



# ADVANCING WITH **STRENGTH** **AND SYNERGY**

同心协力 共同前进

CAPALLIANZ HOLDINGS LIMITED  
(COMPANY REGISTRATION NO. 199905693M)

SUSTAINABILITY REPORT 2021

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

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

The contact person for the Sponsor is Ms Goh Mei Xian, Associate Director, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

# 1. CORPORATE PROFILE

CapAllianz Holdings Limited 共享资本集团 (“CapAllianz” or the “Company”, and together with its subsidiaries, the “Group”) is an investment holding company focusing on the oversight and management of a portfolio of investments, held through its subsidiaries and associated companies. The Group’s strategy is to leverage the strengths of its team of professionals to identify and invest in promising businesses and improve the business operations of the investee companies to maximise investment returns for its portfolio of investments.

The Group’s current portfolio of investments comprises (i) the Oil and Gas sector; and (ii) the Consumer sector.

Under the Oil and Gas portfolio, the Group holds a 20% stake in the Thailand onshore oil concessions located at Phetchabun Basin. These concessions currently generate steady income from its existing oil producing wells. With substantial proven reserves for development as well as significant potential exploration upside, this investment holds the promise of value enhancement and sustainable long-term growth as the joint operators continue to work towards unlocking the untapped reserves.

The Group’s Consumer portfolio consists of a 40% stake in Preferred Mart Pte. Ltd. (“**Preferred Mart**”), which holds a 100% stake in a supermarket business in Singapore, as well as a 40% stake in a health and wellness business in Singapore. The supermarket business currently operates through a retail outlet and e-commerce platforms where it has a growing subscriber base of more than 150,000 in Singapore. Preferred Mart intends to grow this business mainly through broadening its online sales channels and working with partners to increase distribution channels. The health and wellness business is a new business, which is being set up currently. It aims to offer affordable hyperbaric oxygen therapy (“**HBOT**”) using patented Japanese technology. As it uses atmospheric pressure of 1.3 atmosphere absolute (ATA), the HBOT is able to deliver optimal and targeted benefits without the risks and medical supervision required of higher ATA versions, to help improve the overall health and wellness of consumers.

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

## 2. BOARD STATEMENT

The board of directors of CapAllianz Holdings Limited (“**CapAllianz**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to present the 2021 Sustainability Report (the “**Report**”) for the financial year ended 30 June 2021 (“**FY2021**”).

This Report covers the Group's two core business segments, namely (i) investments and trading activities under CWX Investments Pte. Ltd. (“**CWX Investments**”), a wholly-owned subsidiary of the Company, which holds a 40% stake in Preferred Mart Pte. Ltd. (“**Preferred Mart**”) operating a supermarket business (100% stake) and a health and wellness business (40% stake) in Singapore; and (ii) oil and gas business under Loyz Oil Thailand Pte. Ltd. (“**Loyz Thailand**”), a wholly-owned subsidiary of the Company, which is the holder of a 20% stake in three oil-producing onshore concessions – SW1, L44/43, and L33/43s located in the Phetchabun Basin, Thailand (the “**Concessions**”). The Group's primary income flow is from the sale of oil extracted from the Concessions.

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

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

This Report is set out on a comply or explain basis in accordance with Rule 711B and Practice Note 7F on “Sustainability Reporting Guide” of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”). It is based on the Global Reporting Initiative (“**GRI**”) Standards (2016) (Core option) which provides a framework for the reporting of economic, environmental and social impact. In this Report, we have also described our commitments, governance, policies, performance and targets in relation to managing the sustainability risks and opportunities during FY2021.

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

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

Date of sustainability report: 30 November 2021

## 3. OUR APPROACH TO SUSTAINABILITY

### Report Scope

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

### Materiality Assessment

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

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

# Stakeholder Engagement

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

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

Local Government and Regulators	<ul style="list-style-type: none"> <li>• Participation in government agencies' seminars on policy updates</li> <li>• On-site advisory visits</li> <li>• Regular reports</li> <li>• Statutory reporting</li> </ul>	Throughout the year
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## Material Factors

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



Diagram 1: Material Factors

## Management Approach

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

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



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



Diagram 2: CapAllianz Business Method

As mentioned in the Board Statement, the Group operates principally in two core business segments, namely (i) investments and trading activities under CWX Investments and Preferred Mart; and (ii) oil and gas business under Loyz Thailand, which is primarily held through its 20% stake in the Concessions. As the Group is a minority stakeholder, the Group is thus reliant upon the operator and holder of a 60% stake in the Concessions (namely ECO Orient (as defined herein)) for all technical reporting and sustainability efforts.

