



# 2024 SUSTAINABILITY REPORT



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*This sustainability report has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor").*

*This sustainability report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report.*

*The contact person for the Sponsor is Ms. Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.*

# Board Statement

Dear Stakeholders,

OxPay Financial Limited ("the **Company**", along with its subsidiaries, "the **Group**" or "**OxPay**") is delighted to present our fourth Sustainability Report (the "**Report**") for the financial year ended 31 December 2024 ("**FY2024**"). In this Report, we highlight the significant strides we have made in the Economic, Environmental, Social, and Governance ("**EESG**") aspects over the past year, while also identifying key areas where we aim to further enhance our efforts.

As climate change continues to influence the global agenda, the Board of Directors (the "**Board**"), which holds ultimate responsibility for sustainability governance, and determined the material ESG factors, as well as oversee the management and monitoring of the material ESG factors. The Company's senior management (the "**Senior Management**") are committed to embedding climate resilience across OxPay's operations. We strive to contribute meaningfully to climate action, ensuring that our long-term business success is firmly aligned with environmental and social responsibility principles.

We acknowledge the pivotal role we play in driving sustainable practices as we work towards becoming the leading digital payment services provider in ASEAN. Our belief that business growth and sustainability are mutually achievable is at the core of our actions and strategy.

At OxPay, our sustainability efforts are built on four fundamental pillars: Prosperity & Growth, Ethics & Integrity, Our People, and Our Environment. In FY2024, we worked tirelessly to integrate these principles throughout our operations. This included upholding rigorous corporate governance standards, advocating for the responsible use of digital payment technologies, fostering an inclusive and safe workplace, and implementing initiatives to reduce our environmental impact—all while promoting business growth.

We are deeply grateful to our stakeholders for their continued trust and support as we work towards becoming a truly sustainable organisation. Your ongoing feedback and collaboration are vital to the success of our sustainability goals. Together, we are poised to create a future where growth and responsibility go hand in hand.

Warmest Regards,

Ching Chiat Kwong  
Non-Executive Non-Independent Chairman

Yick Li Tsin  
Executive Director and  
Chief Executive Officer

## About this Report

### Reporting Scope

This report details OxPay's sustainability strategies, initiatives, and performance across our operations in Singapore, Malaysia, and Thailand for the period from 1 January 2024 to 31 December 2024. Singapore serves as the Group's headquarters, while Malaysia and Thailand are key markets for us. Please note that sustainability performance data for our Indonesian affiliate is not included in this report, as we do not have significant control or influence over its operations. For more details of our Group Structure, please refer to our FY2024 Annual Report.

### Reporting Framework

This report has been prepared with reference to the Global Reporting Initiative (“GRI”) Universal Standards 2021 as well as the Task Force on Climate-Related Financial Disclosures (“TCFD”) framework. We have continued to use the GRI standards for our reporting requirements as it is a widely adopted standard that provides guidance on assessing and presenting organisational sustainability-related information, allowing our reports to be credible, transparent, informative, and comparable across time to our stakeholders.

Meanwhile, our use of the TCFD framework commenced in FY2023 is in line with the Singapore Exchange Securities Trading Limited’s (“SGX-ST”) mandatory climate reporting rules. This is the second year that we are using the TCFD framework, We are committed to progressively enhancing our compliance with the TCFD recommendations over time through a phased approach to climate risk management and reporting. The respective GRI and TCFD content indexes can be found at the end of this Report.

In preparing this Report, we have adhered to Rules 711A and 711B of the SGX-ST Listing Manual Section B: Rules of the Catalist (“Catalist Rules”) and all applicable provisions set out in Practice Note 7F of the Catalist Rules on sustainability reporting, particularly the inclusion of the six primary components of a sustainability report on a “comply or explain” basis.

### Data Assurance

We have not engaged external assurance for this Report. The information and data provided have been prepared in good faith and to the best of our knowledge, with accuracy verified through internal review and validation processes conducted by our internal auditor .

### Accessibility and Feedback

Digital versions of this Report can be accessed on SGXNet and from our Company’s corporate website at <https://oxpayfinancial.com/downloads/>. Your feedback is important to us. If you have any comments, insights or suggestions pertaining to this Report or our sustainability policies, practices, and initiatives, please contact us at: [ir@oxpayfinancial.com](mailto:ir@oxpayfinancial.com).

## Corporate Profile

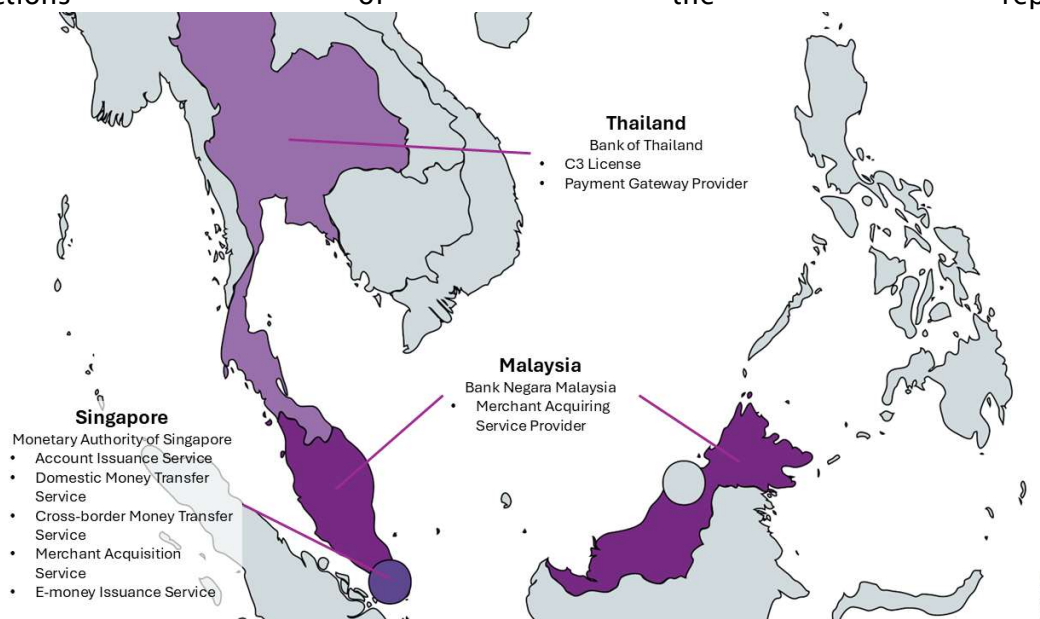
OxPay is a financial services technology provider that has developed a fully integrated online-to-offline platform, aimed at helping merchants efficiently manage and expand their businesses. By acting as a key enabler within the payment ecosystem, OxPay is committed to simplifying payment collection processes, improving operational efficiency, and boosting sales conversion rates for its clients.

