



# Vallianz Holdings Limited

## FY2023 Sustainability Report

### Sponsor Statement

This Report has been reviewed by the Company's Sponsor, Provenance Capital Pte. Ltd. ("**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") listing manual Section B: Rules of Catalist. It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Report, including the correctness of any of the statements or opinions made or reports contained in this Report.

The contact person for the Sponsor is Ms Faye Chong, Director (Corporate Finance), who can be contacted at 96 Robinson Road, #13-01, SIF Building, Singapore 068899. Telephone: (65) 6227 5810. Email: [fayechong@provenancecapital.com](mailto:fayechong@provenancecapital.com).

### Feedback

We would like to provide a channel for our stakeholders to give us comments on sustainability issues to enable continual improvements.

Please send your feedback and suggestions to <http://www.vallianzholdings.com/contact.html> or the address below:

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## CEO MESSAGE

Dear Stakeholders

Vallianz Holdings Limited (“**Vallianz**” or the “**Company**” and together with our subsidiaries, the “**Group**”) is proud to present our Sustainability Report (“**Report**”) for the financial year ended 31 March 2023 (“**FY2023**”). This Report underscores our steadfast commitment to building a sustainable business model, where the adoption of best practices in the areas of Environment, Social, and Governance (“**ESG**”) is at the core of our operations.

### Our Dedication to Sustainability

The Board of Directors (“**Board**”) has actively engaged in the Group's sustainability initiatives by diligently overseeing Management's responsibilities of identifying, managing, and monitoring material ESG issues. In line with this, the Group remains committed to addressing our challenges, fostering long-term growth, and proactively mitigating environmental and social risks that may have adverse financial implications for our business.

In 2023, we have further reinforced our endeavours toward sustainable development by embracing the principles and goals outlined in the 17 United Nations Sustainable Development Goals (“**UN SDGs**”). We will continue to prioritize initiatives to achieve these global objectives. To ensure that our reporting practices adhere to the highest standards, we have begun implementing the latest Global Reporting Initiative 2021 (“**GRI**”) in our reporting framework. This framework allows us to report on ESG matters and to transparently communicate our sustainability performance.

Recognizing the escalating challenges posed by climate change, the Group has commenced reporting climate risks associated with our operations in accordance with the Taskforce on Climate-related Financial Disclosures (“**TCFD**”) recommendations. This enables us to assess and disclose the potential impacts of climate-related risks and develop appropriate strategies for climate resilience.

While we have already embedded a sustainability philosophy and mindset within our business, we acknowledge the need to articulate and communicate our efforts in this domain to our stakeholders and the public. This comprehensive report serves as a testament to our commitment and outlines the various ways in which we engage with our stakeholders and the broader public.

## Addressing Global Challenges

The global landscape has witnessed unprecedented disruption due to the post-COVID-19 pandemic and geopolitical conflicts, which have impacted our society and business in significant ways. Although we are gradually recovering from the effects of the pandemic, the ongoing conflict in Russia-Ukraine introduces additional uncertainties, such as surging energy prices and resource shortages. These challenges are further compounded by economic factors like rising inflation rates, borrowing and labor costs.

These circumstances have heightened our awareness as a Group, emphasizing the importance of sustainability, social well-being, environmental climate action, and long-term sustainable practices in our operations. For companies operating in the global energy industry, the sudden and steep decline in global oil demand triggered by the pandemic had a devastating impact on the entire value chain. In response, the Organization of Petroleum Exporting Countries (“OPEC”) and its allies curtailed production to stabilize the market and reduce crude oil inventories. This had a ripple effect across the global supply chain, leading to a slowdown in exploration activities, project deferments, and an overall decline in demand for oilfield support services.

We recognize the importance of transitioning to a low-carbon economy and remain committed to adapting our operations accordingly. This includes diversifying our offerings and exploring opportunities to reduce our reliance on traditional fossil fuels. Concurrently, as we pursue our business development plans, we maintain a vigilant focus on operational costs and continually strive to enhance the Group's operational efficiency.

Looking ahead, the Board will continue to support the Group in creating sustainable long-term value for our stakeholders through responsible business practices. We remain resolute in our commitment to meet the evolving sustainability requirements, contribute to a greener future, and drive positive change in our industry and society as a whole.

Ling Yong Wah

Chief Executive Officer

## BOARD STATEMENT

The Group is committed to upholding the highest standards of professional conduct, accountability, and transparency. We firmly believe in conducting our businesses responsibly and integrating sustainability into every aspect of our operations to deliver the best possible outcomes for all our stakeholders.

We are dedicated to fostering a safe working environment and adhering to corporate governance practices. We maintain a zero-tolerance policy towards corruption or fraud, ensuring that our business activities are conducted with integrity and transparency. Furthermore, we engage in environmental conservation activities, recognizing the vital role we play in preserving our planet for future generations.

As a forward-thinking Board, we comprehend the importance of effectively communicating the Company's efforts in addressing ESG issues. In line with the latest SGX Sustainability Reporting requirements, we are aware of the evolving regulatory landscape and continuously equip ourselves with the knowledge and expertise to navigate the complexities of sustainability. We are attuned to emerging areas such as board diversity and climate-related disclosures, ensuring that our reporting practices stay up-to-date and reflect the changing sustainability landscape.

This Report serves as a testament to Vallianz's commitment to managing our material Environmental, Employee, Social, and Governance (“**EESG**”) impacts. The Board diligently reviews all the information disclosed in this report, including the identification and assessment of our material topics. We take responsibility for ensuring the accuracy and reliability of the information presented, endorsing its content as a true reflection of our sustainability performance.

By embracing sustainability and actively managing our EESG impacts, Vallianz aims to create positive value for our stakeholders. We remain steadfast in our commitment to driving sustainable practices and achieving long-term success while actively contributing to a more sustainable and inclusive future.

## SUPPORT THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

The UN SDGs are a global framework comprising 17 interconnected goals aimed at addressing the world's most pressing social, economic, and environmental challenges. These goals were unanimously ratified by 193 states at the UN Summit in September 2015. These global goals, accompanied by specific targets, represent a transformative agenda that recognizes the need for collective action from governments, businesses, organizations, and society at large.

Vallianz acknowledges the significance and magnitude of the UN SDGs. As a Company committed to sustainability, we recognize our role in contributing to the achievement of these goals. The UN SDGs provide a comprehensive roadmap, addressing the most critical social and environmental challenges of our time, and serve as a guide for Vallianz's sustainability efforts.



Source: Image from United Nations (<https://sdgs.un.org/goals>)

At Vallianz, we are committed to supporting and contributing to the achievement of the UN SDGs. In our ongoing pursuit of sustainability, we have undertaken an analysis of these goals and aligned them with our material topics to strategically guide our sustainable business practices.

## ABOUT THIS REPORT

Vallianz is pleased to present our Sustainability Report for FY2023. As a core element of our strategic vision, sustainability is integral to our efforts in creating long-term value for all our stakeholders. We recognize the fundamental importance of ESG considerations in driving sustainable value across our operations and engaging with our stakeholders.

Throughout our value chain, Vallianz embraces sustainability principles and continually strives to embed sustainable practices in every aspect of our business. By upholding high standards of integrity and excellence, we seek to foster a culture of responsible business conduct that aligns with global sustainability objectives.

This Report offers a comprehensive overview of our annual sustainability performance, providing key insights into the progress we have made in various ESG areas. It is essential to read this report in conjunction with the Vallianz FY2023 Annual Report to gain a holistic understanding of our overall performance and financial position.

We invite you to explore this Report and engage with us in an ongoing dialogue. Together, we can drive sustainable change, contribute to a more resilient future, and create shared value for our stakeholders.

### Reporting Period

This Report summarizes the Group's sustainability efforts in FY2023, from 1 April 2022 to 31 March 2023.

### Reporting Scope

This Report covers sustainability topics of all business segments of the Group, including:

- Vallianz Offshore Marine Pte Ltd;
- Vallianz Shipbuilding & Engineering Pte Ltd;
- Vallianz Corporate Services Pte Ltd;
- PT. United Sindo Peraksa.

Information presented in this Report is sourced directly from our operations.

The performance and data reflected in this Report cover the Group's main operations in Singapore and Indonesia.

### Reporting Framework

Our Report has been prepared in accordance with the GRI standards: 2021 revision, ensuring transparency and consistency in our reporting practices.



In addition to adhering to the GRI standards, we have also complied with the requirements of the SGX-ST Listing Rules 711A and 711B, as well as Practice Note 7.6 Sustainability Reporting Guide. These regulations help ensure a comprehensive and meaningful reporting that meets the expectations of our stakeholders and regulatory bodies.

We have adopted the recommendations of TCFD in our climate-related disclosures. In doing so, we aim to provide a clearer understanding of the potential climate-related risks and opportunities that may impact our business and stakeholders.

In terms of material sustainability issues and boundaries, we have maintained consistency with the previous reporting period.

### **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 only available in PDF format which can be downloaded from our website: <http://www.vallianzholdings.com/sr.html>, as well as on the SGXNET.

### **Feedback**

At Vallianz, 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 <http://www.vallianzholdings.com/contact.html>. 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.

## **Internal Review and Assurance**

At Vallianz, we are committed to ensuring the integrity and accuracy of our sustainability reporting. While there is currently no external assurance for this report, we have taken several measures to strengthen the credibility and reliability of the information disclosed.

To guide us in complying with the latest 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.

Internally, the sustainability reporting process has undergone rigorous review by our internal auditor. This internal auditor, equipped with a deep understanding of our sustainability goals and objectives, has assessed the report for accuracy, consistency, and adherence to our reporting framework.

Furthermore, to provide an additional layer of assurance, the information and data disclosed in this report have been reviewed by our internal auditor. This internal auditor, operating independently and objectively, has conducted a thorough assessment of the data and information presented to validate its accuracy and reliability.

While external assurance has not been performed on this Report, we remain committed to transparency and continuous improvement.

By conducting internal reviews, engaging external consultants, and continuously improving our reporting processes, we strive to ensure that our sustainability reporting is accurate, reliable, and reflects our commitment to responsible and sustainable business practices.

## CORPORATE PROFILE

The Group is a well-established provider of offshore support vessels (“OSVs”) and integrated offshore marine solutions to serve the needs of the global energy industry.

For close to 30 years, the Group and its associated companies have 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 every customer.

The Company is a publicly listed entity incorporated in Singapore with an international footprint, spanning markets across the Middle East, Asia Pacific and Gulf of Mexico. To provide adaptive solutions in an environment of rapidly evolving needs, the Group owns a fleet of 12 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, serving as a marine base for vessel docking, repairs and maintenance works. Our shipyard also possesses strong in-house fabrication and engineering capabilities such as shipbuilding and fabrication works, which are part of the downstream services that are fully 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.

### Our Business Location

From our headquarters in Singapore, Vallianz has developed a local presence in key geographical markets to provide fast, effective support and adaptive solutions to our customers better to capture business opportunities in the global energy industry.

