Hotel Properties Limited

SUSTAINABILITY REPORT 2019

Contents

STATEMENT FROM THE BOARD

The Board of Directors of Hotel Properties Limited (the "Board") is pleased to present our Sustainability Report for the financial year 2019 (1 January 2019 to 31 December 2019). This is the third year we are publishing our Sustainability Report, and we wish to demonstrate our continued commitment to adopting sustainability best practices that are integral to our business.

This report communicates our performance and progress in the key Environmental, Social and Governance ("ESG") aspects identified through our materiality assessment. These include – occupational health and safety, training and education of employees, and energy and water consumption, in seven[1] of our properties. This report sets out how we manage our impacts in these areas as well as our performance and goals for the upcoming year. By monitoring our goals and performance, we look to build a strong and enduring business that will continue to create value for all of us. Additionally, we have identified a new aspect that is material to our operations – phasing out of plastic packaging in our hotels. We look to report further on this aspect in our subsequent Sustainability Reports.

 [This material references disclosures: 102-14 from GRI 102: General Disclosure 2016]

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[1] *Refer to 'About this Report' section on Page 6*

ABOUT HOTEL PROPERTIES LIMITED

Hotel Properties Limited ("HPL") was incorporated in Singapore as a private limited company on 28 January 1980. It was converted into a public company on 4 May 1982 when it changed its name from Hotel Properties Pte Ltd to Hotel Properties Limited. The Group[2] headquarter is located in Singapore.

HPL was admitted to the Official List of the then Stock Exchange of Singapore Limited (now known as the Singapore Exchange Securities Trading Limited) on 17 June 1982.

The principal business activities of the Group include hotel ownership, management and operation, property development and investment holding. As of 31 December 2019, the Group has interests in 36 hotels across 15 countries under prestigious hospitality brands such as Four Seasons, Hilton International, Como Hotels, InterContinental Hotels Group, Six Senses Hotels and Marriott International. In addition, the Group manages its portfolio of hotels under well-established brands such as Hard Rock Hotels and Concorde Hotels & Resorts.

The Group owns hotels, resorts and shopping galleries in 15 countries, namely, Singapore, Malaysia, Thailand, Indonesia, Maldives, Seychelles, Vanuatu, the United States of America, Bhutan, Tanzania, South Africa, Vietnam, the United Kingdom, Italy and Sri Lanka.

As a testament to its quality accommodation, the hotels have received various awards in 2019. For example, Holiday Inn Resort Kandooma was awarded 'Leading All-Inclusive Resort Award 2019' by Maldives Travel

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[2] *References to 'HPL Group', 'the Group' and 'we' in pages 3 to 6 refer to Hotel Properties Limited and its subsidiaries.*

Awards. The hotel also earned a prestigious award - the IHG Responsible Business Award by IHG. The award proved the hotel's commitment to responsibly running its operation. Four Seasons Jimbaran won 'Top 5 Hotels in Indonesia' award by Travel & Leisure World Best Hotel 2019 while Four Season Sayan was ranked the 4th in Asia's Best Hotels by Fodor's Finest Hotel Awards 2019.

Hard Rock Hotel Bali, earned 'NOW! Bali Magazine 2019 Social Responsibility Award' as their hotel was committed to raising funds for community and charity through the annual Rock 'N Run event. Singapore Hotel Association awarded 'Excellent Service Award 2019' to Concorde Hotel Singapore for its excellent hotel services. Hard Rock Hotel Pattaya was awarded 'Clean Food Good Taste & Food Safety' by Pattaya City Hall while Hard Rock Hotel Penang was ranked 3rd in the Top 25 Hotels for Families - Malaysia in TripAdvisor's 2019 Travellers' Choice Award.

The Group has established a distinctive record of accomplishment as a niche player in the quality and premium residential and commercial property market and is known for building quality residential developments in prime locations.

In Singapore, its luxury residential developments include Tomlinson Heights, Robertson Blue, Cuscaden Residences, Scotts 28, Nassim Jade, Four Seasons Park, as well as through joint ventures with CapitaLand, The Interlace and the d'Leedon condominiums. The Group also owns prime commercial and retail properties such as Forum The Shopping Mall and Concorde Shopping Mall in Singapore.

The Met condominium in Bangkok, Thailand, has won a multitude of design awards throughout the years.

In London, the Group has progressively established its presence with four joint-venture freehold developments, namely – Burlington Gate, Holland Park Villa, Paddington Square and Bankside Yards.

[This material references disclosures: 102-1, 102-2, 102-3, 102-4, 102-5, 102-6 and 102-7 from GRI 102: General Disclosure 2016]
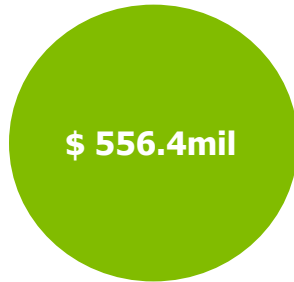
Total Borrowings as at 31 December 2019

$ 856.6mil

Net Revenue for 2019

$ 556.4mil

Total Equity as at 31 December 2019

$ 2,398.9mil

Key changes in 2019:

Weligama Bay Marriott Resort & Spa, Sri Lanka, was acquired in April 2019, and InterContinental Maldives Maamunagau Resort commenced operation in Sept 2019.

Products and Services of HPL Group

HPL Group operates through hotels, properties and other business segments. As of 31 December 2019, the Group has interests in 36 hotels across 15 countries.

The principal business activities of the Group include hotel ownership, management and operation, property development and investment holding.

[This material references disclosures: 102-2, 102-7 and 102-10 from GRI 102: General Disclosure 2016]

ABOUT THIS REPORT

This report is prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Reference Claims, the international standard for sustainability reporting. For further information on the relevant references, kindly refer to the Table of GRI Content Index found on page 31.

This sustainability report covers the sustainability performance for the material ESG aspects of our operations in seven hotels and resorts across Indonesia, the Maldives, Singapore, Thailand, and Malaysia for the financial year ended in 2019. The hotels include Holiday Inn Resort Kandooma in Maldives, Four Seasons Sayan and Four Seasons Jimbaran in Bali, Hard Rock Hotel Penang, Hard Rock Hotel Bali, Concorde Hotel Singapore, and Hard Rock Hotel Pattaya ("selected hotels").