The company's expertise is focused on two main areas: **Merchant Payment Services ("MPS")** and **Digital Commerce Enabling Solutions ("DCES")**. OxPay primarily serves merchants in industries such as retail, transportation, and food and beverage.

Through its MPS offering, OxPay provides payment processing services via a unified platform and smart software solutions. These services are adaptable for use with smart devices like mobile phones, tablets, and point-of-sale ("POS") terminals for merchants operating physical stores. Additionally, the Company offers online payment solutions that can be embedded into websites and applications for e-commerce businesses.

On the other hand, the DCES offering includes a range of ancillary services, such as the sale or lease of smart POS terminals, proprietary and licensed software-as-a-service ("SaaS"), white-labelling solutions, bespoke software development, and tokenisation/detokenisation services.

OxPay's vision is to solidify its regional presence within the global payments industry. Currently, the company is licensed to operate in three Southeast Asian countries—Singapore, Malaysia, and Thailand. Each of these markets has its own licensing authorities and service offerings, which are further detailed in the following sections of the report.



## Our Sustainability Approach

Our core aim is to establish a business that is ethical, inclusive, and resilient, while also supporting the long-term growth of our merchant partners. To achieve this, we have developed a sustainability strategy focused on four key pillars. These pillars serve as a comprehensive framework to address our most significant EESG priorities.



### Sustainability Governance

We understand that a strong sustainability governance framework is crucial for driving the Group's growth and ensuring the protection of stakeholder interests. Our governance structure involves both the Board and Senior Management. The Board is tasked with determining the strategic direction for our sustainability efforts, setting key goals, and establishing policies that guide Senior Management in executing initiatives. To support the Board in fulfilling its role, all Directors (except Mr Yick Li Tsin) have completed the mandatory Sustainability Training for Directors of listed companies, as required by the SGX-ST. On 2 April 2025, the Company announced the resignation of Mr Yick Li Tsin as Executive Director and Chief Executive Officer, the effective date of cessation is 30 April 2025.

The roles and responsibilities of the Board and Senior Management as it pertains to our sustainability governance regime are outlined as follows:

### **Board of Directors**

- Considers sustainability issues in the Group's business and strategy
- Provides clear strategic direction on sustainability-related matters
- Determines what EESG factors identified are material to the Group's business
- Validates all previously identified material EESG factors for their continued relevance and significance to the business and our stakeholders
- Oversees the management and monitoring of all identified material EESG factors
- Assesses the Group's sustainability performance and suggest areas for improvement
- Ensures the adequacy of the Group's sustainability reporting processes

### **Senior Management**

- Systematically assesses all relevant risks and opportunities to identify, rank and prioritise material EESG factors
- Manages the Group's sustainability matters, including the reporting and monitoring of EESG-related issues
- Ensures that all identified material EESG factors are monitored on an ongoing basis and properly managed
- Implements sustainability initiatives that are aligned with the Group's strategic direction
- Establishes internal controls to manage the organisation's impacts on the economy, environment, and people

For further information regarding our governance structure, Board composition, nomination and selection processes, and remuneration policies for Board members, as well as OxPay's comprehensive risk management framework, please refer to the Corporate Governance Report section published in our FY2024 Annual Report.



## Stakeholder Engagement

The perspectives, concerns, and expectations of our stakeholders are crucial in shaping our sustainability strategy. We are committed to maintaining open communication and actively engaging with them, ensuring their feedback is integrated as we progress along our sustainability journey. Our stakeholders include employees, customers, contractors and suppliers, shareholders and investors, and government agencies and regulators, all of whom significantly influence or are impacted by the Group’s operations.

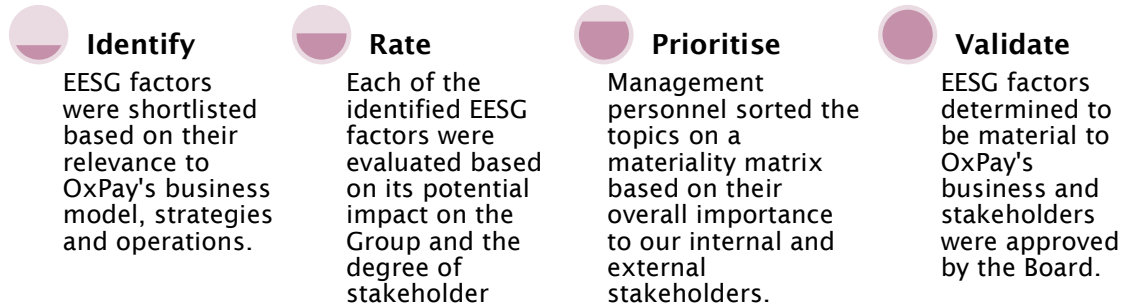
Through these engagements, we gain valuable insights that help refine our strategies and approaches, which in turn drive the Group’s long-term growth and sustainable development. Below, the table outlines how we engaged with our stakeholders in FY2024, along with the key EESG-related interests, concerns, and priorities they raised.

