





# SUSTAINABILITY REPORT

# SUSTAINABILITY REPORT



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## BOARD STATEMENT

Dear Stakeholders,

The Boards of Directors (the “**Boards**”) are pleased to issue CDL Hospitality Trusts’ (“**CDLHT**”) Sustainability Report (“**Report**”) for the financial year ended 31 December 2023 (“**FY 2023**”). This Report outlines CDLHT’s vision and strategic imperatives regarding sustainability and related aspects such as climate change, resource conservation and human capital. It further details the progress made towards and performance against the targets set to achieve our sustainability ambitions. As one of Asia’s leading hospitality trusts with approximately S\$3.3 billion in assets under management as at 31 December 2023, we believe sustainability is vital to ensuring the longevity and success of our business and the planet. In this report, we highlight our sustainability goals, strategies, and progress across the key Environmental, Social, and Governance (“**ESG**”) topics for FY 2023. Despite the continuously evolving and challenging landscape, CDLHT remains focused on its responsibility towards sustainability and will continue to evaluate its performance to ensure progress toward our long term goals. With this report, we present our efforts and commitments in our sustainability journey to our valued stakeholders.

CDLHT is cognisant of maintaining a balance between accomplishing commercial objectives whilst ensuring a positive impact and responsible contribution to the environment and society. Through the integration of sustainability into our business strategies and our core values, the Boards oversee all sustainability-related imperatives, whilst ensuring compliance with the regulation and guidelines from Singapore Exchange (“**SGX**”). CDLHT is vigilant towards compliance with all country-specific regulations and standards, whilst maintaining strong corporate governance, integrity, and responsible business conduct across all areas of the organisation.

CDLHT remains committed to improving our environmental and social impacts through focused initiatives, whilst managing overall business recovery. Building on our strong business activity in FY 2022, energy efficiency levels at our properties continue to improve through the implementation of various initiatives. CDLHT exercises environmental stewardship by spearheading an inventory of best practices to reduce natural resource consumption. We set and review reduction targets and continuously explore opportunities to reduce usage and improve efficiency, as we detail in this report. Our goal is to consistently propel our sustainability efforts forward, and this has been supported by active measures to improve our data collection and reporting. As part of our progressive approach to sustainability reporting, we have commenced reporting on two new material topics in our FY 2023 report. These are: Safe and Liveable Buildings, and Fair Labour and Human Rights.

Our business centres around people, and we are committed to establishing a secure environment for all stakeholders. Prioritising their health, safety, and overall well-being is fundamental to our approach. Additionally, we believe in positively impacting society through collaboration with stakeholders within each of our locations. Accordingly, our properties continue to partner with local charitable and social organisations to demonstrate responsible citizenship and positive community engagement.

Moving forward, we will continue our efforts to find more effective ways to improve our environmental, economic, and social footprint and contribute towards a more sustainable future.

**Board of Directors**  
REIT Manager Board  
Trustee-Manager Board

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## ABOUT THIS REPORT

CDLHT presents its seventh Sustainability Report for FY 2023. The Report is intended to be read in tandem with the CDLHT Annual Report and makes references to sections within it. CDLHT commenced its internal review process in FY 2023 with the assistance of internal auditor Deloitte.

CDLHT has been listed on the Singapore Exchange Securities Trading Limited since 2006 and comprises CDL Hospitality Real Estate Investment Trust ("**H-REIT**") and CDL Hospitality Business Trust ("**HBT**"). H-REIT's principal investment strategy is to invest in a diversified portfolio of income-producing real estate, which is primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally. HBT's principal investment strategy is to invest in a diversified portfolio of real estate or development projects, which is or will be primarily used for hospitality, hospitality-related and other accommodation and/or lodging purposes globally and may also include the operation and management of the real estate assets held by H-REIT and HBT.

M&C REIT Management Limited is the manager of H-REIT (the "**H-REIT Manager**"), and M&C Business Trust Management Limited, is the trustee-manager of HBT (the "**HBT Trustee-Manager**", and collectively the "**Managers**"). For more information on CDLHT's business, please refer to page 2 of the Annual Report.

## Reporting Period And Scope

CDLHT's portfolio comprises 19 operational properties that span numerous geographies. The FY 2023 <sup>(1)</sup> scope comprises 18 of these properties from which we showcase our sustainability strategies and performance.