All data and activities reported were from 1 January 2019 to 31 December 2019 for these selected hotels, unless stated otherwise. *[This material references disclosures: 102-52, 102-46, 102-50, 102-54, and 102-56 from GRI 102: General Disclosure 2016]*

Management Approach

We understand the landscape is changing and sustainability is an increasingly important issue for us, our guests and business partners. We consult and share our sustainability performance with our key stakeholders and balance their interest with the Group's objectives. Our business divisions are responsible for identifying, implementing sustainability initiatives while the Board and Audit Committee sets the direction and tone for the Group and has an overview of it. *[This material references disclosures: 102-9, 102-12, 102-13 and 102-18 from GRI 102: General Disclosure 2016]*

STAKEHOLDER ENGAGEMENT AND MATERIALITY REVIEW

We engage our stakeholders through various channels to obtain their feedback regarding our operations and our sustainability performance. In 2017, we identified key stakeholder groups that influence our performance and provide key insights to enhance our sustainability practice. We conducted a stakeholder engagement exercise where the key stakeholders recorded their expectations and concerns on sustainability matters for HPL. This was disclosed in our inaugural sustainability report. Last year, we reported our progress and performance on these ESG aspects.

Based on the responses received from our stakeholders, we identified four key ESG aspects that impact our business, including employee health and safety, employee training and education, energy consumption, water consumption.

This year, we continue reporting our progress on the four key ESG aspects that impact our business. We have set targets for improvement and have reported our performance in the year 2019.

This year, we have also identified an additional aspect that is material to our operations – phasing out of plastic packaging in our hotels. Our hotels have set targets with this regard.

[This material references disclosures: 102-40, 102-42, 102-43, 102-44, 102-46 and 102-47 from GRI 102: General Disclosure 2016]

STAKEHOLDER ENGAGEMENT			
OUR STAKEHOLDERS	**HOW WE ENGAGE WITH OUR STAKEHOLDERS**	**EXPECTATIONS OF OUR STAKEHOLDERS**	**CONCERNS OF OUR STAKEHOLDERS**
Guests	• Guest satisfaction surveys • Feedback forms • Personal interaction • Emails • Website	• Provide a memorable and satisfying experience in our properties • Provide services that have the least impact on the environment and society	• Management of health and safety risks in hotels and resorts • Protection of guest privacy and prevention of any loss in guest personal data
Investors	• Reports • Statements • Company website • Announcements • Meetings	• Ensure increasing economic performance by HPL	• Fines and non-monetary sanctions for non-compliance to environmental and social laws and regulations
Management	• Intranet platforms • Performance management programmes • Emails • Training and education	• Ensure increasing economic performance by HPL • Mitigate adverse environmental and social impacts	• Total energy consumption in all properties • Fines and non-monetary sanctions for non-compliance to environmental

			and social laws and regulations
Employees	- Employee surveys - Career development activity - Performance reviews - Intranet platforms - Emails - Company programmes - Training and education	- Ensure the provision of wage and benefits - Provide training and education - Support career management and progression	Occupational health and safety risks
Local Community	- Media channels - Donations - Events and sponsorships - Corporate Social Responsibility programmes	Mitigate adverse environmental and social impacts	- Significant fines and non-monetary sanctions for non-compliance to environmental and social laws and regulations - Discrimination in our properties
Suppliers	- Supplier meetings - Partnerships - Procurement processes	- Increase budget for Group's procurement activities - Ensure increasing economic performance by HPL - Mitigate adverse environmental and social impacts	- Unethical labour practices in the supply chain - Fines and non-monetary sanctions for non-compliance to environmental and social laws and regulations in the supply chain

REPORTING SCOPE AND BOUNDARIES

REPORTING SCOPE AND BOUNDARIES		
Material Aspects	**Alignment to GRI Standard**	**Aspect Boundary**
Employee health and safety	403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Within organisation
Employee training and education	404-1: Average hours of training per year per employee	Within organisation
Energy consumption	302-1: Energy consumption within the organisation	Within organisation
Water consumption	303-1: Water withdrawal by source	Within organisation
Additional Material Aspect		
Phasing out of Plastic Packaging	*(currently not linked to GRI Standards)*	Within organisation

[This material references disclosures 102-46 and 102-47 from GRI 102: General Disclosure 2016]

EMPLOYEE HEALTH AND SAFETY

Overview

Employees are the key asset to the Group, hence their health, safety and wellbeing have always remained our top priority. We are committed to continuously improving our work environment to ensure the safety of our employees, while also aiming to improve their performance. We closely monitor our hotels to maintain excellent occupational health and safety (OHS) standards. We work with our hotels to ensure they have the resources they need to uphold the OHS standard for their employees and ensure a safe stay for all our guests.

[This material references disclosures 103-1 from GRI 102: Management Approach 2016]

Management Approach

Our hotels have developed a number of policies and procedures for OHS, which are consistent with local legislation and industry regulations. Our hotels have systems and resources to drive these policies and safeguard the health and safety of all our hotel staff.

Some of the specific regulation that we adhere to in each country include:

Health and safety policies developed by our hotels
• Beach Tsunami Evacuation
• Workplace Safety and Health Policy
• Boat Rescue Policy
• Disturbance Policy
• Emergency Response Plan Procedure
• Fire Drill and Evacuation Policy
• Haze Management
• Policy on Health and Safety Procedure
• Pool Rescue Policy

Health and safety legislation adhered to by our hotels	
Maldives	• Health and Safety Act of Maldives • Employee Act Maldives
Thailand	• National Occupational Safety and Health Regulatory Framework • National Sanitation Foundation – Comprehensive Sanitation Regulations & Practices
Indonesia	• Disaster and mitigation preparedness procedure • Worker compensation policy

Health and safety legislation adhered to by our hotels	
Malaysia	• Occupational Safety & Health Act 1994 • Employees Safety & Health Awareness policy statement • Notification of Accident, Dangerous Occurrence, Occupation Poisoning and Occupational Diseases 2004 • Establishment of OHS Committee Regulations • Food Safety Management System
Singapore	• Workplace Safety & Health Act, Chapter 354A of the Singapore Statutes • Employment Act, Chapter 51 of the Singapore Statutes

Our approach to safeguarding the health and safety of our employees includes setting up committees dedicated to managing OHS-specific issues in our hotels. For instance, Holiday Inn Resort Kandooma established a Risk and Safety Committee. The committee is responsible for regular OHS inspections and holds monthly meetings to discuss any identified areas of concern. By doing this they ensure such concerns are appropriately addressed. The committee also carries out monthly training for our employees on safety and health concerns. The resort conducted various technical and operational training on safe workplace practices. A ten-minute health and safety briefing is conducted each month to ensure employees are always aware of workplace safety. Hard Rock Hotel Pattaya has adopted the National Sanitation Foundation's (NSF) Comprehensive Sanitation Regulation and Practices that targets to improve food safety, and health and safety practices. NSF audits are conducted twice a year to ensure OHS standards are maintained.