Stakeholder Groups	Engagement Channels	Engagement Frequency	Stakeholders’ Expectations
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Orientation and training</li> <li>• Performance appraisal</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Annual</li> </ul>	<ul style="list-style-type: none"> <li>• Supportive and empowering work environment</li> <li>• Fair employment practices</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Enquiry calls</li> <li>• Know-your-customer checks</li> <li>• Tracking of customers’ complaints</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Ongoing</li> <li>• Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>• Pricing and quality of products and service offerings</li> <li>• Enhanced user experience</li> </ul>
<b>Contractors and Suppliers</b>	<ul style="list-style-type: none"> <li>• Supplier evaluation forms</li> <li>• Meetings and discussions</li> </ul>	<ul style="list-style-type: none"> <li>• Annual</li> <li>• Regularly</li> </ul>	<ul style="list-style-type: none"> <li>• Competitive pricing and transparent tender process</li> <li>• Compliance with terms and conditions of contracts/ agreements.</li> </ul>
<b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>• Announcements</li> <li>• Corporate website</li> <li>• Annual General Meeting</li> <li>• Annual Report</li> <li>• Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Ongoing</li> <li>• Annual</li> <li>• Annual</li> <li>• Annual</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Corporate governance</li> <li>• Long-term business strategies</li> </ul>
<b>Government and Regulators</b>	<ul style="list-style-type: none"> <li>• Meetings and dialogues</li> <li>• Annual Report</li> <li>• Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Annual</li> <li>• Annual</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Corporate governance</li> <li>• Sustainable business practices</li> </ul>



## Materiality Assessment

Drawing on the insights and perspectives of our Board and Senior Management, combined with feedback from internal and external stakeholders, we have confirmed that the material topics identified in FY2023 remain relevant to our business and stakeholder interests for FY2024. The process undertaken to identify these material topics is detailed below:



**Materiality Matrix**



Legend:
[A] Customer Data Privacy
[B] Cyber Security
[C] Anti-Corruption
[D] Economic Performance
[E] Code of Conduct
[F] Training and Education
[G] Fair Employment Practices
[H] Energy Usage

**OxPay Financial Limited**

The following table summarises our material topics according to the pillar they belong to, their associated positive and negative impacts, as well as the short-, medium-, and long-term goals we have established for each.

Material Topics	Associated Positive and Negative Impacts	Our Targets			Our progress
		Short-term (1-2 years)	Medium-term (2-5 years)	Long-term (more than 5 years)	
<b><i>Pillar 1: Prosperity and Growth</i></b>					
<b>Economic Performance</b>	Strong economic performance can lead to improved value creation for our key stakeholders, including our shareholders, employees, and business partners. We would also be able to contribute to better financial accessibility and convenience for financial transactions. Poor economic performance could lead to the Company becoming less competitive and losing market share to competitors.	We aim to break even in near future.	We aim to achieve sustainable and positive financial results.	We will set more long-term targets once we achieve our short-term target.	\$3,147,000 net loss for FY2024
<b><i>Pillar 2: Ethics and Governance</i></b>					
<b>Customer Data Privacy</b>	Efficient management of customer data privacy can lead to positive impacts like the improved credibility of our systems, trust with our merchant partners and branding. Conversely, poor or ineffective management of customer data privacy can lead to a decrease in customer confidence, reputational and monetary losses, as well as legal penalties.	We aim to continuously update our customer data management systems, ensure all employees have good awareness and adherence to our customer data privacy policies, as well as maintain zero reported cases of breaches of customer data privacy.			Zero incidents of substantiated complaints were received concerning breaches of customer privacy.
<b>Cyber Security</b>	Good cyber security will allow us to protect our business while reducing the	We aim to ensure the continued readiness of our cyber security system through simulated stress			Maintained our security measures

Material Topics	Associated Positive and Negative Impacts	Our Targets			Our progress
		Short-term (1-2 years)	Medium-term (2-5 years)	Long-term (more than 5 years)	
	risk of our digital systems becoming compromised. Poor or ineffective cyber security may lead to business disruptions and its associated economic loss, a reduction in customer trust, as well as the penalties associated with the non-compliance of security and privacy laws.	tests and keeping it up-to-date with best practices and relevant standards. We will continue to be vigilant and responsive to evolving cybersecurity landscape.			and remain committed to staying vigilant and responsive to the evolving cybersecurity landscape.
<b>Anti-Corruption</b>	Acts of corruption, fraud or any other criminal deed can harm our reputation and the relationships we have with our stakeholders.	We aim to maintain zero confirmed cases of corruption, fraud or any other form of criminal misconduct.			Zero confirmed cases of corruption, fraud, or other criminal conduct.
<b>Code of Conduct</b>	Violations of our Code of Conduct, which specifies the minimum standards of professional ethics and integrity. We seek to uphold our commitment to abide by all applicable laws and regulations. Not doing so can lead to significant risk of reputational loss in the public eye.	We aim to maintain zero reported cases of non-compliance with applicable laws and regulations.			Zero instances of non-compliance with applicable laws and regulations.
<b>Pillar 3: Our People</b>					
<b>Training and Education</b>	By enhancing our employees' skills, knowledge, and expertise, we can not only develop their potential to contribute to the Company, but also improve their perception of a "win-win" employer-employee relationship.	We are in the process of setting more definitive and measurable targets for this material topic.			In FY2024, 100% of employees completed the Data Protection/Security Awareness training, and 84% completed the Anti-money

Material Topics	Associated Positive and Negative Impacts	Our Targets			Our progress
		Short-term (1-2 years)	Medium-term (2-5 years)	Long-term (more than 5 years)	
					Laundering training, compared to 92% and 100% in FY2023, respectively.
<b>Fair Employment Practices</b>	By ensuring we are an equal opportunity employer and treat our employees well, we can keep employee motivation high and reap the rewards of their productive contributions. Conversely, if we have a poor reputation on employment practices and poor working conditions, our existing employees may leave and we may experience increased difficulty in attracting new talent.	We aim to have zero reported cases of workplace harassment, bullying or discrimination.			Zero reported cases of workplace harassment, bullying, or discrimination.
<b>Pillar 4: Our Environment</b>					
<b>Energy Usage</b>	Energy usage forms the bulk of our environmental footprint. By improving our energy usage through adopting more energy-efficient technology, we can not only achieve cost-savings in the long run, but also reduce the environmental footprint of our business operations at the same time.	We aim to improve our energy-efficiency through the installation of more energy-efficient appliances and equipment.	We aim to keep our energy intensity ratio relatively constant ( $\pm 5\%$ ).	We will set more long-term targets once we have obtained more data over time.	5% decrease in absolute energy consumption and 7.7 % decrease in the energy intensity ratio from FY2023 to FY2024

