



VALLIANZ HOLDINGS LIMITED

Vallianz Holdings Limited Sustainability Report (April 2023 to December 2023)



This Sustainability Report has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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Key Figures

Governance				
		Unit	FP 2023	Reference
Fines	Monetary value	Currency	0	GRI 2-27 SDG 16
	Non-Monetary Sanctions	Number	0	
Whistleblowing		Number	0	GRI 205-2 (Sector Std 11.20.3) GRI 2-16 GRI 2-25 GRI 2-26
Environment				
		Unit	Calendar Year 2023	Reference
Scope 1 GHG Emission ¹		mtCO ₂ -e	36 715.29	GRI 305-1 (Sector Std 11.1.5) SDG 13
Scope 2 GHG Emissions ²		mtCO ₂ -e	1 877.59	GRI 305-2 (Sector Std 11.1.6) GRI 305-5 (Sector Std 11.2.3) SDG 13
GHG Emission Intensity	Scope 1 emission per active vessel day	tCO ₂ / day	14.03	GRI 302-1 to 302-3 (Sector Std 11.1.2 to 11.1.4) SDG 13
	Scope 2 emission per floor area	tCO ₂ / m ²	0.02	
Energy Mix	Energy Mix	GJ	535 423.92	GRI 302-1 to 302-3 (Sector Std 11.1.2 to 11.1.4) SDG 13
	Electrical consumption per floor area	GJ/ m ²	0.1	
	Fuel consumption per active vessel day	GJ/ day	201.22	
Other Air Emissions	NO _x	mt	468.32	GRI 305-7 (Sector std 11.3.2) SDG 13
	SO _x	Kg	15 610.74	
	PM _{2.5}	Kg	16 725.79	
Spills and releases to the environment		m ³	0	SDG 14
Social				
		Unit	FP 2023	Reference
Incident Rates	Total Hours Worked	Hr	3 150 320	GRI 403-9 (Sector Std 11.9.10) SDG 8
	Fatalities from work-related injury	Number (%)	0 (0%)	
	High-consequence work-related injuries	Number (%)	0 (0%)	
	Recordable work-related injuries	Number (%)	2 (0.63%)	
Marine Casualties	Marine Casualties - Total	Number	0	GRI 403-9 (Sector Std 11.9.10) SDG 8
	Marine Casualties - Very Serious	%	0	
Work Related Ill Health	Cases of recordable work-related ill health	Number	0	GRI 403-10 (Sector Std 11.9.11)
	Cases of fatalities from work-related ill health	Number	0	

1. Scope 1 emissions include direct carbon emission from vessel fuel, company owned vehicles and shipyard machineries.
2. Scope 2 emissions include purchased electricity at Vallianz's onshore operating facilities.

		Unit	FP 2023	Reference
Port State Control	Deficiencies	Number	5	SDG 8, 14
	Detentions	Number	0	
	Deficiencies closed within 48 hours (if any)	%	100	
Collective Bargaining Agreements (CBAs)		%	95	GRI 2-30 (Sector Std 11.13)
Total Employees	Total	Number	620	GRI 2-7 GRI 202-2 (Sector std 11.11.2) GRI 405-1 (Sector Std 11.11.5) GRI 405-2 (Sector Std 11.11.6) GRI 406-1 (Sector std 11.11.7)
	Indonesia	Number	531	
	Singapore	Number	89	
	Male	Number	498	
	Female	Number	122	
	<30 years old	Number	122	
	30-50 years old	Number	363	
	>50 years old	Number	70	
New Hires	Total	Number	227	GRI 401-1 (Sector Std 11.10.2)
	Indonesia	Number	205	
	Singapore	Number	22	
	Male	Number	183	
	Female	Number	44	
	<30 years old	Number	84	
	30-50 years old	Number	121	
	>50 years old	Number	22	
Turnover	Total	Number	126	GRI 401-1 (Sector Std 11.10.2)
	Indonesia	Number	96	
	Singapore	Number	30	
	Male	Number	103	
	Female	Number	23	
	<30 years old	Number	33	
	30-50 years old	Number	79	
	>50 years old	Number	14	
Parental Leave	Male	Number	3	GRI 401-3 (Sector Std 11.10.4 & 11.11.3)
	Female	Number	1	
Training and Education	Average hours of training per employee	hr	5.16	GRI 404-1 to 404-3 (Sector Std 11.10.6 & 11.10.7 & 11.11.4)
	Average hours of training per female employee	hr	4.67	
	Average hours of training per male employee	hr	5.17	

Introduction

INTRODUCTION

Message from the CEO



Dear Stakeholders,

I am pleased to present Vallianz Holdings Limited's Sustainability Report ("**Report**") for the financial period covering from 1 April 2023 to 31 December 2023 ("**FP2023**"). In this report, we set out Vallianz Holdings Limited's ("**Vallianz**") continued commitment to carrying out a responsible and sustainable business. Management of the key risks and opportunities of Economic, Environment, Social, and Governance ("**EESG**") aspects is crucial in steering Vallianz towards a sustainable future.

Since 2023, we encourage our customers to implement SMART digitalization to their newbuild vessels program. This allows collection, management and processing of operational data and facilitates data-driven decision making. With the fast-changing environmental regulatory environment to meet the targets set by International Maritime Organization ("**IMO**"), asset performance optimization, coupled with advanced data monitoring and analysis, will be crucial to effectively reduce carbon requirements in the coming years.

We are progressively implementing across our fleet a fuel management system which provides real-time data on fuel consumption to help improve fuel efficiency, track and reduce emissions and increase cost savings for clients and operations. We are looking to implement at least one or more feasible energy-saving solutions for our existing fleet and encourage our customers to implement the same to their newbuild vessels. Such solutions including all-electric tug, Energy Storage System ("**ESS**") solutions and alternative fuel solutions.

In addition, as part of our due diligence in ensuring that our supply chain stakeholders are also aligned to the Sustainable Development Goals and IMO's strategy, Vallianz's

suppliers will be required to confirm their compliance with the ethical standards as outlined in our Supplier Code of Conduct, as well as submit a comprehensive Supplier Questionnaire, which includes global targets and goals for sustainability.

In our efforts for holistic vessel lifecycle management, we have partnered with a maritime consulting company for the implementation of Inventory of Hazardous Materials ("IHM") for our newbuilding program in our shipyard. For more effective and streamlining data collection and analysis, we have also partnered with the same maritime consulting company for the implementation of online EESG targets reporting.

This year, we have formalized our sustainability values and strategies, which will help to provide guidance, direction and alignment in our sustainability efforts. We have also revised and refined our goals and targets and will work on a 3-year sustainability roadmap to drive our EESG vision and mission throughout our business strategy and practices.

The core of our business and ESG strategy is encapsulated in our business motto "**Engineered for Transformation**". Embedded in our business motto lies our core values and guiding principles of:

- **Inspiring Trust.** We believe in fostering, robust, collaborative partnerships built on a foundation of trust. By placing client's requirements, including those for sustainability, at the heart of everything we do, we earn trust and respect in forging superior lasting relationships.
- **Systematic Vigour.** When we are systematic, we bring discipline, thoroughness, consistencies and frameworks to processes and operations. This allows client requirements and expectations, including those for sustainability, to be upheld to uncompromising standards of execution time after time.
- **Adaptive Solutions.** In a world of constant flux and evolution, we understand the importance of adaptability. Our solutions are designed to meet evolving requirements, including those for sustainability.

Our business motto "**Engineered for Transformation**" helps to anchor us even as we seek to advance our business excellence. We remain grounded in our fundamental core values, recognizing that our actions have effects that extend beyond our immediate sphere of influence for our clients and communities.

Economically, we are focused on creating enduring value for our shareholders, clients, and communities. Through prudent financial management and strategic investments, we aim to foster long-term economic resilience.

Environmentally, we understand the impact our industry can have on marine ecosystems. We have taken proactive steps to minimize our ecological footprint by looking to implement energy-efficient technologies.

To demonstrate our resolve for this cause, we have decided to align with IMO's Strategy for GHG Emission Reductions by setting reduction targets of 20% by 2030, 70% by 2040 and achieving Net Zero emissions by 2050. We are also working on plans to report our Scope 3 emissions in accordance with the regulatory timelines.

Social responsibility is a cornerstone of our corporate philosophy. We are dedicated to ensuring the well-being of our employees and the communities in which we live in. Our efforts extend beyond compliance, fostering diversity, equity, and inclusion, and contributing to the social fabric through various initiatives.

Governance forms the bedrock of our sustainability journey. We are committed to maintaining high standards of corporate governance and place importance on corporate governance processes and systems to ensure greater transparency and accountability.

As we embark on our sustainability journey, we invite our stakeholders to join us in creating a positive impact. Together, we can navigate the challenges, seize opportunities, and chart a course towards a more sustainable and resilient future.

Thank you for your continued trust and support.

Ling Yong Wah

Executive Director and Chief Executive Officer

Board Statement

Dear Stakeholders,

As members of the Board of Directors, we recognize the importance of Economic, Environmental, Social, and Governance (EESG) factors in today's business landscape. We believe that by considering EESG factors, we can create a sustainable and responsible business that benefits all stakeholders. We are committed to implementing EESG practices throughout our organization. We also strive to promote social responsibility by treating all employees and stakeholders fairly, promoting diversity and inclusion, and supporting local communities.

Our commitment to good governance practices includes ensuring that the Group's corporate governance processes and systems promote transparency and accountability. We believe that by maintaining high governance standards, we can build trust with our stakeholders and ensure the long-term success of our organization.

We understand that EESG factors are important to our shareholders. In our review, we have considered the feedback from our stakeholders, together with the Sustainability Committee, determined the EESG factors material to the business and have empowered the Sustainability Committee to ensure that the EESG factors are monitored and properly managed on an ongoing basis. We will continue to monitor our EESG performance and make adjustments as necessary.

Thank you for your continued support and trust in the Group.

**ABOUT THIS
REPORT**

About Us

Vallianz Holdings Limited (“**Vallianz**” or the “**Company**” and together with our subsidiaries, the “**Group**”) is a well-established provider of offshore support vessels (“**OSVs**”) and integrated offshore marine solutions to serve the ever-changing needs of the global energy industry.

For close to 30 years, the Group has answered the needs of the global energy industry through well-implemented integrated offshore marine solutions with a progressive yet pragmatic vision and a team of highly motivated industry experts working in close collaboration with its customers.

We are a publicly listed enterprise registered in Singapore with an international footprint, spanning across markets in the Middle East and Asia Pacific. To provide adaptive solutions in an environment of rapidly evolving needs, Vallianz has a fleet of 14 OSVs which comprise anchor handling tugs with supply capabilities, submersible launch barges and flat top cargo barges.

The Group also owns a shipyard in Batam, Indonesia, which serves as a marine base for vessel docking, repairs and maintenance works. Our shipyard possesses strong in-house fabrication and engineering capabilities such as shipbuilding and fabrication works, which are dedicated to supporting our subsidiaries, partners and customers. This further enhances our value proposition by broadening the spectrum of our marine services and takes us closer to our core focus on delivering operational and service excellence.

From our headquarters in Singapore, Vallianz has developed local presence in key geographical markets to provide fast, effective support and adaptive solutions to our customers to better capture business opportunities in the global energy industry. Today, the Group’s market presence extends into the Middle East and Asia Pacific. We have established offices in Singapore and Indonesia.



The Group offers a range of integrated offshore marine solutions that is categorized to below 5 main pillars:



Specialised Offshore Support

Vallianz currently owns and operates 14 OSVs, which are available for charter to fulfill the growing demand of the global offshore energy market. The Group’s vessels are deployed for offshore projects in the Middle East and Asia Pacific. To enhance our market competitiveness, we are focused on forging trusting partnerships with our clients, instilling systematic vigor to deliver executional excellence, and creating adaptive solutions to respond to our clients’ evolving needs. The Group is continually assessing plans to expand our range of vessels and modernize our fleet.

Heavy Transport Vessels

Vallianz provides a fleet of two Submersible Heavy Lift Transport, Float-over & Launch Barges with Overall Lengths ranging from 140 to 160 Metres, Deadweight Capacity from 19,000 Tonnes up to 42,000 Tonnes, Advanced Ballast System up to 12,500 m³/hr and Deck Immersion of up to 11 Meters. These barges are capable of performing a wide range of Offshore Operations, including Float-over Method Topside Installation up to 35,000 Tonnes, Jacket Launch up to 15,000 Tonnes, Submersible Heavy Lift and Transport of Floating Cargo up to 42,000 Tonnes. The multi-functional architecture makes it simple and quick to configure for any unique project requirement, allowing for rapid mobilization and deployment.

Shipbuilding, Engineering & Fabrication

The Group's subsidiary, PT. United Sindo Perkasa, operates a shipyard located in the Kabil Industry Zone of Batam, Indonesia, which provides full end-to-end solutions for all aspects of shipbuilding, ship conversions and ship repairs, with vessels ranging from OSVs like Anchor Handling Tugboats and Multi-Purpose Support Vessels to Research Vessels and even Offshore Floating Fish Farms. The shipyard is supported by a specialized in-house engineering division which allows the Group to provide turnkey engineering solutions and services to our clients. Leveraging on our expertise in shipbuilding and engineering, we provide fabrication services for offshore and onshore structures such as pipe and pipe spool fabrication and installation as well as structure steel fabrication for our clients in the marine and renewable sectors.

