the assessment of climate-related risks and opportunities with the EESG material factors as we refine our Group’s strategy to strengthen our business fundamentals.

The Board maintains oversight over the sustainability practices, managing sustainability risks and opportunities, while ensuring all material EESG matters in respect to our business are addressed in this sustainability report.

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**”). We have chosen the GRI framework as it is a well-known and globally recognised sustainability reporting standard.

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

This sustainability report is published annually and made available on the Company's corporate website at the URL <http://www.capallianzholdings.com> and on SGXNet at the URL <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 by email to [enquiries@capallianzholdings.com](mailto:enquiries@capallianzholdings.com).

On behalf of the Board

**MR. YU JINFENG** (于金峰)

Chairman and Non-Executive Independent Director

30 October 2023



## SUSTAINABILITY GOVERNANCE

At CapAllianz, our sustainability focus is to generate stable and sustainable value for our prioritised stakeholders, namely, customers, employees, business partners, and shareholders. We believe our sustainability approach in managing the impact of material EESG factors, as well as assessing the risks and opportunities in our business, ensures the ability of the Board and our management team to lead the Group to rise above the adversities and achieve stability for the long term.

The Audit Committee of the Company (“**AC**”), comprising Non-Executive Independent Directors, oversees the sustainability reporting of the organisation. The AC, which represents the majority of the Board, will review and deliberate on the sustainability issues with the Executive Director and Chief Executive Officer, to ensure that the EESG factors are monitored on an ongoing basis and properly managed. The AC, supported by members of the finance team within the Group, is responsible for reviewing the Group’s sustainability performance and material topics, analysing climate-related risks and opportunities, addressing stakeholder concerns, setting targets and goals for material factors, and establishing systems to collect, verify, monitor, and report information required for this sustainability report. The AC meets to discuss, propose, coordinate, and promote the Group’s sustainability practices according to the internal audit plan, on a per cycle basis.

Whilst the Oil Concessions is currently the Group’s core investment, we are a minority stakeholder in the Oil Concessions and we are not involved in the day-to-day operations of the joint operation. Nevertheless, 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**”), who keeps us updated regularly on sustainable operating efforts. These updates form part of our review and deliberation at our investment holding level.

Sustainability concerns with respect to the 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 incorporate these findings when formulating strategies and policies to better manage the potential sustainability risks and opportunities that could be encountered by the Group. This process helps to ensure that all EESG and climate-related matters significant to the business are considered and adequately addressed.

In the year under review, the Board remains committed to ensuring that the health, safety, and well-being of our employees are not compromised as we continue to fulfil our commitments to other key stakeholders. The Board has also kept itself abreast of the rising concerns about sustainability and climate-related topics through continuous training and education. All Directors have attended the prescribed sustainability training courses organised by the relevant training providers as required under the enhanced sustainability reporting rules announced by the SGX-ST in December 2021.

We believe that managing the EESG impacts from within will manage the risks and opportunities present in our business, and correspondingly, generate 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 the concerns of our stakeholders and seek to address them adequately and align our stakeholders to participate in the Group's sustainable business journey.

In FY2023, the Group continued to improve our engagement with both internal and external stakeholders to align our vision and sustainable growth strategies and practices through various online communication platforms where physical meetings were limited. We have evaluated the relevance of the material topics that are of significance to our business and our stakeholders, and we remain committed to building mutually beneficial relationships with our stakeholders and achieving aligned goals for the long term.

Our engagements with our key stakeholders are summarised as follows:

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

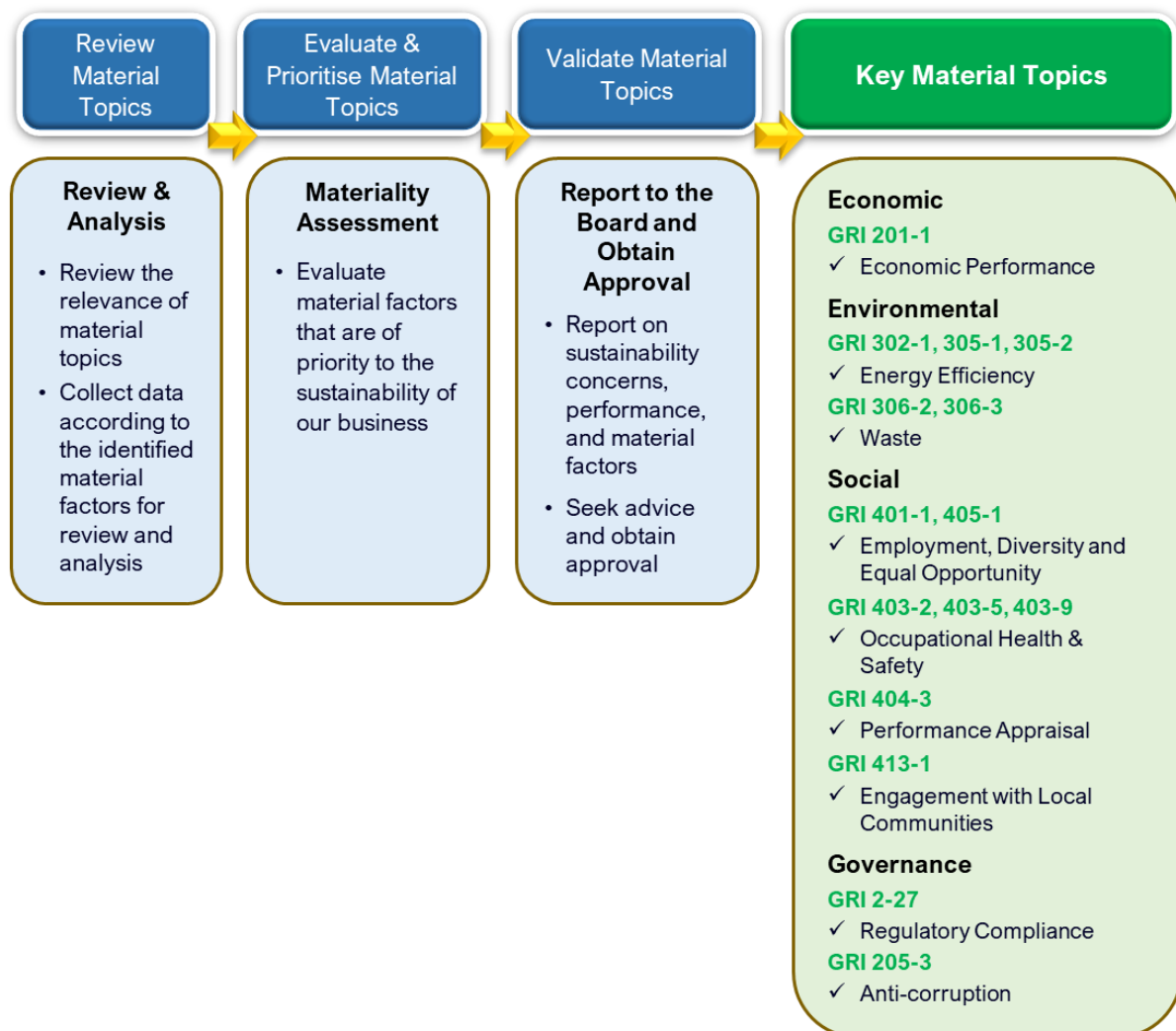
Our Stakeholders	Areas of Concerns	Our Engagement Approach	Our Initiatives
<b>Investee Companies / Business Partners</b>	<ul style="list-style-type: none"> <li>Compliance with applicable laws and regulations</li> <li>Regular updates on operations and financial performance</li> <li>Long-term working relationship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



## Materiality Assessment

The Group carried out an internal review of the relevance of the material topics for FY2023. As we continue to overcome challenges brought about by the COVID-19 pandemic and the streamlined business, we ensure that data has been collected according to the relevant material topics identified to facilitate analysis of our performance in FY2023 to set targets for the respective material topics for the financial year ending 30 June 2024 (“FY2024”).