Four Seasons Jimbaran also implemented OHS-related initiatives. In 2019, the resort's technician and boiler obtained a government certification. The resort also runs a quarterly wellness programme to promote the healthy wellbeing of all its employees. Four Seasons Sayan has developed a Standard Operating Procedure on New Fire Blanket to ensure the safety of its employees and guests.

The management of OHS in our hotels and resorts is carried out by a dedicated workforce who are well equipped with technical and field knowledge. The Executive Committee, in many of our hotels, resolve concerns and issues in these matters. The general manager, enterprise asset manager and risk manager are also responsible to look after OHS-related issues in our hotels. We also conduct regular third-party audits and inspections to check for compliance and ensure best practices to maintain employee health and well-being. We also provide training, medical check-ups and personal protective equipment for employees, where necessary.
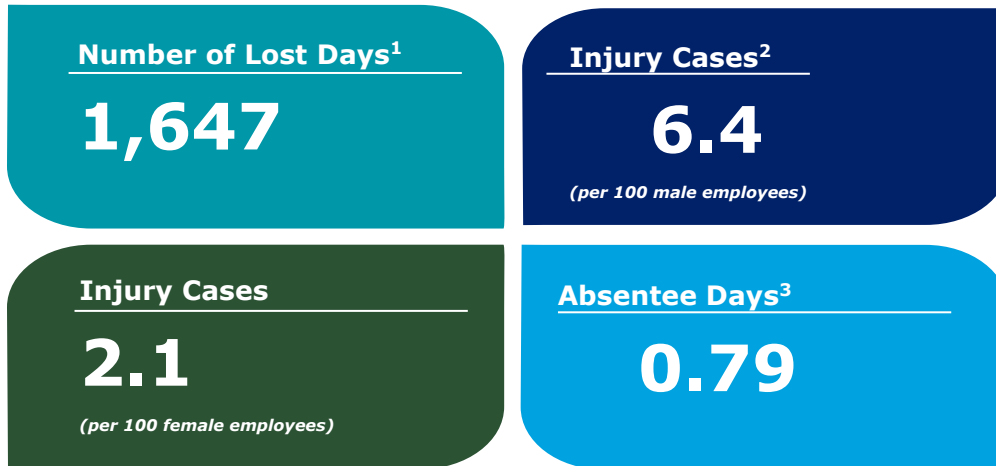
The employee health and safety is monitored through technology set-up by some of our hotels. These include surveillance systems and time attendance software to increase the safety of the guests and employees. The reporting systems used to track and monitor OHS incidents are tailored to each hotel and resort. For instance, at Hard Rock Hotel Bali, the Duty Manager is responsible to raise an accident report after investigation. The accident report documents the name of the injured staff, department, position, time, place, description or chronology of accident or injury, hotel action, staff action, and the name of the Duty Manager. OHS incidents are managed by the Safety and Security Department at Hard Rock Hotel Penang. The incident report is recorded and managed by the human resources department. Four Seasons Jimbaran and Four Seasons Sayan use an online database to record the incident report. At Hard Rock Hotel Pattaya, incidents and accidents are reported using the incident reporting system which is kept at the loss prevention office.

[This material references disclosures 103-2 and 103-3 from GRI 103: Management Approach 2016]

Performance

We record all OHS incidents and track and measure our performance on a regular basis. In 2019, a total of 1,647 lost days were reported by our hotels compared to 1,762 days in 2018. All of our hotels have reported no incident of work-related fatality in 2019.

Figure 1: Employee Health and Safety Performance for the Year Ended 31 December 2019

Number of Lost Days[1]

1,647

Injury Cases[2]

6.4

(per 100 male employees)

Injury Cases

2.1

(per 100 female employees)

Absentee Days[3]

0.79

[This material references disclosures 103-3 from GRI 103: Management Approach 2016 and 403-2 from GRI 403: Occupational Health and Safety 2016.]

[1] Total number of lost days as a consequence of occupational disease or accident.

[2] Injury refers to non-fatal or fatal injury arising out of, or in the course of work. Number of fatal and non-fatal workplace injuries per 100 employees in 2019.

[3] Absenteeism refers to a worker absent from work because of incapacity of any kind, not just as the result of work-related injury or disease. Absentee excludes permitted leave absences such as holidays, study, maternity or paternity leave, and compassionate leave. Number of absentee days out of total days worked per employee in 2019. Assumption: Eight hours work-day for all hotels.

Performance Metrics

Most of the hotels have achieved their targets for 2019. For instance, Holiday Inn Resort Kandooma reduced from 79 injuries reported in 2018 to 58 injuries in the year 2019. The resort has taken measures such as conducting monthly risk assessments and increasing the safety awareness training to all their staff. However, some hotels faced challenges with the OHS-related targets due to unforeseen circumstances. The hotels are highly concerned about workplace and employee safety. Hence, new OHS-related targets were set to equip employees with safety awareness through training. Hotels also ensure that work areas will be inspected regularly on a risk-based approach to identify potential hazards and provide preventive measures to reduce injuries in 2020.

To ensure continuous improvement, we have established the following goals for FY2020.

Goals and Targets

🚀	Holiday Inn Resort Kandooma	• To reduce occupational injuries by 2%
🚀	Four Seasons Jimbaran	• To ensure the Security Manager is certified as an OHS Expert • To reduce the number of sick leaves to 1830 • To reduce cases of accident at the workplace to 10 cases
🚀	Four Seasons Sayan	• To obtain Government certification for machinery operator and security • To reduce the number of sick leaves to 500 • To reduce cases of accidents to 15 cases
🚀	Hard Rock Hotel Penang	• To focus on the overall mental health of the workforce
🚀	Hard Rock Hotel Bali	• To reduce sick leaves • To reduce workplace-related accidents
🚀	Concorde Hotel Singapore	• To reduce reportable incident rate, lesser than 7 cases
🚀	Hard Rock Hotel Pattaya	• Reduce cases of staff vehicle accidents, lesser than 7 cases • Reduce cases for OHS claims, lesser than 4 cases

[This material references disclosures 103-2 from GRI 103: Management Approach 2016]

EMPLOYEE TRAINING AND EDUCATION

Overview

Employees play a vital role in business continuity. Through their warm hospitality, they ensure that our guests have a satisfying stay in our hotels and resorts. In return, we are committed to creating an environment that would help our employees achieve their career goals. We are also committed to growing a workforce that is highly skilled and aligned with the industry's emerging demands. Our goal is to continue providing quality training to our employees to enhance the quality of service we provide to our guests.