Today, the Group’s market presence extends into the Middle East, Asia Pacific and Gulf of Mexico. We have established offices in Singapore, Mexico, Taiwan and Indonesia.

### Our H.Q. Address

**SINGAPORE**



1 Harbourfront Avenue

#06-08 Keppel Bay Tower Singapore 098632

## Other Locations

### **Saudi Arabia**



Saudi Arabia  
P.O. Box 79800  
Al Khobar 31952  
Kingdom of Saudi Arabia

### **Indonesia**



Indonesia (Batam) – Shipyard  
PT. United Sindo Perkasa  
Jalan Raya Pelabuhan  
Kabil, Kecamatan Nongsa  
Kota Batam 29467, Indonesia

### **Taiwan**



Taiwan  
PT United Sindo Perkasa Branch  
Office  
14F.-20F., No.26, Sec 1,  
Keelung Road, Xinyi District  
Taipei City 110, Taiwan (R.O.C.)

### **Mexico**



México (CDMX)  
Vallianz Marine México S.A. de  
C.V. Av.  
Álvaro Obregón #124  
Colonia Roma Norte Alcaldía  
Cuauhtémoc Ciudad de  
México, México  
C.P. 06700

México (Cd. del Carmen)  
Vallianz Marine México S.A. de  
C.V. Calle 35-D S/N entre Gustavo  
Ferrer y Josefa Capdepon,  
Fracc. Malibrán  
Ciudad del Carmen, Campeche  
México, C.P. 24197

### **Our Core Business (Value Chain)**

At Vallianz, we focus on providing integrated business solutions in shipping. We cover the following five key business operations:



Specialized  
Offshore  
Support



Heavy  
Transport  
Vessels



Shipbuilding,  
Engineering &  
Fabrication



Marine  
Technology



Renewables &  
Sustainable  
Energy

## Our Business Solutions

### Specialized Offshore Support

Vallianz currently owns and operates 12 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, Asia Pacific and Gulf of Mexico. To enhance our market competitiveness, we are focused on forging trusting partnerships with our customers, instilling systematic vigor to deliver executional excellence, and creating adaptive solutions to respond to our customers' evolving needs.

The Group is continually assessing plans to expand our range of vessels and modernize our fleet to the latest standards.

### 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 m<sup>3</sup>/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 25,000 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 Tug Boats and Multi-Purpose Support

Vessels to Research Vessels and even Offshore Floating Fish Farms. The shipyard is supported by a specialized inhouse engineering division which allows the Group to provide turnkey engineering solutions and services to our customers.

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 customers in the marine and renewable sectors.

### **Marine Technology**

Vallianz believes that in this ever-changing marine climate, vessel digitalization and alternative marine technology are the pillars of a sustainable marine future. As such, the Group works with our customers 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**

Vallianz supports decarbonization by embracing industry leading advancements within our existing business lines and infrastructure to work positively for more efficient, reliable, and sustainable operations. We are aligned with various progressive energy and solution partners to bring about a sustainable future.

Vallianz has embarked on harnessing the power of renewables to support our energy transformation journey through the alignment with various portfolios in the wind and alternative energy sectors, designing our vessels with zero emission or net-zero emission capabilities in mind, through the incorporation of battery solutions and alternative fuels integration.

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.

## BUSINESS MEMBERSHIP

### Membership and Association



Vallianz joined the Association of Singapore Marine Industries (“**ASMI**”) in 2022 to be a part of a vast network representing and supporting the interest of the maritime and offshore renewable sector. This will not only enhance our business prospects but also enable us to contribute actively to the growth and development of the marine industry. Additionally, we are fully aligned with the association’s objectives of promoting environmental sustainability and technological advancements within the marine and offshore energy industry.

As a member of ASMI, Vallianz can gain access to a range of initiatives, resources, and opportunities that can positively impact our growth and sustainability efforts. This includes knowledge sharing and best practices as ASMI organizes workshops and seminars focused on decarbonization and environmental stewardship such as the *Marine Decarbonisation Champion Workshop*, support for the internationalization efforts of companies, and resources for staff capability building initiatives. Vallianz can be involved in supporting talent development to cultivate the next generation of innovators who can delve into the research of green solutions for the industry such as through the *Marine & Offshore Youth Mentorship Program* organized.

### Certifications

Vallianz is the Document of Compliance Holder of both the Singapore Flag and the Tuvalu Flag. All our vessels comply with International Safety Management (“**ISM**”) Code, which is published by International Maritime Organization (“**IMO**”).

Document of Compliance (ISM Code)		
Certification Type	Singapore Flag Issued by Bureau Veritas	Tuvalu Flag Issued by Bureau Veritas
Issue Date	14 October 2020	14 October 2020
Expired Date	3 April 2024	3 April 2024

ISO Management System			
Vallianz Offshore Marine Pte Ltd			
ISO Type	ISO 9001: 2015 Quality Management System	ISO 14001:2015 Environmental Management System	ISO 45001: 2018 Health & Safety Management System
Issue Date	2 November 2020	2 November 2020	2 November 2020
Expired Date	3 April 2024	1 November 2023	1 November 2023
PT United Sindo Perkasa			
ISO Type	ISO 9001: 2015 Quality Management System	ISO 14001:2015 Environmental Management System	ISO 45001: 2018 Health & Safety Management System
Issue Date	4 July 2022	14 December 2022	30 July 2022
Expired Date	3 July 2025	13 December 2025	29 July 2025



# OUR BRAND

## Brand Promise

### Engineered for Energy Transformation



## Brand Story

Our brand story is one of purpose, resilience, and a genuine commitment to making a difference. In a world undergoing profound energy transformation, we rise to the challenge, exploring the frontiers of what is possible. We navigate uncharted territories, leveraging our diverse range of dynamic assets and engineering capabilities to forge new paths and deliver solutions that surpass expectations. With unwavering drive and dedication, we strive to turn our customers' aspirations into reality by harnessing our diverse strengths across dynamic assets and engineering capabilities. But our story goes beyond achievements; it is rooted in our deep care for our customers and communities. With an unwavering focus on sustainability, we work diligently to create a positive impact, and contribute to the advancement of the world's sustainability ambitions ever closer and to a better future for all.

## Brand Values

1. Inspiring Trust: Trust is the foundation of our partnerships. We build strong, collaborative relationships with our customers, fostering open communication and a sense of mutual trust. We value integrity, reliability, and transparency, ensuring that trust is at the heart of everything we do.
2. Systematic Vigor: Our approach is rooted in meticulous attention to detail and an unwavering commitment to executional excellence. We approach every project with systematic rigor, leaving no stone unturned in the pursuit of the highest standards. By maintaining a rigorous and disciplined mindset, we deliver exceptional outcomes for our customers.
3. Adaptive Solutions: In a rapidly changing world, we embrace adaptability and agility. We proactively respond to evolving challenges, leveraging our innovative mindset to develop adaptive solutions. With a

forward-thinking approach, we stay ahead of the curve, constantly seeking new ways to deliver value and address the needs of our customers.

These brand values are the guiding principles that shape our culture, decision-making, and interactions with our customers and stakeholders. They reflect our unwavering commitment to excellence, sustainability, and creating lasting impact. With our cohesive brand promise, compelling brand story, and strong brand values, we are poised to lead the way in shaping the future of the energy industry and contributing to a sustainable and prosperous world.



## CORPORATE GOVERNANCE AND GOVERNANCE STRUCTURE

Vallianz places a strong emphasis on corporate governance and maintains a governance structure to ensure the highest standards of integrity, accountability, and transparency throughout the organization.

The Board of Directors (the Board) plays a pivotal role in upholding these principles and is committed to adhering to the Code of Corporate Governance 2018 (Last Amended 11 January 2023). The Board actively ensures compliance with all relevant regulations, notices, circulars, and guidelines issued by the Monetary Authority of Singapore and the SGX-ST. In instances where deviations from these requirements occur, the Board provides clear explanations for such deviations.

As the governing body of the Company, the Board assumes responsibility for providing strategic direction and leadership. It sets the overall corporate strategies and objectives, ensuring alignment with the Company's vision and mission. The Board also oversees the allocation of necessary financial and human resources to support the Company in achieving its objectives effectively.

To ensure effective corporate governance and sound decision-making, the Board is composed of individuals with diverse backgrounds, expertise, and experience. It operates with independence, objectivity, and a strong commitment to acting in the best interests of shareholders and stakeholders. The Board promotes a culture of ethical conduct, risk management, and compliance throughout the organization.

In addition to the Board, Vallianz has established various committees to enhance governance practices. These committees, such as the Audit Committee, the Nominating Committee and the Remuneration Committee, operate with defined responsibilities and authority. They provide specialized oversight and expertise in key areas, contributing to the overall effectiveness of the governance framework.

### OUR GOVERNANCE STRUCTURE

Below are the details of our Board of Directors:

NAME	GENDER	BOARD OF DIRECTORS
Mr Osman Ibrahim	Male	Non-Executive and Non-Independent Chairman
Mr Ling Yong Wah	Male	Executive Director and Chief Executive Officer
Mr Bote de Vries	Male	Non-Executive Lead Independent Director
Mr Chong Chee Keong Chris	Male	Non-Executive Independent Director

<b>Total Number of Board Directors</b>		<b>4</b>	
<b>Female</b>	0	<b>Independent</b>	2 (50%)
<b>Male</b>	4 (100%)	<b>Non-Independent</b>	2 (50%)

### Board Director Sustainability Training

Vallianz recognizes the importance of sustainability and the role it plays in driving long-term value for our stakeholders. As part of our commitment to sustainable practices, all Directors undergo development and training to enhance their understanding of sustainability issues and their implications for our business.

To ensure that our Directors possess the necessary knowledge and skills in sustainability, all Directors are required to complete at least one of the approved sustainability training courses, as prescribed by SGX. These courses are carefully selected to provide insights into sustainability principles, emerging trends, and best practices.

The training equips our Directors with a better understanding of the ESG factors that impact our industry and guides them in making informed decisions that promote sustainable outcomes. By enhancing their knowledge and awareness, our Directors are better equipped to incorporate sustainability considerations into our strategic planning, risk management processes, and decision-making at the Board level.

### Collective Knowledge of Governance Body

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, including:

1. **Business Management:** Our Directors bring valuable experience in strategic planning, operations management, and organizational leadership. Their insights contribute to shaping effective business strategies and driving sustainable growth.
2. **Economic and Financial Planning:** The Board benefits from Directors with an understanding of economic trends, financial markets, and financial planning. Their expertise ensures that our financial decisions align with the Company's goals and maximize value for our stakeholders.
3. **Accounting and Finance:** Directors with accounting and finance backgrounds provide valuable insights into financial reporting, risk management, and internal controls. Their expertise ensures the integrity and transparency of our financial processes.

4. **Legal and Corporate Governance:** We have Directors who possess a strong foundation in legal matters and corporate governance principles. Their knowledge ensures that our operations comply with applicable laws and regulations while upholding the highest standards of ethical conduct and corporate governance.
5. **Computer Science:** Directors with expertise in computer science bring valuable perspectives on technology trends, digital transformation, and cybersecurity. Their insights help guide our technology strategies and ensure the secure and efficient use of digital resources.