The chart below summarises our materiality assessment process on material topics and the relevant GRI Standards which we have referenced in this sustainability report. We will continue to improve our interactions with our stakeholders identified in the material topics amidst the global economic slowdown and geopolitical uncertainties. We will also review and analyse the impact of climate-related risks and opportunities on our business in a progressive manner.



As a minority stakeholder in the Oil Concessions who is not involved in the day-to-day operations of the joint operation, we can only set targets for the Group’s Singapore operations. Notwithstanding this, we continue to work closely with ECO Orient, who keeps us updated regularly on sustainable operating efforts at the Oil Concessions. These updates facilitate our monitoring and management of the Oil Concessions’ business operations at our investment holding level.

## MATERIAL TOPIC: ECONOMIC

### Economic Performance

#### GRI 201-1

During FY2023, the Group continued its rationalisation efforts on its prior investments in underperforming and non-core investee companies. It is a necessary step for the Group to move forward amidst rising inflationary pressure, dismal economic recovery, and geopolitical uncertainties.

Nevertheless, our core investment in the Oil Concessions buoyed our financial performance in FY2023. The Group registered a 8.5% year-on-year revenue growth from US\$3.06 million in FY2022 to US\$3.32 million in FY2023 on the back of lower average oil price of US\$85.00 per barrel despite higher production volume of 39,293 barrels in FY2023.

With the absence of interest earned from the investment and trading segment, and the one-off gain amounting to US\$17.48 million on the full settlement of the term loan relating to the credit facility for Loyz Oil, which bolstered the profit after income tax of US\$14.71 million recorded in FY2022, the Group registered a loss after income tax of US\$1.65 million in FY2023.

Please refer to the Company's annual report for FY2023 ("AR2023") published on SGXNet and Company's corporate website for the following sections on our operations and financial information:

- Letter to Shareholders on pages 3 to 4 of AR2023
- Business Operations on pages 9 to 10 of AR2023
- Operations and Financial Review on pages 6 to 8 of AR2023
- Financial Statements on pages 60 to 133 of AR2023

The Group identified and deliberated on viable investment opportunities and sought to ride on the trend of digital transformation. It took us time and effort to establish a team of experienced professionals who are competent in the highly-focused artificial intelligence information technology ("IT"), and made our foray on 6 September 2023 when the Group entered into a technical service agreement with GPT Desk Pte. Ltd. for cooperation of technology and development. We are committed to grow this strategic business and we hope this investment not only broadens our investment portfolio, but also cultivates growth sustainably to our operations and financial performance.

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

#### Performance in FY2023

- Achieved the target to record no incident of non-compliance with management controls and procedures.

#### Targets for FY2024

- Continue to maintain no incident of non-compliance with management controls and procedures.

(in USD thousands)	FY2022	FY2023
<b>Economic value generated</b>	<b>3,056</b>	<b>3,315</b>
<b>Economic value distributed</b>		
Operating costs	(825)	(870)
Employee wages and benefits	(1,771)	(1,254)
Payments to providers of capital (This refers to interest paid on bank borrowings)	(18)	-
Payments to government by country (taxes) (This refers to income tax paid)	(29)	(173)
<b>Economic value retained</b>	<b>413</b>	<b>1,018</b>

## MATERIAL TOPIC: ENVIRONMENTAL

### Energy Efficiency

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

We have started to monitor and measure our environmental footprint from our energy consumption in FY2023 for Singapore and our 20% stake in the Oil Concessions in Thailand. As we embarked on expanding our Singapore operations to include our investment in the IT sector in FY2024, we aim to improve the consistency of our data to deliver savings through energy efficiency over time.

The Group's oil and gas segment continues to dominate our business operations and performance. Together with our joint operators in Thailand, we are committed to work towards mutual benefits with the local communities in relation to the Oil Concessions under our investment.