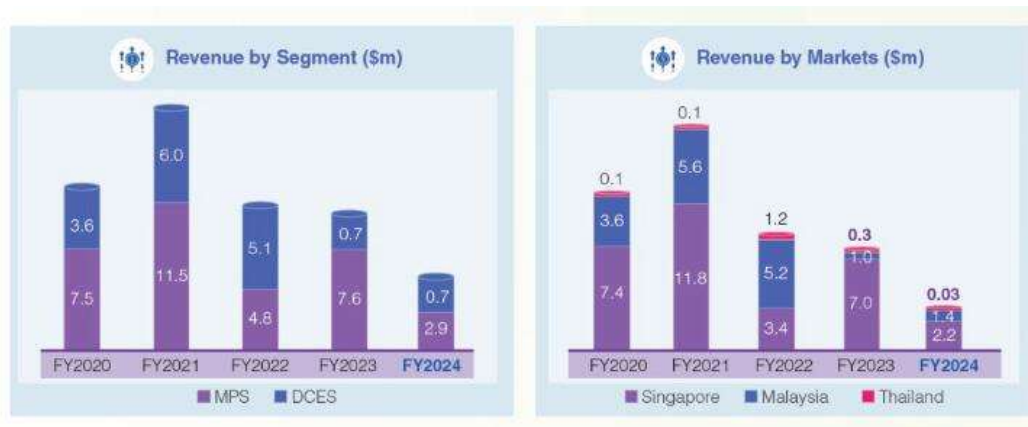
# Prosperity and Growth

## Economic Performance

For FY2024, the Group recorded a net loss of S\$3.1 million, a widening from the S\$1.4 million loss reported in FY2023. Revenue decreased by S\$4.7 million, from S\$8.3 million in FY2023 to S\$3.6 million in FY2024. The decline was mainly due to a decrease in sales from the MPS business segment for Singapore (significant reduction in credit card processing volume in Singapore, attributed to WorldPay's termination of the PayFac agreement), which was partially offset by a S\$0.4 million increase in MPS sales in Malaysia. Despite a 6% decrease in overall gross profit (S\$0.1 million), the gross profit margin increased from 29% to 64% due to a one-time S\$0.2 million revenue recognition from WorldPay merchants settlement in the first quarter ended 31 March 2024 and increase in non-card processing volume which carries a higher profit margin. Administrative expenses increased by S\$0.2 million in FY2024, mainly due to higher one-time professional service fees for corporate exercises and other administrative expenses, and partially offset by reduced occupancy costs.

Direct Economic Value Generated and Distributed	FY 2024 (audited) \$'000	FY 2023 (audited) \$'000
<b>Economic Value Generated:</b>		
<b>i. Revenue:</b>	3,625	8,323
<b>Economic Value Distributed:</b>		
<b>i. Cost of sales</b>	(1,314)	(5,872)
<b>ii. Employee wages and benefits</b>	2,514	2,761
<b>iii. Payments to providers of capital</b>	66	45
<b>iv. Payments to government by country</b>	-	2
<b>Economic Value Retained (EVG - EVD)</b>		
<b>Economic Value Retained (EVG - EVD)</b>	(269)	(357)
<b>Net Loss</b>	(3,162)	(1,360)

The following diagram outlines our economic performance from FY2020 to FY2024 by business segment and geographical market:



Please refer to OxPay's FY2024 Annual Report for more information on our financial performance in FY2024.

### Looking Ahead to 2025

OxPay remains committed to its expansion plans and is working diligently to grow its business with merchant acquirers, expand its merchant base and partner with both well-known brands and underserved micro and small businesses.

Looking ahead, we are looking to expand our market presence and service offerings. By leveraging industry trends and bridging market gaps, we aim to drive a strong rebound and work towards achieving break-even.

Southeast Asia's digital payment market is experiencing rapid expansion, with total transaction value projected to grow at 19.8% compound annual growth rate between 2024 and 2029, reaching approximately US\$1.7 trillion by 2029.<sup>1</sup>

Meanwhile, Thailand is ramping up digital payment adoption, with penetration rate projected to rise by 14.6 percentage points between 2024 to 2028 to reach 62.4% in 2028.<sup>2</sup> Furthermore, Thailand is planning to launch virtual banking services by 2025, reshaping the finance landscape of the country.<sup>3</sup>

Digital investments have been a major driver of Malaysia's economic growth, with RM163.6 billion in total approved digital investments in 2024, a 250% increase from 2023.<sup>4</sup> These investments are expected to yield results in the coming years to drive continued growth in this area. Further, the digital economy's contribution to Malaysia's gross domestic product is predicted to rise to 25.5% by the end of 2025, up from 23% in June 2024.<sup>5</sup>

As digital and cashless payments continue to gain traction in a competitive environment, the Group cautiously anticipates top-line growth in the near future, further reinforcing our presence in ASEAN's competitive payments market.

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<sup>1</sup> <https://fintechnews.sg/106269/fintech/fintech-southeast-asia/>

<sup>2</sup> [https://www.statista.com/forecasts/1325573/thailand-digital-payments-market-penetration-rate?\\_sso\\_cookie\\_checker=failed#:~:text=The%20penetration%20rate%20in%20the,a%20new%20peak%20in%202028](https://www.statista.com/forecasts/1325573/thailand-digital-payments-market-penetration-rate?_sso_cookie_checker=failed#:~:text=The%20penetration%20rate%20in%20the,a%20new%20peak%20in%202028)

<sup>3</sup> <https://www.thailand-business-news.com/banking/157741-thailand-plans-to-launch-virtual-banking-services-by-2025>

<sup>4</sup> <https://theedgemaalaysia.com/node/744902>

<sup>5</sup> <https://en.vietnamplus.vn/malaysia-eyes-255-gdp-contribution-from-digital-economy-by-late-2025-post289168.vnp>

In FY2024, OxPay continued to execute the following “E-Growth” strategies, which were formulated over the past year, to achieve consistent growth in the digital payments and e-commerce sectors. For FY2025, we plan to enhance our transaction processing capabilities and strengthen the collaboration and trust with existing merchants but also facilitates new partnerships in Singapore and Thailand.