Marine Technology

Vallianz believes that in this ever-changing marine environment, vessel digitalization and alternative marine technology are the pillars of a sustainable marine future. As such, the Group works with our clients and partners to provide advanced solutions such as marine electrification using battery systems, alternative fuel and green design turnkey engineering solutions, as well as vessel digitalization using digital remote monitoring systems.

Renewables & Sustainable Energy

In support of our decarbonization strategy, we incorporate industry leading technology advancements within our existing business lines and infrastructure to drive a more positive, efficient, reliable, and sustainable operation. Aligning with various progressive energy and solution partners, we have embarked on harnessing the power of renewables to support our energy transformation journey to bring about a sustainable future. We have also incorporated battery solutions and alternative fuels integration in our vessel design with the goal of achieving carbon neutral or zero emissions. Vallianz is also broadening our services in offshore renewables by the provision of Service Operations Vessels, Crew Transfer Vessels, DP2 Heavy Transport Vessels and light fabrication for offshore wind structures such as monopiles and jackets.

Supply Chain Management

Vallianz's supply and value chain plays a critical role in the success and reputation of our Group in delivering products and/or services to our clients which are of high quality, is cost effective and is in alignment with our sustainability vision. As such, managing and optimizing the supply and value chain is essential for achieving operational efficiency, client satisfaction, and our long-term competitiveness.

Reporting Standards

This Sustainability Report was prepared with reference to the Global Reporting Initiative (GRI) Standards 2021, the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations Sustainable Development Goals (UNSDG), as well as the Rules 711A and 711 B of Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange securities Trading Limited ("**SGX-ST**") with references to the guidance set out in SGX-ST's sustainability reporting guide under Practice Note 7F of the Catalist Rules.

Reporting Period and Cycle

This Report covers the period from 1 April to 31 December 2023. The 9-month reporting period is a result of a change in Company's financial year end from 31 March to 31 December as announced in November 2023. URL: [GENERAL ANNOUNCEMENT: CHANGE OF FINANCIAL YEAR END FROM 31 MARCH TO 31 DECEMBER](#)

Our sustainability report will cover full financial years from financial year ended 31 December 2024 onwards.

Reporting Scope and Boundaries

In this Report, we will only cover the main operating entities within the Group in Singapore and Indonesia. These entities include:

1. Vallianz Corporate Service Pte Ltd
2. Vallianz Shipbuilding & Engineering Pte Ltd
3. Vallianz Offshore Marine Pte Ltd
4. PT United Sindo Perkasa

For the emission data, we have selected the calendar year 2023 (from 1 January 2023 to 31 December 2023) as the base year for emission target setting.

Assurance

We have reported our data in good faith and to the best of our knowledge. We strive to continuously improve our data collection and reporting processes.

To guide us in complying with the prevailing sustainability reporting requirements, we have engaged an external sustainability consultant. Their expertise and guidance have been instrumental in shaping our reporting practices and ensuring alignment with industry standards.

Our sustainability reporting process is subject to review by our internal auditors. No external assurance was sought for this report.

Report Availability and Feedback

Report Accessibility

As part of our Group's strategy to reduce our environmental footprint and the impact on the environment, the hard copy version of this Report will not be made available. The report is accessible from our website: [Investor Relations - Vallianz \(vallianzholdings.com\)](https://investor.vallianzholdings.com), as well as on the SGXNET.

Feedback

We value the feedback and input from our stakeholders as it plays a crucial role in driving our continuous improvement and growth on our sustainability journey. We welcome any queries, suggestions, or feedback related to our sustainability initiatives. If you have any questions regarding our sustainability practices, would like to share your thoughts on specific initiatives, or have suggestions for areas of improvement, we encourage you to reach out to us at [Contact - Vallianz \(vallianzholdings.com\)](https://investor.vallianzholdings.com). Your feedback is essential in helping us refine our strategies, enhance our performance, and ensure that we address the most pertinent sustainability challenges.

We believe that by working collaboratively with our stakeholders, we can drive positive change, achieve greater sustainability outcomes, and create shared value for all. Thank you for your support and partnership as we continue in our sustainability journey.

Restatement

There is no restatement in FP2023 Sustainability Report.

Governance

**CORPORATE
GOVERNANCE**

Governance Structure

The Company has implemented a corporate governance framework that is designed to ensure transparency, accountability and ethical conduct. Vallianz has a Board of Directors that oversees the Company's management and operations. The Board comprises experienced professionals from diverse backgrounds who bring different perspectives and expertise to the table. The Board is responsible for setting the Company's strategic direction, ensuring the integrity of financial reporting, and managing risks. To facilitate effective management and assist the Board in discharging its responsibilities, the Board has established various board committees.

As at the date of this Report, the Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group.

Mr. Osman Ibrahim: Non-Executive and Non-Independent Chairman
Mr. Ling Yong Wah: Executive Director and Chief Executive Officer
Mr. Chong Chee Keong Chris: Lead Independent Non-Executive Director
Mr. Kevin Wong Chee Fatt: Independent Non-Executive Director

Please refer to pages 21 to 26 and 37 to 38 of our FP2023 Annual Report for more details.

Governance Policies, Roles and Responsibilities

The integration of EESG practices is integral to Vallianz's operations. To enhance Vallianz's EESG initiatives throughout its operations, Vallianz is continuously reviewing and enhancing its EESG governance framework to ensure compliance with the relevant EESG regulations and/or guidelines that impacts Vallianz's operations. The EESG governance framework comprises various employees from different departments at different levels of seniority that forms the Sustainability Committee which reports to the Management. The Sustainability Committee constitution and authority is derived from the Board of Vallianz in support of Vallianz's vision and mission for short-, mid- and long-term sustainability goals towards carbon-neutrality within its industry by 2050.

The Vallianz EESG governance framework comprises the following members within the Group; namely:

1. Board of Directors:

The Board of Directors oversees the Group's EESG strategy to ensure that it is in alignment with the Group's overall business objectives taking into account EESG risks and opportunities in its decisions making. They are also responsible for the endorsement of all Group policies relevant to sustainability including the sustainability

roadmap, all related strategies and business plans, and for ensuring that the decision-making process fully encompasses critical sustainability considerations.

2. Management Team:

The Management Team is responsible for implementing the Group's EESG strategy through the integration of EESG initiatives into the Group's day-to-day operations. They are also responsible for monitoring ESG risks and opportunities and providing updates to the Board of Directors.

3. Sustainability Committee:

The Sustainability Committee comprises employees from different levels within the Group who are tasked to develop and implement EESG initiatives that will improve the Group's EESG performance. They are also responsible for monitoring EESG risks and opportunities and providing recommendations to the Management Team.

4. Employees:

Our employees are responsible for contributing to the Group's EESG strategy and performance. They are encouraged to participate in EESG initiatives, report any EESG concerns, and contribute toward the Group's EESG strategy and performance.



The frequency of internal reporting and reviewing of EESG performance and risk assessment is a crucial aspect of ensuring that a company is aligned with its EESG goals. At Vallianz, this process is done annually. This process enables us to stay ahead of emerging EESG trends and regulatory changes, allowing us to adjust our strategies accordingly.

Collective Knowledge of Governance Body

Vallianz is pleased to declare that its Board of Directors has undergone a sustainability course as prescribed by the Singapore Exchange (SGX). The course is designed to equip board members with the knowledge and skills to oversee and manage sustainability risks and opportunities covering a wide range of topics such as environmental, social and governance (ESG) factors, climate change, and sustainability reporting. By completing the SGX sustainability course, Vallianz's board members have demonstrated commitment to sustainability and their willingness to take a proactive approach to managing sustainability risks and opportunities. This will help to ensure that the Company is well-positioned to meet the evolving needs of its stakeholders and to deliver long-term value to its shareholders.

The composition of Vallianz's Board of Directors reflects a commitment to fostering a governance body with diverse backgrounds, knowledge, and experience. This diversity enables the Board to make well-informed decisions that prioritize the best interests of the Company and its stakeholders. The collective knowledge and expertise of our Directors encompass a range of core competencies such as accounting, finance, legal, business, investment, industry knowledge and strategic planning experience.

Please refer to pages 22 and 24 of our FP2023 Annual Report for more details.

Remuneration of Governance Body

Please refer to pages 29 to 32 of our FP2023 Annual Report.

Compliance with Laws and Regulations

Vallianz is committed to complying with all applicable laws and regulations in the countries where it operates. The Company has established policies and procedures to ensure compliance with legal and regulatory requirements, including those related to economic, environmental, social, and governance (EESG) issues. Vallianz's management team regularly monitors changes in laws and regulations that may impact the Company's operations and takes appropriate steps to ensure compliance. The Company also works closely with regulatory agencies to ensure that its operations are in line with the latest requirements. In addition to complying with legal and regulatory requirements, Vallianz also strives to uphold the highest ethical standards in all of its business activities. The Company has a Code of Business Conduct that guides employees on ethical behavior and encourages them to report any violations or concerns. This is further enhanced by the Group's Whistle Blowing Policy which serves as an additional avenue to address violations and/or concerns which may impact on the Group's EESG values.

Fines

	UNIT	FY 2024 Target	FP 2023 Actual
Monetary value	SGD	0	0
Non-Monetary Sanctions	-	0	0

Compliance with applicable laws and regulations in countries where it operates is core to the Group's EESG heartbeat. The Group has established policies and procedures in this respect and monitors changes in laws and regulations so as to ensure that the Groups' EESG strategy adapts to any changes and updates relevant to its industry. The Group's Code of Business Conduct drives ethical practices throughout all levels of the Group.

The Group's implementation of Anti-Money Laundering (AML) laws, regulations and best practices helps to safeguard against money laundering, terrorist financing, and other illicit activities.

1. Customer Due Diligence: Through customer/vendor due diligence of clients and vendors, we verify their identity and that of their beneficial owners. We also monitor and review our customers' / vendors' transactions to detect and prevent suspicious activities.
2. Know Your Employee: Background checks on our new employees are conducted before engagement.
3. Reporting Suspicious Activities: Per Whistle Blowing Policy and Suspicious Transaction Reporting.
4. Record Keeping: We maintain accurate and up-to-date records of all customer transactions and due diligence documents.

The Group also complies with all applicable antitrust laws and regulations to ensure fair competition in the marketplace.

1. Price Fixing: We do not engage in price fixing or any other anti-competitive behavior.
2. Market Allocation: We do not engage in market allocation agreements or any other similar practices.
3. We comply with all applicable antitrust laws and regulations in relation to mergers and acquisitions.
4. Reporting: Per Whistle Blowing Policy

For FP 2023, the Group has not recorded any significant fines for non-compliance with AML laws and/or regulations. The Group aims to maintain a good track record in complying with the AML laws, regulations and standards set by the authorities in FY2024 and beyond.

Membership and Associations

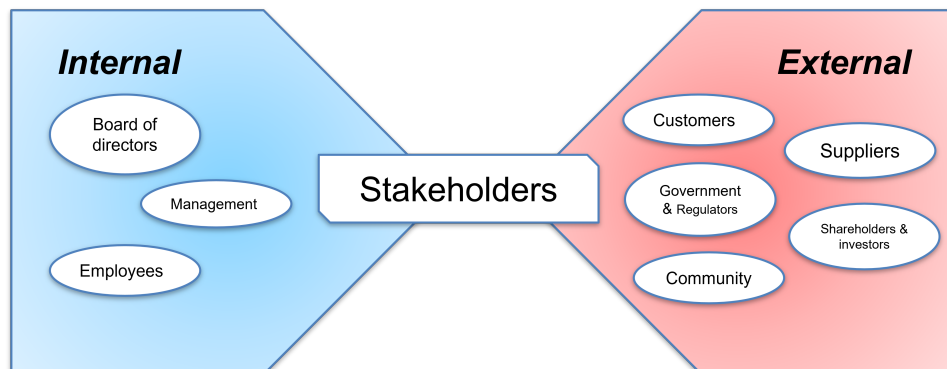
Vallianz is a proud member of various associations including Association of Singapore Marine Industries ("**ASMI**"), the Asia Wind Energy Association, ASMI Women's Wing, ABS

Regional Committee and BV Technical Committee. These memberships reflect Vallianz's commitment to supporting the growth and development of sustainable and socially responsible business practices in the maritime and renewable energy industries. Through its involvement in these organizations, Vallianz is able to collaborate with other industry leaders to promote ESG standards and factors that benefit both the environment and society.

Stakeholder Engagement

At Vallianz, Stakeholder engagement is an important aspect of our sustainability efforts. Our stakeholders have a significant impact on our sustainability performance. Our stakeholders are individuals or groups who can affect or are affected by our operations, products, or services. Our stakeholders include customers, employees, investors, suppliers, regulators, NGOs, and local communities, among others. By engaging with our stakeholders, we can better understand their needs and expectations, build trust and credibility, identify opportunities for innovation and collaboration, and develop more effective sustainability strategies.