As per local legislations, it is mandated for hotels located in Thailand, Indonesia and Malaysia to deliver employee training. These include the Skill Development Promotion Act 2002 in Thailand, the Indonesian Labour Law (Law No. 21 of 1999) and country regulations in Malaysia that involve contributions to the Human Resource Development Fund. HPL is aware and in compliance with such mandates, where applicable.

[This material references disclosures 103-1 from GRI 103: Management Approach 2016]

Management Approach

To ensure the high quality of our service delivery across all the hotels and resorts we manage, we have developed our policies on training and education. These include:

- Policy on Training and Development
- Policy on Department Trainers
- Policy on Training Committee

HPL's Policy on Training and Development covers processes and practices in all HPL managed hotels. The policy was developed to aid the delivery of training and development in an effective, systematic and comprehensive way.

Under the policy, HPL managed hotels must develop an employee training plan including a suite of programmes delivered as part of the training roadmap. The HPL Hotel and Resort Policy on Training and Development cover areas of commitment by the hotels, roles and responsibilities of every division, annual property training plan (for HPL managed hotels) and budget, training priorities, and training procedures. With such efforts, we hope to build a competent, effective and happy workforce in HPL hotels and resorts.

The Training Roadmap is a suite of mandatory programmes for the four job families or levels of staff: Staff, Supervisors, Managers and Department Heads.

Examples of Mandatory Programmes include:
• Great Guest Experience Workshop
• Working Safely
• Personal Effectiveness
• Train-the-Trainer 1
• Coaching the Team
• Leading Team Performance
• The Pulse
• Management Synergy

Training and development in HPL managed hotels go through a complete cycle of a training needs analysis to develop a training plan, the implementation of the plan, and the evaluation of the completed training to determine the effectiveness of the training and development interventions. In addition, every property has a training and development leader who is responsible to champion and manage the training and development system and initiatives.

Hotel-specific Training Initiatives

Holiday Inn Resort Kandooma implemented talent and development programmes for their employees. These included Cross Exposure Training Program, Craft Training Certification, Training & Development for Business, Accelerated Leadership Development Programs Modules, and Learning and Development Needs Analysis.

Four Seasons Jimbaran provided their employees in the operations department with Service Foundations training. The resort provided Food & Beverage Training and Fire Safety training for their employees. The resort has also updated the HACCP training matrix record that lists out the expected competency-based training with mandatory completion by all employees and contractors. Four Seasons Sayan provided training to all guest-facing employees on service foundations guidelines to build the competency of the employees on better guest interaction. The resort rolled out new interview guidelines for all Managers to assist them in the selection and hiring process.

Hard Rock Hotel Pattaya has established a new system, Hotel Service Optimisation System (HotSOS), to support hotel operations. The technology allows employees to connect and manage their departments from their device through a real-time concept. This initiative was implemented to reduce any incidents to hotel guests, service delays and schedule preventive maintenance. In addition, all the hotels in scope offer orientation and/or on-boarding training for employees within the first few months of employment. This on-boarding training typically includes mandatory courses and supplemented with additional training courses.
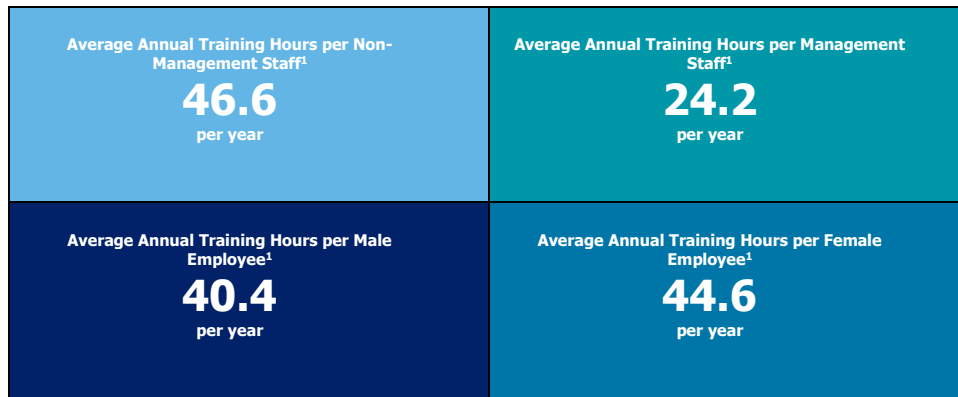
Training and education in all our hotels are managed through the significant allocation of investment in capable training leads and online courses. In many of our hotels, the Training and Development Manager typically leads the training functions. However, in some of our hotels, the responsibility may be attributed to the General Manager, Department Heads, Talent Development Manager and/or Director of Human Resources. All our hotels set aside a budget for training and development, based on the training plan developed for the particular year. Some of our hotels also provide e-learning and online courses for training their employees.

[This material references disclosures 103-2 and 103-3 from GRI 103: Management Approach 2016]

Performance

As of 31 December 2019, our total employees from all the selected hotels is 2,670. We have a diverse workforce of 40.22% are female employees while 59.78% are male employees. In 2019, our hotels and resorts recorded 24.2 average hours of training for management, and 46.6 hours for non-management staff. Female employees received an average of 44.6 hours of training while male employees received 40.4 average hours of training in 2019.

Figure 2: Employee Training and Education Performance

Average Annual Training Hours per Non-Management Staff[1] **46.6** per year	Average Annual Training Hours per Management Staff[1] **24.2** per year
Average Annual Training Hours per Male Employee[1] **40.4** per year	Average Annual Training Hours per Female Employee[1] **44.6** per year

[This material references disclosures 103-3 from GRI 103: Management Approach 2016 and 404-1 from GRI 404: Training and Education 2016]

[1] The above data relate to the seven selected hotels for the year ended 31 December 2019.

Performance Metrics

We are proud to report that more than 90% of our hotels in scope achieved their 2019 targets in equipping their workforce with relevant knowledge and skills to carry out their respective tasks effectively and safely. In 2019, the employees in the hotels in scope received an average of 42 hours of training. Hard Rock Hotel Bali and Hard Rock Hotel Pattaya exceeded their targets for training hours by at least 15 hours of additional training provided to their employees on an average. In 2020, many hotels have maintained their target and have plans in completing training plans for their staff.

To ensure continuous improvement, we have established the following goals for FY2020.