### Expand Customer Base

- OxPay is committed to exploring more opportunities as part of the initiative to expand the customer base.

### Enhance Products and Services

- OxPay is exploring options for enhancing our offerings of the products and services on our secured integrated payment platform. In FY2024, OxPay secured a payment facilitator master agreement and referral agreements, and we will continue working to secure more business partners.

### Extend Geographical Reach

- Despite our established presence in Singapore, Malaysia, and Thailand, our ambition to become a leading player in the global payment sector remains strong. The Group is actively working to strengthen its position in the Asian markets of Cambodia and the Philippines by forming international payment alliances with key players in these regions.

While we received a small number of customer complaints during FY2024, all have been successfully resolved to date. Moving forward, we aim to have zero customer complaints for FY2025 and if not, to be able to resolve any such complaint promptly and amicably.



# Ethics and Governance

## Code of Conduct

OxPay requires all employees to comply with applicable laws and regulations in the countries where we operate and adhere to the provisions of our Code of Conduct ("the **Code**"). The Code outlines the standards of professionalism and personal integrity expected from every employee. Upon joining the Company, employees formally acknowledge the Code, with annual refresher training provided or updates whenever revisions occur.

To ensure accountability, formal disciplinary action, including possible termination of employment, will be taken against employees found guilty of deliberate misconduct or unethical behaviour. Additionally, we fully cooperate with authorities if an employee is charged with a criminal offense.

We are pleased to report zero instances of non-compliance with applicable laws and regulations in FY2024 and remain committed to upholding this strong record in the future.

## Anti-Corruption

Corrupt and unethical behaviour, such as bribery or defrauding customers, can cause significant harm to the Company, its employees, and stakeholders. Preventing and reporting corruption is a top priority, and we maintain a zero-tolerance stance for violations of the law or our Code of Conduct. This commitment is upheld through the Group's Whistleblowing Policy, with concerns investigated by members of the Audit Committee.

The Whistleblowing Policy provides formal procedures for employees to report suspected wrongdoing, including insider trading, misconduct, discrimination, unsafe work practices, or corruption. To ensure awareness, the policy details are prominently displayed at the Company's premises. Concerns raised through this channel are thoroughly investigated by the Audit Committee to ensure proper resolution.

All concerns are categorised by nature and assigned to specific personnel for further investigation, under the oversight of the Audit Committee. Confidentiality for whistleblowers is strictly maintained, and corrective action is taken when complaints are substantiated, proportional to the severity of the offense. Reports can be submitted via the email address provided on the Company's website at <https://oxpayfinancial.com>. We are pleased to report zero confirmed cases of corruption, fraud, or other criminal conduct in FY2024 and remain committed to maintaining this strong record in FY2025.

## Cyber Security

As a provider of digital payment solutions, cybersecurity is essential to our business operations. Our customers and merchant partners expect secure and reliable services that facilitate their financial transactions. To foster trust and loyalty, which are critical for our business, we prioritise building a robust and resilient digital infrastructure safeguarding against cyber threats.

Our cybersecurity and information security policies are aligned with the Technology Risk Management Guidelines established by Monetary Authority of Singapore. These guidelines provide a risk management framework, exposing us to industry best practices in IT management and cyber resilience. Key elements of our approach include proactive threat monitoring, vulnerability assessments, penetration testing, and log management. We also implement digital safeguards such as firewalls and antivirus software, establish Business Continuity and Disaster Recovery Plans, and conduct forensic investigations to address security breaches and sharing findings with the Board of Directors and management. Recognising the human element in cybersecurity, we regularly conduct awareness training and simulated phishing tests to ensure employees uphold strong personal cyber hygiene.

To validate the effectiveness of our cybersecurity measures, we undergo annual audits to maintain compliance with the Payment Card Industry Security Standards Council's Data Security Standard—a globally recognised benchmark for payment service providers. Throughout FY2024, we have maintained our security measures and remain committed to staying vigilant and responsive to the evolving cybersecurity landscape.

## Customer Data Privacy

Although we do not handle or store our customers' personal data, we understand the critical importance of safeguarding such information. We are equally committed to protecting the personal data of our employees and other external stakeholders, recognising that any data compromise, even indirectly, could result from inadequate protection measures on our part.

To mitigate this risk, we have established a Group-wide Personal Data Protection Policy that complies with Singapore's Personal Data Protection Act 2012 ("PDPA"). We keep employees well-informed about updates to this policy through newsletter circulations on our intranet and provide regular lessons on our e-learning platform to emphasise the importance of data protection. Employees are also reminded to refrain from collecting personal data from customers or colleagues unless absolutely necessary.

In FY2024, we successfully protected the data under our care, and zero incidents of substantiated complaints were received concerning breaches of customer privacy. Looking ahead, we remain committed to maintaining responsible data stewardship and will continue to strengthen our protection measures to uphold the trust placed in us by our stakeholders.

## Our People

At OxPay, our employees are at the core of our success. Their knowledge, skills, and expertise drive our ambition to lead in the competitive global payments industry. As a result, attracting and retaining top talent remains one of our highest priorities. We aim to achieve this through a comprehensive human capital strategy that promotes diversity and provides equal opportunities for all employees to thrive.

### Fair Employment Practices

We are committed to hiring based on merit and valuing the unique contributions each individual brings, regardless of age, gender, race, marital status, nationality, or religion. These principles guide all aspects of our employment practices, from recruitment and compensation to retention. Our full-time employees, who represent the majority of our workforce, receive comprehensive benefits, including life insurance, healthcare coverage, and parental leave. Our Malaysia employees are also entitled to stock ownership opportunities, and our Singapore employees have disability and invalidity protection. For FY2024, 14 employees were entitled to parental leave and 8 took parental leave. 7 employees returned to work after their parental leave ended.

Diversity is not only a priority for our workforce but also for the composition of our Board. As the Group's top leadership and decision-making body, the Board thrives on diverse perspectives that shape strategic objectives and decisions. Our Board Diversity Policy provides a structured framework to ensure a balanced mix of skills, experience, business expertise, age, ethnicity, and culture. During FY2024, the Nominating Committee reviewed the Board's composition and affirmed that it adhered to the standards set by this policy.