The energy consumed at our Singapore office comprises electricity, while that of our joint operation in Thailand includes electricity and diesel. Based on our 20% stake in the Oil Concessions in Thailand, our total energy consumed for the Group in FY2023 was 10,534.9 gigajoules ("GJ") comprising 1,409.5 GJ of electricity usage, and 9,125.4 GJ of fuel consumption. The energy consumed was for both Singapore and Thailand operations, where fuel consumption was mainly due to the Oil Concessions in Thailand. The Group's overall greenhouse gas ("GHG") emissions were 25,142.5 tonnes CO<sub>2</sub>e ("tCO<sub>2</sub>e") in FY2023.

As this is our first year of collecting and reporting data on energy consumption, we shall continue to monitor our performance so as to be able to set targets once we have a better understanding of our baseline.

#### Performance in FY2023

- Recorded an energy consumption of 10,534.9 GJ of electricity and fuel in FY2023.
- Overall GHG emissions were 25,142.5 tCO<sub>2</sub>e in FY2023.

#### Targets for FY2024

- To monitor our overall energy consumption in Singapore when the new strategic investment in the area of IT ramps up, as well as additional workovers and further testing to be carried out for the recent discoveries of gas and oil reserves in the Oil Concessions in Thailand.

### Energy consumed from non-renewable sources in FY2023

GRI 302-1

Energy Source in GJ	Singapore	Thailand*	CapAllianz**
Fuel (Diesel)	-	45,627.2	9,125.4
Electricity	36.6	6,864.1	1,409.5
<b>Total</b>	<b>36.6</b>	<b>52,491.3</b>	<b>10,534.9</b>

Note: Thailand\* denotes the 100% of the Oil Concessions, and CapAllianz\*\* denotes Singapore and 20% of Thailand\*.

### GHG Emissions of CapAllianz for FY2023

GRI 305-1, GRI 305-2

Scope 1	24,568.9 tCO <sub>2</sub> e
Scope 2	573.6 tCO <sub>2</sub> e
<b>Total</b>	<b>25,142.5 tCO<sub>2</sub>e</b>

Note: 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.

## Waste

### GRI 306-2, 306-3

The Group is committed to the preservation and protection of the environment and has met all applicable environmental requirements and standards. The waste materials recorded are mainly generated from the joint operation in Thailand, which are classified and separated into hazardous and non-hazardous wastes for proper handling and disposal.

It is mandatory for the joint operation to comply with local laws and regulations on wastewater management and segregation of waste materials according to Thailand's Department of Mineral Fuels ("DMF"), 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 production and drilling activities, while non-hazardous waste comprises drilling cutting, as well as general waste and recyclable waste such as plastic bottles and paper that arise from 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.

### Total amount of waste generated from the Oil Concessions in Thailand

#### GRI 306-3

Types of waste in tonnes	FY2023	FY2022	Variance
Hazardous	2,481.5	1,543.5	60.8%
Non-hazardous	1,855.2	2,637.0	(29.6)%
<b>Total</b>	<b>4,336.7</b>	<b>4,180.5</b>	<b>3.7%</b>

Out of the 2,481.5 tonnes of hazardous waste recorded in FY2023, 94.8% comprised of drilling mud, which will be disposed to cement kiln as a source of raw materials for the construction industry. Drilling cutting waste which is non-hazardous, contributed to 99.8% of the 1,855.2 tonnes in FY2023, and will be used for landfill.

In FY2023, we record zero incident of non-compliance with the relevant laws and regulations of the environmental protection. The Company will continue to abide by all environmental-related laws and regulations at all times.

### Performance in FY2023

- Achieved the target to record no incident of non-compliance with the relevant laws and regulations of the environmental protection, which could result in penalty and public allegation.
- Generated 4,336.7 tonnes of waste mainly from the oil and gas production and drilling activities in Thailand.

### Targets for FY2024

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

## MATERIAL TOPIC: SOCIAL

### Employment, Diversity and Equal Opportunity

GRI 401-1, 405-1

The Group remains committed to fair employment practices and providing a healthy workplace where its employees are respected with equality and non-discrimination. 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. Efficient communication within the organisation is established for effective interactions to cultivate responsibility, involvement and motivation of employees who share the overall success of the Group.

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.