These core competencies within our Board of Directors enable us to navigate complex business landscapes, adapt to changing market dynamics, and make informed decisions that drive long-term value creation. By leveraging the collective knowledge and experience of our Directors, we foster a culture of strategic thinking, risk management, and innovation.

For more information on our corporate governance practices and the expertise of our Board, we invite you to refer to our FY2023 Annual Report.

## OUR REPORTING PRINCIPLES

According to GRI 2021, we follow the 8 reporting principles when preparing this Report:

Accuracy	Balance	Clarity	Comparability
Completeness	Sustainability Context	Timeliness	Verifiability

Principle	Explanation
<b>Accuracy</b>	The information disclosed in this Report is correct and sufficiently detailed to assess the organization's impact.
<b>Balance</b>	The information is disclosed in an unbiased way and provides a fair representation of the organization's negative and positive impacts.
<b>Clarity</b>	The information presented in this Report is accessible and understandable.
<b>Comparability</b>	The Group endeavours to select and compile the report information consistently to enable an analysis of changes in the organization's impacts over time.
<b>Completeness</b>	The Group tries its best to provide sufficient information to enable the transparency of its efforts in ESG topics.
<b>Sustainability Context</b>	The Group ensures that the information it discloses in this Report is about its business impacts within the context of sustainable development.
<b>Timeliness</b>	The Group reviews its ESG material topics on a regular basis to ensure that all the information declared in this Report is updated.
<b>Verifiability</b>	The Group's internal auditor has internally reviewed the information declared in this Report to ensure its accuracy and quality.

## STAKEHOLDER ENGAGEMENT

At Vallianz, we recognize the role that our stakeholders play in shaping our business operations and outcomes. Stakeholders are individuals or entities, both directly and indirectly impacted by our activities, who possess the potential to significantly influence our businesses.

We are committed to engaging with our stakeholders. By listening to their diverse voices, we gain valuable insights that help us make informed decisions and drive continuous improvement in our sustainability performance.

To identify our key stakeholder groups, we conduct internal discussions and reviews across our value chain. This enables us to identify and understand the specific interests, concerns, and expectations of our stakeholders.

We value the relationships we have established with our stakeholders and recognize that their input is instrumental in guiding our sustainable growth and development. By engaging with our stakeholders, we foster transparent communication channels, build trust, and create mutually beneficial partnerships.

At Vallianz, we believe that by engaging our stakeholders and considering their perspectives, we can effectively address societal challenges, minimize risks, seize opportunities, and drive positive change. We are dedicated to fostering a culture of open communication and engagement, and we will continually improve our stakeholder engagement practices to enhance the sustainability of our business operations.

### Stakeholder Identification

According to our business activities, supply chain and scope of operations, we have identified our stakeholders into the following groups:



We regularly engage our stakeholders through a variety of channels. Our approach to stakeholder engagement is outlined in the following table:

STAKEHOLDERS	ENGAGEMENT CHANNELS	STAKEHOLDER FOCUS
Customers	<ul style="list-style-type: none"> <li>• Feedback channels, including emails and hotlines</li> <li>• Site visits</li> <li>• Informal feedback sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Excellent service</li> <li>• Economic performance</li> <li>• Occupational health and safety</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Regular meetings and dialogue sessions</li> <li>• Supplier evaluations</li> <li>• Health Safety Environment (“HSE”) questionnaires for key contractors</li> </ul>	<ul style="list-style-type: none"> <li>• Build up good relationships with Suppliers</li> <li>• Fair market practices</li> <li>• Timely payments</li> <li>• Business growth</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Induction program for new employees</li> <li>• Company events</li> <li>• Informal feedback channels</li> <li>• Performance reviews;</li> </ul>	<ul style="list-style-type: none"> <li>• Fair employment practices</li> <li>• Opportunities to learn and grow</li> <li>• Recognition of efforts</li> <li>• Occupational health and safety</li> </ul>
Shareholders and investors	<ul style="list-style-type: none"> <li>• Annual general meetings</li> <li>• Annual reports</li> <li>• Half and full-year results announcement</li> <li>• SGXNet announcements</li> <li>• Circulars to Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Investment returns</li> <li>• Transparency and timely reporting</li> </ul>
Government and regulators	<ul style="list-style-type: none"> <li>• Participation in discussions and consultations</li> <li>• Seminars by local government agencies</li> </ul>	<ul style="list-style-type: none"> <li>• Adherence to laws and regulations</li> <li>• Timely reporting of issues</li> <li>• Sharing of industry best practices</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Community outreach activities</li> <li>• Engagement with community projects and charities</li> </ul>	<ul style="list-style-type: none"> <li>• Social responsibility</li> <li>• Environmental Responsibility</li> </ul>

We understand that stakeholder engagement is an ongoing process, and we are committed to continuously improving our sustainability practices. We strive to create opportunities for dialogue, feedback, and collaboration, to ensure, that our stakeholder engagement efforts remain dynamic, inclusive, and responsive to the evolving needs of our stakeholders and the wider community.

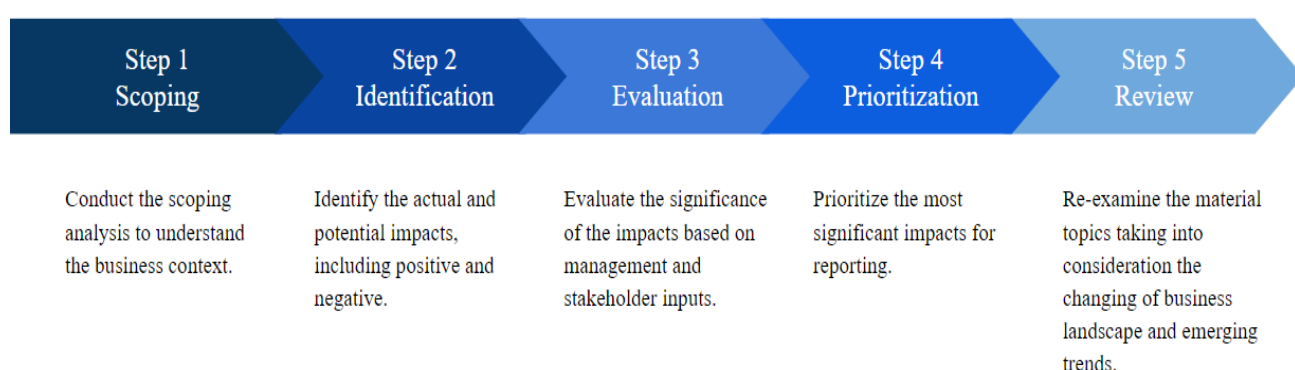


## MATERIAL TOPIC IDENTIFICATION

At Vallianz, we employ a process for identifying and prioritizing ESG issues that have a material impact on our business and stakeholders (“**Review Process**”), adhering to the GRI standards of materiality assessment and operational impact analysis. This annual Review Process allows us to monitor the performance of the key material topics and make necessary adjustments to our sustainability strategy and reflect changes in our business environment and stakeholder expectations.

### Material Topic Identification Process

Our material topic identification process follows the following steps:







1. **Scoping Analysis:** We conduct a comprehensive analysis of market trends and regulatory changes to understand the business context and regulatory requirements that affect our operations.
  2. **ESG Matters Identification:** Through discussions with senior management, we identify a list of ESG matters that are relevant to our business and stakeholders.
  3. **Evaluation of ESG Topics:** We assess the significance of the identified ESG topics based on inputs from both management and stakeholders. This evaluation helps us determine the materiality and importance of each topic.
  4. **Prioritization of Key ESG Material Topics:** We prioritize the key ESG material topics for reporting by anonymously rating them. Representatives from various departments contribute their perspectives, considering both internal and external stakeholder viewpoints.
- Review and Relevance:** We review the selected material topics to ensure their continued relevance to our business operations.

By following this rigorous Review Process, we aim to ensure that our sustainability reporting and strategy address the most relevant and significant ESG issues, aligning with the expectations of our stakeholders and contributing to long-term value creation for our business and society.

For FY2023, we evaluated several material topics that have potential impacts on the environment, society, stakeholders, and our operational activities. These topics were deemed critical as they have significant ESG impacts or substantially influence the assessments and decisions of our stakeholders.

## Material Topics

The following ESG material topics have been identified, and the relevant management approaches with performance data have been disclosed in this Report.

Sustainability Focus Area	GRI Indicators	Material Topic	U.N. SDGs
Economic Performance and Business Conduct	GRI 201-1 GRI 205 GRI 2-27	Economic Performance Anti-Corruption Compliance with Laws and Regulations	
Environment	GRI 303 GRI 306 GRI 2-27	Water Waste Management Compliance with Laws and Regulations	
Social	GRI 401 GRI 405 GRI 404	Employment Diversity and Equal Opportunity Skill Development	 

Material Topics	Key Stakeholders	Description	Target
Economic Performance	Shareholders and investors  Customers	The economic performance and the value generated from our key business operation.	To maintain our competitive edge and continue delivering sustainable growth through securing long-term charter contracts and focusing on driving new service innovations and business offerings.
Regulatory and Legal Compliance	Shareholders and investors Government and regulators	Implement effective measures to ensure that Vallianz is in compliance with applicable laws and regulations to reduce any adverse impact on stakeholders.	Adhere to Company's zero-tolerance policy towards fraud, corruption, and unethical actions. Comply and maintain the relevant legal rules and regulations.
Environmental Protection	Government and Regulators Community	Environmental protection is paramount to our sustainability efforts.	Continuous improvements in energy efficiency and energy management.

Material Topics	Key Stakeholders	Description	Target
		The Group is committed to adopting environmentally efficient and sustainable business methods, such as sourcing from ethically and environmentally friendly suppliers and ensuring no violation of various regional environmental laws and regulations where we operate in.	Comply with the relevant International and local environmental laws and regulations.
Occupational Health and Safety	Customers Employees	Safety is essential to our operations, and we continuously strive to improve our safety practices.	Remain focused on operating safely and healthily to ensure that no employee will be inflicted with accidents or injuries.  Comply with the safety laws and regulations.
Employee Management	Employees	Employees are our greatest asset. We undertake fair employment practices to achieve a diverse and an inclusive environment for our employees, regardless of race, gender or religion.	To provide equal employment opportunities, regardless of age or gender.  To retain exceptional employees and to create a higher-performing workforce.

## GOVERNANCE AND ECONOMIC PERFORMANCE



### Key Material Topic

Business Conduct  
Fair Market Practice  
Economic Performance

### GRI Topic

GRI 201-1 Economic Performance  
GRI 205-3 Anti-Corruption

### Relevant Policies

Business Conduct  
Whistleblowing Policy

### SDGs We Support



## **Code of Business Ethics and Integrity**

At Vallianz, we uphold a strong commitment to operating our business responsibly and maintaining the highest standards of business ethics and integrity. These principles are deeply ingrained in our corporate culture and serve as the foundation of our operations.