Fair employment practices are integral to our corporate culture. We strive to maintain a safe, respectful, and inclusive workplace, free from harassment, bullying, or discrimination. Our human resources department rigorously investigates and addresses any reported incidents. We are pleased to report that no such incidents were recorded in FY2024, and we remain committed to fostering a positive work environment for FY2025 and beyond.

We leverage on various career portals and statutory schemes to recruit individuals facing retrenchment, those seeking mid-career transitions, and recent graduates. This approach has provided valuable career opportunities for these individuals, while simultaneously benefiting our organisation through the infusion of new perspectives and innovative ideas, positively impacting both productivity and employee engagement.

Please refer to the following tables and diagrams for an overview of our key employment metrics.

Gender	FY2023 Number of Employees	FY2024 Number of Employees
Male	20	24
Female	17	14
<b>Total</b>	<b>37</b>	<b>38</b>

Type of Employment	FY2023		FY2024	
	Number of Employees Male	Number of Employees Female	Number of Employees Male	Number of Employees Female
Full Time	20	16	24	13
Part Time	-	1	-	1
<b>Total</b>	<b>20</b>	<b>17</b>	<b>24</b>	<b>14</b>

Country	FY2023		FY2024	
	Number of Employees		Number of Employees	
Singapore	24		24	
Malaysia	10		10	
Thailand	3		4	
<b>Total</b>	<b>37</b>		<b>38</b>	

	FY2023		FY2024	
	Female	Male	Female	Male
Number of employees entitled to parental leave	4	10	4	10
Number of employees who took parental leave during the reporting period	3	3	3	5
Number of employees that returned to work in the reporting period after parental leave ended	3	3	3	5
Number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	2	2	2	5

	FY2023		FY2024	
	Female	Male	Female	Male
<b>Return to work rate<sup>6</sup></b>	100%		100%	
<b>Retention rate<sup>7</sup></b>	NA <sup>8</sup>		87.5% <sup>9</sup>	

New hires	FY2023		FY2024	
	By Gender			
<b>Male</b>	11		15	
<b>Female</b>	8		8	
By Age Group				
<b>21-30 years</b>	8		7	
<b>31-45 years</b>	4		6	
<b>46-60 years</b>	6		10	
<b>&gt;60 years</b>	1		-	

Turnover	FY2023		FY2024	
	By Gender			
<b>Male</b>	16		12	
<b>Female</b>	5		11	
By Age Group				
<b>21-30 years</b>	7		6	
<b>31-45 years</b>	7		9	
<b>46-60 years</b>	6		8	
<b>&gt;60 years</b>	1		-	

The Group's new hire rate<sup>10</sup> in FY2024 was 60.53%. While male new hires increased, representing a 36.36% increase, female new hires remained the same. New hires in the 21-30-year-old age group and the over 60-year-old age group decreased by 12.50% and 100%, respectively. Meanwhile, the 31-45-year-old and 46-60-year-old age groups saw increases of 50% and 66.67%, respectively.

The Group's FY2024 turnover rate<sup>11</sup> was 60.53%. The male turnover decreased by 25%, while female turnover increased dramatically by 120%. Turnover decreased by 14.29% for the 21-30-year-old age group and by 100% for the over 60-year-old age group, while turnover increased by 28.57% for the 31-45-year-old group and by 33.33% for the 46-60-year-old group

<sup>6</sup> Total number of employees that did return to work after parental leave/Total number of employees due to return to work after taking parental leaves.

<sup>7</sup> Total number of employees retained 12 months after returning to work following a period of parental leave/Total number of employees took parental leave in FY2024.

<sup>8</sup> The retention rate cannot be calculated as there was no prior year data hence not applicable.

<sup>9</sup> While we offer comprehensive parental leave policies to support our employees, one female staff member chose not to return following her parental leave period.

<sup>10</sup> New hire rate was calculated by dividing total new hires by total employees.

<sup>11</sup> Turnover rate was calculated by dividing total resignees by total employees.

## Training and Education

At OxPay, we place a strong emphasis on continuous learning and upskilling, recognising that it not only contributes to the Group’s overall performance but also enhances our employees’ career development, employability, and job satisfaction. We are committed to encouraging and supporting all employees, regardless of their role, to participate in vocational training and professional development programs.

New employees receive on-the-job training and buddy guidance within their department. Heads of Departments (“**HODs**”) regularly assess work performance and skill competency, assigning additional duties and responsibilities to high-performing employees to facilitate career progression. All employees, excluding management, receive regular performance reviews. Each employee’s performance is measured against pre-defined Key Performance Indicators (“**KPIs**”) aligned with their job description. During the annual performance review process, HODs evaluate the quantity and quality of work completed against these KPIs.

Performance reviews consider both tangible and intangible factors. Should an HOD identify performance gaps relative to targets (e.g., skill deficiencies or output issues), HR is notified. HR then follows up with the HOD, providing counsel and support. Employees whose performance requires improvement are typically placed on a Performance Improvement Programme. This structured programme includes a development plan, clearly outlining the areas for improvement, required training, and expected outcomes, with specific timelines for demonstrating progress.

The Group is committed to supporting employee development through both internal and external training initiatives. These include training programmes focused on critical areas such as Anti-Money Laundering, Security Awareness, and professional certifications like the Certified Anti-Money Laundering Specialist (Singapore). The Singapore office completed a combined 82 training hours in FY2024.

The company encourages employees to pursue relevant training opportunities, including online courses and programmes offered by external institutions via the SkillsFuture scheme, subject to budget approval. We have conducted internal training for employees such as Data protection, Security awareness and Anti-money laundering.

Training program	Number of employees attended	
	FY2023	FY2024
Data protection/Security Awareness	34 (92%)	38 (100%)
Anti-money laundering	37 (100%)	32 (84%)

# Our Environment

## Energy Usage

Given the nature of our business, most of our energy consumption stems from electricity supplied by the national grids in the countries where we operate. Since energy use is a major contributor to our environmental footprint, we are committed to managing it efficiently and responsibly.

To mitigate energy usage and reduce our environmental impact, we have adopted various conservation measures. These include encouraging employees to switch off office appliances when not in use and promoting energy-efficient work practices. Additionally, we are reducing business travel and offering flexible work-from-home arrangements to further decrease energy consumption.