The proportion of our full-time permanent employees to contractual employees decreased from 49.6% in FY2022 to 44.1% in FY2023. The easing of stringent precautionary measures including lifting of travelling restriction imposed during the COVID-19 pandemic, as well as an increase in production and drilling activities led to higher contractual employment. While our contractual employees increased from 62 in FY2022 to 80 in FY2023, our permanent headcount also increased by 2 employees from 61 in FY2022 to 63 in FY2023. Total staff strength which includes the joint operation in Thailand, increased by 16.3% year-on-year from 123 employees in FY2022 to 143 employees in FY2023. Due to the nature of the job in the oil and gas sector, the diversity by gender industry-wide is male dominated and approximately 81.8% of our employees comprised males in FY2023, as compared with 78.9% in FY2022.

We maintain a relatively young workforce with approximately 88.9% of our permanent headcount are below the age of 50 years old in FY2023. Our employee turnover rate was relatively low at 1.6% in FY2023. We aim to continue to maintain no incident of non-compliance with the relevant laws and regulations in fair employment practices for FY2024.

#### Performance in FY2023

- Achieved the target to record no incident of non-compliance with the relevant laws and regulations related to fair employment practices.
- Male employees comprised 81.8% of our total workforce in FY2023, a slight increase from 78.9% in FY2022 due to an increase in total headcount from 123 employees in FY2022 to 143 employees in FY2023.
- Workforce based on full-time permanent employees below the age of 50 years old decreased from 91.8% in FY2022 to 88.9% in FY2023.
- Achieved the target of low employee turnover of 1.6%.

#### Targets for FY2024

- 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.



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

#### Total Employment

Nature of employment / No. of employees	FY2023		FY2022	
Permanent	63	44.1%	61	49.6%
Contractual	80	55.9%	62	50.4%
<b>Total</b>	<b>143</b>	<b>100.0%</b>	<b>123</b>	<b>100.0%</b>

#### Total Employment by Gender

Gender / No. of employees	FY2023		FY2022	
Male	117	81.8%	97	78.9%
Female	26	18.2%	26	21.1%
<b>Total</b>	<b>143</b>	<b>100.0%</b>	<b>123</b>	<b>100.0%</b>

#### Permanent Employees by Gender

Gender / No. of employees	FY2023		FY2022	
Male	39	61.9%	37	60.7%
Female	24	38.1%	24	39.3%
<b>Total</b>	<b>63</b>	<b>100.0%</b>	<b>61</b>	<b>100.0%</b>

#### Permanent Employees by Age Group

Age group / No. of employees	FY2023		FY2022	
Under 30 years old	1	1.6%	1	1.6%
30 – 50 years old	55	87.3%	55	90.2%
Above 50 years old	7	11.1%	5	8.2%
<b>Total</b>	<b>63</b>	<b>100.0%</b>	<b>61</b>	<b>100.0%</b>

#### 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			<b>1.6%</b>

## 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 Workplace Safety Policy as well as employee behaviour and responsibility guidelines stated in 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 orientation by the human resources personnel on health and safety topics at the workplace.

Our joint operator, ECO Orient, carries out extensive safety training programmes to ensure all employees at the Oil Concessions in Thailand keep abreast with the latest safety procedures.

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

- safety alert to line management, HSE and all staffs, and
- prepare incident report within 24 hours as well as root cause analysis and/or investigation report within 48 hours to the various department including HR, Administrative, HSE, Production, Engineering, and representatives of the Safety Committee.

The Safety Committee reviews and updates on the relevance and currency of the courses, policies and procedures. We believe 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 fire-fighting, safety and precautions of chemical usage and handling, as well as safe work for forklift driver will be conducted every quarterly for all workers. This is to ensure that all employees are aware of the policies and standard procedures, and the continuous emphasis on the importance of complying with the safety standards and rules in the workplace to ensure work-related injuries are kept to the minimal. The HSE team will also conduct refresher training to the drivers of road tanker company on road safety as well as the company’s policy on an annual basis.

We recorded zero incident resulting in fatality and permanent disabilities for FY2023 and we aim to maintain the same for FY2024.