Portfolio Properties	Location
Orchard Hotel	
Grand Copthorne Waterfront Hotel	
M Hotel	
Copthorne King's Hotel	Singapore
Studio M Hotel	
W Singapore – Sentosa Cove	
Claymore Connect	
Grand Millennium Auckland	New Zealand
Mercure Perth	Australia
Ibis Perth	
Raffles Maldives Meradhoo	Maldives
Angsana Velavaru	
Hotel MyStays Asakusabashi	Japan
Hotel MyStays Kamata	
The Lowry Hotel	United Kingdom
Hilton Cambridge City Centre	
Pullman Hotel Munich	Germany
Hotel Cerretani Firenze - MGallery	Italy

## Reporting Standards And Guidelines

This Report is compliant with the SGX Listing Rules 711A and 711B and has been prepared with reference to the Global Reporting Initiative ("**GRI**") Sustainability Reporting Standards. CDLHT applies the GRI Standards to its Sustainability Report as the internationally recognised disclosures are most relevant to its business and provide holistic and effective guidance on the management strategy, performance tracking and target-setting processes pertaining to CDLHT's material ESG topics. The GRI Content Index is available on page 121 of the Report. As part of our efforts to scale up the quality of our sustainability disclosures, we intend to begin reporting in accordance with the GRI Standards from FY 2024.

CDLHT has prepared this report in line with the Task Force on Climate-related Financial Disclosures ("**TCFD**") recommendations and has done so since FY 2022. CDLHT's TCFD Report also serves as disclosure against the Guidelines on Environmental Risk Management for Asset Managers issued by the Monetary Authority of Singapore ("**MAS**").

Below is a table outlining a high-level summary of CDLHT's short-, medium- and long-term sustainability targets.

Time Horizon	Description of Target
Short term: Year 2026	5% - 7% reduction in energy and 2% - 7% reduction in water consumption, with FY 2019 as the comparative baseline.
Medium term: Year 2035	Reduce portfolio's CO <sub>2</sub> emissions by 20% or more by 2035 with FY 2025 as the comparative baseline.
Long Term: Year 2050	Decarbonisation aligned with Science Based Targets initiative (" <b>SBTi</b> ") to achieve Net Zero by 2050

## Accessibility And Feedback

We have made this Sustainability Report available online on our corporate website at [www.cdlht.com](http://www.cdlht.com). In line with our environmental objective to conserve resources and minimise impact on the environment, CDLHT will only print a limited number of this report.

As we aim to continuously progress in our sustainability journey, we welcome any feedback and comments regarding our Sustainability Report. Please contact Mr. Paul Kitamura, Head of Asset Management at [PaulKitamura@cdlht.com](mailto:PaulKitamura@cdlht.com).

(1) Hotel Brooklyn in the United Kingdom was excluded from the scope for FY 2023 for our GHG emissions, resource usage, and employee headcounts as the occupational lease is a full repairing and insuring one where the lessor has limited access to data. In particular, the occupational lessee and hotel manager are two separate third parties.

## OUR SUSTAINABILITY APPROACH

In alignment with our sustainability vision and mission, CDLHT’s Sustainability Framework consists of five fundamental pillars. These pillars encapsulate the priorities of our stakeholders, influence our sustainability policies and initiatives, and enable us to generate significant impact across our material ESG (Environmental, Social, and Governance) factors.

### VISION

Establishing CDLHT as premier hospitality and lodging platform with sustainable, innovative, and quality accommodation spaces, generating long-term value for our stakeholders

### MISSION

To enable sustainable profitability by acting as responsible stewards of our environmental and social landscapes

### SUSTAINABILITY FRAMEWORK



The five pillars are represented via 19 material ESG factors, which each consist of a set of actions and initiatives, and where relevant, annual performance and targets. We regularly validate these material ESG factors through our sustainability governance structure and stakeholder engagement processes in order to ensure that CDLHT continuously maintains a robust, overall sustainability architecture for achieving our goals. The subsequent sections in this Report explain each of these items in depth.

### Delivering Value And Best Practices

As part of our commitment to be a responsible investor and generate long-term value for our stakeholders, CDLHT champions ESG best practices throughout the portfolio through a diverse set of initiatives. By engaging in active asset management and building various ESG initiatives within the portfolio, we establish a practice inventory that consolidates and shares these positive actions for implementation across the entire group.