We have identified and categorized our stakeholders into the following groups:



Stakeholders	Methods of Engagement	Frequency of Engagement	Purpose of Engagement	Engagement Outcomes
Employees	Induction program for new hires	First day of hiring	Align organizational cultures, job responsibilities, enable setting of expectations and building of relationships	Enhanced employee experience
	Employee engagement surveys	Ongoing	Assess overall employee satisfaction and identify the drivers of engagement.	Contributed to a more positive and productive work environment
	Company events	Monthly	Strengthen relationship among employees	Increased employee engagement and improved communication
	Objective key results (OKRs)	Annually	Align team and organizational goals and broader strategic objectives	Aligned and achieved company's goals, strengthened employee performance, improved work efficiency and ability to innovate and adapt to changing market
Customers	Feedback channels, including emails and hotlines	Regularly	Identify areas for improvement	Increased customer satisfaction
	Site visits	Regularly	Build relationships with customers	Maintained good ties with customers
	Informal feedback sessions	Regularly	Survey market requirements for improved or new solutions	Built the Vallianz brand awareness
	Trade exhibition and conference events	As required	Showcase Vallianz's valued offerings	Enhanced networking web
Suppliers	Regular meetings and dialogue sessions	Regularly	Build relationships with suppliers	Maintained good ties with suppliers
	Supplier pre and post project evaluations	Regularly	Identify risks, assess supplier capabilities, and establish mutually beneficial relationship	<ul style="list-style-type: none"> ▪ Streamlined overall process through time and cost savings ▪ Minimized risk of project delay, cost overruns and legal disputes ▪ Surveyed suppliers' sustainability practices
Government & Regulators	Discussions and consultations	As needed	Ensure compliance with laws and regulations	<ul style="list-style-type: none"> ▪ Achieved zero violation with regards to law and regulations ▪ Shared industry best practices ▪ Reported issues in a timely manner
	Seminars by local authorities or governmental agencies	As needed		

Stakeholders	Methods of Engagement	Frequency of Engagement	Purpose of Engagement	Engagement Outcomes
Shareholders & Investors	Annual general meeting	Annually	<ul style="list-style-type: none"> ▪ Review company performance ▪ Vote for company actions ▪ Re-elect board members and auditors ▪ Reinforce corporate governance ▪ Communicate sustainability initiatives and goals 	<ul style="list-style-type: none"> ▪ Communicated Vallianz's financial and non-financial performances ▪ Listened to shareholders' concerns ▪ Enhanced shareholder and stakeholder confidence
	Sustainability report	Annually		
	Half and full-yearly financial results announcement	Half yearly		
	SGXNet announcements	As required		
	Circulars to shareholders	As required		
Community	Community outreach activities	Regularly	Give back to the local community	Maintained good ties with the local community
	Community projects	Regularly	Engage the local community in initiatives to improve their well being	Enhanced company's reputation among the local population
	Internship programs	Periodically	Employ undergraduates in short term positions as part of their final year projects	<ul style="list-style-type: none"> ▪ Leveraged undergrad's skills and talents ▪ Fostered new talents within maritime industry ▪ Discovered potential new hires

CODE OF BUSINESS ETHICS AND INTEGRITY

Vallianz's Code of Business Conduct Policy

Vallianz is committed to upholding the highest standards of ethics and corporate governance in its business operations. To this end, Vallianz has developed a comprehensive Code of Business Conduct Policy that sets out the Company's expectations for ethical behavior and compliance with applicable laws and regulations.

The Vallianz Code of Business Conduct Policy covers a wide range of topics, including anti-bribery and corruption, conflicts of interest, data privacy and security, environmental responsibility, health and safety, human rights, and fair competition. It applies to all employees, directors, contractors, and suppliers of Vallianz, regardless of their role or location. The policy emphasizes the importance of integrity, accountability, and transparency in all aspects of Vallianz's business operations. It requires employees to report any suspected violations of the policy or any other legal or ethical concerns to their supervisor and the Human Resources department. It also prohibits retaliation against employees who make good-faith reports of suspected violations. Vallianz regularly reviews and updates its Code of Business Conduct Policy every three years, and when required, to ensure that it remains relevant and effective in addressing future developments, industry trends and/or changes in legal or regulatory requirements.

Vallianz Code of Business Conduct Policy will be subjected to extensive review by the Management Team and endorsed by the CEO. The Company also provides training and guidance to all employees to help them understand and comply with the policy.

Vallianz Code of Business Conduct policy is made available to all employees via Vallianz Singapore's intranet portal. Interested Stakeholder may reach out to us.

URL: [Contact - Vallianz \(vallianzholdings.com\)](https://www.vallianzholdings.com)

Board Diversity Policy

The Board recognizes that having a diverse Board is important for achieving our goals sustainably and benefiting all stakeholders. By bringing together a good mix of skill sets, experiences, perspectives and backgrounds amongst the Board of Directors, we enhance decision-making and promote better corporate governance. We invite readers to visit our webpage to learn more on our Board Diversity. URL: [Board Diversity Policy](#) Please also refer to pages 23 to 25 of our FP2023 Annual Report for more details.

Anti-Bribery and Anti-Corruption

Vallianz is committed to upholding the highest standards of ethical conduct in all aspects of its business operations. We have a zero-tolerance towards bribery and corruption. The Company adheres to strict anti-corruption guidelines and procedures, adhering to all local and international laws applicable to our business dealings to ensure that all business activities are conducted with the utmost integrity and transparency. This includes implementing robust controls and monitoring mechanisms to prevent any form of bribery, fraud, or corruption. We believe that a culture of integrity and ethical behavior is essential for sustainable growth and long-term success and is committed to promoting these values across the organization and our stakeholders.

FP 2023 Performance

Vallianz successfully achieved our perpetual target of maintaining a record of zero incidents of corruption.

Whistleblowing

	UNIT	FY 2024 Target	FP 2023 Actual
Whistleblowing	-	0	0

We have implemented a whistleblowing policy to further promote transparency, accountability, and the ethical conduct of business. It enables our employees and stakeholders to report any concerns or issues they may come across without fear of retaliation or discrimination. Our whistleblowing channel provides a confidential and secure platform for individuals to report any misconduct, unethical behavior, or areas of concern. The whistleblowing channel is overseen by our independent Audit Committee, ensuring impartiality and objective handling of reported matters. We encourage all employees, contractors, suppliers, and other stakeholders to utilize these whistleblowing channels if they become aware of any wrongdoing or breaches of our policies. By promptly addressing reported concerns, we can take appropriate action, rectify any issues, and reinforce our commitment to maintaining the highest standards of ethics and integrity.

We invite readers to visit our webpage to learn more on our Whistle Blowing Policy (URL: [Whistle Blowing Policy](#)) Please refer to page 35 of our FP2023 Annual Report for more details.

Conflict of Interest

Vallianz has several processes in place to ensure that conflicts of interest are prevented and mitigated. Firstly, we have a Code of Business Conduct that all employees and directors are required to adhere to. In addition, our Whistleblowing Policy encourages employees and other stakeholders to report any concerns or suspicions of unethical behavior, including conflicts of interest. The Board of Directors, who oversees the Company's operations and governance, is responsible for identifying and managing conflicts of interest and ensuring that all decisions are made in the best interests of the Company and our stakeholders. The Company has put in place an Interested Party Transaction (IPT) mandate, in compliance with Rule 907 of the Catalist Rules. This mandate ensures that all related party transactions are conducted in a fair and transparent manner and are in the best interests of the company and its shareholders.

For more information on our commitment to corporate governance, we invite readers to refer to our FP2023 annual report. We believe that transparency and accountability are key to building trust with our stakeholders.

Material Topics

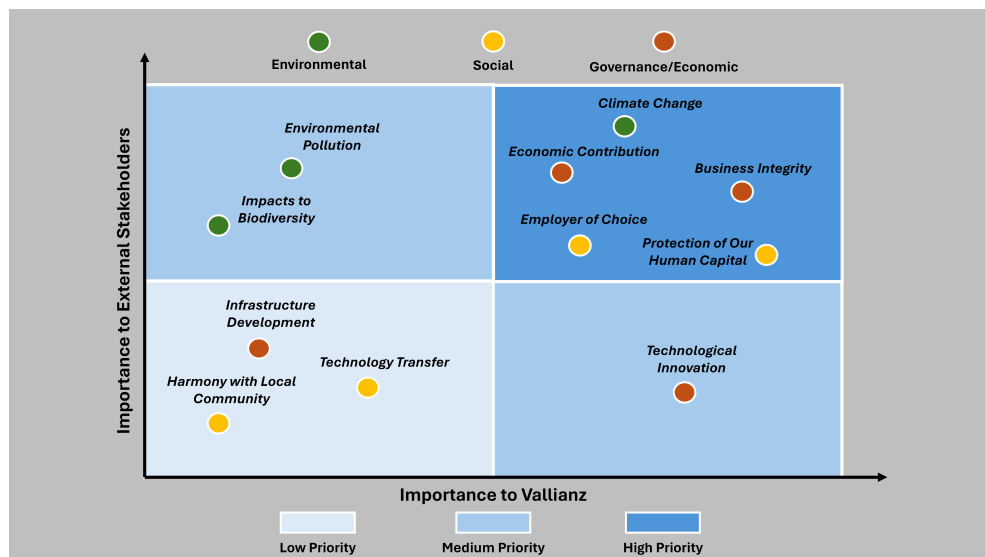
MATERIAL TOPICS

Materiality Assessment Process

In FP2023, Vallianz conducted a review and revamp of our materiality assessment. As a result of this, we have expanded the scope of material topics to more accurately reflect our sustainability impacts. Consequently, two material topics (Water & Effluents and Waste) from previous years' analysis have been reviewed and determined as non-material and hence removed from consideration. In addition, we have adopted the reporting requirements under GRI 11 Sector Standard for Oil and Gas.

As part of the materiality assessment process, the Sustainability Committee engaged with both internal and external stakeholders to identify the negative and positive impacts to the Group. Internal stakeholders included the board, top management and employees, while external stakeholders included clients, suppliers, regulators and the local communities. The top five negative impacts and the top 4 positive impacts have been prioritized and grouped into five main material topics for reporting. The selected negative and positive impacts for reporting is made after taking into consideration their relevance and impact to the business operations.

The materiality matrix below shows the mapping of all 11 consolidated material topics identified via the material assessment process. The 5 topics of highest importance to Vallianz and our stakeholders are prioritized for reporting.



The below tables show in more detail all the negative and positive impacts evaluated. The ones with (*) have been prioritized for reporting and their relevant topic standards are listed accordingly.

Ranking #	Negative Impacts	Definition	Material Topic	Related Topic Standards
1*	Climate impact resulting from ship owning, ship building and other operations	Tracking and monitoring of direct and indirect GHG emissions resulting from all aspects of business operations	Climate Change	GRI 305: Emissions 2016
2*	Reputational impact arising from violation of business ethics	Safeguarding against negative impacts to organization's reputation arising from non-compliance to business conduct	Business Integrity	GRI 205: Anti-corruption 2016
3*	Loss of human capital	Managing employee turnover especially personnel in key roles	Protection of Our Human Capital	<ul style="list-style-type: none"> GRI 401: Employment 2016 GRI 402: Labor/Management Relations 2016 GRI 404: Training and Education 2016
4*	Health and safety of employees and workers	Ensuring the health and safety of employees and non-employees are not compromised	Protection of Our Human Capital	GRI 403: Occupational Health and Safety 2018
5*	Climate impact resulting from business supply chain	Tracking and monitoring of environmental (and social) impacts from supply chains supporting business operations	Climate Change	<ul style="list-style-type: none"> GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016
6	Contamination to environment	Mitigation against contamination to the environment resulting from spillages from vessels and discharges from yard operations	-	-
	Degradation of biodiversity	Mitigation against negative impacts to animals and plants arising from pollution caused by business operations	-	-
7	Conflict and tension with local communities in areas of operation	Managing disagreement related conflicts with local communities where business operations are located	-	-

Ranking #	Positive Impacts	Definition	Material Topic	Related Topic Standards
1*	Employer who provides diverse and inclusive workplace and culture	Promoting a diverse and inclusive workplace where every employee is treated with dignity and respect	Employer of Choice	<ul style="list-style-type: none"> GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016
2*	Economic contributions	Managing economic related impacts	Economic contributions	GRI 201: Economic Performance 2016
3*	Socially responsible organization	Giving back to the local community where business operations are located	Employer of Choice	GRI 413: Local Communities 2016
	Promote positive employees and workers' welfare	Ensuring rights of employee and workers are not compromised	Employer of Choice	GRI 407: Freedom of Association and Collective Bargaining 2016
4	Technology innovation	Contributing to technology innovation and green technologies through collaboration with third party experts	-	-
	Infrastructure development	Contributing to infrastructure development in areas of operations	-	-
	Technological expertise transfer	Contributing to technology expertise transfer to local stakeholders through innovative projects' execution	-	-

Material Topics and Targets

The prioritized impacts are categorized into five material topics as shown below.



Employee Management

Our target is to organize regular engagement initiatives, such as management and team meetings, team bonding, and knowledge-sharing sessions, to foster collaboration, promote two-way communication, and foster teamwork among employees involved in reporting. We aim to conduct at least one engagement initiative per quarter.