## Investments and Trading Activities

CWX Investments currently undertakes the Group’s investments and trading activities. CWX Investments has a 40% stake in Preferred Mart which has direct investments in a 100% stake in a supermarket business in Singapore that operates through a retail outlet and established e-commerce platforms, and a 40% stake in a healthcare and wellness business in Singapore that offers affordable HBOT using patented Japanese technology. Whilst these new businesses are at their initial stage of operations, we believe these essential services are in the defensive consumer sector and are likely to pave the way for the Group to obtain a more balanced risk exposure on its investment portfolio.

## Oil and Gas Business

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

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

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

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

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

## Oil's Supply Chain

## Supply Chain flowchart

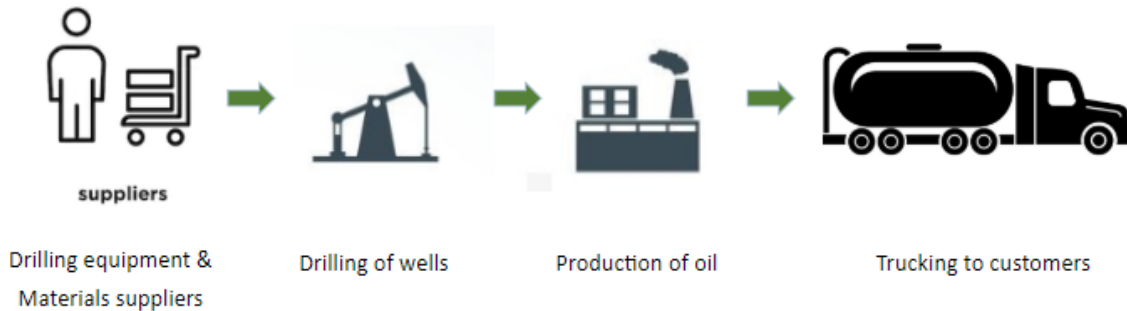


Diagram 3: Oil's Supply Chain Flowchart

## Financial Assistance Received from the Government

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

## Jobs Support Scheme

Since the beginning of the COVID-19 pandemic in the first quarter of 2020, the Singapore government had rolled out its Jobs Support Scheme ("JSS") to provide wage support to employers to help them retain their local employees, comprising Singapore Citizens and Permanent Residents, during this period of economic uncertainty. This scheme was further extended till March 2021. Under the JSS, the Singapore government co-funded between 25% and 75% of the first S\$4,600 of gross monthly wages paid to each local employee in a 10-month period up to August 2020 and between 10% and 50% of the same in the subsequent 7-month period from September 2020 to March 2021. Employers received five main JSS payouts in April 2020, July 2020, October 2020, March 2021 and June 2021 with an additional special payout in May 2020. The level and duration of support each employer receives depends on the sector in which the employer operates.

Due to the COVID-19 pandemic restrictions continuing into 2021, the Singapore government rolled out an enhanced payout corresponding to wages paid between August and October 2021, which will be disbursed in December 2021.

## **Rental Rebate**

As announced by the Ministry of Finance, to support businesses with rental costs during the two Phase 2 (Heightened Alert) (“**P2(HA)**”) periods, the Singapore government will provide rental support to Small and Medium Enterprises (“**SMEs**”) and eligible Non-Profit Organisations with an annual revenue not exceeding S\$100 million, who are tenant-occupiers of qualifying commercial properties. For privately-owned commercial properties, some landlords have given rental waivers or rebates to support their tenants during the P2(HA) periods. In order to provide additional support, Inland Revenue Authority of Singapore will disburse rental support cash payouts directly to qualifying tenants and owner-occupiers under the Rental Support Scheme. The first payout disbursed since 6 August 2021, while the second payout will be disbursed from 22 September 2021.