Our Code of Business Conduct and Ethics (“**Code**”) guides our employees and stakeholders in maintaining ethical business practices in compliance with relevant laws and regulations. The Code reflects our dedication to conducting business in an honest, transparent, and ethical manner.

We recognize that any violation of the Code not only poses risks to our business but also undermines our reputation. As such, we ensure that all our business units diligently adhere to the Code for all our operations.

We periodically review the Code to ensure that it meets the evolving ethical standards and regulatory requirements. By upholding these principles, we aim to foster trust among our stakeholders, protect our reputation, and contribute to sustainable and responsible business practices.

## **Whistleblowing Policy**

At Vallianz, 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 channels provide a confidential and secure platform for individuals to report any misconduct, unethical behavior, or areas of concern. These channels are 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.

## **Conflicts of Interest**

At Vallianz, we are dedicated to conducting our business in a manner that prioritizes the best interests of Vallianz. To maintain this commitment, we recognize the importance of addressing conflicts of interest that may arise among our management and personnel.

Conflicts of interest occur when personal activities, relationships, or other business interests have the potential to interfere with or impair an individual's ability to act in the best interest of Vallianz. We understand that these conflicts can compromise decision-making processes and may impact the integrity and transparency of our operations.

To ensure the avoidance and effective management of conflicts of interest, we have implemented guidelines and protocols. Our personnel, including management, are expected to identify and disclose any situations that may give rise to a conflict of interest. This includes personal considerations, relationships, or other business interests that could potentially interfere with their ability to make objective business decisions or take appropriate actions.

In the event that a conflict of interest situation arises or is anticipated, we require our personnel to promptly disclose it to their respective Head of Department or Human Resources. This disclosure process allows us to thoroughly assess the situation, determine the appropriate course of action, and implement measures to mitigate or eliminate any potential conflicts.

We are committed to providing the necessary support and guidance to our personnel when managing conflicts of interest. Through ongoing training and awareness programs, we ensure that employees understand the importance of avoiding and addressing conflicts and are equipped with the knowledge and tools to navigate such situations appropriately.

### **Bribery and Anti-Corruption**

At Vallianz, we maintain a zero-tolerance policy towards bribery and corrupt practices. We are fully committed to upholding the highest standards of ethical conduct and compliance with applicable local and international laws governing our business dealings.

We strictly prohibit any form of direct or indirect offering, promising, or providing of improper payments or financial advantages in order to obtain or retain a business or any other advantage, whether in dealings with the government or private sector.

We emphasize to all personnel that the offering, giving or receiving of improper benefits, regardless of the intent or recipient, may result in severe disciplinary actions as well as legal liability. We make it clear that such actions are unacceptable and can undermine the integrity and reputation of our Company.

We are committed to providing training and guidance to our personnel to ensure they are well-informed and aware of their responsibilities in preventing bribery and corruption. This includes educating them on the potential consequences of engaging in such activities and promoting a culture of ethical decision-making.

### **Policy Commitment**

In addition to our commitment to ethical business conduct, Vallianz has implemented various policies to address key areas such as environmental and human resource management. These policies reflect our dedication to upholding responsible practices across all aspects of our operations. Our policies encompass the following commitments:

- a) Ensuring fairness of employment: We strive to create a work environment that is fair, inclusive, and promotes equal opportunities for all employees.
- b) Protecting the environment: Environmental stewardship is a core value at Vallianz. We have established policies and practices to minimize our environmental impact and promote sustainable practices across our operations.
- c) Ensuring occupational health and safety: The health and safety of our employees and contractors are of utmost importance. We are committed to maintaining the highest standards of occupational health and safety management throughout our operations.

As responsible corporate citizens, we recognize our responsibility to our stakeholders. We strive to uphold our commitments to these policies, ensuring that we fulfill our role as a responsible and accountable Company. We consider the interests and expectations of our stakeholders in our decision-making processes, taking into account their diverse perspectives and feedback.

For detailed information on our policies and management approaches, we invite you to refer to the relevant sections in this Report, specifically the material topic sections for policy and management approach.

### ***FY2023 Performance***

This reporting year, Vallianz successfully achieved our perpetual target of maintaining a record of zero incidents of corruption and no breach of laws and corporate governance requirements. We seek to continue this positive trajectory in the years ahead.

### ***FY2024 Target***

Maintain a record of zero incidents of corruption.

## **Regulatory and Legal Compliance**

At Vallianz, we recognize the importance of regulatory and legal compliance in the highly regulated OSV and chartering industries in which we operate. Complying with applicable laws and regulations is a fundamental aspect of our commitment to conducting business ethically and responsibly.

We remain vigilant and up to date with international sanctions. In this regard, we monitor our existing customers and vendors. This proactive approach helps us mitigate risks and ensure compliance with relevant legal laws and regulations.

As part of our commitment to responsible business practices, we fulfill our financial obligations, including paying our fair share of taxes, corporate income taxes, and social contributions.

Recognizing the potential environmental and occupational health and safety impacts of our operations, we prioritize compliance with all relevant regulations in these areas. To achieve this, we maintain a register documenting all the environmental and occupational health and safety regulations that apply to our daily operations. This enables us to monitor and enforce compliance, ensuring the well-being of our workers and minimizing our impact on the environment.

At Vallianz, we take our regulatory and legal compliance responsibilities seriously. This is inculcated within our corporate culture by ensuring that every employee understands their role in upholding legal and regulatory requirements. By adhering to these standards, we aim to build trust with our stakeholders and contribute to the sustainable development of our industry and communities.

### ***FY2023 Performance***

We are pleased to report that there was no reported incidence of non-compliance with the local anti-corruption laws, rules and regulations across the Group in FY2023.

We also received no environmental, occupational health and safety complaints in FY2023.

### ***FY2024 Target***

We aim to maintain zero violation of the laws, rules and regulations for FY2024 and beyond.



## Economic Performance and Financial Review

### Consolidated Statement of Profit or Loss

For FY2023, the Group's revenue more than doubled to US\$149.2 million, up 133% from US\$64.2 million in FY2022. This was lifted by higher revenue contributions from both Vessel Chartering, and the Shipyard and Vessel Management Services segments.

Revenue from the Vessel Chartering segment surged 107% to US\$64.8 million in FY2023 from US\$31.4 million in FY2022 on the back of higher vessel utilisation and higher average daily charter rates. The Shipyard and Vessel Management Services segment's revenue also jumped more than two-fold to US\$84.3 million in FY2023 compared to US\$32.8 million in FY2022, attributed mainly to an increase in shipbuilding projects as well as vessel consultancy and management services contracts that were secured by our shipyard in Batam, Indonesia.

As a result, the Shipyard and Vessel Management Services segment's revenue contribution expanded to 57% in FY2023 from 51% in FY2022. The Vessel Chartering segment contributed approximately 43% to Group revenue in FY2023 as compared to 49% in FY2022.

In tandem with higher revenue, the Group registered a gross profit of US\$12.3 million in FY2023, reversing a gross loss of US\$4.5 million in FY2022.

The Vessel Chartering segment recorded a gross profit margin of 12.3% in FY2023 as compared to a negative gross profit margin of 7% in FY2022. This improvement was driven mainly by higher average daily charter rates for our vessel fleet during FY2023.

The Shipyard and Vessel Management Services segment registered a gross profit margin of 5% in FY2023 compared to a negative margin of 7% in FY2022. This was lifted by an increase in contribution from the provision of consultancy and vessel project management services.

Net other loss was US\$2.2 million in FY2023 compared to a net other income of US\$6.3 million in FY2022 due mainly to the absence of a one-off gain from disposal of associates of US\$6.4 million and one-off creditors written back of US\$2.2 million which occurred in FY2022.

Administrative expenses in FY2023 increased marginally to US\$8.0 million from US\$7.4 million in FY2022.

Finance costs in FY2023 increased to US\$8.9 million compared to US\$6.1 million in FY2022 due mainly to higher interest rates on term loans.

Following a reduction of the Group's shareholding interest in Rawabi Vallianz Offshore Services Co. Ltd. ("RVOS") from 40.7% to 19.77% in January 2022, RVOS ceased to be an associate of the Group. As such, the share of results of associates amounted to nil in FY2023 as compared to US\$8.1 million for FY2022.

The Group recorded an exception item of US\$3.2 million in FY2023, due mainly to a loss on disposal of the vessel, Rawabi 18. The disposal took into consideration the age, state of the vessel, and higher operating and upkeeping costs of the vessel. Rawabi 18 was arrested in the United Arab Emirates in FY2017 due to non-repayment to a bunker supplier while the vessel was under the charter of Swiber Offshore Construction Pte Ltd which has been placed under liquidation. The arrest was lifted on 30 June 2022 after a commercial settlement was arrived at with the bunker supplier on 10 June 2022.

As a result of the above, the Group registered a loss attributable to owners of the Company of US\$9.4 million in FY2023 as compared to a loss of US\$2.4 million in FY2022.

### **Statement of Financial Position**

As at 31 March 2023, trade receivables decreased to US\$6.6 million from US\$18.7 million as at 31 March 2022, due to the Group's efforts in collecting outstanding trade receivables. Other receivables as at 31 March 2023 increased to US\$56.4 million from US\$38.1 million as at 31 March 2022, attributed mainly to an increase in down-payments made to third-party suppliers for the construction of new vessels.

Property, plant and equipment increased to US\$74.7 million as at 31 March 2023 from US\$67.0 million as at 31 March 2022, due mainly to the purchase of a new vessel costing US\$10.4 million, drydock for certain vessels of US\$4.5 million and the construction costs for a Heavy Transport Vessel of US\$2.1 million. These were partially offset by disposal of property, plant and equipment with carrying value of US\$3.7 million, as well as depreciation expenses of US\$6.2 million.

Total current and non-current borrowings decreased to US\$121.6 million as at 31 March 2023 from US\$123.6 million as at 31 March 2022 due mainly to repayment of borrowings.

The Group's trade payables decreased to US\$8.1 million as at 31 March 2023 from US\$20.7 million as at 31 March 2022 following settlement of outstanding payments to suppliers. Other payables decreased to US\$38.5 million as at 31 March 2023 from US\$44.8 million as at 31 March 2022 due mainly to lower accrued interest in relation to shareholders' advances during FY2023.

The Group's contract liabilities as at 31 March 2023 increased to US\$51.6 million from US\$20.5 million as at 31 March 2022, due mainly to deposits received in advance for construction projects.

### **Consolidated Statement of Cash Flows**

In FY2023, the Group generated net cash from operating activities of US\$18.3 million. Net cash used in investing activities in FY2023 totalled US\$16.4 million, attributed mainly to purchases of property, plant and equipment. Net cash generated from financing activities amounted to US\$12.0 million as a result of advances from shareholders of US\$16.5 million which was offset partially by repayment of term loans of US\$2.0 million and interest payment of US\$2.6 million.