### Performance in FY2023

- Achieved the targets set for FY2023.
- Recorded zero incident resulting in fatality and permanent disabilities.
- Recorded no incident of non-compliance with the relevant laws and regulations relating to occupational health and safety.

### Targets for FY2024

- Continue to conduct refresher training courses regularly for our employees.
- Maintain zero incident resulting in fatality and permanent disabilities.
- 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.

## Performance Appraisal

### GRI 404-3

We conduct performance appraisal for our employees on their roles and responsibilities in the Group on an annual basis.

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 attune to the growth and well-being of our employees, which will improve talent retention.

Discretionary incentives such as bonuses are granted to eligible employees based on their performance, contributions to the Group and the Group's performance. Remuneration policies and packages are reviewed regularly to ensure that compensation and benefits are in line with the industry. This helps the Group in our recruitment and retention of talent.

### Performance in FY2023

- Achieved the target of 100% performance evaluation.

### Targets for FY2024

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

## Engagement with Local Communities

### GRI 413-1

The Group is committed to maintain mutually beneficial relationships with the local communities at our Oil Concessions in Thailand. We believe a sustainable business involves in improving the livelihoods and living standards of the local communities. Hence, our joint operator, ECO Orient, took the proactive approach in engaging the local communities right from the beginning.

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

We have developed and in continuous implementation of a "Social Investment Project" to develop the society and improve the living standards of the local communities that are of close proximity to our Oil Concessions operations in a sustainable manner. Our corporate social responsibility ("CSR") efforts are motivated and contributed by the participants in these targeted local areas.

### Performance in FY2023

- Participated in a total of 11 community and charitable events in FY2023, as compared to 33 community and charitable events in FY2022.
- Awarded 400 scholarships to students in 20 schools in FY2023, as compared to 200 scholarships to students in 20 schools in FY2022.

### Targets for FY2024

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

During FY2023, the Group's joint operation in Thailand participated in a total of 11 community and charitable events with a total contribution in excess of THB 580,000 (equivalent to approximately US\$16,028).

Some of the notable community and charitable events include:

- “Scholarship Award Year 2022 and 2023” event collaborated with DMF, Ministry of Energy in June 2023, where a total of 400 scholarships worth THB 400,000 were awarded to students at every level in 20 schools located in the vicinity of our Oil Concessions operations.





- “Sport Game” event in November 2022, where our employees participated in sports with the local communities to promote drug prevention and awareness.



- “Reforestation Project” event collaborated with the local contractors and community in August 2022, where 300 trees were planted with the aim to restore nature and increase the ‘green’ space for the local communities.





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



- Funding support towards:
  - (i) a school and participated in “School Sport Game”;



- (ii) Wichianburi and Si Thep Public Health for “To be number one Project of Princess” to promote drug prevention and awareness among teenagers;



- (iii) Wichianburi fundraising to purchase of medical supplies and equipment for ophthalmology support;





- (iv) Collaboration with SAO Borang for launching “Home Renovation of Poor People” in honour of Her Majesty Queen Sirikit;



- (v) Ban Koodtabong village in construction of lavatory at the Community Hall;



- (vi) Ban Nongbua Kaow village for the repair and maintenance of roads; and



- (vii) Bannongbuakaow School in the upgrading of lavatories for students.



## MATERIAL TOPIC: GOVERNANCE

### Regulatory Compliance

GRI 2-27

The Group remains committed to operating our business in compliance with the relevant social and economic as well as environmental regulations and standards. The Group also continues to strive on having good corporate governance and observing compliance with applicable laws and regulations, and performing beyond these requirements.

At our joint operation in Thailand, ECO Orient is responsible in the management, monitoring, and verification of environmental and social impacts to ensure compliance with the environmental measures. A third-party company certified by the Office of Natural Resources and Environmental Policy and Planning (“**ONEP**”) will carry out assessments every six months. The results of environmental and social impact assessments on the Oil Concessions in Thailand are submitted to the relevant Government Sections and communities every six months. These assessments are made available on the Smart EIA Plus Website at <https://eia.onep.go.th/>.