## 4. ECONOMIC

### Markets Served

#### Investments and Trading Activities

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

#### Oil and Gas Business

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

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

Through continual cost optimization efforts, coupled with higher oil prices in 2021, the operations of the Concessions are able to generate positive operating cash flows despite low oil production volume. This has spurred the Joint Operation to expedite plans to conduct a drilling campaign for five wells. The drilling campaign, which aims to increase oil reserves and oil production, is scheduled to commence in the last quarter of 2021, subject to the current state of COVID-19 pandemic restrictions in Thailand.

Please refer to the following sections in the Company's Annual Report for FY2021 for detailed information on our financial results for FY2021:

- Letter to Shareholders
- Operations and Financial Review
- Two-Year Key Financial Highlights
- Independent Auditor's Report (including the Notes to the Financial Statements)

## 5. ENVIRONMENTAL

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

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

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

# Managing Exploration, Appraisal and Development Well Operations

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

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

## Waste Management

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

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

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

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

The Joint Operation aims to continue to meet legal and regulatory requirements going forward.

## **Biodiversity**

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

## **Emissions**

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

The Joint Operation will continue to monitor these environmental concerns going forward into 2022 and beyond.



## 6. OCCUPATIONAL HEALTH AND SAFETY

### Health and Safety Policy

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

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

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

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

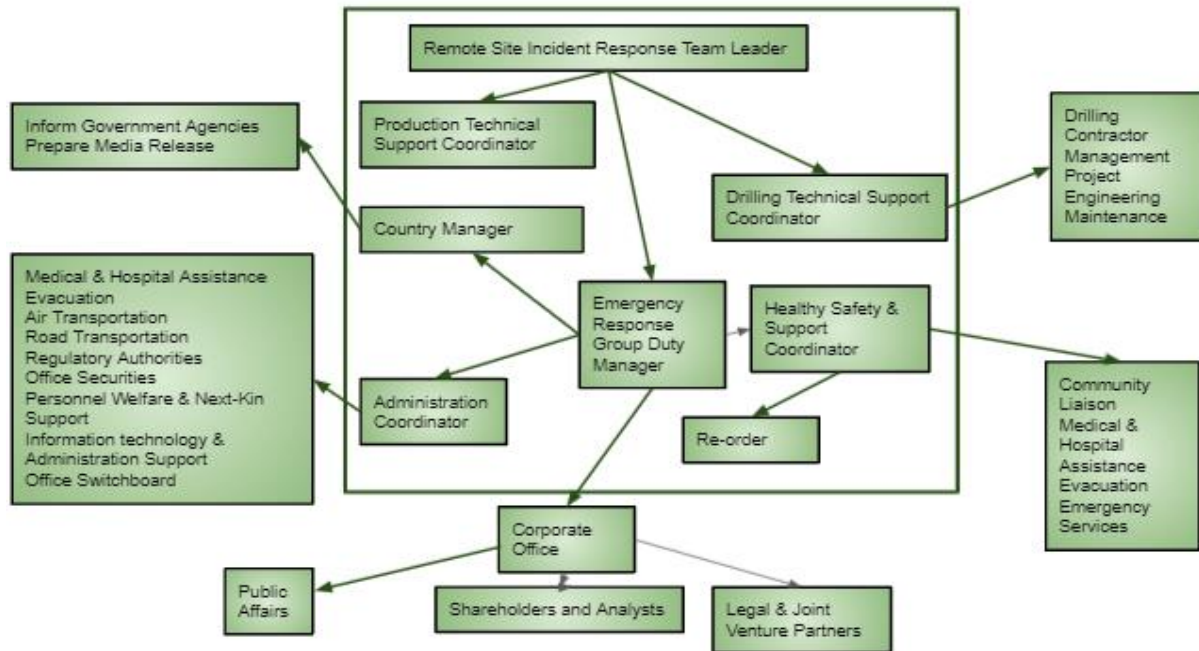


Diagram 4: Flowchart of Emergency Response

## Control of Substances Hazardous to Health

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

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

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

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

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

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

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

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

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

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

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

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

## **7. PEOPLE**

### **Labour Practices and Decent Work**

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

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

### **Employment**

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

### **Labour/Management Relations**

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

## Training and Education

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

In FY2021, the Group conducted over 30 man-hours of training. Please refer to Table 1: Training of Staff for more information.