Goals and Targets

🚀	Holiday Inn Resort Kandooma	• To achieve an average of 72 hours of training per year per employee
🚀	Four Seasons Jimbaran	• To achieve an average of 15 training hours per year per employee • To achieve 100% completion of Workday Learning 2020 Compliance Training for all employees

	Four Seasons Sayan	• To achieve an average of 15 training hours per year per employee • To achieve 100% completion on compliance training
	Hard Rock Hotel Penang	• To achieve average training hours per employee per year of 57 hours for 2020 • To achieve 75% implementation of planned programmes under the Annual Department Training Plan 2020
	Hard Rock Hotel Bali	• To achieve average training hours per employee per year of 60 hours for 2020 • To achieve 75% implementation of planned programmes under the Annual Department Training Plan 2020
	Concorde Hotel Singapore	• To achieve average training hours per employee per year of 48 hours for 2020 • To achieve 75% implementation of planned programmes under the Annual Department Training Plan 2020
	Hard Rock Hotel Pattaya	• To achieve average training hours per employee per year of 60 hours • To achieve 75% implementation of planned programmes under the Annual Department Training Plan, per year

[This material references disclosures 103-3 from GRI 103: Management Approach 2016]
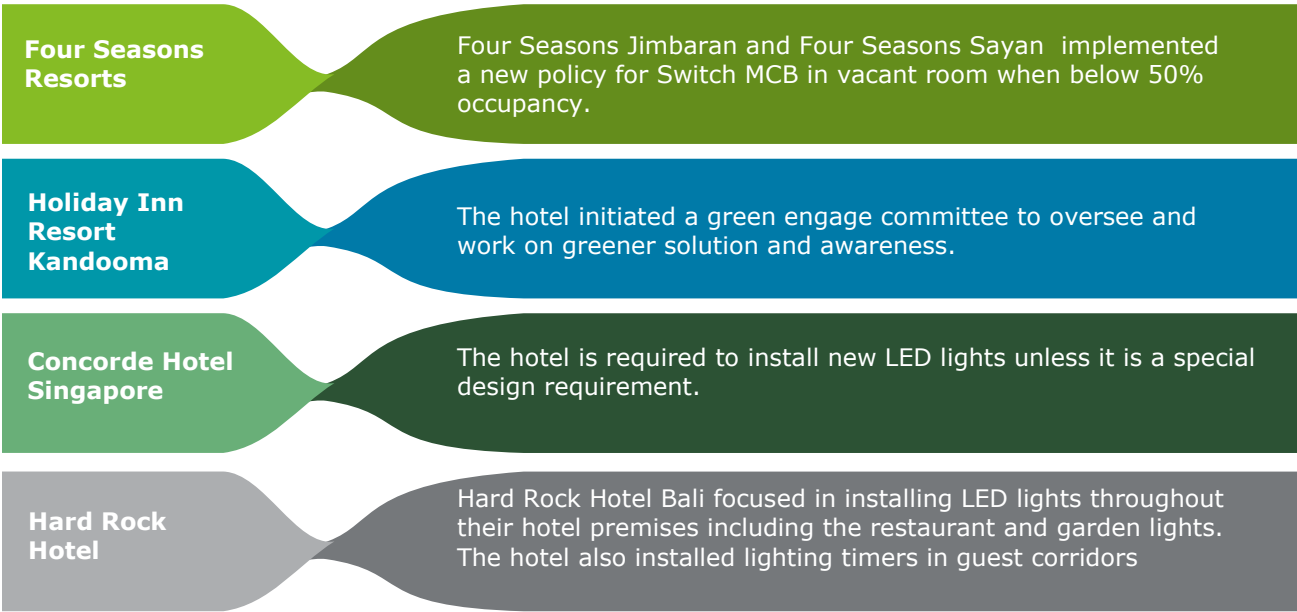
ENERGY

Overview

As we work towards minimising the negative environmental impact through our business operation, we aim to reduce emissions by adopting effective energy management.

[This material references disclosures 103-1 from GRI 103: Management Approach 2016]

Management Approach

We aim to maximise energy efficiency across all our hotels and have dedicated staff to manage this aspect. We identified energy-saving opportunities across all our hotels. Some of these initiatives include the installation of LED lights in our hotel landscapes and install energy-saving equipment where possible. The engineering teams led by the chief engineer tracks energy consumption in our hotels. In some hotels, the general manager also works alongside the chief engineer to monitor and implement energy-saving initiatives.

Figure 3: Energy Management Approach

Four Seasons Resorts	Four Seasons Jimbaran and Four Seasons Sayan implemented a new policy for Switch MCB in vacant room when below 50% occupancy.
Holiday Inn Resort Kandooma	The hotel initiated a green engage committee to oversee and work on greener solution and awareness.
Concorde Hotel Singapore	The hotel is required to install new LED lights unless it is a special design requirement.
Hard Rock Hotel	Hard Rock Hotel Bali focused in installing LED lights throughout their hotel premises including the restaurant and garden lights. The hotel also installed lighting timers in guest corridors

Performance

We are committed to reducing our energy use as a way of mitigating adverse impacts on the environment. The total energy consumed in our seven selected hotels for 2019 was 270,389.88 Giga-Joule (GJ).

Our major source of energy consumption was from the use of electricity, which accounted for 148,538.81 GJ. Significant energy consumption was also from non-renewable sources such as Diesel, Natural Gas and Liquefied Petroleum Gas (LPG), which accounted for 121,851.07 GJ.

Figure 4: Energy Source and Percentage used in the seven selected hotels in 2019 [1]
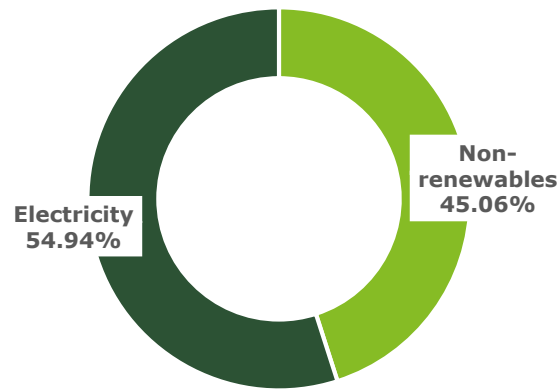
The above data relates to the seven selected hotels for the year ended 31 December 2019.

[1] *Standards, methodologies, assumptions, and/or calculation tools used:*
- *Electricity 1 kWh = 0.0036 Giga-Joule*
- *LPG 1kg = 0.0266 Giga-Joule*
- *1 litre diesel = 0.0457 Giga- Joule*
- *Bunker Oil = 39.7 MJ/litre*

Source of conversion factors used:
- *Electricity kWh to joules: The International System of Units (SI) - Conversion Factors for General Use (2006), U.S. Department of Commerce, University of Berkeley fuel conversion units*

Performance Metrics

Hotels in scope achieved their targets set for 2019 in addressing key issues related to energy. The main source of their electricity usage in hotels has been from halogen lights, type of refrigerator used, chillers, air-conditioners and more. Our hotels have changed their traditional lights (such as halogen lights) to LED lighting which is more energy-efficient. Some hotels have also taken the initiative to switch off the main electricity source for unoccupied rooms when the total hotel occupancy is lower than 40%. This year, our hotels have set more stringent targets to ensure energy-efficient operations.