We remain committed to conduct our business with integrity and safeguard the interest of all our stakeholders, both internal and external.

### Corporate Governance

The Board and the management team are committed to high standards of corporate governance and transparency in ensuring the sustainability of the Group’s operations and safeguarding the interests of all our stakeholders.

We continue to uphold best practices in corporate transparency and disclosures, and we have in place a set of procedures and policies governing our compliance with applicable legislation and adherence to our risk management guidelines. The goal towards corporate excellence constantly motivates us to improving ourselves with a more transparent, accountable, and equitable system.

Please refer to the Corporate Governance Report found on the pages 18 to 48 of the AR2023.

#### Performance in FY2023

- Achieved the targets set for FY2023.
- 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 Code of Governance 2018, where appropriate.
- Recorded no incident of non-compliance with management controls and procedures.

#### Targets for FY2024

- 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 impacts of climate-related issues on its operations.
- Continue to comply with the principles and provisions as set out in the Code of Governance 2018.

## Anti-corruption

### GRI 205-3

The Group has zero tolerance on fraudulent and corrupt practices that may disrupt business operations and impede the growth of our business. 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. All members of the organisation are also reminded as pre-emptive measures to prevent, govern, and facilitate the reporting of any illegal or unethical practices in the organisation.

The Group maintains zero non-compliance with the relevant laws and regulations relating to corruption, bribery, extortion, fraud and money laundering in FY2023. We aim to continue stay vigilant in monitoring and keeping our policy and practices relevant and updated for FY2024.

### Performance in FY2023

- Achieved the targets set for FY2023.
- Recorded zero incident of non-compliance with the relevant laws and regulations relating to corruption, bribery, extortion, fraud and money laundering.

### Targets for FY2024

- To monitor and keep policy relevant and updated.
- To maintain 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 FY2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standards	Disclosure	Reference
<b>GRI 2: General Disclosures 2021</b>	2-1: Organisational details	Annual Report (“AR”) – Corporate Profile, page 1
	2-2: Entities included in the organisation’s sustainability reporting	Sustainability Report (“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	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, page 5 AR – Board of Directors, pages 13 to 14 AR – Corporate Governance, pages 18 to 48
	2-27: Compliance with laws and regulations	SR – Regulatory Compliance, page 21
	2-29: Approach to stakeholder engagement	SR – Stakeholder Engagement, pages 6 to 7
<b>GRI 3: Material Topics 2021</b>	3-1: Process to determine material topics	SR – Materiality Assessment, page 8
	3-2: List of material topics	SR – Materiality Assessment, page 8
	3-3: Management of material topics	SR – Materiality Assessment, page 8
<b>GRI 201: Economic Performance</b>	201-1: Direct economic value generated and distributed	SR – Economic Performance, pages 9 to 10
<b>GRI 205: Anti-corruption 2016</b>	205-3: Confirmed incidents of corruption and actions taken	SR – Anti-corruption, page 22
<b>GRI 302: Energy 2016</b>	302-1: Energy Consumption	SR – Energy Efficiency, page 11
<b>GRI 305: Emissions 2016</b>	305-1: Direct (Scope 1) GHG emissions	SR – Energy Efficiency, page 11
	305-2: Energy Indirect (Scope 2) GHG emissions	SR – Energy Efficiency, page 11
<b>GRI 306: Waste 2020</b>	306-2: Management of significant waste-related impacts	SR – Waste, page 12
	306-3: Waste generated	SR – Waste, page 12

GRI Standards	Disclosure	Reference
<b>GRI 401: Employment 2016</b>	401-1: New employee hires and employee turnover	SR – Employment, Diversity and Equal Opportunity, pages 13 to 14
<b>GRI 403: Occupational Health and Safety 2018</b>	403-2: Hazard identification, risk assessment, and incident investigation	SR – Occupational Health and Safety, page 15
	403-5: Worker training on occupational health and safety	SR – Occupational Health and Safety, page 15
	403-9: Work related injuries	SR – Occupational Health and Safety, page 15
<b>GRI 404: Training &amp; Education 2016</b>	404-3: Percentage of employees receiving regular performance and career development reviews	SR – Performance Appraisal, page 16
<b>GRI 405: Diversity and equal opportunity 2016</b>	405-1: Diversity of governance bodies and employees	SR – Employment, Diversity and Equal Opportunity, pages 13 to 14
<b>GRI 413: Local Communities 2016</b>	413-1: Operations with local community engagement, impact assessments, and development programs	SR – Engagement with Local Community, pages 16 to 20