TRAINING SUMMARY	2021 (JUL-JUN 21)			2020 (JUL-JUN 20)			2019 (JUL-JUN 19)			2018 (JUL-JUN 18)		
	HOUR	TOTAL NO. OF EMPLOYEES ATTENDED TRAINING AND %		HOUR	TOTAL NO. OF EMPLOYEES ATTENDED TRAINING AND %		HOUR	TOTAL NO. OF EMPLOYEES ATTENDED TRAINING AND %		HOUR	TOTAL NO. OF EMPLOYEES ATTENDED TRAINING AND %	
Total No. of Training Hours	30	5	17%	66	5	0.07%	350	37	11%	254	33	13%
Average Training Hour / Employee	6			1.16			3.24			2.19		

Table 1: Training of Staff

## Diversity and Equal Opportunity

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

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

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

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

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

The Group has five staff in Singapore and the Joint Operation has fifty-five staff in Thailand. Please refer to Diagram 5: Breakdown of Thailand and Singapore employees for 2018 to 2021 and Diagram 6: Length of Service for 2018 to 2021 for more information.

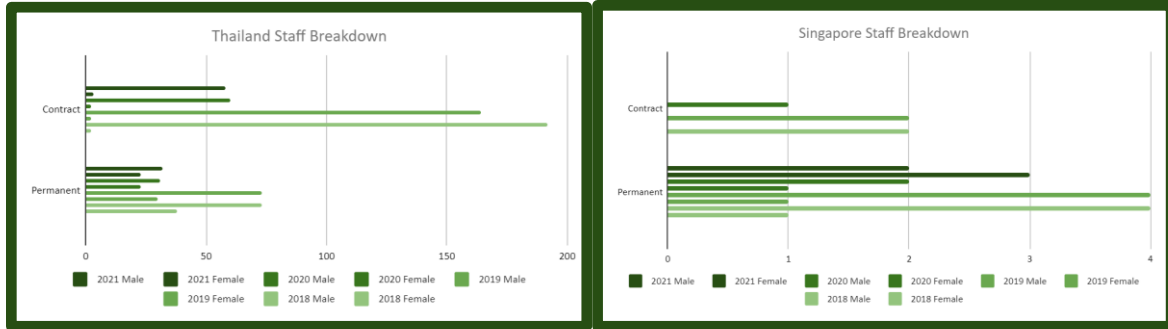


Diagram 5: Breakdown of Thailand and Singapore employees for 2018 to 2021

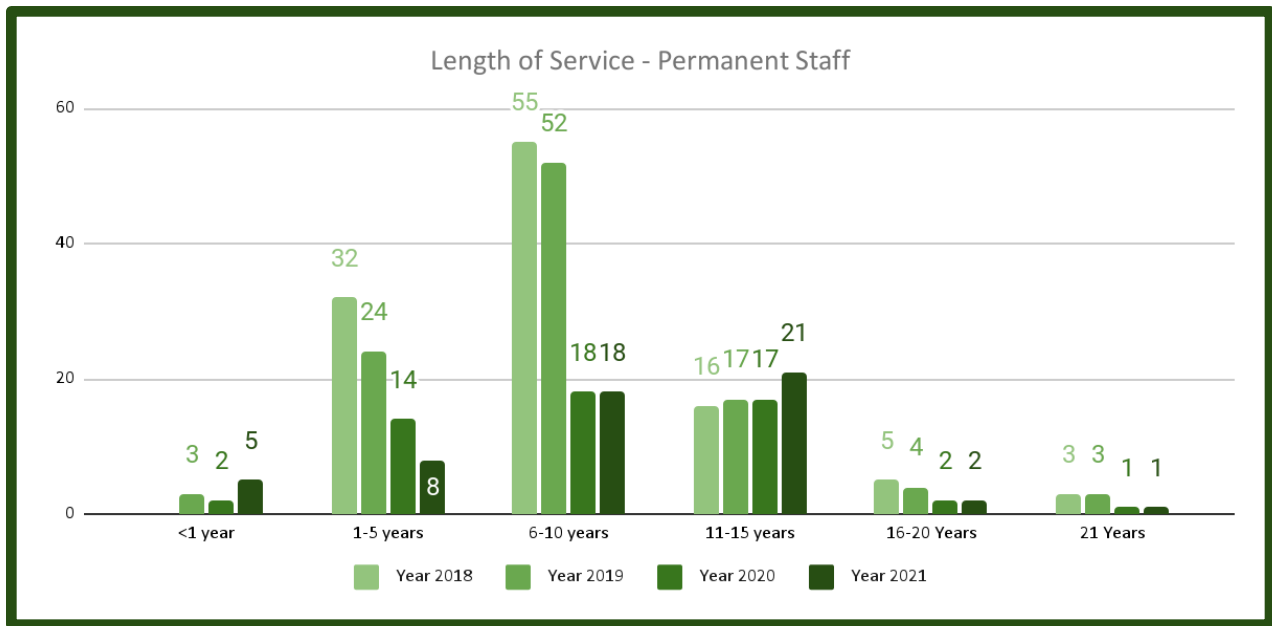


Diagram 6: Length of Service for 2018 to 2021

## Equal Remuneration for Women and Men

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



## **Labour Practices and Grievance Mechanisms**

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

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

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

The Group had zero labour grievances during FY2021 and aims to maintain this record of zero labour grievances in 2022 and beyond.

## **Local Communities**

### COVID-19 Pandemic

#### Singapore

Since 7 April 2020, when the Singapore government announced the start of the circuit-breaker lockdown, all employees in the Singapore office have been working from home to ensure their health and safety from the COVID-19 pandemic. Given the current evolving COVID-19 situation in Singapore, all employees in the Singapore office will continue to work from home until further notice. While working from home, all employees in the Singapore office communicate with each other through electronic means such as video-conferencing and electronic mail.

Masks, wet wipes and sanitizers are distributed to the employees and placed in the office premises to ensure cleanliness of the work environment. The Company adheres to the Singapore government regulations and has in place the Company's safe entry QR code at its entrance, red tape markings to ensure one-meter safe distancing measure among employees and in meeting rooms are adhered to and wearing of masks in the office premises by all employees at all times.

Thailand

The Joint Operation made various donations to many local groups during FY2021 to provide them with assistance in view of the COVID-19 pandemic.



May 2021. Donated to Si Thep Hospital.



May 2021. Donated to Wichianburi Hospital.



May 2021. Donated to Ta Rong – Community Health Center.