Our environmental stewardship efforts span across building operations and include energy conservation, renewable energy sourcing, water conservation and waste reduction. These initiatives are being rolled out across all the properties to meet and exceed ESG benchmarks for our portfolio and align with industry best practices.

### Action Across Properties








Portfolio hotels’ efforts on energy include energy conservation measures such as reducing the operating hours of lighting, heavy machinery, pool pumps. It has been possible to reduce air conditioning use in some cases by installing air curtains, films and shades to help keep buildings cool, as well as using better sealing for windows. Some properties have also upgraded their equipment to become more energy efficient. For example, at Grand Copthorne Waterfront Hotel, the installation of more energy efficient electronically commutated fans and guestroom control units with occupancy sensors, improved equipment energy efficiency by at least 40%. Water conservation methods have included installation of water-saving shower heads and eco toilet flushing, along with monitoring of water use with smart meters. Some properties also engage in rainwater harvesting for use in gardening. To reduce waste, we have implemented various measures, including using filtered water instead of disposable water bottles, removing single-use plastics, recycling food waste, and an option for guests to skip daily housekeeping.

Finally, our properties are improving their social performance by offering regular training on workplace health and safety topics, as well as skills upgrading via e-learning platforms for staff.

# SUSTAINABILITY REPORT

## Our Key Results And Targets

We are proud of our progress made on many of our material ESG factors. We have set a range of environmental targets relating to energy water and waste, as well as social targets relating to safety, corporate social responsibility, and training for our staff.

ESG Factors	Targets for FY 2023	Key results in FY 2023	Targets for FY 2024
<b>Emissions</b> 	<ul style="list-style-type: none"> <li>Aim to be Net Zero by 2050</li> </ul>	<ul style="list-style-type: none"> <li>Disclosed 4 categories of Scope 3 emissions</li> </ul>	Disclose 4 more categories of Scope 3 emissions
<b>Energy</b> 	<ul style="list-style-type: none"> <li>CDLHT aims to achieve an aggregate 5% - 7% reduction in energy consumption across our portfolio by 2026, with FY 2019 as the baseline. The baseline is 0.22 MWh/m<sup>2</sup> (2)</li> </ul>	<ul style="list-style-type: none"> <li>Total energy consumption in FY 2023 is 5% higher than FY 2019 baseline.</li> <li>The energy intensity is 12.5% lower than FY 2019 baseline</li> </ul>	Maintain progress
<b>Water</b> 	<ul style="list-style-type: none"> <li>CDLHT aims to achieve an aggregate 2% - 7% reduction in water consumption across our portfolio by 2026, with FY 2019 as the baseline. The baseline is 2.5 m<sup>3</sup>/m<sup>2</sup> (2)</li> </ul>	<ul style="list-style-type: none"> <li>Total water consumption in FY 2023 is 4.5% lower than FY 2019 baseline</li> <li>The water intensity is 20.4% lower than FY 2019 baseline</li> </ul>	Maintain progress
<b>Waste</b> 	<ul style="list-style-type: none"> <li>We target to remove or partly remove single-use plastic bathroom amenities from operations for 50% of our hotel portfolio by FY 2023</li> </ul>	<ul style="list-style-type: none"> <li>More than 50% of our properties have replaced single-use bathroom products with reusable pumps</li> </ul>	We target to remove or partly remove single-use plastic bathroom amenities from operations for 85% of our hotel portfolio by FY 2024
<b>Safety Management</b> 	<ul style="list-style-type: none"> <li>We aim to have zero incidents of fatality or permanent disability and strive to minimise any work-related injuries</li> </ul>	<ul style="list-style-type: none"> <li>Zero incidents of fatality or permanent disability in FY 2023</li> </ul>	Maintain target
<b>Average Training Hours</b> 	<ul style="list-style-type: none"> <li>We target to achieve a minimum of 20 hours of training per employee across our portfolio in FY 2023</li> </ul>	<ul style="list-style-type: none"> <li>We achieved an average of 32.84 hours of training hours per employee across our portfolios globally</li> </ul>	Maintain target
<b>Corporate Social Responsibility</b> 	<ul style="list-style-type: none"> <li>The target for the portfolio is to conduct at least 15 community/social events or projects in FY 2023</li> </ul>	<ul style="list-style-type: none"> <li>Our properties participated in over 70 corporate and social responsibility activities</li> </ul>	Maintain target

(2) Intensity comparison uses building GFA as the denominator to account for portfolio changes and is consistent with industry standard.