The table below presents the Group's total energy consumption by geographic region for FY2023 and FY2024, reflecting our ongoing efforts to track and manage energy usage.

Energy Consumption in kilowatt-hours (kWh)	FY2024	FY2023
<b>Singapore</b>	13,919	21,014
<b>Malaysia</b>	35,589	31,347
<b>Thailand</b>	1,189	1,077
<b>Total</b>	<b>50,697</b>	<b>53,438</b>
<b>Energy Intensity ratio (kWh per employee)</b>	<b>1,370</b>	<b>1,484</b>

In FY2024, OxPay's total energy consumption was 50,697 kWh, compared to 53,438 kWh in FY2023. Taking into consideration our employment figures, where we had 36 full-time employees in FY2023 and 37 full-time employees in FY2024, our energy intensity ratio (defined as the average energy consumption of each employee<sup>12</sup>) was calculated to be 1,484 kWh per employee in FY2023 and 1,370 kWh per employee in FY2024. Collectively, the above represents a 5.1% decrease in absolute energy consumption and a 7.7% decrease in the energy intensity ratio from FY2023 to FY2024. This is mainly attributable to a significant decrease in energy consumption in the Singapore office. This is because the Singapore office has shifted location in May 2024. The new office is equipped with centralised air conditioning, which has resulted in a decrease in energy consumption rates. The Company is committed to continuing its efforts to improve energy efficiency in the office.

We are committed to making gradual improvements to our energy performance metrics, with a strong focus on enhancing energy efficiency. Our goal is to achieve this by progressively introducing more energy-efficient office equipment and

<sup>12</sup> One part-time employee was excluded from the calculation of the energy intensity ratio in FY2023 and FY2024, respectively.



infrastructure. Moving forward, we will continue to track the relationship between our energy consumption and business growth, while exploring additional opportunities for improvement beyond just energy efficiency. At the same time, we will work to maintain a relatively stable energy intensity ratio ( $\pm 5\%$ ) over the medium term.

## TCFD Report

### Governance

The Board oversees the integration of sustainability into the Group's strategy, offering guidance and supervision on sustainability-related business strategies, performance, and progress toward climate-related goals and targets.

The Group Executive Director is responsible for approving policies and targets, shaping sustainability strategies, monitoring their implementation, assessing overall and climate-related risks, and recommending updates to the Board.

### Strategy

Our climate risk assessment considers both short-to-medium term (within 5 years) and long-term (beyond 5 years) horizons. In the short term, we anticipate potential increases in infrastructure maintenance costs due to more frequent extreme weather events. We also recognise the risk of operational disruptions stemming from climate-related scrutiny on energy consumption and carbon emissions, which could impact vendor reliability. Finally, adapting to evolving climate regulations poses a compliance risk, potentially requiring significant operational adjustments.

#### Physical Risks

Looking beyond five years, we foresee the increasing impact of extreme weather events, such as storms, floods, and heatwaves, potentially disrupting business operations and impacting employee safety. Extreme weather events, including heatwaves, floods, and storms, could possibly pose significant physical risks to OxPay's operations. These events can disrupt business continuity through power outages and data loss, potentially leading to financial losses and operational inefficiencies. The increasing frequency and intensity of such events underscore the urgent need to build climate resilience across our operations.

#### Policy and Legal Transition Risks

Stricter regulatory requirements, including mandatory carbon pricing, could necessitate investments in green technologies and compliance measures. Furthermore, the transition to a low-carbon economy may lead to rising operational costs related to energy, waste management, and sustainable technology adoption.

#### Transition Opportunities

We have also identified several climate-related opportunities. In the short term, we can enhance our ESG reputation by actively promoting our sustainability efforts, attracting environmentally conscious clients and stakeholders. We also see an opportunity to expand our service offerings to include low-carbon services, supporting businesses seeking to reduce their carbon footprint. Over the medium to long term, we plan to integrate technology by investing in energy-efficient office equipment and sustainable digital platforms to minimise our environmental impact.

### Resilience of the Organisation's Strategy

OxPay's strategy demonstrates resilience in the face of various climate-related scenarios by proactively addressing both the risks and opportunities these scenarios present. We recognise that a 2°C global warming scenario could lead to increased physical and transition risks, as identified above. Furthermore, OxPay is strategically positioning itself to capitalise on opportunities arising from the transition to a low-carbon economy. By promoting its sustainability efforts and expanding its service offerings to include low-carbon solutions, the company aims to attract environmentally conscious clients and investors, driving growth despite the effects of climate change.

This proactive and multifaceted approach to climate risk management and opportunity identification demonstrates the resilience of OxPay's strategy, ensuring its ability to adapt and thrive across a range of climate-related scenarios.

### **Risk management**

The Board and the Group Executive Director worked together to identify and assess the Group's climate risks and opportunities. To address these risks, we are implementing key initiatives to enhance climate resilience and sustainability. We will establish tracking systems to monitor energy consumption, emissions, and our carbon footprint. Office-wide energy efficiency programs will be introduced to reduce environmental impact, while employee engagement initiatives, including sustainability training and green commuting incentives, will foster a culture of environmental responsibility.

In line with our commitment to mitigating climate risks, we are actively exploring energy-efficient technologies and assessing the feasibility of integrating renewable energy sources. Additionally, we aim to raise awareness of climate change impacts across the organisation, empowering employees to contribute to our sustainability efforts.

To strengthen operational resilience, we are reinforcing infrastructure to withstand climate-related disruptions and implementing contingency plans to safeguard business continuity. This includes deploying robust data backup systems and protective measures for critical business assets. Through these proactive measures, OxPay remains committed to effectively managing climate risks while leveraging opportunities for long-term sustainability.

We have yet to integrate our climate risks into our overall Enterprise Risk Management but will work towards doing so in future.

### **Metrics and Targets**

The Company evaluates its climate-related risks and opportunities through energy consumption, energy intensity ratio, and Scope 2 emissions. For further details, please refer to the "Our Environment" section of this Report.