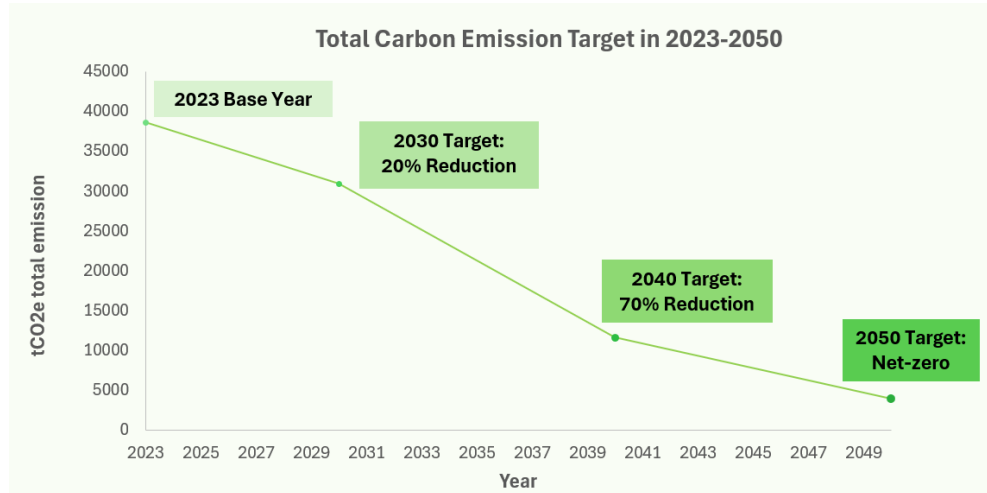
Economic Growth

The operating environment in 2022/2023 was challenging from a geopolitical standpoint and saw record levels of inflation. As at 31 December 2023, the Group's net asset per share was 2.52 US cents. The Group achieved total revenue of US\$214.7 million and a basic earnings per share of 0.14 US cents in FP2023. Further details of the Group's performance can be found in the FP2023 Annual Report. As we embark on the implementation of the ESG activities to achieve our sustainability targets, it is expected to have an impact to the Group's economic growth.

Environmental Protection

Vallianz has set its emission target in alignment with the International Maritime Organization's (IMO) greenhouse gas (GHG) reduction strategy. The Group aims to

manage and reduce its carbon footprint across all levels of its operations. To achieve this, Vallianz has set a target of at least 20% reduction in GHG emissions by 2030, at least 70% reduction by 2040, and to ultimately reach net zero emissions by 2050.



The Group has identified the baseline for its emission as year 2023 and has, based on this baseline, projected the emission reduction required per year to achieve its targets for the years 2030, 2040, and 2050. Vallianz understands the challenges in achieving accurate data and has taken necessary measures to address this issue. Additionally, the Group recognizes that there are still refinements needed in the calculation methodology and will continue to refine its approach to calculate its emission footprint. However, despite the need for refinement in methodology, Vallianz remains committed to its ultimate target of reducing its carbon footprint to achieve net zero emission by year 2050 and contributing towards a sustainable future.

Occupational, Health and Safety

At Vallianz, our top priority is the safety and well-being of our employees, customers, and the environment. We are committed to achieving zero accidents and zero cases of sea pollution in all of our operations. This has been and will always be our target, and we remain dedicated to identifying any gaps and implementing improvement measures to maintain or exceed this goal.

Regulatory and Legal Compliance

At Vallianz, our target has always been to achieve zero cases of bribery and fines related to corruption and bribery as well as complying with local law and regulations. We believe that by prioritizing ethical conduct, we can create sustainable value for our clients, employees, and shareholders.

Commitments to UN Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) are a set of 17 goals that aim to address global challenges such as poverty, inequality, climate change, and social injustice. These goals provide a framework for businesses to align their sustainability efforts and contribute to the global agenda for sustainable development.

The alignment of our sustainability material topics to the UN SDGs demonstrates our commitment to sustainable development and contributing to the achievement of global goals.



Our material topic of Economic Contribution aligns with SDG 8, which aims to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. The material topic of Employer of Choice aligns with SDG 1 and 4, which we hope to continue fulfilling through our various ongoing community initiatives to support the needy and promote education among the poorer communities. It also aligns with SDG 5 and 10, which aims to eliminate discrimination and promote equal opportunities and social inclusion.

Our material topic of Business Integrity aligns with SDG 16. This aims to promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels. Protecting Human Capital aligns with SDG 3, which aims to ensure healthy lives and promote well-being for all at all ages. Lastly, the material topic of Climate Change aligns with SDG 7, 12 and 13, which aims to take urgent action to combat climate change and its impacts. By addressing these material topics, we can contribute to the achievement of the UN SDGs and demonstrate our commitment for sustainable future.

Economic

**ECONOMIC
PERFORMANCE**

Economic Value Generated and Distributed

The operating environment in 2022/2023 was challenging from a geopolitical standpoint and saw record levels of inflation. As at 31 December 2023, the Group's net asset per share was 2.52 US cents. The Group achieved total revenue of US\$214.7 million and a basic earnings per share of 0.14 US cents in FP2023. Further details of the Group's performance can be found in the FP2023 Annual Report. As we embark on the implementation of the ESG activities to achieve our sustainability targets, it is expected to have an impact to the Group's economic growth.

Procurement Practices

Vallianz considers suppliers located in Singapore and Indonesia to be categorized as local suppliers due to the nature of the business operation profile. For FP2023, an estimated 25% of Vallianz's procurement spending has been allocated to local suppliers.

Environment

GREENHOUSE GAS EMISSION

Base year selection for GHG emission

Vallianz will be selecting calendar year 2023 as its base year for reporting on greenhouse gas (GHG) emissions for scope 1 and 2 GHG emissions. This decision is in line with the Company's commitment to reducing its carbon footprint and meeting the goals of the Paris Agreement.

The Company will be tracking its emissions from its fleet of vessels, as well as its onshore operations, in order to identify areas where it can make improvements and reduce its environmental impact. We are committed to implementing sustainable practices across all aspects of its business, including reducing its carbon footprint and promoting environmental stewardship.

Scope 1 GHG Emission

	UNIT	FY 2024 Target	Calender Year 2023
Scope 1 GHG Emission	mtCO ₂ -e	35 666.28	36 715.29

Standards, Methodologies and Conversion Factors

Data consolidation for GHG emission follows the requirements of GHG Protocol Corporate Standard. The Global Warming Potential (GWP) are based on Intergovernmental Panel of Climate Change (IPCC), The Fifth Assessment Report (AR5). Scope 1 emissions include direct carbon emission from vessel fuel, company owned vehicles and shipyard machineries. The emission factors from Norway 2022 National Inventory Report (NIR) are referenced to estimate Scope 1 emission.

In FP2023 sustainability report, we begin to include Scope 1 emission reporting and will continue to report in the subsequent reports. The sources of Scope 1 emissions are those that are controlled or owned by us.

Scope 2 GHG Emission

	UNIT	FY 2024 Target	Calender Year 2023
Scope 2 GHG Emission	mtCO ₂ -e	1 823.94	1 877.59

Standards, Methodologies and Conversion Factors

Scope 2 emissions include purchased electricity at our onshore operating facilities. The emission factors used are based on IEA Emission Factors 2022.

Compared to our sustainability report for the financial year ended 31 March 2023, we have included electricity consumption at PT United Sindo Perkasa's yard for FP2023 in Scope 2 emission reporting. This resulted in a significant increase as the majority electricity consumption is from yard.

GHG Emission Intensity

Vallianz is measuring the GHG emission intensity for Scope 1 emission by using the amount of Scope 1 emission produced per day that each of its vessels spends floating on the sea. This metric will be able to reflect on the amount of direct emission proportion to our operations. In calendar year 2023, the GHG intensity is 14.03 tCO₂e/days.

Vallianz tracks electrical efficiency using the Scope 2 emission per floor area metric for our offices and yard. The result in calendar year 2023 is 0.02 tCO₂e/ m².

We will continue to track and report on its emissions intensity in coming years for identifying opportunities to reduce its environmental impact and improve its sustainability performance.

	UNIT	Calendar Year 2023
Scope 1 emission per active vessel days	tCO ₂ / days	14.03
Scope 2 emission per floor area	tCO ₂ e/ m ²	0.02

GHG Emission Management

As part of our sustainability efforts, we will be upgrading our fleet to enable remote monitoring of assets. This will ensure transparency in operation, enable timely intervention with regards to health and safety, and ensuring data accuracy using high frequency data. The remote monitoring system will allow the shore team to monitor the vessel's performance in real-time, including fuel consumption, engine performance, and other critical parameters. This will enable them to identify potential issues before they become major problems and take corrective action to ensure optimal vessel performance. The upgrade will also enable the offshore team to communicate with the shore team more effectively, improving collaboration and reducing response times. This will help ensure that any health and safety issues are addressed quickly, reducing the risk of accidents and injuries.

We recognize the importance of reducing greenhouse gas (GHG) emissions from its vessels and onshore facilities. We have selected the calendar year 2023 as its baseline for emissions which will enable us to accurately measure its progress towards reducing emissions and meeting the IMO's targets. Vallianz remains committed to reducing its environmental impact and is taking proactive steps to achieve this goal.

Energy Mix

	UNIT	Calender Year 2023
Energy mix	GJ	535 423.92
Electrical consumption per floor area	GJ/ m2	0.1
Fuel consumption per active vessel days	GJ/ day	201.22

Vallianz has its office headquartered in Keppel Bay Tower, a commercial building that has been certified as Singapore's first Green Mark Platinum (Zero Energy) building. Installation of solar panels as renewable energy source and, energy efficient system has allowed the building to be net zero in carbon emission. As a tenant of Keppel Bay Tower, Vallianz is able to ensure our electricity consumption at Singapore office is optimized.

Electricity intensity for our Singapore offices and yard is 0.1 GJ/ m2 in calendar year 2023. Fuel intensity of our vessels is 201.22 GJ/ day.

ENVIRONMENT

AIR EMISSIONS

Other Air Emissions

	UNIT	Calender Year 2023
NOx	mt	468.32
SOx	kg	15 610.74
PM2.5	kg	16 725.79

Standards, Methodologies and Conversion Factors

Air pollutants emission are estimated based on conversion of fuel consumed. The conversion factors used are referenced from IMO Fourth GHG Study 2020 and Norwegian National Statistical Institute, 2020.

**SPILLAGE INCIDENT
MANAGEMENT**

Spills and releases to the environment

	UNIT	FY 2024 Target	FP 2023 Actual
Spills to Environment	m3	0	0

We are pleased to announce that there has been no recordable oil spill incident to the environment for FP2023. We take our environmental responsibilities very seriously and strive to operate our business in a safe, sustainable and environmentally friendly manner. We have implemented stringent measures and protocols to ensure that our operations do not cause any harm to the environment. Our commitment to environmental stewardship is unwavering and we are continuously working to improve our processes and practices. We believe that it is our responsibility to protect the environment for future generations.

Social

SAFETY AND HEALTH

Occupational Health and Safety Management System

As part of our commitment to safety and sustainability, Vallianz complies with the International Safety Management (ISM) Code. The ISM Code is a set of international standards for the safe operation and management of ships and for pollution prevention. It was developed by the International Maritime Organization (IMO) and is mandatory for all ships over 500 gross tons. As a company that operates in the offshore industry, we understand the importance of adhering to these standards. The Company has implemented a comprehensive safety management system that covers all aspects of its operations, including vessel management, crew training, and emergency response. Vallianz also conducts annual internal audits and external inspections within allowable window period to ensure that its vessels and operations comply with the ISM Code.

In order to ensure both onshore and offshore operations are carried out to the highest standards of quality, environmental management, and occupational health and safety, Vallianz has implemented a management system that is certified to three international standards: ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018. Vallianz's ISO Management System is a testament to our commitment to quality, environmental sustainability, and occupational health and safety.

Our HSE management team has implemented a HSE (Quality, Health, Safety, and Environment) induction program for all new joiners and first-time entrants to our yard. The program is designed to ensure that all personnel working on our premises are fully aware of the Company's HSE policies, procedures, and standards. The HSE induction program includes training on various topics such as hazard identification, risk assessment, emergency response, and environmental management. It also covers the importance of complying with relevant regulations and standards, and the responsibility of each employee in maintaining a safe and healthy workplace.