## TCFD CONTENT INDEX

TCFD Recommendations	Disclosure	Reference
<b>GOVERNANCE</b>		
Describe the board's oversight of climate-related risks and opportunities.	Our Board oversees the Group's enterprise risk management process to identify and manage risks, including any risks related to environmental and social issues, and periodically reviews the processes established by management to identify and manage risks and communicates with management about these processes.	SR – Board Statement, pages 3 to 4 SR – Sustainability Governance, page 5
Describe management's role in assessing and managing climate-related risks and opportunities.	<p>The Audit Committee (“AC”) of the Company, comprising Non-Executive Independent Directors, oversees the sustainability reporting of the organisation. The AC, which represents the majority of the Board, will review and deliberate on the sustainability issues with the Executive Director who is also the Chief Executive Officer, to ensure that the EESG factors are monitored on an ongoing basis and properly managed. The AC supported by members of the finance team within the organisation is responsible for reviewing the Group's sustainability performance and material topics, analysing climate-related risks and opportunities, addressing stakeholder concerns, setting targets and goals for material factors, and establishing systems to collect, verify, monitor, and report information required for this sustainability report. The AC meets to discuss, propose, coordinate, and promote the Group's sustainability practices according to the internal audit plan, on a per cycle basis.</p> <p>Together with the AC, the Board maintains efficient oversight by reviewing and considering the sustainability issues and practices as part the formulation of our strategies and policies to better manage sustainability risks and opportunities while ensuring all EESG and climate-related matters significant to our business are addressed.</p>	SR – Sustainability Governance, page 5
<b>STRATEGY</b>		
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	CapAllianz is adopting a progressive strategy towards managing climate-related risks. Identifying climate-related risks and opportunities of the Group will be carried out post-FY2023.	-
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	CapAllianz is adopting a progressive strategy towards managing climate-related risks. Identifying the impact on climate-related risks and opportunities on the Group's business, strategy and financial planning will be carried out post-FY2023.	-



TCFD Recommendations	Disclosure	Reference
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	CapAllianz is adopting a progressive strategy towards managing climate-related risks. Scenario analysis will be carried out post-FY2023.	-
<b>RISK MANAGEMENT</b>		
Describe the organisation's processes for identifying and assessing climate-related risks.	CapAllianz is adopting a progressive strategy towards managing climate-related risks. Identifying and assessing climate-related risks will be carried out post-FY2023.	-
Describe the organisation's processes for managing climate-related risks.	CapAllianz is adopting a progressive strategy towards managing climate-related risks. The Group's processes for managing climate-related risks will be determined and carried out post-FY2023.	-
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	CapAllianz is adopting a progressive strategy towards managing climate-related risks. Analysis on integration with enterprise risk management of the Group will be carried out post-FY2023.	-
<b>METRICS AND TARGETS</b>		
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	As part of CapAllianz's annual sustainability reporting, for the first time in FY2023, we started to monitor metrics such as: <ul style="list-style-type: none"> <li>- Scope 1 and 2 GHG emissions</li> <li>- Electricity and fuel consumption</li> </ul>	SR – Energy Efficiency, page 11
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	Scope 1 and Scope 2 GHG emissions are disclosed in our SR.  We begun developing and reporting our Scope 1 and Scope 2 GHG emissions to understand our baseline emissions for the first time in FY2023.  We will review and develop and report our Scope 3 GHG emissions, as and when appropriate.	SR – Energy Efficiency, page 11
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	CapAllianz is adopting a progressive strategy towards managing climate-related risks. Appropriate targets shall be analysed and set post-FY2023.	-



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