As a result, the Group's cash and cash equivalents as at 31 March 2023 increased to US\$20.8 million from US\$6.8 million as at 31 March 2022.

## ENVIRONMENT



### Key Material Topic

Environmental Impact Management

Water Protection

Waste Management

Our Response to Climate Change

### GRI Topic

2-27 Compliance with laws and regulations

303-2 Management of water discharge-related impacts

306-2 Management of significant waste-related impacts

### Relevant Policies

Health, Safety, Security and Environment (HSSE) Policy

### SDGs We Support



## **Environmental Impact Management**

At Vallianz, we recognize the importance of environmental protection and the need to manage our marine activities in a responsible and sustainable manner. We believe that environmental issues are integral to our overall responsibility as a Company, and every employee plays a role in upholding these principles.

To manage our environmental impacts effectively, we follow a structured approach that includes the following steps:

No.	Details
<b>Step 1</b>	<b>Identifying the environmental aspects which the Company can control or influence.</b> This includes activities such as emissions into the air, releases to the sea, waste management, contamination of seawater, and other local environmental issues. By understanding these aspects, we can better assess their significance and develop appropriate management strategies.
<b>Step 2</b>	<b>Determining which environmental aspects have significant impacts.</b> Through careful evaluation, we identify the areas where our activities may have the most significant impact on the environment. This helps us prioritize our efforts and allocate resources accordingly.
<b>Step 3</b>	<b>Determining and taking measures for the selected significant environmental aspects.</b> We develop, implement and adopt best practices and/or technologies that reduce emissions and waste which is in compliance with relevant regulations and standards. We also provide resources and training to our employees to promote environmentally friendly practices.
<b>Step 4</b>	<b>Updating the identification and evaluation of environmental aspects.</b> We update our identification and evaluation of environmental aspects to ensure that we stay current with changing conditions and emerging concerns. This allows us to adapt our strategies and improve our environmental performance over time.

Our Masters and crew members are committed to conducting their activities in an environmentally friendly manner.

1. They are provided with resources such as Material Safety Data Sheets and clear instructions on purchasing procedures for hazardous materials.
2. Maintenance of Equipment
  - a. We strictly adhere to storage guidelines for storing dangerous cargo outlined in the IMDG Code;
  - b. Equipment shall not be stored outside this area;
  - c. Maintenance of vessel equipment must be carried out in an area where no oil is allowed to escape into the sea;
  - d. A drip pan to be used during changing of equipment oil;

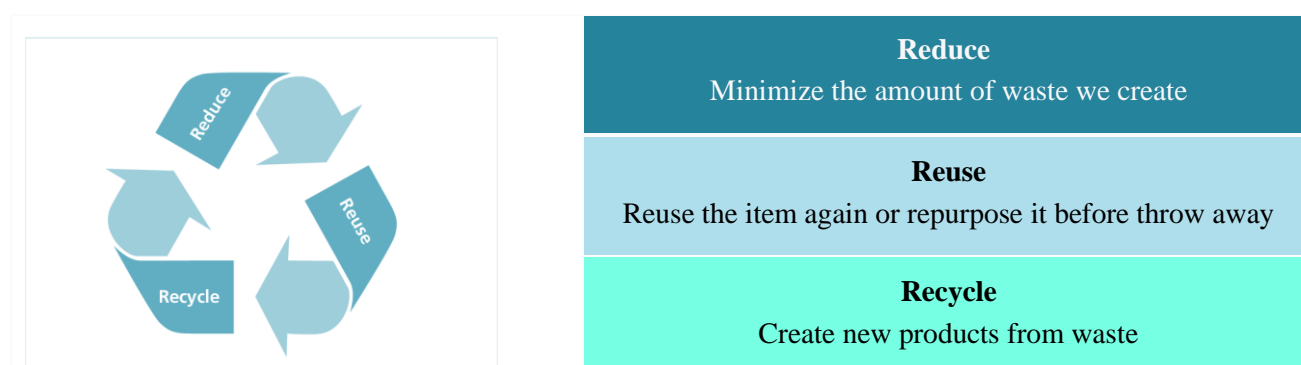
- e. Used oil to be collected, volume accounted and recorded into vessel Oil Record Book before pumping into the slop tank;
- f. The slop tank collected shall be removed periodically by approved vendors and the volume disposed of must be accounted for and recorded into the Oil Record Book and an official receipt obtained; and
- g. Ensuring that equipment is maintained in areas where no oil can escape into the sea.

By adhering to these practices, we aim to minimize the risk of environmental contamination and promote the responsible management of hazardous materials.

## **Waste Management**

At Vallianz, we are committed to protecting the environment and minimizing our waste generation. We continuously review our policies and practices to optimize energy, water, and waste management, ensuring that we conduct our business sustainably and minimize our environmental impact.

To achieve this, we follow the "Reduce, Reuse, and Recycle" (3R) approach in our daily waste management. By implementing energy-efficient practices and promoting waste reduction at the source, we strive to minimize the amount of waste generated and maximize resource efficiency.



For waste that is categorized as hazardous by local government regulations, we ensure appropriate management and disposal in accordance with legal requirements. This includes collecting and delivering all hazardous and special waste to approved receptors who are equipped to handle such materials safely and responsibly.

## **Waste Recording**

To maintain transparency and accountability in our waste management practices, we record the amount of delivered special waste in the vessel Oil Record Book and report it to the Designated Person Ashore. Each waste unit is accompanied by a Special Waste Declaration, where the waste group is identified and recorded. Our approved waste receptor provides the necessary forms and assists in completing the declaration document.

## Recycling of Material

Additionally, we actively promote recycling of materials wherever possible and practicable. We assess all materials for their recyclability and prioritize recycling as a preferred option over disposal. The following materials have been identified as having recycling potential and should not be treated as waste:

- Used Hydraulic Oil
- Used Cooking Oil
- Used oil shall as far as possible be collected, cleaned and re-used
- Scrap metal and used paper and carton

We make efforts to sell or deliver these materials to approved recipients who can properly recycle or reuse them, reducing the overall environmental impact associated with their disposal. By implementing these waste management practices, we aim to minimize waste generation, maximize resource efficiency, and contribute to a more sustainable future.

### ***FY2023 Performance***

We are pleased to announce that there was no reported non-compliance with environmental laws and regulations for FY2023.

### ***FY2024 Target***

In FY2024, we strive to ensure that there are zero reported incidences of non-compliance with environmental laws and regulations.



## Our Response to Climate Change (TCFD)

At Vallianz, we recognize the urgent threat that climate change poses to the well-being of our community and the global economy. We are deeply committed to taking decisive action in response to this challenge. As evidenced by the Singapore government's announcement to increase the carbon tax price, there is a clear imperative to address climate change.

In 2021, during the Singapore National Budget announcement, the Singapore government announced that the carbon tax price would increase from the current S\$5/tCO<sub>2</sub>e to S\$25/tCO<sub>2</sub>e in 2024 and 2025, and S\$45/tCO<sub>2</sub>e in 2026 and 2027, with the aim of reaching S\$50-80/tCO<sub>2</sub>e by 2030 to achieve Singapore's climate ambition.

We understand that as a Company operating in an energy-intensive industry, we must navigate the increasing energy prices and the global supply chain challenges to ensure our long-term competitiveness. However, we firmly believe that sustainability is not only essential for our business success but also our responsibility as a corporate citizen.

In January 2022, the Singapore Exchange mandated climate reporting for our sector, requiring adherence to the TCFD guidelines. We fully embrace this initiative and are actively preparing ourselves to evaluate our performance and disclosure in four key aspects:

01	Governance	Governance around climate-related risks and opportunities.
02	Strategy	Actual and potential impacts of climate-related risks and opportunities on business strategy and financial planning.
03	Risk Management	Process to identify assess and manage climate-related risks.
04	Metrics and Targets	Metrics and targets used to assess and manage relevant climate-related risks and opportunities.

### Governance & Strategy

Vallianz is committed to proactive governance and strategic response in addressing climate risks. As part of our ongoing efforts, we are targeting the establishment of the Climate Risk Committee within the fiscal year 2024. This dedicated committee will play a pivotal role in setting a robust overall strategy and shaping our response to climate risks.



The Climate Risk Committee will be composed of senior management, board members, and key stakeholders, ensuring diverse expertise and perspectives. Their primary objective will be to assess and prioritize climate-related risks faced by the Company, taking into account both immediate and long-term implications.

## Climate Risk Management

Vallianz has undertaken a comprehensive evaluation of our key operational activities, recognizing the importance of integrating climate risk management into our overall risk management framework. In line with this commitment, we are actively considering the inclusion of the following two risk categories in our Risk Management approach:

### (A) Physical Climate Risk

We acknowledge the potential impacts of physical climate risks on our operations. These risks encompass extreme weather events, sea-level rise, changes in temperature and precipitation patterns, and other climate-related phenomena. By incorporating physical climate risks into our Risk Management framework, we aim to assess vulnerabilities, enhance resilience, and develop appropriate adaptation measures to safeguard our operations and assets.

Physical climate risks have the potential to impact various operational activities within the Company:

Risk		Risk Description	Potential Impact
Physical Risk	Acute Risk	Adverse Weather, such as flooding	<ul style="list-style-type: none"> <li>• Workshop equipment safety;</li> <li>• Disruption of shipyard operation;</li> <li>• Occupational Health and Safety, e.g. shipyard operation;</li> <li>• Increase maintenance fee;</li> </ul>
	Chronic Risk	Sea level Rise	<ul style="list-style-type: none"> <li>• Potential location change for the shipyard;</li> <li>• Higher maintenance fee;</li> <li>• Investment direction;</li> </ul>
		Higher temperature	<ul style="list-style-type: none"> <li>• Employees working outdoors might suffer more occupational diseases.</li> <li>• Work stoppage due to high temperature and heat stress.</li> </ul>

### (B) Transitional Climate Risk

As the global economy shifts towards a low-carbon future, we recognize the importance of addressing transition climate risks. These risks arise from regulatory changes, shifts in market dynamics, evolving technology, and evolving customer preferences. By considering transition climate risks in our Risk Management approach, we strive to identify opportunities and potential challenges associated with the energy transition. This will allow us to adapt, innovate, and position ourselves strategically within a changing landscape.

Transitional climate risks have the potential to impact various operational activities within the Company:

Risk	Risk Description	Potential Impact
Transitional Risk	Increasing emission requirements by local laws and international laws	<ul style="list-style-type: none"> <li>• Increase in maintenance fee;</li> <li>• Higher operating cost;</li> </ul>
	Carbon Tax	<ul style="list-style-type: none"> <li>• Higher operating cost;</li> </ul>
	Higher fuel cost	<ul style="list-style-type: none"> <li>• Employees working outdoors might suffer more occupational diseases.</li> </ul>
	Change in customer preference across the supply chain	<ul style="list-style-type: none"> <li>• Decrease in service demand;</li> <li>• Reputation lost</li> </ul>

By incorporating climate risk considerations into our overall business strategy and decision-making processes, as well as actively identifying and assessing such risks, we can ensure our long-term sustainability and maintain a competitive advantage in an ever-changing world.