ISO Management System	Entity	Issued date	Expiry Date
ISO 9001: 2015 Quality Management System	Vallianz Offshore Marine Pte Ltd	01/11/2023	31/10/2026
	PT United Sindo Perkasa	03/07/2022	02/07/2025
ISO 14001:2015 Environmental Management System	Vallianz Offshore Marine Pte Ltd	01/11/2023	31/10/2026
	PT United Sindo Perkasa	13/12/2022	12/12/2025
ISO 45001: 2018 Health & Safety Management System	Vallianz Offshore Marine Pte Ltd	01/11/2023	31/10/2026
	PT United Sindo Perkasa	29/07/2022	28/07/2025

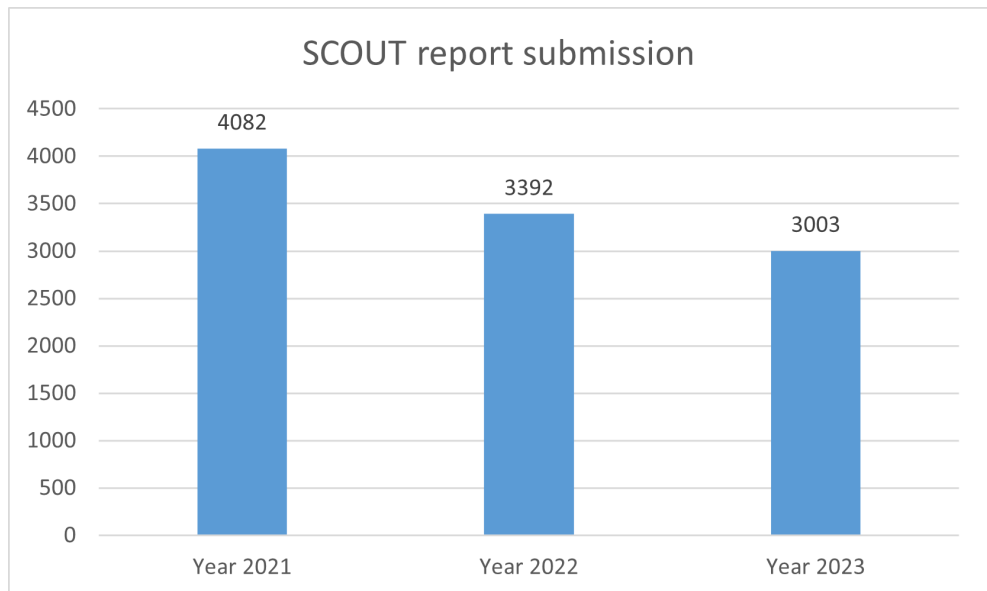
Document of Compliance (ISM Code) Certification Type

Certification Type	Singapore Flag Issued by Bureau Veritas	Tuvalu Flag Issued by Bureau Veritas
Issue Date	13/10/2020	13/10/2020
Expired Date	02/04/2024	02/04/2024

Hazard identification, risk assessment, and incident investigation

Vallianz has a safety program that includes a "Stop Work Policy" and a behavior-based safety initiative (SCOUT). The Stop Work Policy ensures that work is stopped immediately if any unsafe condition or behavior is observed, and only resumed after the issue has been resolved. This policy empowers every employee to take ownership of their safety and the safety of their colleagues, and it has helped to prevent accidents and incidents. From the previous sustainability report, members of the public knows that Vallianz has a behavior-based safety initiative (SCOUT) that focuses on identifying and addressing unsafe behaviors before they become incidents while having the option to keep the informant anonymous. This initiative encourages employees to observe and report any unsafe behavior they see, and it provides training and coaching to help employees adopt safe behaviors by implementing corrective measure to address the unsafe behaviors.

In lieu of revised financial period, the number of SCOUT reports submitted by employees has been tabulated on a yearly basis.



The Company has implemented a systematic procedure for both its onshore and offshore operations aligned with industry best practices and regulatory requirements. This includes the use of standardized reporting forms, clear communication channels, and appropriate documentation and record-keeping. This procedure ensures that any

incident is recorded, reported, rectified, and made known to relevant parties to prevent recurrence.

1. The incident investigation, reporting, and analysis procedure at Vallianz starts with the recording of the incident. This involves collecting all relevant information about the incident, including the date and time, location, people involved, and the nature of the incident.
2. The incident is then reported to the relevant parties, including the management, and regulatory authorities.
3. Once the incident has been reported, Vallianz conducts a thorough investigation to identify the root cause of the incident. The investigation includes a review of all relevant documentation and interviews with the people involved in the incident.
4. The findings of the investigation are then analyzed to determine the cause of the incident and to identify any corrective actions that need to be taken.
5. Vallianz also ensures that all incidents are communicated to the relevant parties to prevent recurrence. This includes communicating the findings of the investigation to the people involved in the incident, as well as to other employees and stakeholders who may be affected by the incident.

We believe that a proactive approach to incident reporting and investigation is critical to ensuring the safety of our vessels, crew, and the environment. By continuously improving our incident investigation framework and sharing lessons learned, we are able to identify potential risks and take action to prevent them from occurring in the future.

Incident Rates

	UNIT	FY 2024 Target	FP 2023 Actual
Total Number of Hours Worked	hour	-	3 150 320
Fatalities as a result of work-related injury	-	0	0
High-consequence work-related injuries (excluding fatalities)	-	0	0
Recordable work-related injuries	-	0	2
Rate of fatalities as a result of work-related injury	%	0	0
Rate of high consequence work-related injury	%	0	0
Rate of recordable work-related injuries	%	0	0.63

Vallianz's safety performance measurement is calculated and assessed according to the guidelines set forth by the Oil Companies International Marine Forum (OCIMF) and International Labour Organization (ILO) for our onshore and offshore operations. These guidelines provide a framework for assessing safety performance in the maritime industry, including the performance of vessels, crews, operators and shipbuilding personal. Our safety performance is assessed using a variety of metrics, including the number of incidents and near-misses, the severity of incidents, and the effectiveness of

safety management systems. These metrics are used to calculate key performance indicators (KPIs) that are used to evaluate the Company's safety performance over time. These guidelines also stress the importance of continuous improvement in safety performance, and we work to identify areas for improvement through regular safety audits and risk assessments. The Company also invests in training and development programs for its crews and staff to ensure that they have the skills and knowledge needed to operate safely and effectively in a constantly changing environment.

Marine Casualties

	UNIT	FY 2024 Target	FP 2023 Actual
Marine Casualties - Total	-	0	0
Marine Casualties - Very Serious	%	0	0

Following the definition adopted from Clause 2.9 and 2.22, IMO Casualty Investigation Code, a marine casualty means an event, or a sequence of events, that has resulted in any of the following which has occurred directly in connection with the operations of a ship:

1. The death of, or serious injury to, a person.
2. The loss of a person from a ship.
3. The loss, presumed loss or abandonment of a ship.
4. Material damage to a ship.
5. The stranding or disabling of a ship, or the involvement of a ship in a collision.
6. Material damage to marine infrastructure external to a ship, that could seriously endanger the safety of the ship, another ship or an individual; or
7. Severe damage to the environment, or the potential for severe damage to the environment, brought about by the damage of a ship or ships.

And Clause 2.22 which define a very serious marine casualty means a marine casualty involving the total loss of the ship or a death or severe damage to the environment.

For FP2023, we are proud to announce that there have been zero cases of marine casualties. This is a testament to our commitment to maintaining high standards of safety and sustainability in all of our operations. Moving forward, we will continue to prioritize the safety of our employees, the protection of the environment, and the well-being of the communities we serve. We are committed to keeping our track record of zero marine casualties and will work diligently to maintain this achievement.

Work Related Ill Health

	UNIT	FY 2024 Target	FP 2023 Actual
Number of cases of recordable work-related ill health	-	0	0
Number of fatalities as a result of work-related ill health	-	0	0

Port State Control

	UNIT	FY 2024 Target	FP 2023 Actual
Deficiencies	-	<5	5
Detentions	-	0	0
Deficiencies closed within 48 hours (if any)	%	100	100

A total of 5 deficiencies were flagged by regional port state control organizations on one of our vessels in FP2023. All deficiencies were promptly addressed and rectified on the very same day, demonstrating our commitment to meeting and exceeding ESG standards in all aspects of our operations. Our target is to avoid deteriorating from the existing record.

Health and Safety Assessment of Product and Services

At Vallianz, we take great pride in our commitment to engineering excellence and safety. During the design phase of our projects, including SOLAS (Safety of Life at Sea) and IMO (International Maritime Organization) requirements, we ensure that all plans are thoroughly reviewed and approved by relevant classification societies. We also stay up to date with the latest regulations to ensure that our work is always in line, if not more, than what is required. This ensures that our designs adhere to the strictest regulations regarding health and safety, giving our clients peace of mind and confidence in the quality of our work.

As a testament to our commitment, we have incorporated additional HSE related notation to our newbuild program, namely, The Inventory of Hazardous Materials (IHM) notation and Mitigation of Infectious Disease Transmission (IDM-A) notation.

Inventory of Hazardous Materials (IHM)

IHM is a standard that identifies and lists all hazardous materials used in the construction of a vessel, as well as their location and quantity. This is an essential tool for ensuring the safety of crew members and the environment, as well as for complying with international regulations such as the Hong Kong Convention. We understand the importance of prioritizing health and safety in all aspects of our operations. As such, we assess the health and safety impacts of our products and services across a range of categories, including vessel construction and maintenance, offshore support services, and marine engineering.

Mitigation of Infectious Disease Transmission (IDM-A) notation

This notation is granted to vessels that meet rigorous arrangement requirements for the isolation and segregation of crew, passengers, and onshore visitors. The IDM-A notation also takes into account the ventilation and interior surfaces of certain accommodation or

working spaces. By adhering to these strict standards and adopting a proactive approach to mitigating infectious disease transmission, we firmly believe that it demonstrates our resilience in coping with pandemics and other health-related crises.

In conclusion, we have taken a significant step towards ensuring the safety and health of its customers and employees by adopting the additional notations of IHM and IDM-A. By implementing these standards, we have demonstrated a strong commitment to sustainable practices and has ensured that all its product and service categories, for which health and safety impacts are assessed, will be improved. This move will not only benefit the Company but also the environment and the wider community. Overall, this is a positive step towards building a better future for all.

SOCIAL

EMPLOYEES AND LABOR RIGHTS

Labour Management Relations

Human capital is one of Vallianz's key assets in driving innovation, company and individual growth, and competitiveness. Vallianz strives to attract, retain, and motivate talents through a combination of competitive packaging and benefits, active engagement, and an emphasis on employee development.

Equal Opportunities and Fair Employment

In Vallianz, we are dedicated to upholding human rights by promoting fair employment practices within our company and the broadening community.

We closely align our company policies with local employment laws and tripartite guidelines by prioritizing fair employment and treatment of our employees. We offer re-employment to our eligible employees who reach 63 up to the age of 68, to continue their employment with us. In FP 2023, we had one employee who was re-employed, and there are two other employees who are in their early 60s.

Vallianz adopted fair employment during our recruitment process to build a diverse workforce of all age groups. This helps us to ensure diversity, inclusion, and a positive work culture in the organization while attracting talents from a diverse background. We remain committed to continuous improvement and collaboration with our stakeholders to promote human rights and fair employment practices at Vallianz Group. We constantly align our practices with sustainable employment to meet international requirements.

We offer a range of benefits to our employees to ensure their well-being and job satisfaction. One of the benefits that Vallianz offers to its employees is a comprehensive healthcare plan. This includes medical and dental coverage, and other health-related services. We strive to promote a healthy workplace ecosystem by encouraging our employees to take part in Fitness session held in collaboration with Keppel Bay Tower's

Property Management Team. We offer flexible work arrangements, such as telecommuting and flexible schedules, to help employees manage their personal and professional lives. We also provide paid time off and other leave options, such as parental leave and bereavement leave, to support employees during challenging times.

As part of this commitment, Vallianz has implemented a whistle blowing policy that provides a secure channel for affected stakeholders to report any instances of mismanagement or misconduct.

Collective Bargaining Agreements (CBAs)

This Collective Bargaining Agreement represents a shared commitment to sustainability, fairness, and cooperation between PT United Sindo Perkasa, Indonesia and its employees represented by Serikat Pekerja Seluruh Indonesia. By working together, we aim to create a workplace that not only thrives economically but also contributes positively to society and the environment. There are 95% of employees covered by CBAs.

Collective Bargaining Agreements (CBAs)	FP 2023 Actual
Total employees covered by CBAs	95%

Diversity & Equality

We understand the importance of promoting equality and gender diversity in Vallianz and in the broader maritime industry. We create a culture of respect, trust, inclusivity, and equality where employees grow, develop, and contribute to our collective success. We are aware of the equitable representation of men and women in each department, and we honor the leadership roles held by women in the organization.