Given the nature of the Company's operations, Scope 1 emissions are minimal and will not be disclosed. Furthermore, the Company currently has no plans to report Scope 3 emissions but will assess the necessity of quantifying and monitoring them in future sustainability reports. Please see the table below for details of our scope 2 emissions:

Country	Emissions (tCO <sub>2</sub> e)	
	FY2023 <sup>13</sup>	FY2024
Singapore <sup>14</sup>	8.66	5.73
Peninsular Malaysia <sup>15</sup>	24.26	27.55
Thailand <sup>16</sup>	0.57	0.62
<b>Total</b>	<b>33.49</b>	<b>33.90</b>

The Group's Scope 2 emissions for FY2024 were 33.90 tCO<sub>2</sub>e, a slight increase from 33.49 tCO<sub>2</sub>e in FY2023. This marginal increase can be attributed to the rise in the chilled water system tariff in Malaysia for FY2024. Despite this increase, we remain committed to our long-term carbon reduction goals and are actively pursuing strategies to mitigate our environmental impact.

The Group's Scope 2 emissions come from purchased electricity for its business operations across Singapore, Malaysia, and Thailand. Given that all offices are rented, the Group may not have control over building-wide energy systems but can still focus on reducing energy consumption in its own usage.

Over the next three years, the Company aims to reduce both total energy consumption and average energy consumption per employee by 5% annually. These targets will be regularly reviewed and adjusted based on ongoing evaluations of energy-saving measures. To achieve these reductions, the Company encourages the adoption of energy-efficient lighting and equipment in its rented office spaces and promotes energy-saving practices among employees, such as turning off lights, utilising power-saving modes on equipment, and limiting unnecessary energy use.

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<sup>13</sup> Emissions for FY2023 have been restated due to updated Grid Emissions Factors from Singapore, Malaysia, and Thailand

<sup>14</sup> GEF of 0.412 kg CO<sub>2</sub>/kWh sourced from <https://www.ema.gov.sg/resources/singapore-energy-statistics/chapter2>

<sup>15</sup> GEF of 0.774 Gg CO<sub>2</sub>e/GWh sourced from <https://myenergystats.st.gov.my/documents/d/guest/grid-emission-factor-gef-in-malaysia>

<sup>16</sup> GEF of 0.5251 tCO<sub>2</sub>/MWh sourced from Institute for Global Environmental Strategies (2024). List of Grid Emission Factors, version 11. 6. Available at: <https://pub.iges.or.jp/pub/iges-list-grid-emission-factors>

# GRI Content Index

Statement of Use	OxPay Financial Limited has reported with reference to the GRI Standards for the period from 1 January 2024 to 31 December 2024.
GRI 1 used	GRI 1: Foundation 2021

GRI DISCLOSURE		PAGE NUMBER
<b>GRI 2: General Disclosures 2021</b>		
<b>The Organisation and its Reporting Practices</b>		
2-1	Organisational details	5
2-2	Entities included in the organisation's sustainability reporting	4, AR: 12 - All entities in group structure, except for PT Iforte Payment Infrastructure
2-3	Reporting period, frequency and contact point	5
2-4	Restatements of information	26
2-5	External assurance	4
<b>Activities and Workers</b>		
2-6	Activities, value chain and other business relationships	5
2-7	Employees	18-20
2-8	Workers who are not employees	Nil
<b>Governance</b>		
2-9	Government structure and composition	7
2-10	Nomination and selection of the highest governance body	AR:21-23
2-11	Chair of the highest governance body	AR:20-21
2-12	Role of the highest governance body in overseeing the management of impacts	6-7
2-13	Delegation of responsibility for managing impacts	7
2-14	Role of the highest governance body in sustainability reporting	6-7
2-15	Conflicts of interests	AR:31-34
2-16	Communication of critical concerns	17
2-17	Collective knowledge of the highest governance body	7
2-18	Evaluation of the performance of the highest governance body	AR:25
2-19	Remuneration policies	AR:25-30
2-20	Process to determine remuneration	AR:25-30
2-21	Annual total compensation ratio	NA
<b>Strategy, Policies and Practices</b>		
2-22	Statement on sustainable development strategy	3
2-23	Policy commitments	10-12
2-24	Embedding policy commitments	10-12
2-25	Processes to remediate negative impacts	17
2-26	Mechanisms for seeking advice and raising concerns	17
2-27	Compliance with laws and regulations	NA <sup>17</sup>

<sup>17</sup> There have been no cases of noncompliance with any laws or regulations

<b>GRI DISCLOSURE</b>		<b>PAGE NUMBER</b>
2-28	Membership associations	NA. No membership in any association
<b>Stakeholder Engagement</b>		
2-29	Approach to stakeholder engagement	8
2-30	Collective bargaining agreements	NA
<b>GRI 3: Material Topics 2021</b>		
3-1	Process to determine material topics	9
3-2	List of material topics	9
3-3	Management of material topics	13 - 23
<b>GRI 201: Economic Performance 2016</b>		
201-1	Direct economic value generated and distributed	13
<b>GRI 205: Anti-Corruption 2016</b>		
205-2	Communication and training about anti-corruption policies and procedures	16
205-3	Confirmed incidents of corruption and actions taken	16
<b>GRI 302: Energy 2016</b>		
302-1	Energy consumption within the organisation	22-23
302-3	Energy intensity ratio	22- 23
<b>GRI 401: Employment 2016</b>		
401-1	New employee hires and employee turnover	20
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	18
401-3	Parental leave	18-19
<b>GRI 404: Training and Education 2016</b>		
404-2	Programs for upgrading employee skills and transition assistance programs	21
<b>GRI 418: Customer Privacy 2016</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	17

## Task Force on Climate-Related Financial Disclosures (TCFD) Content Index

TCFD PILLARS	RECOMMENDED DISCLOSURES	PAGE NO.
Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities.	24
	Describe management's role in assessing and managing climate-related risks and opportunities.	24
Disclose the organisation's governance around climate-related risks and opportunities.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	24
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	24
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	25
Disclose how the organisation identifies, assesses, and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks.	25
	Describe the organisation's processes for managing climate-related risks.	25
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	25
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Disclose the metrics used the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	25-26
	Disclose Scope 1, Scope 2 and if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	25-26
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	25-26