To ensure continuous improvement, we have established the following goals for FY2020.

Goals and Targets

	Holiday Inn Resort Kandooma	• Reduce consumption per occupied room by 2.0% on an annual basis
	Four Seasons Jimbaran	• To install solar panel for the back of house external lighting • To create P&P for staff accommodation to maintain AC set point at their rooms at 24 degree Celsius or off when the room is not occupied • To replace old AHU Pastry (including Commissary and Butchery) with FCU
	Four Seasons Sayan	• To complete replacement of garden lights from PAR 38 – 80 watts to LED light to the remaining 8 units pool pump in Q1 2020 • To maintain a policy to switch off MCB in a vacant room when there is low occupancy
	Hard Rock Hotel Penang	• To reduce electricity cost per occupied room by 10% by replacing old chillers.
	Hard Rock Hotel Bali	• To not exceed electricity consumption of 10,026,483 kWh for the year • To replace Chiller #9 that services Facilities (22 years old) that is no longer working, with energy-efficient 95.5TR • To recondition Chillers 2,4,5,8 to improve efficiencies • To replace all halogen lights with new LED during renovation of remaining guest rooms in wings 4,5,6 (242), and corridors • To re-insulate chilled water pipes during the renovation of remaining guest rooms in supply shafts to reduce chiller loads • To re-jacket and insulate chilled water pipes on the rooftops of all guest wings to reduce chiller loads
	Concorde Hotel Singapore	• To replace hotel signs from the neon to LED lights • To install VSD to Sales and Account Department (AHU)
	Hard Rock Hotel Pattaya	• To change light bulbs of the standing lamps in the guest room from incandescent lamp 60 watts to LED 4 watts • To change bed headboard fluorescent light 58 watts in the guest room to LED 18 watts • To change light bulbs at Rock loyalty lounge from halogen light 50 watts to LED 5 watts

[This material references disclosures 103-2 from GRI 103: Management Approach 2016]

WATER

Overview

Our hotels and resorts use a significant amount of water for running their daily operations – laundry, guest rooms, swimming pools, etc. However, many of the regions in which we operate face water-stress and scarcity. We are aware of the importance and the responsible use of this resource in order to receive a sustainable water supply in our operations. Therefore, HPL is committed to using water responsibly and reduce water consumption by installing water-saving equipment. Additionally, we also continuously promote awareness of water conservation across all our selected hotels.

[This material references disclosures 103-1 from GRI 103: Management Approach 2016]

Management Approach

Our hotels and resorts have implemented several measures to use water wisely. One of the initiatives is by building awareness regarding water conservation. In 2019, Holiday Inn Resort Kandooma launched an awareness campaign for all employees regarding the need to reduce water consumption. The resort also placed a Green Engage Information Board to keep employees updated on the amount of water they consumed. Concorde Hotel Singapore in 2019 mandated all their taps to carry an approved water-saving sign to better inform guests and employees on reducing water use.

Some of our hotels and resorts also take active measures to identify and repair leaks to avoid water loss. Hard Rock Hotel in Bali continued repair works to reduce water leaks from the main pools. The hotel has also hired a vendor to identify underground pipe leakages. This is being done using an acoustic camera.

Some of our hotels use the latest technology to manage water consumption and prevent losses. The Hard Rock Hotel Penang has installed self-closing water taps in all guest bathrooms and in all staff basin water taps. The hotel has also installed battery operated water tap for toilets. Similarly, Hard Rock Hotel Bali has installed a stop valve for their shower to save water and an LED indicator sensor in all toilet urinals. The LED indicator saves water from repeated flushing in addition to improving hygiene. Concorde Hotel Singapore has the provision of private meters to monitor daily water usage for different areas such as cooling towers, swimming pools, kitchen, and tenant usage.

Some of our hotels also actively practice rainwater harvesting. For instance, the Holiday Inn Resort Kandooma has continued its initiative of collecting rainwater in order to reduce the demand for energy from consuming desalinated water. The rainwater collection tanks are connected to the main water tank to be used for daily operations.

[This material references disclosures 102-11, 103-2 and 103-3 from GRI 103: Management Approach 2016]

Performance

We are committed to reducing our water consumption as a way of mitigating adverse impacts on the environment. The total water consumed in the seven selected hotels for 2019 was 1,023,213 m^3. We are proud to report that, as compared to the water consumption in 2018, we have consumed 30,378 m^3 less water in 2019. The hotels in the scope of this report withdrew 40.82% of the water from municipal sources, 25.03% from groundwater sources, 29.37% from surface water sources such as rivers and oceans, 4.70% from recycled wastewater and the rest 0.88% from rainwater.

We are committed to reducing our annual water consumption. Our water consumption data has been captured using daily meter readings. We also track the consumption of water within our facilities on a monthly basis.

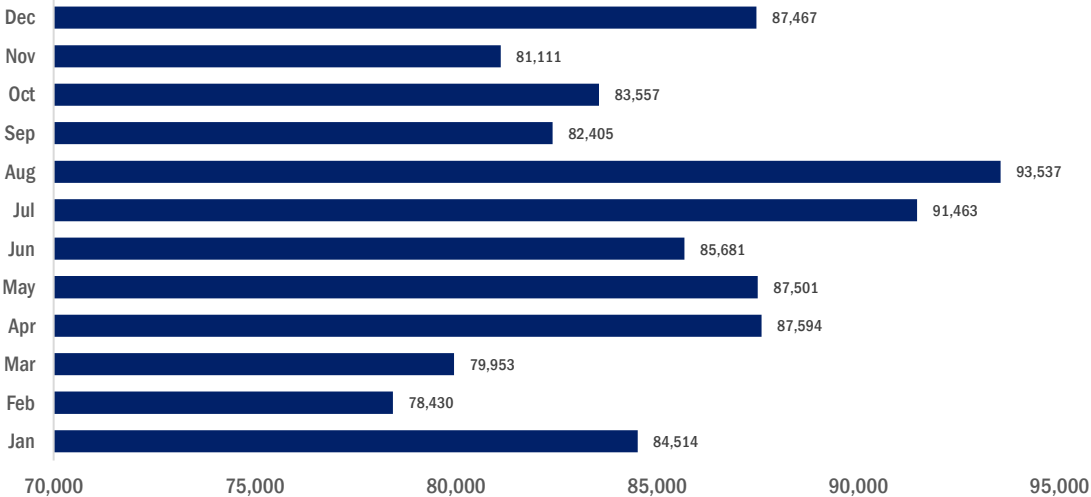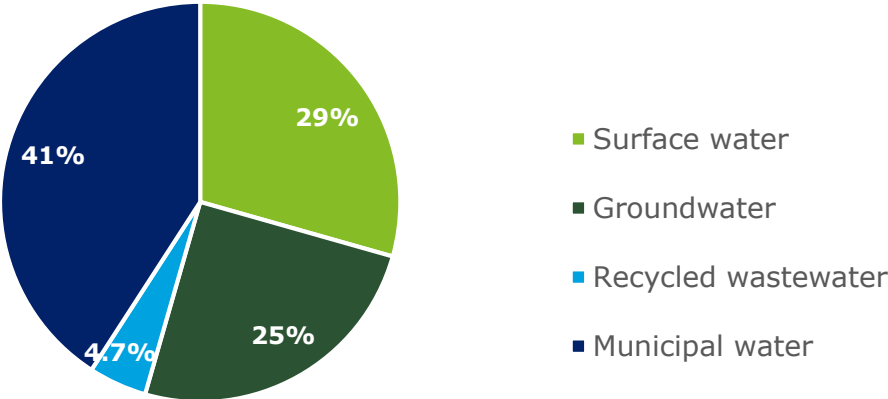Figure 5: Total Water Consumption for the Seven Hotels in 2019 (m³)