June 2021. Donated dry surgical face masks to communities close to well operation sites.

### Corporate Social Responsibility (“CSR”)

In Thailand, the Joint Operation participated in a total of 33 community and charitable events during FY2021 with a total contribution of THB592,888 (approximately S\$24,000). Some of the CSR highlights for FY2021 are as follows:

## Education



On 12 November 2020, Corporate Reporting team of the Joint Operation participated in the “Safety Officer Day” under Safety for School Activities, which was organized by Phetchabun Department of Labour Protection and Welfare.



In January 2021, the Joint Operation donated electric fans to a Child Development Center in Borang, Sub-district Administrative Organisation.



On 15 March 2021 and 22 March 2021, the Joint Operation welcomed students and professors at the Wichianburi Industrial and Community Education College and the staff of the Joint Operation shared knowledge about its production process and safety measures to students and brought them to visit an oil field and well site as part of their field study.

## Local Region, Culture and Tradition



7 October 2020. Annual robe offering ceremony.



18 February 2021, the Joint Operation provided budget support to the Provincial and District Administrative Organizations to help organize the Sweet Tamarind, Red Cross and OTOP Trade Fair.



## **8. GOVERNANCE**

### **Anti-Corruption**

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

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

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

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

The Group has instinctively known that a good and caring social programme is key to employee retention, which in turn, likely to improve employee productivity. We will continue to monitor these criteria and formalize our data collection going forward.

The Group had zero corruption issues during FY2021 and aims to maintain this zero corruption record in 2022 and beyond.

### **Enterprise Risk Management**

The Group has in place several risk management measures to manage its exposure to risks that are associated with the conduct of its business. Please refer to our financial statements set out in the Company's Annual Report for FY2021 for more details. Going forward, we endeavor to further develop our risk management measures as our business diversifies.

## **Corporate Governance**

The Board and the management of CapAllianz are committed to ensure high standards of corporate governance for the protection of interests of the Company's shareholders and to promote investors' confidence. The Company has complied substantially with the principles and provisions set out in the Singapore Code of Corporate Governance 2018 for FY2021 and will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and review such practices on an ongoing basis to ensure compliance with the Catalyst Rules. Please refer to the "Corporate Governance Report" section of the Company's Annual Report for FY2021 for information on the Group's corporate governance practices.