**Sustainability Governance**

CDLHT ensures sustained progress towards our sustainability goals and ambitions through our governance structure, which ensures the Boards have due oversight of all our sustainability initiatives and strategic imperatives.



At CDLHT, the Boards are responsible for overseeing all relevant sustainability considerations to ensure CDLHT’s business goals and strategies are progressing in accordance with the objectives set. The Boards also manage and monitor the material ESG factors and their performance, including those pertaining to climate-related issues such as emission reductions and climate action and resilience. The Audit & Risk Committees (“**ARCs**”) oversee our sustainability processes and strategies, and in particular looks after risk management policies and identification of such risks, including those pertaining to climate risk. Management reports to the ARCs and Boards on CDLHT’s sustainability efforts and performance progressively during the quarterly meetings and at the end of each financial year end.

CDLHT’s Sustainability Working Committee (“**SWC**”) comprises key personnel from various business functions and is led by the CEO of the Managers, Mr. Vincent Yeo Wee Eng. The SWC, overseen by the ARCs, manage and monitor CDLHT’s overall sustainability performance and leads the development of strategies that incorporate material ESG factors into daily operations. A dedicated Sustainability Officer, holds the full-time responsibility of tracking the sustainability-related metrics and green initiatives and reports frequently to the SWC.

Recognising the fast-growing importance of sustainability to our business operations, Board Sustainability Committees (“**BSCs**”) of the Managers will be formed in FY 2024 to further enhance sustainability governance and better dedicate management capacity toward sustainability-related issues at CDLHT. The BSCs will take over the role of the ARCs within the sustainability governance structure, working with the SWC and reporting to the Boards.

To strengthen its sustainability and climate-related governance capabilities, CDLHT’s Directors and senior management attended ESG workshops during FY 2023 to expand their knowledge and awareness of environmental issues impacting the portfolio. The monitoring of our sustainability performance continues to be supported by our portfolio-wide data capture and analysis software which is continuously being enhanced to enable CDLHT to collect data from each of its properties across an expanded array of metrics so as to better monitor and track individual property and portfolio performance to enhance sustainability performance.



# SUSTAINABILITY REPORT

## Our Material ESG Factors

CDLHT’s Material ESG Factors under our Core ESG Pillars were determined in consultation with our external ESG consultants, internal stakeholders, and approved by our Boards. CDLHT considers these material topics to be directly relevant to the continuity of our business.

We have reviewed our identified material topics for FY 2023 and renewed our commitments to the existing list of topics under our five core ESG pillars. In FY 2023, we have also expanded our reporting to include two new factors that we consider material in ensuring the sustainability of our operations, being the topics of Safe and Liveable Buildings, and Fair Labour and Human Rights.

Our sustainability framework aligns our ESG pillars, material ESG factors, and our commitments to the United Nations Sustainable Development Goals (“SDGs”). The following table details how each pillar and its material ESG factors demonstrates our respective efforts in making contributions towards the SDGs.

Core ESG Pillar	Our Material ESG Factors	SDGs	Overarching Ambitions
<b>Responsible Investment and Sustainable Value</b>	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Responsible Investment</li> </ul>		<ul style="list-style-type: none"> <li>Implement responsible investment practices</li> <li>Create economic value for stakeholders and ensuring continual business growth</li> </ul>
<b>Good Governance and Ethical Business</b>	<ul style="list-style-type: none"> <li>Board Diversity</li> <li>Whistleblowing Policy</li> <li>Anti-bribery and Code of Conduct</li> <li>Compliance with Social and Environmental Regulations</li> <li>Data Privacy and Protection</li> <li>Ethical and Transparent Business</li> <li>Safe and Liveable Buildings*</li> </ul>	 	<ul style="list-style-type: none"> <li>Ensure fair, responsible, compliant, and transparent business conduct</li> <li>Educate and raise awareness on issues of modern slavery and human trafficking</li> <li>Facilitate supply chain stewardship with vendors, partners, managers, and tenants</li> </ul>
<b>Climate Resilience and Environmental Stewardship</b>	<ul style="list-style-type: none"> <li>Climate Action and Resilience</li> <li>Emissions Reduction</li> <li>Energy Efficiency</li> <li>Water Stewardship</li> <li>Waste Reduction</li> </ul>		<ul style="list-style-type: none"> <li>Understand and manage our climate opportunities and risks</li> <li>Manage and minimise our carbon footprint and reduce our impact on the environment</li> <li>Advocate, enable and enhance resource efficiencies in our portfolio</li> </ul>
<b>Enabling Inclusiveness, Safety, Growth and Diversity of Our People</b>	<ul style="list-style-type: none"> <li>Diversity, Inclusion and Equal Opportunity</li> <li>Employment and Employee Engagement</li> <li>Fair Labour and Human Rights*</li> <li>Health and Safety</li> <li>Training and Development</li> </ul>	   	<ul style="list-style-type: none"> <li>Advocate, enable and enhance fair labour practices and employee well-being</li> <li>Promote safe and healthy workplaces for our people and customers</li> <li>Engage with our people and support their growth and development</li> </ul>
<b>Engaging Local Communities and Advocate for Positive Impact</b>	<ul style="list-style-type: none"> <li>Local Community Impact</li> </ul>	 	<ul style="list-style-type: none"> <li>Advocate strategic partnerships to enhance sustainability</li> <li>Promote positive community engagement</li> </ul>