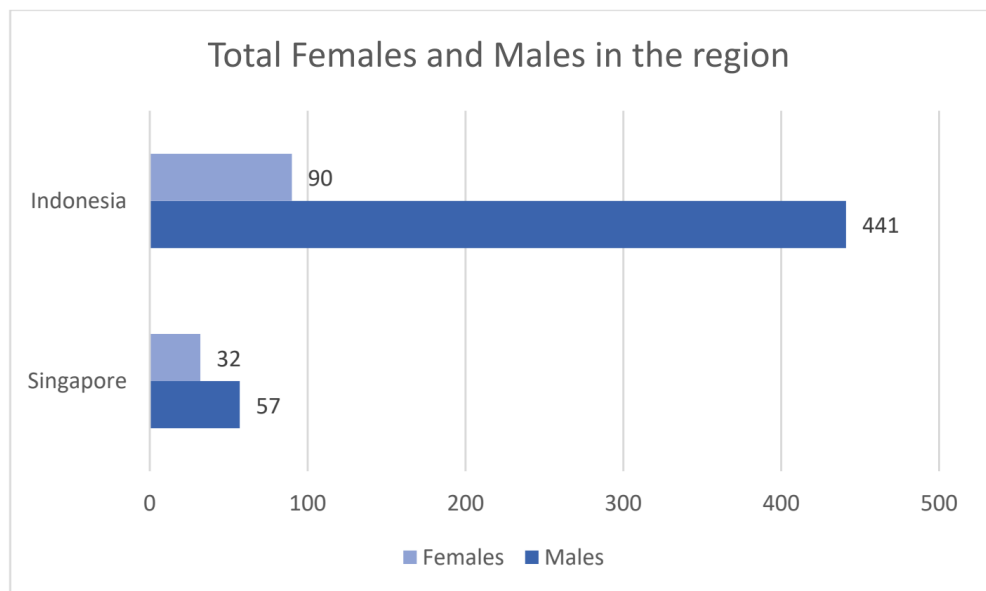
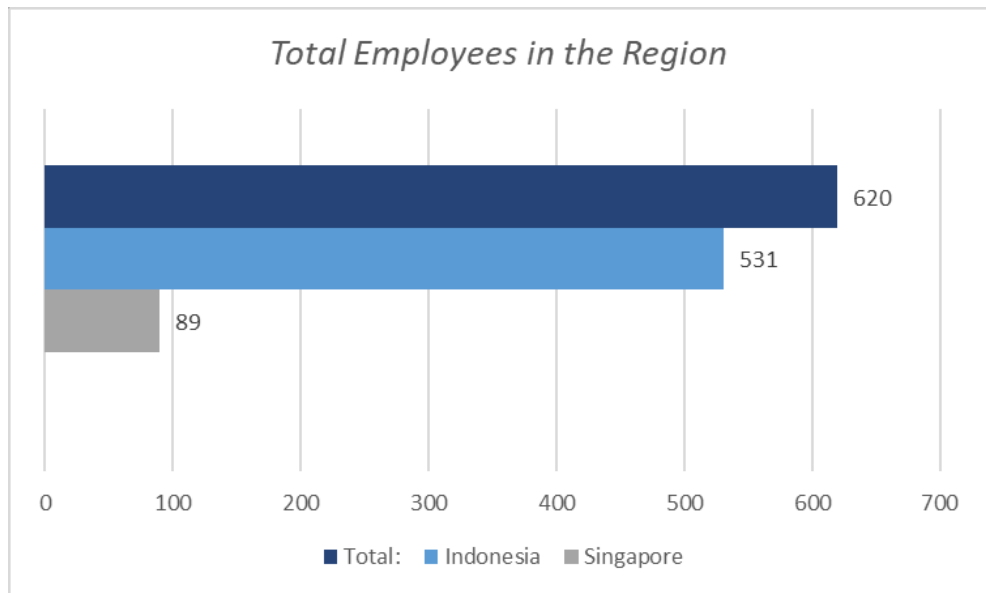
We comply with the Equal Employment Opportunity principle, which means that it provides equal employment opportunities to all individuals regardless of their race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law. Vallianz ensures that its hiring, promotion, and compensation practices are fair, equitable, and based solely on job-related qualifications and performance. The Group also prohibits any form of discrimination or harassment in the workplace and provides a safe and inclusive work environment for all employees.

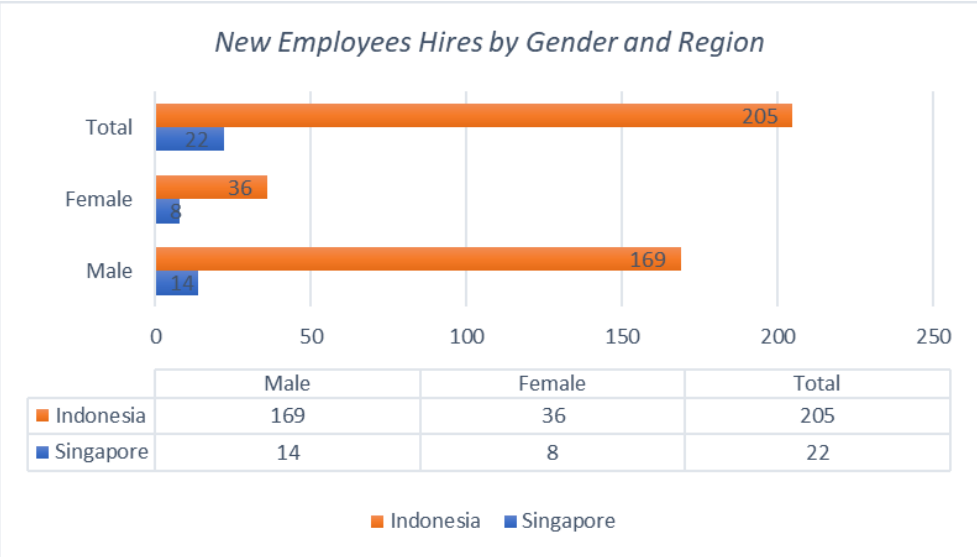
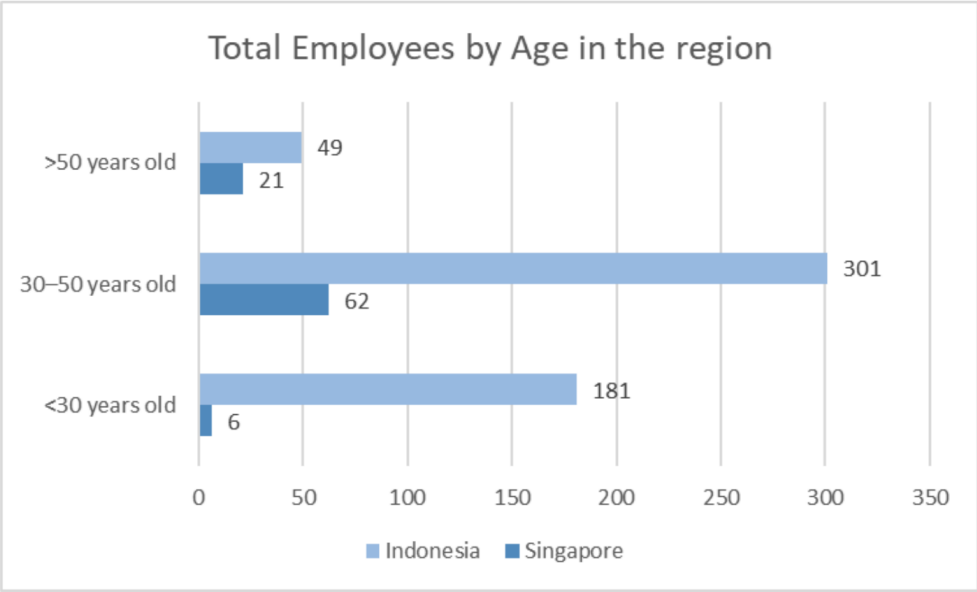
With over 300+ global employees from different backgrounds and cultures, Vallianz takes pride in the importance of promoting equality and diversity within Vallianz and in the broader maritime industry.

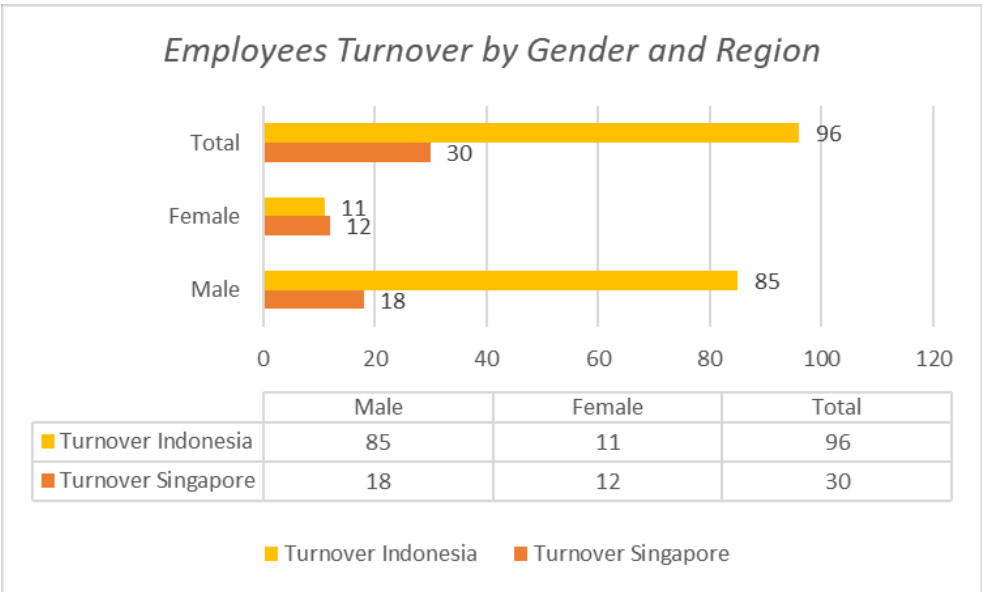
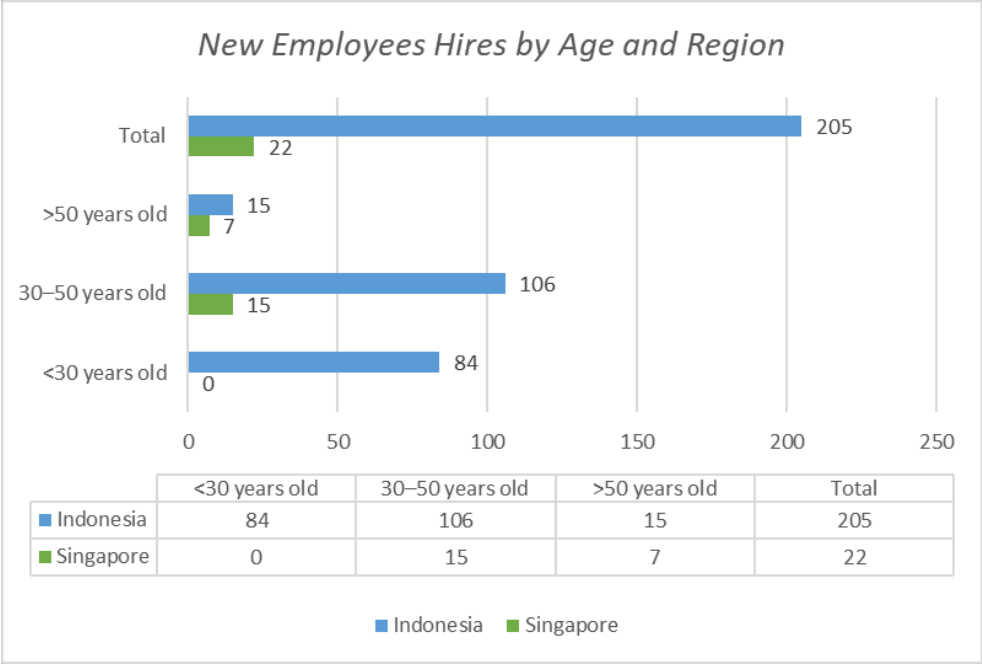
By creating a culture of respect, trust, inclusivity, and equality where employees grow, develop, and contribute to our collective success, Vallianz maintains and promotes an

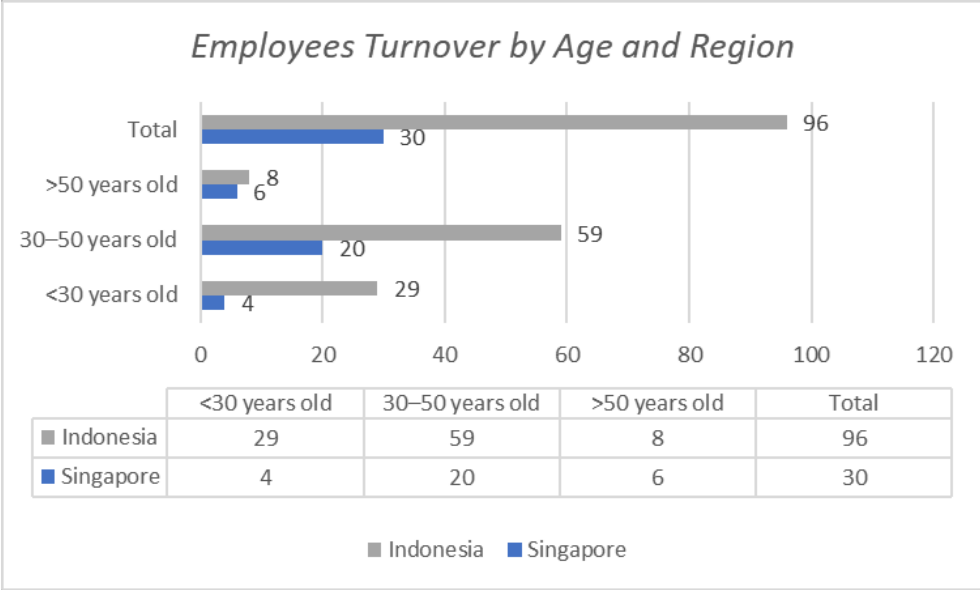
inclusive environment across the organization, aligned with the company's strategic objectives.

Some activities include representation in the ASMI Women's Wing Committee for the promotion of women in the maritime industry and supporting internships with diverse backgrounds, in conjunction with marine-related schools.









Parental Leave

Vallianz offers parental leave to all of its employees. In FP2023, a total of 250 male and 33 female employees were entitled to parental leave. We believe that supportive parental leave is essential to our employees as they embark on their parenthood journey.