Figure 6: Water Consumed by Source for the Seven Hotels in 2019 (%)

[This material references disclosures 303-1 from GRI 303: Water 2016]

Performance Metrics

Most of our hotels in scope have exceeded the target in reducing water consumption in their operations. This was possible due to initiatives such as using recycling wastewater for landscaping purposes and toilet renovations, and harvesting rainwater for other hotel operations. However, some hotels were not able to reach their target because of the excess use of water due to unexpected prolonged dry seasons. Boiler leakage also caused high water consumption in one of the hotels. Nonetheless, hotels undertook other initiatives to counter waste wastage. Some of our hotels removed bathtubs and installed water-efficient showers, vanity taps and toilets to reduce water consumption in 2019. Moving forward, hotels are setting ambitious targets for further reducing their water consumption and wastage.

To ensure continuous improvement, we have established the following goals for FY2020.

Goals and Targets

🚀	Holiday Inn Resort Kandooma	• To reduce water consumption by 1% per occupied room
🚀	Four Seasons Jimbaran	• To reduce water consumption by 3% per occupied room
🚀	Four Seasons Sayan	• To reduce water consumption by 2% per occupied room
🚀	Hard Rock Hotel Penang	• To reduce water consumption by 3% per occupied room
🚀	Hard Rock Hotel Bali	• To reduce total water consumption to less than 280,000 m^3 for 2020 • To install new water-efficient rain showers, vanity taps, and toilets into the remaining guest room, during the renovation of the wings • To reduce the number of bathtubs during the renovation of wings 4,5,6 (242 rooms) • To complete men tunnels around main pool circumference to identify remaining water leaks. • To purchase bottling plant to bottle own water via reverse osmosis system to replace complimentary plastic water bottles provided in all guest rooms, meetings and event
🚀	Concorde Hotel Singapore	• To replace cooling tower 3
🚀	Hard Rock Hotel Pattaya	• Plan to take water under the main building wing B (60 m^3) to water the trees in the hotel area. To save 400 m^3 of water per year

PHASING OUT PLASTIC PACKAGING

Overview

Plastic has a diverse usage within the hospitality industry. Hotels widely use products that are packaged in plastic; such as water bottles, bathroom amenities such as shampoo bottles, soaps bottles, plastic toothbrushes and many more. However, it is undeniable that plastic produces negative impacts on the environment. Improper waste management of single-use plastics is one of the top sources of pollutions in our oceans[3]. Studies suggest that about 300 million tons of plastics are produced and over 8 million tons of plastics are dumped to our oceans every year[4]. These worrying numbers have influenced consumers to choose travel service providers that are making efforts in reducing single-use plastics in their operations.

A calculation made by an expert for Eco-Business estimated that a single 200-room of a four-star hotel uses about 300,000 pieces of single-use plastic in a month if it is at full capacity and does not invest in any eco-friendly alternatives, is a wakeup call for major hotel chains[5]. In a survey by Skift Research's U.S. Experiential Traveller in 2019, 53% of the respondents are willing to pay higher rates to travel service providers that demonstrated environmental responsibility[6].

This has made hospitality industry players undertake measures and practices to phase out single-use plastics in their day-to-day operations. In Green Lodging Trends 2018 report, revealed that some of the initiatives taken by hotels include the elimination of plastic straws, implementing reducing plastic usage policies in using shampoo dispensers in bathrooms and reusable food service wares[7]. HPL is aware of such trends and is strongly committed to reducing plastic consumption in our hotel operations through replacements of single-use plastics with eco-friendly packaging alternatives.

Management Approach

Our hotels respond to these alarming environmental issues by taking measures in reducing plastic usage in their day-to-day business operations. Our hotels are setting targets for the year 2020 to implement initiatives such as changing toiletries from single-use small bottles to refillable plungers to reduce plastic consumption. For example, Hard Rock Hotel Pattaya has planned to roll out its initiative in Q3 2020 to replace plastic toiletries with eco-friendly alternative packaging. Adding to this initiative, the hotel also plans to change complimentary plastic bottles to refillable glass bottles in Q4 in the year 2020.

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[3]Plastic Free Hotels: What Hotel Brands are Doing Against Plastic Waste, EHL Hospitality Insights
Ecole hôtelière de Lausanne (**EHL**) is an ambassador for traditional Swiss hospitality and has been a pioneer in hospitality education since 1893. Available at: https://hospitalityinsights.ehl.edu/hotels-single-use-plastics-ban.
[4] The Facts Are Overwhelming. Available at: https://plasticoceans.org/the-facts/
[5] Going plastic-free: How hotels are joining the anti-plastic fight. Available at:
https://www.eco-business.com/news/going-plastic-free-how-hotels-are-joining-the-anti-plastic-fight/
[6] Hotels Have a Problem With Plastics: A Skift Deep Dive. Available at: https://skift.com/2019/04/29/hotels-have-a-problem-with-plastics-a-skift-deep-dive/
[7] Green Lodging Trends Report 2018. Available at: https://greenview.sg/wp-content/uploads/2019/02/2018-Green-Lodging-Trends-Report_updated-02112019.pdf

Goals and Targets

🚀	Hard Rock Hotel Pattaya	• To reduce single-use 30ml & 60ml toiletry item by 8,387 units on average per month, commencing Q4 2020 • To reduce single-use plastic bottle item by 15,504 units on average per month, commencing Q4 2020

As a material topic for HPL, we encourage all our hotels and resorts to explore setting targets with this regard. Sustainability performance and targets for phasing out plastic packaging in all our hotels in scope will be covered in our Sustainability Report 2020.