\* Refers to new material topics reported in this FY 2023 sustainability report.

## Stakeholder Engagement

CDLHT maintains proactive, regular communication and engagement with our various stakeholder groups. We address their key areas of concern, and keep them abreast of our initiatives and progress through proactive regular communication and engagement.

In FY 2023, we continued our dialogue with our internal stakeholders through various channels throughout the year. Feedback from internal stakeholders is gathered through quarterly board meetings, as well as dialogue with the operating and management teams of hotels across our portfolio. We maintain continuous engagement with external stakeholders, and target periodic engagement with our hotel suppliers and business partners through symposiums & tradeshows, periodic meetings, and vendor assessments. The table below summarises our engagement efforts in FY 2023.

Stakeholder Group	Engagement Approach	Key Topics
<b>Board of Directors</b> 	<ul style="list-style-type: none"> <li>Board meetings (including ad-hoc briefings with external ESG consultants)</li> <li>Email communication</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>ESG performance &amp; trends</li> <li>Sustainability-linked financing opportunities</li> <li>Risk management</li> <li>Responsible Investment</li> </ul>
<b>Government and Regulators</b> 	<ul style="list-style-type: none"> <li>Ad-hoc briefings and consultations</li> <li>Participation in surveys and focus groups</li> </ul>	<ul style="list-style-type: none"> <li>Risk management</li> <li>Social and environmental related legislation</li> </ul>
<b>Hotel Employees</b> 	Led by hotel operators: <ul style="list-style-type: none"> <li>Training and transition assistance programmes</li> <li>Annual employment survey</li> <li>Performance and career development reviews</li> </ul>	<ul style="list-style-type: none"> <li>Career development opportunities</li> <li>Training and development</li> <li>Workplace safety and well-being, including pandemic readiness</li> </ul>
<b>Hotel Guests</b> 	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Social media</li> <li>Feedback via General Manager</li> </ul>	<ul style="list-style-type: none"> <li>Customer health and safety</li> <li>Environmental responsibility</li> </ul>
<b>Master Lessees and Hotel Managers</b> 	<ul style="list-style-type: none"> <li>Regular management meetings and communication</li> <li>Bilateral communication, one-on-one meetings, and site visits</li> </ul>	<ul style="list-style-type: none"> <li>Workplace safety and well-being</li> <li>Customer health and safety</li> <li>Eco-efficiency of buildings</li> <li>Sustainable operating standards &amp; practices</li> </ul>
<b>Investors, Analysts and Media</b> 	<ul style="list-style-type: none"> <li>Release of financial results and announcements, press releases and other disclosures through SGXNet and CDLHT's website</li> <li>Meetings and calls with analysts and media</li> <li>Investor meetings, conferences and roadshows</li> <li>Annual General Meetings</li> <li>Annual reports and sustainability reports</li> <li>Media releases and interviews</li> <li>Responses to investors' sustainability surveys</li> </ul>	<ul style="list-style-type: none"> <li>Business strategy and outlook</li> <li>Corporate governance</li> <li>Progress on ESG initiatives</li> <li>Distribution and earnings</li> <li>Market and operational performance</li> <li>Regulatory compliance</li> </ul>
<b>Hotel Suppliers and Business Partners</b> 	Led by hotel operators: <ul style="list-style-type: none"> <li>Assessment of suppliers and vendors</li> <li>Meetings with business partners</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Environmental factors</li> <li>Due diligence process during selection</li> </ul>