### Matrix and Target

In FY2023, Vallianz initiated the collection of energy consumption data and Scope 1 and 2 emissions, encompassing all our operating premises. This comprehensive data collection process is a crucial step towards enhancing our understanding of our carbon footprint and environmental impact.

The following information only discloses our energy consumption and Scope 2 emission based on our head office purchased electricity.

### Energy Consumption

Financial Year	Energy Consumption (MJ)
<b>FY2023</b>	152,188.27

### Scope 2 emission

Financial Year	Emission (tCO <sub>2</sub> e)
<b>FY2023</b>	17.15

The above data is used to inform our sustainability efforts and ensure transparency in our reporting. We have set our target to disclose this information in our FY2024 report to provide stakeholders with a comprehensive overview of our energy consumption and emissions profile.

## SOCIAL



### Key Material Topic

Employment  
Occupational Health and Safety  
Training and Education  
Diversity and Equal Opportunity

### GRI Topic

GRI 401-1 Employment  
GRI 403 Occupational Health and Safety  
GRI 404-1 Training and Education  
GRI 405-1 Diversity and Equal Opportunity

### Relevant Policies

Leave Policy  
Training Policy  
HSE Policy  
Drug and Alcohol Policy  
Smoking Policy  
Stop Work Policy  
Human Right Policy  
Quality Policy

### SDGs We Support



## **Employee Management**

At Vallianz, we prioritize the optimization of our talent pool and recognize the value of adding external talent to enhance the strength and depth of our overall human resources. This approach forms the foundation of our long-term human resources strategy.

To develop and strengthen our human resources framework, we continuously explore competitive compensation and retention schemes. We believe in providing our employees with vibrant, inclusive, and progressive career opportunities at Vallianz. Additionally, we actively invest in re-skilling and up-skilling programs to ensure our workforce remains equipped with the necessary skills and knowledge to thrive in an evolving industry.

To ensure the well-being of our employees, Vallianz has established a comprehensive Human Resources Management function. This function is responsible for taking care of our employees' benefits and welfare. To ensure clarity and consistency, we have developed an Employee Handbook that is distributed to all employees. The Employee Handbook serves as a valuable resource, providing information on various aspects, including:

- Employment policies and procedures
- Compensation structures
- Employee benefits and entitlements
- Training and development opportunities
- Code of conduct and guidelines

These benefits and policies are generally applicable to all employees, including full-time and part-time staff. Temporary and contractual staff may have different provisions as specified in their respective engagement agreements.

At Vallianz, we are committed to fostering a positive and supportive work environment where employees feel valued and their needs are addressed. By providing clear guidelines and competitive benefits, we aim to attract, retain, and develop top talent, ultimately driving our success as a Company.

We continuously review and update our human resources practices to align with industry best practices, evolving employee expectations, and the changing business landscape. Through these efforts, we strive to create a workplace culture that promotes growth, well-being, and satisfaction for all our employees.

## Employee Onboarding Experience – Buddy System

At Vallianz, we have implemented a Buddy System as an integral part of our talent management framework, aiming to facilitate seamless integration of new employees into the Vallianz culture and foster a strong sense of belonging. The Buddy System serves as a knowledge-sharing mechanism that supports the orientation process for new employees.

Under this system, a dedicated team member is assigned as a buddy to the new employee for the initial three (3) months of their employment journey. The primary objective is to expedite the new employee's familiarity with Vallianz's culture, values, and work environment. The buddy plays a crucial role in providing guidance, support, and assistance to ensure that the new employee feels welcomed, supported, and cared for during this critical period.

The Buddy System offers several benefits, including:

1. **Orientation and Integration:** The buddy serves as a valuable resource, helping the new employee navigate their role, responsibilities, and Company structure. They provide insights into Vallianz's culture, norms, and practices, helping the new employee quickly acclimate to their new surroundings.
2. **Knowledge Sharing:** The buddy shares their expertise, experiences, and knowledge, enabling the new employee to gain a deeper understanding of their role and the Company. This facilitates a smooth transition and helps the new employee feel more confident and productive in their work.
3. **Emotional Support:** The buddy acts as a supportive and approachable point of contact for the new employee. They offer encouragement, address concerns, and create a safe space for open communication, fostering a positive and inclusive work environment.

By implementing the Buddy System, Vallianz demonstrates its commitment to nurturing a supportive and engaging workplace culture. We recognize that a strong sense of belonging and early integration are essential for employee satisfaction, engagement, and long-term success within the Company.

We continuously evaluate and refine our Buddy System to ensure its effectiveness and alignment with best practices. Through this program, we strive to create a welcoming environment where every employee feels valued, supported, and empowered to thrive in their roles at Vallianz.

## Internship Engagement Program

Vallianz is committed to nurturing young talent and creating opportunities for their professional growth. To support this goal, we have introduced the Vallianz Engagement Programme, designed to identify interns who demonstrate outstanding performance during their internship period. The Vallianz Engagement Programme serves as a talent-enabler initiative, offering valuable and meaningful experiences to matriculating students. Through this program, we aim to foster their development, enhance their skills, and provide a platform for them to showcase their potential.

The key objectives of the Vallianz Engagement Programme include:

1. **Recognition of Outstanding Interns:** We actively recognize and celebrate interns who exhibit exceptional performance, dedication, and a strong work ethic during their internship period. This recognition serves as an acknowledgement of their contributions and potential within Vallianz.
2. **Facilitating Professional Growth:** The Vallianz Engagement Programme aims to facilitate the growth and development of interns by providing them with mentorship, guidance, and exposure to diverse projects and experiences. We believe in nurturing their talents, expanding their skill sets, and helping them develop into well-rounded professionals.
3. **Conversion into Permanent Hires:** We view the Vallianz Engagement Programme as a talent pipeline for permanent employment opportunities within Vallianz. Through this program, we aim to identify interns who exemplify our values and demonstrate a strong fit with our Company culture. By facilitating their conversion into permanent hires, we provide a seamless transition for talented individuals to embark on a successful career journey with Vallianz.

We continuously refine and enhance the Vallianz Engagement Programme to ensure its alignment with best practices and industry standards. We are committed to creating an inclusive, supportive, and growth-oriented environment that empowers interns to reach their full potential and contribute to our Company's success.

At Vallianz, we believe in investing in the future by nurturing emerging talent and laying the foundation for the future within Vallianz. The Vallianz Engagement Programme serves as a testament to our commitment to developing the next generation of professionals within our Company.

## Leave Policy

At Vallianz, we strive to provide comprehensive leave benefits to our employees, fostering work-life balance and supporting their well-being. Our leave policy encompasses various types of leaves, ensuring that our employees have the necessary support during different life events and obligations.

All our employees, whether full-time or part-time, are entitled to the leave benefits outlined in our policy. We understand the importance of different types of leaves beyond the standard annual leave, public holidays, and medical leave.

Our documented leave policies cover a range of leave options, including compassionate leave, marriage leave, maternity leave, paternity leave, and more. These leaves are designed to support our employees during significant life events and personal circumstances. We believe in providing the necessary time and support for employees to attend to their personal needs and responsibilities.

In addition to the abovementioned leaves, we also offer childcare leave, National Service leave, and volunteer leave as part of our commitment to corporate social responsibility. Childcare leave helps our employees balance their work and family responsibilities, National Service leave accommodates employees in fulfilling their national service duties, and volunteer leave encourages employees to actively engage in volunteering activities.

Our Leave Policy is well-documented and effectively communicated to all employees. It provides detailed information on the various leave types, eligibility criteria, duration, and application procedures. We strive to ensure clarity and consistency in our leave policies to facilitate a transparent and fair leave management process. At Vallianz, we believe that offering comprehensive leave benefits goes beyond compliance; it is an essential aspect of employee welfare and satisfaction. By providing a range of leave options, we aim to support our employees' diverse needs, promote work-life balance, and foster a positive and inclusive work environment.

We regularly review and update our leave policies to align with best practices, regulatory requirements, and employee feedback. Our commitment to providing robust leave benefits demonstrates our dedication to the well-being and happiness of our valued employees.

### **Employee Code of Conduct**

At Vallianz, we place a strong emphasis on upholding professional standards and maintaining a positive corporate culture. To ensure consistent service excellence and adherence to our values, we have implemented a detailed Guide to Conduct for all employees.

The Guide to Conduct serves as a comprehensive framework that outlines the expected behavior and ethical standards that employees of Vallianz should adhere to. It is designed to ensure that employees carry out their job responsibilities faithfully and diligently, always striving to perform to the best of their abilities.

Employees are expected to comply with Vallianz's policies and procedures, which are in place to safeguard the interests of the Company and uphold its image. By complying with these guidelines, employees contribute to fostering a culture of integrity, professionalism, and ethical behavior within Vallianz.

We hold our employees to the highest standards of conduct and behavior, both in their professional interactions and their representation of Vallianz. We believe in maintaining a respectful and inclusive work environment where all individuals are treated with fairness, dignity, and respect.

Vallianz reserves the right to exercise discretion in utilizing corrective measures or disciplinary actions deemed necessary in cases of employee misconduct or offenses. This ensures that any breaches of the Code of Conduct are addressed appropriately, maintaining a culture of accountability and continuous improvement.

Through regular communication, training, and reinforcement of our Guide to Conduct, we strive to foster a culture of ethical conduct and professionalism across all levels of the Company. We encourage employees to raise concerns, report any potential violations, and actively contribute to the promotion of ethical behavior within Vallianz.

By upholding the principles outlined in our Guide to Conduct, we ensure that Vallianz maintains its commitment to ethical business practices, integrity, and excellence. Our Code of Conduct serves as a foundation for our employees to operate with transparency, trustworthiness, and respect, reflecting our core values and guiding our collective actions.

### ***FY2023 Performance***

#### **Total Employment**

Financial Year	Singapore	Indonesia	Total
<b>FY2023</b>	92	317	409
<b>FY2022</b>	91	280	371
<b>FY2021</b>	71	188	259

As of 31 March 2023, the Group has a total workforce of 409 full-time employees. We have 92 employees based in Singapore and 317 employees based in Indonesia.

#### **Type of Employee**

Type of Employee	Singapore	Indonesia	Total
<b>Permanent</b>	84	233	317
<b>Temporary</b>	8	84	92

Among all the employees, 317 of them are permanent while 92 of them are temporary. Specifically, for the employees based in Singapore, 84 are permanent and 8 are temporary. Similarly, for the employees based in Indonesia, 233 are permanent and 84 are temporary.



### Number of New Hires (FY2023)

Gender	Singapore	Indonesia	Total
Male	18	55	73
Female	21	15	36

Among the total of 409 employees, there are 109 new hires, with 73 of them being male and 36 of them being female. Among the male new hires, 18 are based in Singapore while 55 are based in Indonesia. Likewise, of the female new hires, 21 are based in Singapore and 15 are based in Indonesia.