OUR COMMITMENT TO SOCIETY AND THE ENVIRONMENT

Our properties have also undertaken several initiatives in 2019 and have collaborated with various charitable organisations to raise funds to support community development.

Concorde Hotel Singapore

In 2019, Concorde Hotel Singapore hosted a Lohei charity lunch for approximately 180 elderlies from Bukit Merah Lion Befrienders Homes. The event was fun filled with entertainment activities such as Lion Dance and games.

Concorde Hotel Singapore also collaborated with the Fei Yue community services to distribute food packs of non-perishable items to 200 low-income families at Teck Whye Lane. The hotel also donated S$3,000 to Fei Yue Community Services and distributed goodies bag worth of S$8.

Hard Rock Hotel Pattaya

THB 100,000 donated to Her Royal Highness Princess Maha Chakri Sirindhorn's Charity Fund that aims to help Thai people to improve their living conditions, education standards, and assist Thai youth in remote areas. Other works under this Fund include providing natural disaster relief and purchasing medical equipment and machines for hospitals.

Rock-The-Farm, started in July 2016, a green initiative in line with the hotel motto "Save the Planet", collaborated with The King's Project of Agricultural Promotion, Demonstration and Training Center at Wat Yarnasangwararam, which will provide the knowledge, education, seeds, sprouts to farm organically.

Hard Rock Hotel Pattaya have contributed cash donation to Trirat Foundation & One to Five Piano Institution has been teaching piano with 1to5 piano technique in Thailand. ONEtoFIVE Neuron Exercise demonstrated physical, cognitive, and social participation in a combination of meaningful, accessible, and affective responses to players who use as a therapeutic tool for rehabilitation or health promotion such as the symptoms of multiple learning disability, Parkinson, Alzheimer, autism, aggressiveness, insomnia and partial paralysis.

To celebrate the 20th Anniversary of the Hard Rock PINKTOBER program, Hard Rock Hotel and Cafe Pattaya has organized our own Program "PINKTOBER RUN 2019 " for our Team Members and Families and PINK Fun Fair for our Team Members for a gathering activity and to raise fund. THB 80,000 has been donated to a local breast cancer research foundation, Thanyarak Breast Center.

Hard Rock Hotel Bali

Hard Rock Hotel Bali formed a CSR committee to proactively look for opportunities to become a more sustainable business by supporting the local community and roll out initiatives to improve hotel efficiencies. Hard Rock Hotel Bali has carried out number of beach cleaning activities jointly with local organisations including Bali Hotel Association, Kuta Community, One Voice One Island Community and Badung District Environmental Service. The hotel also supported and funded coral conservation activities through Coral Triangle Center at Nusa Penida and Nusa Lembongan.

Holiday Inn Resort Kandooma

The resort celebrated the World Environment Day by planting trees in designated areas in the resort. The resort also contributed various donation activities such as 'Giving For Good' to raise funds to be donated for people in need and 'Donation for Guraidhoo' which aimed to collect funds to upgrade centre facilities of Guraidhoo Home which cares for the special needs. Other CSR activities include participating in Earth Hour, Inter Resort Volleyball and Futsal Tournaments, Medical Emergency Trips to Guraidhoo Health Centre

Four Season Jimbaran

Four Seasons Jimbaran actively donates to various foundations including Kids Cancer Foundation, Flip Cleft Foundation, Jimbaran Festival, Sarin Bwana Temple and Muaya Temple.

Besides donation, Four Season Jimbaran also invests time in carrying out beach cleaning activities in conjunction with International Coastal Clean Up and World Clean Up Day.

Four Seasons Sayan

In conjunction with World Clean Up Day, Four Seasons Sayan has carried out cleaning up activities around Ubud Area.

Four Seasons Sayan also has donated books and stationary for 487 students from three elementary school through their School Giveaway Programme.

Hard Rock Hotel Penang

Hard Rock Hotel Penang also launched a 'Music School of Hard Rock' at YMCA via Hard Rock Heals Grant which aspires to engage and develop young talents among underprivileged musically-inclined children and youths from targeted charitable homes by providing access to music lessons, musical instruments and performance opportunities through the Music School of Hard Rock programme.

Hard Rock Hotel Penang carried out tree planting activities and a river clean up session opposite the hotel jointly with Indah Water Konsortium, under the a programme called, 'Friends of River'.

GRI CONTENT INDEX

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	102-3 Location of headquarters	About Hotel Properties Limited
	102-4 Location of operations	About Hotel Properties Limited
	102-5 Ownership and legal form	About Hotel Properties Limited
	102-6 Markets served	About Hotel Properties Limited
	102-7 Scale of the organisation	About Hotel Properties Limited
	102-8 Information on employees and other workers	Employee Training and Education
	102-9 Supply chain	About this Report
	102-10 Significant changes to organisation and its supply chain	About this Report
	102-11 Precautionary principle or approach	HPL does not specifically address the principles of the Precautionary approach.
	102-12 External initiatives	About this Report Community Capital
	102-13 Membership of associations	Not applicable
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GRI 102: General Disclosures 2016	102-14 Statement from senior decision-maker	Statement from the Board
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GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and norms of behaviour	Statement from the Board
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GRI 102: General Disclosures 2016	102-18 Governance structure	Reference to Annual Report 2019 – Corporate Governance, page number 106-110
GRI 102: General Disclosures 2016	102-40 List of stakeholder groups	Stakeholder Engagement and Materiality Review
	102-41 Collective bargaining agreements	Not applicable
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	102-47 List of material topics	Reporting Scope and Boundaries
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	102-49 Changes in reporting	Not applicable
	102-50 Reporting period	About this Report
	102-51 Date of most recent report	2018 Sustainability Report
	102-52 Reporting cycle	About this Report
	102-53 Contact point for questions regarding the report	We welcome your feedback on how our sustainability practices can be improved. Please send your feedback to sustainability@hotelprop.com.sg
	102-54 Claims of reporting in accordance with the GRI Standards	About this Report
	102-55 Content Index	Table of GRI Content Index
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	103-2 The management approach and its components	Management Approach
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Performance

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GRI 303: Water	303-1 Water withdrawal by source	Performance
PHASING OUT PLASTIC PACKAGE*		
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Targets and planned implementation		Performance

[This material references disclosures 102-55 from GRI 102: General Disclosures 2016]

*This topic is an additional topic to this reporting disclosure was selected as voluntary initiatives by the hotels.