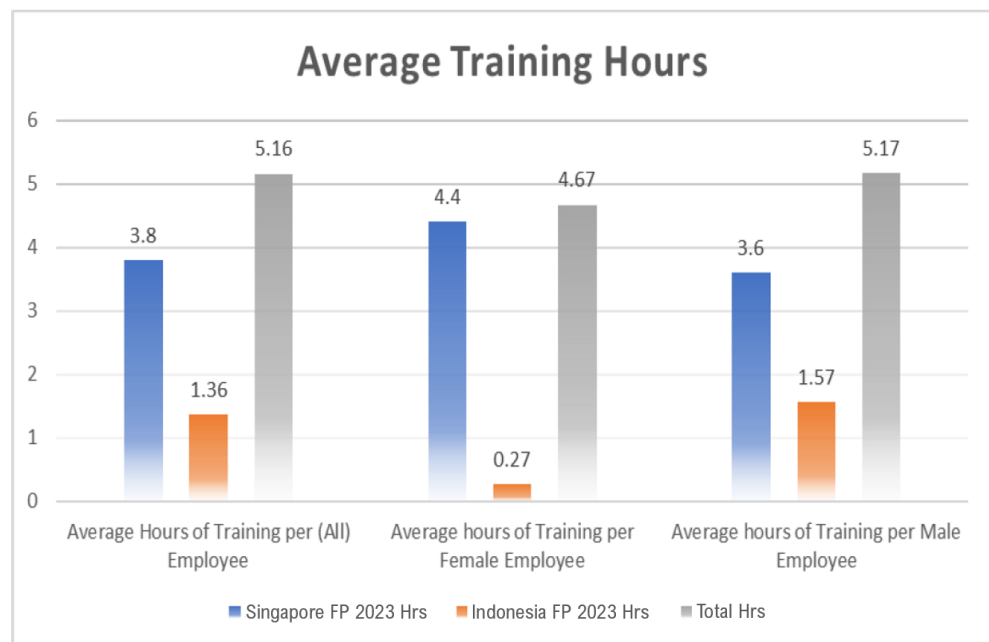
Human Capital Development

Training and Development

In Vallianz, we believe in investing in the growth and development of our people as a key driver of our long-term sustainability objectives. Our training and development programs are designed to equip our workforce with the competencies and skill sets required for their roles. In FP2023, we encouraged employees to discuss with their supervisors during their annual performance review to identify their training needs for reskilling or upskilling their knowledge.

We continue to evolve and expand our sustainability initiatives; the role of training and development will remain important to us. We actively shape our training programs, ensuring that our workforce is ready for the future. We also engage and empower our employees in sustainability efforts through corporate social responsibility activities, including volunteer programs and environmental clean-up.

In FP 2023, Vallianz employees underwent an average of 5.16 hours of training.



Community Engagement

Employee Engagement, Well-being, and CSR Initiatives

At Vallianz, we remain committed to prioritizing employee engagement, promoting well-being, and supporting charitable initiatives as part of our corporate social responsibility (CSR) efforts. We value our people and understand how important it is to create an engaging and healthy work environment, keeping our employees happy and motivated. Vallianz understands the importance of having regular and transparent communication to keep employees informed about company developments. Hence, we have implemented various initiatives, including supporting charities, prompting well-being, and improving employee engagement.

As part of our commitment to continuous improvement and transparency, we conducted the employee engagement survey to gather valuable insights about job satisfaction, work environment, and well-being.

Our employees play a pivotal role in driving our sustainability agenda forward. We encourage our employees to contribute to our sustainability goals and make a positive impact on society.



Our Commercial Department team went to Thailand to participate in giving back to the community by visiting to the local school and participated in a charity drive organized by Marin East. We are proud of our team for making positive impact both in marketing and in the lives of others.



We believe in spreading joy during the Mid-Autumn Festival to those seniors at Care Corner Senior Services. As a token of our appreciation and to symbolize the spirit of unity and togetherness associated with the Mid-Autumn Festival, our colleagues visited 12 different centers and distributed mooncakes to the seniors. Through engaging in meaningful conversations, we shared heartwarming moments that brought joy to both the seniors and our team members. Through our initiative with Care Corner Senior Services, we hope to inspire others to embrace the spirit of giving and make a positive difference in the lives of those around us. We continue to create a brighter and more inclusive future for all together.



Most Activity

Each athlete logs as much distance, time or elevation as they can during the challenge window.



Fastest Effort

Upload the fastest run or wheelchair time over a set distance.



Longest Single Activity

Log the most distance in one activity to win.

Vallianz has initiated a three-month “Employee Mental Health Awareness Bonding and Donation Activities through Strava Challenge. This activity aimed to improve employee mental well-being through exercise and supporting charitable causes.

With the greatest effect of our employees, we donated some necessities and provided school fees to the children in the orphanages. This bonding activity is not only beneficial for employees’ health and strengthens collaboration within the team, but it also contributes to social responsibility, creating a more engaged and socially responsible workforce.



At Vallianz, we recognize the importance of establishing a robust and favorable employer brand to attract top talent and drive growth in the maritime industry. We have embarked on a strategic collaboration with Singapore Polytechnic to raise Vallianz awareness at the School of Maritime Academy. Our partnership with Singapore Polytechnic involves establishing a platform for professional sharing aimed at helping students make informed decisions about their career paths in the maritime industry. Through this collaboration, we aim to bridge the gap between academic learning and real-world industry practices, providing students with valuable insights and experiences to guide their career aspirations.

PT United Sindo Perkasa has also demonstrated its commitment towards corporate social responsibility by making charitable donations over the last year to support various causes and initiatives.

Name of the organization	CSR Program	Modes of donation
Ministry of Manpower of Indonesia	National Occupational Safety and Health Day of 2023	Monetary
Miftahul Jannah Orphanage	Ramadan donation for orphans	Monetary
Askhabul Yamin Orphanage	Ramadan donation for orphans	Monetary
Radmila Foundation	Donation for the construction of secondary school for underprivileged children	Monetary
Miftahul Jannah Orphanage	Donation in relation to Vallianz Mental Health Awareness	school fees, groceries
Assyamil Orphanage	Donation in relation to Vallianz Mental Health Awareness	cupboards, groceries
Miftahul Hasannah Orphanage	Donation in relation to Vallianz Mental Health Awareness	cupboards, groceries
Asshabul Yamin Orphanage	Donation in relation to Vallianz Mental Health Awareness	groceries

To keep up to dates with our activities, we humbly invite members of the public to follow our LinkedIn pages.

1. [Vallianz Holdings | LinkedIn](#)
2. [Vallianz Offshore Marine | LinkedIn](#)
3. [Vallianz PT United Sindo Perkasa | LinkedIn](#)

**SUPPLY CHAIN
MANAGEMENT**

Supply Chain Management

Procurement Process

Vallianz is working on a systematic procurement process system, for which the estimated implementation is likely to commence in 2024. This new procurement process system is aimed at ensuring that the Company's procurement activities are in line with the highest ethical and sustainable standards, while also promoting efficiency and cost-effectiveness. Under the procurement process system, the Company will also require all its concerned stakeholder to adhere to strict ethical standards, including compliance with labor laws, human rights, and anti-corruption regulations. In addition, the procurement procedure will involve a rigorous evaluation process that takes into account factors such as quality, cost, delivery time, and sustainability.

This procurement process system is a paperless environmentally friendly which eliminate the physical paper and instead uses primarily digital documents. Digitizing internal paper-based systems reduces printing costs such as paper and ink cartridge purchases and the overhead costs associated with printing devices and storage facilities.

Supplier Prequalification Process

Within the process, Vallianz has also taken a proactive step to set up a supplier prequalification form that will consider HSE (health, safety, and environment), quality, and financial factors. This prequalification form will enable us to assess potential suppliers' suitability to meet its stringent HSE and quality standards, as well as their financial stability. Suppliers who meet these requirements will be added to our approved vendor list, ensuring that only the best suppliers are selected for its projects. We recognize that selecting the right suppliers is crucial to maintaining a safe, efficient, and sustainable supply chain, and this prequalification form is a step in the right direction.

- **Financial:** Prequalification checks the credit rating and financial ability.
- **Technical:** Prequalification looks at the bidder's qualifications in terms of technology or knowledge.
- **Quality:** Prequalification checks proactive quality process management enables to improve efficiency and increase satisfaction.
- **Health and safety:** Prequalification check prevention of work-related illnesses and injuries is the most effective means to manage employee risks, avoid absence and achieve compliance.
- **Environmental:** Prequalification checks a systematic approach that incorporates environmental considerations into business strategy.

The estimated roll-out of Vallianz's supplier prequalification form is likely to be in 2024. The percentage of the suppliers that has been screened by prequalification form will be disclosed in subsequent sustainability reports.

Vendor Evaluation and Assessment

We will evaluate our suppliers based on their delivery, quality, price, compliance, and response time and a performance indicator will be generated, benching marking against its peers. Suppliers who rank below average will be subjected to a re-eligibility assessment, which will include an interview with our respective managers. If the supplier is deemed eligible, a formal request will be submitted by our manager to our administrator for reinstatement. However, if the supplier is deemed not eligible, they will be removed from our approved vendor list. This process ensures that we work with suppliers who share our commitment to our required standards and who can provide us with the high-quality products and services we require.

GRI Content Index

GRI CONTENT INDEX

GRI Content Index

Statement of use		Vallianz Holdings has reported in accordance with the GRI Standards for the period 1 April 2023 to 31 December 2023.		
GRI 1 used		GRI 1: Foundation 2021		
Applicable GRI Sector Standard(s)		GRI 11: Oil and Gas Sector 2021		
GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
General disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	About us		
	2-2 Entities included in the organization's sustainability reporting	Scope and boundary		
	2-3 Reporting period, frequency and contact point	Reporting Period and Cycle/ Report Availability and Feedback		
	2-4 Restatements of information	Restatement		
	2-5 External assurance	Assurance		
	2-6 Activities, value chain and other business relationships	About us		
	2-7 Employees	Diversity & Equality		
	2-8 Workers who are not employees	Diversity & Equality		
	2-9 Governance structure and composition	Governance Structure		
	2-10 Nomination and selection of the highest governance body	Refer to Vallianz FP 2023 Annual Report Pages 21-28		
	2-11 Chair of the highest governance body	Refer to Vallianz FP 2023 Annual Report Pages 21-28		
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure / Governance Policies, Roles and Responsibilities		
	2-13 Delegation of responsibility for managing impacts	Governance Structure / Governance Policies, Roles and Responsibilities		
	2-14 Role of the highest governance body in sustainability reporting	Governance Structure / Governance Policies, Roles and Responsibilities		
	2-15 Conflicts of interest	Conflict of Interest		
	2-16 Communication of critical concerns	Whistleblowing		
	2-17 Collective knowledge of the highest governance body	Collective Knowledge of Governance Body		
	2-18 Evaluation of the performance of the highest governance body	Refer to Vallianz FP 2023 Annual Report Pages 29 to 32		
	2-19 Remuneration policies	Refer to Vallianz FP 2023 Annual Report Pages 29 to 32		
	2-20 Process to determine remuneration	Refer to Vallianz FP 2023 Annual Report Pages 29 to 32		
	2-21 Annual total compensation ratio	-		Requirements for (a) to (c) are classified as confidential information in accordance with Vallianz's internal policy.
	2-22 Statement on sustainable development strategy	Board Statement		

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
GRI 2: General Disclosures 2021	2-23 Policy commitments	Vallianz's Code of Business Conduct Policy		
	2-24 Embedding policy commitments	Vallianz's Code of Business Conduct Policy		
	2-25 Processes to remediate negative impacts	Whistleblowing		
	2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing		
	2-27 Compliance with laws and regulations	Fines		
	2-28 Membership associations	Membership and Associations		
	2-29 Approach to stakeholder engagement	Stakeholder Engagement		
	2-30 Collective bargaining agreements	Collective Bargaining Agreements (CBAs)		
Material topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Assessment Process		
	3-2 List of material topics	Material Topics and Targets		
	3-3 Management of material topics	Refer to various topic disclosure sections		
Economic Topics Disclosures				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Refer to Vallianz FP 2023 Annual Report, Financial Statements		11.14.2 11.21.2
	201-2 Financial implications and other risks and opportunities due to climate change	Task Force on Climate-Related Financial Disclosure		11.2.2
	201-3 Defined benefit plan obligations and other retirement plans	Refer to Vallianz FP 2023 Annual Report, Financial Statements		N/A
	201-4 Financial assistance received from government	Refer to Vallianz FP 2023 Annual Report, Financial Statements		11.21.3
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	Refer to Vallianz FP 2023 Annual Report, Pages 23 to 25		11.11.2 11.14.3
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Refer to Vallianz FP 2023 Annual Report, Financial Statements		11.14.4
	203-2 Significant indirect economic impacts	Refer to Vallianz FP 2023 Annual Report, Financial Statements		11.14.5
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Procurement Practices		11.14.6
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Bribery and Anti-Corruption		11.20.2
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Bribery and Anti-Corruption		11.20.3
	205-3 Confirmed incidents of corruption and actions taken	Anti-Bribery and Anti-Corruption		11.20.4