### Employee Turnover

	FY2023	FY2022	FY2021
Turnover Rate	20.0%	10.2%	19.7%

In FY2023, the employee turnover rate increased sharply compared to FY2022, but it remained relatively consistent with that of FY2021.

### *FY2024 Target*

In FY2024, Vallianz remains committed to fostering a positive and supportive work environment where the well-being and satisfaction of our employees are of utmost importance. We are dedicated to ensuring that our employees do not experience any negative feedback concerning working conditions or unfair employment policies. Our focus remains steadfast on cultivating a positive workplace culture, fostering employee engagement, and continuously enhancing our employee experience. We believe that by prioritizing the well-being and satisfaction of our employees, we create a foundation for sustainable growth and success for both our employees and Vallianz as a whole.

By continuously monitoring and evaluating our employee-related practices, we aim to proactively address any potential areas of concern and ensure that our employees feel valued, supported, and empowered to contribute to Vallianz's success.

## **Diversity and Inclusion**

### **Diversity and Equal Opportunity**

At Vallianz, we deeply value our employees and are committed to fostering a culture of diversity, equal opportunity, and inclusion. We have implemented policies and practices that ensure hiring, employment, training, and compensation are conducted in a non-discriminatory manner, without regard to race, gender, religion, age, or nationality.

We believe that diversity in our workforce is a strength that fuels creativity, innovation, and collaboration. We are proud to have employees from a wide range of countries, including Singapore, Malaysia, Indonesia, the Philippines, South Korea, Taiwan, India, Vietnam, and Mainland China. This diverse representation enriches our workplace and contributes to a vibrant and inclusive environment. We embrace and respect the unique perspectives, experiences, and backgrounds that each employee brings to Vallianz.

Vallianz's dedication to diversity and equal opportunity extends beyond mere compliance; it is a fundamental principle that guides our actions and decisions. We continually strive to create a workplace that embraces and celebrates the diverse backgrounds and perspectives of our employees.

By embracing diversity and fostering equal opportunity, we believe we can drive innovation, creativity, and overall business success. At Vallianz, we are proud of our diverse workforce and will continue to cultivate an inclusive environment where every individual can thrive and contribute to our collective success.

### **Discrimination and Harassment**

At Vallianz, we uphold a steadfast commitment to maintaining a work environment that is free from any form of discrimination, harassment, or victimization. We have a zero-tolerance policy towards such behavior and are dedicated to fostering a culture of respect, safety, and positivity.

We firmly believe that every employee deserves to be treated with dignity and respect, regardless of their age, race, color, religion, gender, or any other characteristic. We value diversity and strive to create an inclusive workplace where individuals can thrive, contribute their unique perspectives, and feel safe and supported.

We encourage open communication channels and promote a culture of speaking up against any instances of discrimination, harassment, or victimization. Employees are encouraged to report any concerns or incidents through designated reporting channels, and we assure them that these reports will be handled with utmost confidentiality and sensitivity.

Our commitment extends to taking prompt and appropriate action to address any reported incidents, conducting thorough investigations, and implementing necessary measures to prevent recurrence. We are committed to supporting the affected parties, providing necessary resources, and taking disciplinary action against those found responsible for discriminatory or harassing behavior.

At Vallianz, we firmly believe that fostering a respectful, safe, and positive working environment is not only crucial for the well-being and satisfaction of our employees but also essential for the overall success of our Company. We are dedicated to promoting a culture of inclusivity, respect, and equality, where everyone can thrive and contribute to their fullest potential.

By maintaining our zero-tolerance stance towards discrimination and harassment, we reaffirm our commitment to upholding the principles of fairness, dignity, and respect for all individuals within our Company.

### ***FY2023 Performance***

#### **Employee by Gender (FY2023)**

Gender	Singapore	Indonesia	Total
Male	59	270	329
Female	33	47	80

There is a significant difference in the proportion of our total 409 employees between males and females. Out of the 409 employees, 329 are male while only 80 are female. Among the male employees, 59 are based in Singapore and 270 are based in Indonesia. Similarly, among the female employees, 33 are based in Singapore and 47 are based in Indonesia.

#### **Employee by Age (FY2023)**

Age Group	Singapore	Indonesia	Total
< 30 years old	10	94	104
30 - 50 years old	64	190	254
> 50 years old	18	33	51

The Group's workforce is diverse in age groups. In FY2023, there are 104 young employees aged below 30, with 10 based in Singapore and 94 based in Indonesia. There are 254 employees between 30 to 50 years old, with 64 based in Singapore and 190 based in Indonesia. There are 51 employees above 50 years old, with 18 based in Singapore and 33 based in Indonesia.

## Employee by Country

Nationality	Singapore	Indonesia	Total
Singaporean	60	2	62
Malaysian	14	11	25
Filipino	2	0	2
Indian	1	7	8
Indonesian	4	293	297
Myanmar	1	3	4
Chinese	5	0	5
South Korean	1	0	1
Taiwanese	1	0	1
Vietnamese	3	0	3
Thailand	0	1	1

The Group's 409 employees represent 11 different nationalities, showcasing a diverse and inclusive workforce.

In FY2023, there are 62 Singaporean employees, with 60 based in Singapore and 2 based in Indonesia. There are 297 Indonesian employees with 4 based in Singapore and 293 based in Indonesia. Malaysian employees follow with a total of 25, with 14 based in Singapore and 11 based in Indonesia.

### ***FY2024 Target***

In FY2024, Vallianz is committed to promoting diversity, equal opportunity, and a workplace free from discrimination at all levels of our Company. We strive to create an inclusive environment where every employee is treated fairly and with respect.

We will review and monitor and evaluate our policies and practices and take proactive measures to address any gaps or challenges that may arise.

We believe that fostering diversity, equal opportunity, and preventing discrimination and harassment are not only ethical imperatives but also essential for driving innovation, employee engagement, and long-term business success.

## **Employee Development**

At Vallianz, we prioritize the development and growth of our employees, investing in their training to help them reach their full potential. We offer talented individuals opportunities to take on more challenging roles and inter-department transfers, grooming them for greater responsibilities within our Company.

We understand the importance of lifelong learning in a constantly evolving and dynamic industry. To adapt to changes and prepare our employees for future challenges, we encourage continuous professional development. Whenever necessary, employees are provided with relevant training programs to enhance their skill sets and stay abreast of industry trends and best practices.

Our Training and Development initiative plays a vital role in ensuring that our Company is equipped with a skilled and knowledgeable workforce capable of meeting our growth and business objectives. We believe in conducting meaningful learning and development discussions with our employees to identify their specific development needs. This enables us to tailor appropriate training initiatives and interventions to address any skill or knowledge gaps that may exist.

We have identified mandatory training requirements for different business units based on their specific needs and alignment with our overall business objectives. It is essential for employees to be aware of the mandatory training they need to complete within specified timeframes to ensure compliance and continuous improvement. By promoting a culture of learning and development, Vallianz aims to create an environment where employees feel supported and empowered to enhance their capabilities and contribute to their fullest potential. We recognize that investing in our employees' growth not only benefits them individually but also strengthens our Company as a whole.

## **Performance Review**

At Vallianz, we recognize the importance of regular and comprehensive employee performance reviews as a means to assess and enhance individual and organizational performance. Our performance review process involves the Immediate Reporting Supervisor evaluating an employee's performance, which is then reviewed and approved by the Head of Department.

During these performance reviews, employees are assessed based on their achievement in meeting their Key Performance Indicators and their overall competencies. The review exercise provides an opportunity to evaluate individual contributions, identify areas of strength, and highlight areas for improvement.

We believe that a well-defined performance review process not only enables us to recognize and reward high-performing employees but also provides valuable feedback and guidance for professional development. It serves as a platform for constructive discussions between employees and supervisors, fostering open communication and alignment of goals.

To ensure the effectiveness and fairness of our performance review process, we have established clear performance criteria and expectations, which are communicated to employees. These criteria are aligned with our business objectives and are designed to reflect the skills, competencies, and behaviors that drive success within Vallianz.

We encourage supervisors to engage in ongoing feedback and coaching throughout the review period, allowing employees to understand expectations, track progress, and make necessary adjustments to achieve their goals. This approach promotes a continuous improvement mindset and supports the growth and development of our employees.

At Vallianz, we view performance reviews as a valuable tool for talent management, succession planning, and career progression. Through these reviews, we aim to recognize and develop our employees' potential, ultimately contributing to their professional growth and job satisfaction.

### ***FY2023 Performance***

In FY2023, we did some adjustments to our training hours and performance review calculations. Hence, we will start to use the new approach for our training hour calculations from 1 April 2023.

### ***FY2024 Target***

We continuously evaluate our training programs, update them to align with industry standards, and seek feedback from employees to ensure their effectiveness. Our commitment to employee development reflects our dedication to fostering a skilled and motivated workforce capable of driving Vallianz's success.

## **Occupational Health and Safety Management**

### **Occupational Health and Safety Management System**

At Vallianz, prioritizing good health, accident prevention, and environmental protection is at the heart of our business. We are fully committed to providing a safe and healthy working environment for all, with particular emphasis on the well-being of our seafarers on vessels and workers in our shipyards. Our continuous investment in Occupational Health and Safety (“**OHS**”) policies and practices underscores our unwavering dedication to ensuring the highest standards of safety and sustainability. This strong focus on safety serves as an enduring and differentiating competitive advantage.

Our QHSE (Quality, Health, Safety, and Environment) Program encompasses a framework that incorporates safe work practices and procedures to ensure the well-being of our employees and the protection of the environment. We monitor and improve our safety performance through regular audits, inspections, and assessments to identify areas for enhancement and implement necessary corrective actions.

In FY2023, we operate in strict adherence to internationally recognized standards, including ISO 9001:2015 (Quality), ISO 45001:2018 (OHS), ISO 14001:2015 (Environment), and the International Safety Management (ISM) Code. The ISM Code, mandated by the International Maritime Organization (IMO), sets requirements for safe ship management and pollution prevention. Additionally, we ensure compliance with local legislation relating to health and safety standards.

As part of our commitment to excellence, Vallianz Offshore Marine Pte. Ltd. (“**VOM**”) has made a strategic business decision to develop and implement an effective Quality, Health, Safety, and Environment Management System (“**QHSE-MS**”) across all areas of VOM. This system aligns with the requirements of ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and the ISM Code 2018. By implementing these rigorous standards, we aim to continuously improve our performance in health, safety, and environmental stewardship.

We extend our commitment to safety and sustainability to contractors and customers operating within Vallianz premises. We require all contractors and customers to adhere to our QHSE-MS, ensuring that our high standards are upheld throughout all activities taking place within our facilities.

Our dedication to occupational health and safety management is an integral part of our business strategy. By prioritizing the well-being of our employees and implementing robust safety practices, we not only protect our workforce but also gain a distinct competitive advantage. We firmly believe that a safe and healthy working environment fosters employee engagement, productivity, and overall Company success.