## **Whistleblowing Policy**

In line with good corporate governance practices, CapAllianz has implemented a whistleblowing policy and has incorporated it into the Company's internal control procedures. The whistleblowing policy provides a well-defined and accessible channel in the Group through which the employees may raise concerns about improper conduct within the Group. Please refer to the "Corporate Governance Report" section of the Company's Annual Report for FY2021 for information on the Group's whistleblowing policy.

The Group had no whistleblowing incidents during FY2021.



# GRI Content Index

GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
GRI 102	102-1	General Disclosures	Name of the organization	CapAllianz Holdings Limited
GRI 102	102-2	General Disclosures	Activities, brands, products, and services	Annual Report 2021
GRI 102	102-3	General Disclosures	Location of headquarters	Singapore
GRI 102	102-4	General Disclosures	Location of operations	Annual Report 2021
GRI 102	102-5	General Disclosures	Ownership and legal form	<ul style="list-style-type: none"> <li>Annual Report 2021</li> <li>Sustainability Report 2021: Board Statement</li> </ul>
GRI 102	102-6	General Disclosures	Markets served	Sustainability Report 2021: Markets Served
GRI 102	102-7	General Disclosures	Scale of the organization	<ul style="list-style-type: none"> <li>Sustainability Report 2021: Diversity and Equal Opportunity</li> <li>Annual Report 2021: Financial Statements</li> </ul>

GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
GRI 102	102-8	General Disclosures	Information on employees and other workers	Sustainability Report 2021: Diversity and Equal Opportunity
GRI 102	102-9	General Disclosures	Supply chain	Sustainability Report 2021: Oil's Supply Chain
GRI 102	102-10	General Disclosures	Significant changes to the organization and its supply chain	None
GRI 102	102-11	General Disclosures	Precautionary Principle or approach	CapAllianz does not specifically address the precautionary approach
GRI 102	102-12	General Disclosures	External initiatives	Sustainability Report 2021: Local Communities
GRI 102	102-13	General Disclosures	Membership of associations	None related to Sustainability
GRI 102	102-14	General Disclosures	Statement from senior decision-maker	Sustainability Report 2021: Board Statement
GRI 102	102-15	General Disclosures	Key impacts, risks, and opportunities	Sustainability Report 2021: Economic

GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
GRI 102	102-16	General Disclosures	Values, principles, standards, and norms of behavior	Sustainability Report 2021: Management Approach
GRI 102	102-17	General Disclosures	Mechanisms for advice and concerns about ethics	Annual Report 2021: Corporate Governance Report
GRI 102	102-40	General Disclosures	List of stakeholder groups	Sustainability Report 2021: Stakeholder Engagement
GRI 102	102-42	General Disclosures	Identifying and selecting stakeholders	Sustainability Report 2021: Stakeholder Engagement
GRI 102	102-43	General Disclosures	Approach to stakeholder engagement	Sustainability Report 2021: Stakeholder Engagement
GRI 102	102-43	General Disclosures	Approach to stakeholder engagement	Sustainability Report 2021: Stakeholder Engagement
GRI 102	102-44	General Disclosures	Key topics and concerns raised	Sustainability Report 2021: Material Factors
GRI 102	102-45	General Disclosures	Entities included in the consolidated financial statements	Annual Report 2021: Financial Statements

GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
GRI 102	102-46	General Disclosures	Defining report content and topic Boundaries	Sustainability Report 2021: Report Scope
GRI 102	102-47	General Disclosures	List of material topics	Sustainability Report 2021: Material Factors
GRI 102	102-50	General Disclosures	Reporting period	1 July 2021 to 30 June 2021
GRI 102	102-52	General Disclosures	Reporting cycle	Annually
GRI 102	102-53	General Disclosures	Contact point for questions regarding the report	Sustainability Report 2021: Board Statement and Materiality Assessment
GRI 102	102-54	General Disclosures	Claims of reporting in accordance with the GRI Standards	Sustainability Report 2021: Board Statement
GRI 102	102-55	General Disclosures	GRI content index	Sustainability Report 2021: GRI Content Index
GRI 103	103-1	Management Approach	Explanation of the material topic and its Boundary	Sustainability Report 2021: Materiality Assessment

GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
GRI 103	103-2	Management Approach	The management approach and its components	Sustainability Report 2021: Management Approach
GRI 103	103-3	Management Approach	Evaluation of the management approach	Sustainability Report 2021: Management Approach
GRI 201	201-1	Economic Performance	Direct economic value generated and distributed	Annual Report 2021: Two-Year Key Financial Highlights and Financial Statements
GRI 201	201-2	Economic Performance	Financial implications and other risks and opportunities due to climate change	Not applicable
GRI 201	201-3	Economic Performance	Defined benefit plan obligations and other retirement plans	Not applicable
GRI 201	201-4	Economic Performance	Financial assistance received from government	Sustainability Report 2021: Financial Assistance Received from the Government
GRI 205	205-1	Anti-corruption	Operations assessed for risks related to corruption	Sustainability Report 2021: Anti-Corruption

GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
GRI 205	205-2	Anti-corruption	Communication and training about anti-corruption policies and procedures	Sustainability Report 2021: Anti-Corruption
GRI 205	205-3	Anti-corruption	Confirmed incidents of corruption and actions taken	None
GRI 206	206-1	Anti-competitive Behavior	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Sustainability Report 2021: Anti-Corruption
GRI 304	304-1	Biodiversity	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
GRI 304	304-2	Biodiversity	Significant impacts of activities, products, and services on biodiversity	Not applicable
GRI 304	304-3	Biodiversity	Habitats protected or restored	Not applicable
GRI 304	304-4	Biodiversity	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable

GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
GRI 305	305-7	Emissions	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Sustainability Report 2021: Emissions
GRI 401	401-1	Employment	New employee hires and employee turnover	Sustainability Report 2021: Diversity and Equal Opportunity
GRI 401	401-2	Employment	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report 2021: Diversity and Equal Opportunity
GRI 401	401-3	Employment	Parental leave	Sustainability Report 2021: Diversity and Equal Opportunity
GRI 402	402-1	Labor/Management Relations	Minimum notice periods regarding operational changes	Sustainability Report 2021: Diversity and Equal Opportunity
GRI 403	403-1	Occupational Health and Safety	Workers representation in formal joint management-worker health and safety committees	Sustainability Report 2021: Labour/Management Relations
GRI 403	403-2	Occupational Health and Safety	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism,	Sustainability Report 2021: Occupational Health and Safety

GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
			and number of work-related fatalities	
GRI 403	403-3	Occupational Health and Safety	Workers with high incidence or high risk of diseases related to their occupation	Sustainability Report 2021: Control of Substances Hazardous to Health
GRI 403	403-4	Occupational Health and Safety	Health and safety topics covered in formal agreements with trade unions	None
GRI 404	404-1	Training and Education	Average hours of training per year per employee	Sustainability Report 2021: Training and Education
GRI 404	404-2	Training and Education	Programs for upgrading employee skills and transition assistance programs	Sustainability Report 2021: Training and Education
GRI 404	404-3	Training and Education	Percentage of employees receiving regular performance and career development reviews	Sustainability Report 2021: Training and Education
GRI 412	412-1	Human Rights Assessment	Operations that have been subject to human rights reviews or impact assessments	Sustainability Report 2021: Training and Education



GRI Standard Number	Disclosure Number	GRI Standard Title	Disclosure Title	Response - Group level
GRI 412	412-2	Human Rights Assessment	Employee training on human rights policies or procedures	Sustainability Report 2021: Training and Education
GRI 412	412-3	Human Rights Assessment	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not applicable
GRI 413	413-1	Local Communities	Operations with local community engagement, impact assessments, and development programs	Sustainability Report 2021: Local Communities
GRI 413	413-2	Local Communities	Operations with significant actual and potential negative impacts on local communities	Sustainability Report 2021: Local Communities



SUSTAINABILITY REPORT 2021

# ADVANCING WITH STRENGTH AND SYNERGY

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8 Wilkie Road  
#03-01 Wilkie Edge  
Singapore 228095  
Tel: (65) 6826 2549  
Website: [www.capallianzholdings.com](http://www.capallianzholdings.com)  
Investors and Media: [enquiries@capallianzholdings.com](mailto:enquiries@capallianzholdings.com)