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
Environmental Topics Disclosures				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Mix	Requirements (b) & (d) are not applicable, as Vallianz does not consume fuel from renewable sources. / Vallianz does not sell energy to others.	11.1.2
	302-2 Energy consumption outside of the organization	Energy Mix	Requirements (a) to (c) are not applicable, as Vallianz does not deem energy consumed outside of the organization as significant.	11.1.3
	302-3 Energy intensity	Energy Mix		11.1.4
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Scope 1 GHG Emission		11.1.5
	305-2 Energy indirect (Scope 2) GHG emissions	Scope 2 GHG Emission		11.1.6
	305-3 Other indirect (Scope 3) GHG emissions	-	Information for requirements (a) to (g) are unavailable as Vallianz has not monitored Scope 3 emissions for FP 2023, will start to track in FY 2024.	11.1.7
	305-4 GHG emissions intensity	GHG Emission Intensity		11.1.8
	305-5 Reduction of GHG emissions		Information for requirements (a) to (e) is unavailable as Vallianz has just set GHG reduction targets in FP 2023, will start to track in FY 2024	11.2.3
	305-6 Emissions of ozone-depleting substances (ODS)	-	Requirement (a) to (d) are not applicable as Vallianz does not produce, import or export ODS.	N/A
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Other Air Emissions		11.3.2
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management	Data for (a) is unavailable as Vallianz is in the process of setting up a supplier prequalification system in FY2024 and targets to disclose this for FY 2024.	N/A
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply Chain Management	Data (a) to (e) are unavailable as Vallianz is in the process of setting up a supplier prequalification system in FY 2024 and targets to disclose this for FY 2024.	N/A

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
Social Topics Disclosures				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Labour Management Relations		11.10.2
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Labour Management Relations		11.10.3
	401-3 Parental leave	Parental Leave		11.10.4 11.11.3
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Labour Management Relations		11.10.5
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety Management System		11.9.2
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety Management System		11.9.3
	403-3 Occupational health services	Occupational Health and Safety Management System		11.9.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety Management System		11.9.5
	403-5 Worker training on occupational health and safety	Occupational Health and Safety Management System		11.9.6
	403-6 Promotion of worker health	Occupational Health and Safety Management System		11.9.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety Management System		11.9.8
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety Management System		11.9.9
	403-9 Work-related injuries	Incident Rates/ Marine Casualties		11.9.10
	403-10 Work-related ill health	Work Related Ill Health		11.9.11
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Education		11.10.6 11.11.4
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Education		11.10.7
	404-3 Percentage of employees receiving regular performance and career development reviews	Training and Education		N/A
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity & Equality		11.11.5

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men		Requirements for (a) & (b) are classified as confidential information in accordance with Vallianz's internal policy.	11.11.6
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Whistleblowing		11.11.7
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Collective Bargaining Agreements (CBAs)		11.13.2
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement		11.15.2
	413-2 Operations with significant actual and potential negative impacts on local communities	Community Engagement		11.15.3
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Management	Data for (a) is unavailable as Vallianz is in the process of setting up a supplier prequalification system in FY2024 and targets to disclose this for FY 2024.	11.10.8
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Management	Data (a) to (e) are unavailable as Vallianz is in the process of setting up a supplier prequalification system in FY2024 and targets to disclose this for FY 2024.	11.10.9
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Health and Safety Assessment of Product and Services		11.3.3

Topics in the applicable GRI Sector Standards determined as not material	
Topic	Explanation
GRI 11: Oil and Gas Sector 2021	
GRI 11.4 Biodiversity	Information unavailable, not within Vallianz's material topics for FP2023.
GRI 11.5 Waste	Information unavailable, not within Vallianz's material topics for FP2023.
GRI 11.6 Water and effluents	Information unavailable, not within Vallianz's material topics for FP2023.
GRI 11.7 Closure and rehabilitation	Not applicable, no relation to Vallianz and its business operations.
GRI 11.8 Asset integrity and critical incident management	Information unavailable, not within Vallianz's material topics for FP2023.
GRI 11.12 Forced Labor and Modern Slavery	Information unavailable, not within Vallianz's material topics for FP2023.
GRI 11.16 Land and resource rights	Information unavailable, not within Vallianz's material topics for FP2023.
GRI 11.17 Rights of Indigenous Peoples	Not applicable, no relation to Vallianz and its business operations.
GRI 11.18 Conflict and security	Information unavailable, not within Vallianz's material topics for FP2023.
GRI 11.19 Anti-competitive behaviour	Information unavailable, not within Vallianz's material topics for FP2023.
GRI 11.22 Public policy	Information unavailable, not within Vallianz's material topics for FP2023.

TCFD Summary

**TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURE**

Task Force on Climate-Related Financial Disclosure

Task Force on Climate-related Financial Disclosures

Vallianz supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) which aims to improve the reporting of climate-related risks and opportunities.

We strive to reduce our environmental impact caused by emissions through various measures, policies, and initiatives. This includes, but is not limited to, measures taken to include digitalization and SMART solutions, electrify our fleet, improve and invest in energy efficiency solutions.

In FP2023, our targets and focus areas reflect our firm commitment and our decarbonization efforts in mitigating and adapting to climate change.

In preparation of this report, a climate-risk assessment and climate-scenario analysis was concurrently undertaken to understand the physical and transition risks and opportunities presented by climate change. Our climate risk and opportunity reporting is based on the four main disclosure areas of the TCFD, with assessments of short (3-5 years), medium-term (5-10 years) and long-term (>10 years) prospects in the regions that we operate in. The likelihood assessed refers to the probability of impact to company's operations.

Focus areas are based on the Paris Agreement's main ambitions is to keep the global temperature rise this century well below 2°C, with efforts to be made to limit the temperature increase to 1.5°C above pre-industrial levels, in addition to the IMO's Strategy for GHG Emission Reductions by setting reduction targets for the group of 20% by 2030, 70% by 2040 and achieving Net Zero emissions by 2050 with 2023 base year emission.

As we continue to refine our understanding of risks and opportunities presented by climate change, we strive to integrate them into our overarching sustainability strategy and implement these considerations into our operations for the effective management of relevant climate-related risks and opportunities. We continue to further align with the TCFD recommendations as we work on the potential business opportunities within the lower-carbon oil and gas sector, and the renewable markets within the next decade.

Metrics and Targets

In FP2023, Vallianz has disclosed more specific emissions figures and targets for Scope 1 and 2. From FY2024, Scope 3 emissions will also be included.

Our company's targets include the increase of our share in the non-oil and gas segments and the increase of percent share of energy efficient solutions against our revenue for our newbuilds and existing fleet.

Relevant Climate Related Risks	Assessment Criteria	Potential Risks	Business Strategy Measures
Physical Risk	<p>Acute</p> <ul style="list-style-type: none"> Extreme weather events such as cyclones and floods. 	<p>Timeline: Short - Medium</p> <p>Likelihood: Likely</p> <p>Degree of Impact: Medium</p>	<ul style="list-style-type: none"> Continued assessment of physical risks of climate change and the potential impact on our key operational assets. Assessment includes mitigating measures and contingency planning should these events take place. Risk Assessments to be carried out for assets/facilities for future resilience against these events.
	<p>Chronic</p> <ul style="list-style-type: none"> Rising mean temperatures. Rising sea levels. Changes in precipitation patterns and extreme variability in weather patterns. 	<p>Timeline: Long-term</p> <p>Likelihood: Unlikely</p> <p>Degree of Impact: Low</p>	
Transition Risk	<p>Regulatory</p> <ul style="list-style-type: none"> Increase in carbon tax (e.g. targets set for Singapore). Enhanced emission reporting obligation (e.g. CII / EXII / EU ETS). Decreased asset value to due new environmental related policies/ regulations. Stringent regulatory requirements on emission. Financial institutions requirements for sustainability compliance for funding. 	<p>Timeline: Medium - Long</p> <p>Likelihood: Likely</p> <p>Degree of Impact: High</p>	<ul style="list-style-type: none"> Higher capex costs for greener technology and requirement compliance. Increased CAPEX and OPEX due to upgrading of facilities/assets and regular maintenance. Loss of revenue due to assets unable to meet new environmental regulations. Increase of fines/ charges due to port state detention. Increased risks of stranded assets. Decreased access to financial capital.

Relevant Climate Related Risks	Assessment Criteria	Potential Risks	Business Strategy Measures	
Transition Risk	Technological <ul style="list-style-type: none"> • Cost to transition to lower emission technology. • Sudden trajectory of energy transition. • Investments in new technology. 	Timeline: Medium - Long (In lieu of every technological advancement, we constantly keep ourselves aware of new technological development within the markets to improve our efficiency and reduce our carbon footprint) Likelihood: Likely Degree of Impact: Medium	<ul style="list-style-type: none"> • Loss of revenue due to low and slow demand for low emission technology. • Increased capital investment in technology development of low-emission technologies. • Increased cost to upskill workforce to adopt and deploy new practices and process. 	<ul style="list-style-type: none"> • Tapping into government and financial institution grants and support for the energy transition program. • Robust risk assessment and detailed roadmap for new technology development, including relevancy assessment; cost-benefit analysis; pre-determined “stop/continue” milestones development. • Upskilling workforce (onshore and offshore) policy and roadmap development for short- and medium-term.
	Market <ul style="list-style-type: none"> • Increase cost of raw material and fuel • Change in client behaviour/ shift in client preference for higher preference in renewable energy and sustainable shipping. • Uncertainty in market signals 	Timeline: Medium - Long Likelihood: Likely Degree of Impact: Medium	<ul style="list-style-type: none"> • Abrupt and unexpected shifts in energy costs. • Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatment). • Reduced demand for services / goods due to change in client preference. 	<ul style="list-style-type: none"> • Continued close monitoring of emerging regulations with respect to carbon emissions which may have a financial impact. • Involvement with local markets (areas of operations), and associations/ organizations who may influence or be involved in sustainability strategies in regions or countries. • Continued improvement of our operational efficiencies as part of our decarbonisation plans and reduce the possible impact and cost implications. • Pivoting to more regular management sustainability strategy review sessions with stakeholders to ensure relevancy in markets.
	Reputation <ul style="list-style-type: none"> • Shift in client preferences. • Increase concerns or negative feedback from stake holder. • Perceived as either advance of laggard on climate change action. 	Timeline: Medium Likelihood: Likely Degree of Impact: High	<ul style="list-style-type: none"> • Increased public negativity towards the transport sector’s progress on reducing emissions. 	<ul style="list-style-type: none"> • Mitigated by increasing the pace of retrofit green technology upgrades, phasing out older tonnage quicker than planned, using carbon neutral fuels and/or offsetting carbon. • Maintain close communication with current and potential internal and external stakeholders for support and transparency of Vallianz’s strategy towards a lower-carbon future.

Relevant Climate Related Opportunities	Assessment Criteria	Potential Financial Impacts	Business Strategy Measures
Resource efficiency <ul style="list-style-type: none"> Energy efficient office and building facilities considerations. Upgrading facilities to be more energy-efficient. Implementation of more effective Reuse / Recycle solutions. Implementation of energy-saving technologies on vessel (I.E., waste heat recovery solution, smart lighting). Use of more efficient production and distribution processes. 	Timeline: Medium Likelihood: Likely Degree of Impact: Low - Medium	<ul style="list-style-type: none"> Increase of initial outlay costs but long-term gain. Reduced operating cost through efficiencies' gains. Access to governmental grants. Increase value of assets. Increase productivity/ revenue by improving health and safety, employee satisfaction. 	<ul style="list-style-type: none"> Inclusion of more energy efficient considerations in business planning and policy development. Cultivate sustainability awareness and habits within organization in the short-term.
Energy source <ul style="list-style-type: none"> Use of new technology. Use of alternate fuel or energy source for cleaner emission. Participation in carbon market. 	Timeline: Medium - Long Likelihood: Likely Degree of Impact: Medium	<ul style="list-style-type: none"> Reduced exposure to future fossil fuel price increases. Returns on investment in low-emission technology. Increased capital availability. Reputational benefits resulting in increased demand for goods/services. 	<ul style="list-style-type: none"> Focus on early engagement capabilities in emerging energy sectors. Developing collaborations and being part of the emerging energy markets. Focus on technologies that can be tested and integrated in our existing fleet and businesses.
Products & services <ul style="list-style-type: none"> Ability to diversify business activities. Shift in consumer preferences. Development of new products or services through R&D and innovation. 	Timeline: Short - medium Likelihood: Likely Degree of Impact: Medium	<ul style="list-style-type: none"> Increased revenue through demand for lower emissions products and services. Better competitive position to reflect shifting consumer preferences, resulting in increased revenues. 	<ul style="list-style-type: none"> Developing collaborations and being part of the emerging energy markets. Focus on technologies that can be tested and integrated in our existing fleet and businesses.
Markets <ul style="list-style-type: none"> Access to new market (I.E. offshore wind and Harbour tug markets). Use of public sector incentives. 	Timeline: Medium Likelihood: Likely Degree of Impact: Medium	<ul style="list-style-type: none"> Increased revenue through access to new and emerging markets. Increased diversification of financial assets. 	<ul style="list-style-type: none"> Development of relationship with government-related departments/ organizations key to emerging energy sectors in local areas of operations for growth opportunities. Tapping into government and financial institution grants and support for the energy transition program.
Resilience <ul style="list-style-type: none"> Participation in renewable energy programs and adoption of energy efficiency measures. 	Timeline: Medium - Long Likelihood: Likely Degree of Impact: Low - Medium	<ul style="list-style-type: none"> Increased market valuation through resilience planning. Increase in market reputation through transition to lower-carbon future. 	<ul style="list-style-type: none"> Higher engagement and transparency with stakeholders in the energy transition strategy. Improving communication and relationships with external stakeholders. Focus include an increased presence in the offshore wind (Fixed & floating) transportation sector and Pivoting usage of our OSV fleet for the offshore renewables market.