## **Hazard Identification, Risk Assessment and Incident Investigation**

At Vallianz, we place a strong emphasis on Hazard Identification, Risk Assessment, and Incident Investigation as key elements of our safety management system. We are dedicated to ensuring the health and well-being of our employees and continuously improving our safety performance.

To encourage incident reporting and a safety-conscious culture, we have implemented a safety observation card system. This system enables all staff members to contribute to incident prevention by actively observing and reporting potential hazards or safety concerns. By engaging all employees in this process, we foster a collective commitment to identifying and mitigating risks, thus strengthening our overall safety performance.

Each identified hazard is evaluated using a risk assessment approach that considers both severity and probability. The level of risk is determined, enabling us to prioritize control measures based on the assessed risk levels. Our objective is to eliminate or control the associated risks effectively. We integrate the results of risk assessments and the effectiveness of control measures when setting our SMART (Specific, Measurable, Achievable, Relevant, Time-bound) objectives. This ensures that risk management is a fundamental component of our planning and decision-making processes.

Control and monitoring mechanisms are implemented for all identified hazards. These mechanisms may take the form of procedures, work instructions, monitoring activities, and training programs, depending on the nature of the activities and the level of risk involved.

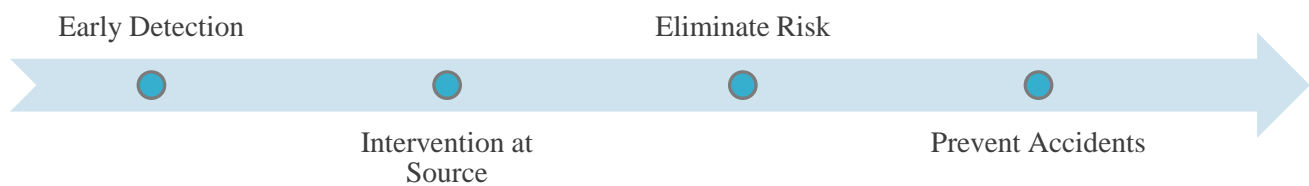
To effectively manage hazards and associated risks, a cross-functional team consisting of the Management Representative, Department representatives, QHSE team, Safety Officer, and relevant Department Heads collaborates to identify hazards and assess the risks associated with all activities, processes, and services throughout the Company.

The Management Representative, who serves as the QHSE Manager, maintains up-to-date information concerning hazard identification and risk assessment to ensure that our safety management system remains relevant and effective.

Regular hazard identification and risk assessment activities are conducted at defined intervals, particularly when there are changes in activities, processes, services, control and monitoring mechanisms, or incidents/accidents. This proactive approach ensures that potential risks are promptly identified and addressed.

In June 2021, we introduced the SCOUT (See, Correct, Open, Unsafe, Tell) behavioral-based safety program. SCOUT serves as an efficient tool for accident prevention, providing four levels of control:





It also facilitates the collection and analysis of safety data, enabling targeted interventions to improve workplace safety without relying solely on reactive accident data.

Our commitment to preventive measures extends to comprehensive Risk Assessment processes. We provide safety training to all employees, ensuring that everyone in our Company is equipped with the knowledge and skills necessary to create a sustainable and safe working environment. SCOUT and Risk Management training empower individuals at all levels to take ownership of our OHS objective of achieving zero incidents.

In FY2023, a total of 2,015 SCOUT cards were issued, reflecting the ongoing engagement and active participation of our employees in our safety initiatives. This is consistent with the positive trend seen in previous years, with 2,763 SCOUT cards issued in FY2022 and 1,253 SCOUT cards issued in FY2021.

At Vallianz, we remain committed to maintaining a robust Hazard Identification, Risk Assessment, and Incident Investigation framework. Through the collective efforts of our employees and the continuous improvement of our safety practices, we aim to create a workplace where every individual can work safely and contribute to our shared goal of achieving an incident-free environment.

## Occupational Health Services

At Vallianz, we prioritize the well-being and health of our employees, recognizing the importance of providing comprehensive occupational health services. We ensure that all employees have access to a range of benefits and insurance packages designed to safeguard their physical well-being and provide financial protection.

Our employees are covered by various insurance plans, including:

1. **Group Hospitalization & Surgical Insurance Plan:** This plan provides coverage for medical expenses related to hospitalization and surgical procedures, ensuring that our employees have access to quality healthcare when needed.
2. **Personal Accident Insurance Plan:** We offer a personal accident insurance plan that provides financial protection in the event of an accident resulting in bodily injury or disability. This coverage helps to ease the financial burden and support our employees during challenging times.

3. **Workmen's Compensation:** As part of our commitment to ensuring a safe working environment, we provide workmen's compensation coverage. This insurance provides benefits to employees in the event of work-related injuries or occupational diseases, ensuring they receive necessary medical treatment and financial support.
4. **Group Business Travel Insurance Plan:** To protect our employees during business travels, we offer a group business travel insurance plan. This coverage provides medical and emergency assistance, ensuring the well-being of our employees while they are away on work-related trips.

These insurance packages form a comprehensive safety net, supporting our employees and their families in times of need and providing peace of mind.

At Vallianz, we continually review and enhance our benefits and insurance offerings to meet the evolving needs of our employees. We work closely with reputable insurance providers to ensure that our coverage remains relevant and provides adequate protection.

Our commitment to occupational health extends beyond insurance packages. We also prioritize preventive measures and promote a proactive approach to employee health and well-being. This includes regular health screenings, health promotion activities, and access to professional advice and resources to support overall employee wellness.

By providing comprehensive occupational health services, we aim to create a work environment that promotes the physical well-being and financial security of our employees. We believe that prioritizing employee health contributes to their overall job satisfaction, productivity, and engagement, ultimately fostering a positive and thriving work culture at Vallianz.

### **Worker Training and Participation in Occupational Health and Safety**

At Vallianz, we recognize the critical importance of worker training and participation in ensuring occupational health and safety across all our operations. We are committed to providing comprehensive and systematic training to all staff involved in our Safety Management System, enabling them to perform their tasks safely and effectively.

Our approach to worker training includes the following key components:

1. **Training Needs Identification:** We systematically identify the training needs of our staff, ensuring that they have the necessary skills and knowledge to carry out their responsibilities in a safe and competent manner.

2. **Provision of Training:** We provide training programs that are tailored to address specific job requirements and safety considerations. These programs cover a wide range of topics related to occupational health and safety, equipping our staff with the necessary competencies to perform their roles effectively.
3. **Stated Duties and Responsibilities:** We clearly define the duties and responsibilities of both employees and supervisors with respect to training and being trained. This ensures accountability and promotes a culture of continuous learning and development.
4. **Regular Training Review:** We regularly review our training programs to ensure their relevance and effectiveness. This allows us to adapt and update our training materials and methods as needed, keeping pace with evolving industry standards and best practices.

For staff members assigned to HSE (Health, Safety, and Environment) critical activities, we recognize the need for specific experience, qualifications, and training to ensure their competency. These positions are subject to a competence assurance process, which involves formal assessments of competency against documented standards. Any identified gaps in competence are addressed through appropriate remedial actions, such as formal training or hands-on experience, under the guidance of line supervisors.

To ensure compliance and consistency, we have established a mandatory HSE training matrix that outlines the required training courses for different staff categories and roles. These courses must be completed prior to assuming a position or within a defined period after taking on a new role.

At Vallianz, we believe that investing in comprehensive worker training and fostering active participation in occupational health and safety are integral to maintaining a safe and productive work environment. By providing the necessary training and resources, we empower our employees to make informed decisions, contribute to the continuous improvement of our safety practices, and promote a positive safety culture throughout the Company.

### **Promotion of Worker Health**

At Vallianz, we prioritize the promotion of worker health and well-being as an integral part of our commitment to creating a supportive and thriving work environment. We recognize the importance of adopting a holistic talent management approach that encompasses both work-related initiatives and the mental well-being of our employees.

To promote worker health, we have implemented a worker wellness program within our Company. This program is designed to address various aspects of employee well-being and is conducted regularly to ensure ongoing support for our workforce. It encompasses a range of activities, resources, and initiatives that foster physical, mental, and emotional well-being.

In line with our commitment to continuous improvement, we seek out and provide online wellness programs and seminars for all Vallianz employees. These programs cover a wide range of topics related to health and wellness, including stress management, resilience building, nutrition, exercise, and mental health. By offering these resources, we aim to enhance our employees' knowledge, skills, and overall well-being, empowering them to lead healthier and more fulfilling lives both in and outside of the workplace.

We understand that a healthy workforce contributes to increased productivity, engagement, and satisfaction. By prioritizing worker health and well-being, we foster a positive work culture that values and supports our employees. We encourage open communication, provide access to professional resources, and promote a work-life balance that enables our employees to thrive in their personal and professional lives.

As part of our holistic talent management approach, we continuously evaluate the effectiveness of our worker wellness program and seek feedback from our employees to ensure that it remains relevant and impactful. We believe that investing in the health and well-being of our workforce is not only the right thing to do but also a strategic advantage that enhances our overall Company performance.

#### ***FY2023 Performance***

<b>HSE Indicator</b>	<b>FY2023</b>	<b>FY2022</b>	<b>FY2021</b>
Fatality	0	0	0
Lost time Injury (“ <b>LTI</b> ”)	0	0	0
Medical Treatment Incident	0	0	0
Restricted Work-Date Cases	1	0	0
Property Damage	3	0	0
First Aid Cases	0	0	0
Occupational Illness	0	0	0
Near Miss	0	2	0
No. of Days Lost For LTI	0	0	0
Total Man Hours Worked	943,392	1,204,872	568,464
Total Time Incident Frequency Rate	0	0	0
Total Recordable Incident Frequency Rate	9.08	0	0

### ***FY2024 Target***

In FY2024, Vallianz remains steadfast in our commitment to Occupational Health and Safety Management, aligning with our Group QHSE Objective of achieving Zero Accidents and Zero Oil Spills. To uphold this objective, we have established a QHSE Program based on internationally recognized standards such as ISO 9001, ISO 14001, ISO 45001, and the ISM-ISPS Code.

By adhering to our QHSE Program and continuously improving our safety practices, we aim to create a work environment that prioritizes the well-being of our employees and minimizes the impact on the environment.

Our commitment to achieving Zero Accidents and Zero Oil Spills underscores our dedication to the highest standards of occupational health and safety management.

In FY2024, we will continue to assess our performance, measure key safety indicators, and take proactive measures to address any identified gaps or areas for improvement. We remain committed to a culture of continuous learning and improvement, fostering a safe and secure workplace for all our employees.

Through these efforts, we strive to instill a safety mindset in every aspect of our operations, ensuring that occupational health and safety remain at the forefront of our business practices. By achieving our QHSE objectives, we contribute to the well-being of our employees, protect the environment, and uphold our commitment to sustainable and responsible business operations.

## GRI CONTENT INDEX

<b>Statement of Use</b>
Vallianz Holdings Limited has reported the information cited in this GRI content index for the period from 1 April 2022 to 31 March 2023 with reference to the GRI standards.
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GRI 1: Foundation 2021

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