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## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

CDLHT presents its FY 2023 TCFD recommendations-aligned report in the following section. The disclosures here are also made in accordance with MAS' Guidelines on Environmental Risk Management for Asset Managers, which have been in effect since June 2022 and aim to enhance the policies and actions of asset owners, as well as the disclosures surrounding them. MAS is currently in a public consultation process for Guidelines on Transition Planning (Asset Managers), which we expect will be finalised in FY 2024 and be applicable for CDLHT in the following 12 months thereafter. We express support for MAS' initiative and expect to apply the guidelines to improve the direction and clarity of our climate resilience, mitigation and adaptation measures.

We seek to continuously improve the management of climate-related issues and the quality of our TCFD-aligned disclosures in future Reports.

### Governance

The Boards maintain overall responsibility for overseeing the integration of sustainability into CDLHT's business goals and strategies, and approve the environment-related (including climate) policies and frameworks. The Boards monitor CDLHT's material ESG factors and respective performance, which includes climate-related risks and opportunities pertaining to CDLHT's emissions reductions and climate action. The Boards are updated on all relevant ESG issues and their progress on a quarterly basis.

Within the Boards, the ARCs oversee CDLHT's sustainability processes and related strategies, ensuring they are in line with CDLHT's overall strategy and risk management. Management has developed and implemented an environmental risk management framework and policy, as well as tools and metrics to monitor exposures to environmental risk. Management reports to the ARCs and the Boards on CDLHT's sustainability efforts and performance progressively throughout the year at the quarterly meetings and at the end of each financial year end. With regard to specific material environmental or climate issues, management updates the Boards at least once a quarter.

CDLHT's SWC which comprises key personnel from various business functions, is led by the CEO and overseen by the ARCs. At the operational level, the SWC manages and monitors CDLHT's overall sustainability performance and formulates the development of strategies, including those at the individual function level that incorporate material ESG factors into daily operations.

Further details of our climate and overall sustainability governance structure and processes may be found in the Sustainability Governance subsection under Our Sustainability Approach.

### Strategy

CDLHT identifies its material ESG topics, including those that pertain to our climate-related risks and opportunities, through a materiality assessment conducted on an annual basis. Our material topics identified two climate-related issues which we have included under the topics of Climate Action and Resilience and Emissions Reduction within our Climate Resilience and Environmental Stewardship pillar. We intend to further strengthen this identification process as we undertake a more stringent and robust annual material topic assessment and review, including for those on climate-related topics, in accordance with the GRI Standards from FY 2024 onwards.

The Managers conducted a scenario analysis exercise in FY 2022 to determine the climate-related risks and opportunities that would be material to our operations. The risks were explored across the eight geographical markets in our portfolio using the following parameters:

Scenario Parameters	
Assets and country coverage	100% coverage (18 properties in eight countries)
Baseline year	2019
Scenarios explored	1.5°C warming (NGFS Net-Zero & RCP 2.6) > 3°C warming (NGFS Current Policies & RCP 8.5)
Timeframes explored	2030 and 2050

Our analysis revealed a number of climate-related risks that may be financially material to our operations, which we table below. Each of the identified risks includes our considered mitigation and adaptation measures.

Risk Type	Geography	Potential Impacts	Risk Level 1.5°C Warming	Risk Level > 3°C Warming	Mitigation Measures
<b>Extreme and more frequent heatwaves</b>	Singapore, Maldives, New Zealand, United Kingdom, Australia	Increase in cooling demand which may lead to higher utilities costs	●	●	<ul style="list-style-type: none"> <li>Increase measures to prevent health risks of the staff and guests in the hotels due to heat stress</li> </ul>
<b>Flooding</b>	Australia, Singapore, New Zealand, Japan, United Kingdom, Germany, Italy	Loss of asset value and operational costs due to business disruptions	●	●	<ul style="list-style-type: none"> <li>Performing specific site level climate risk assessments, especially for new investments</li> <li>Considering mitigation and adaptation measures</li> <li>Reviewing insurance coverage</li> </ul>
<b>Wind storms</b>	Singapore, Japan, United Kingdom	Loss of asset value and operational costs due to business disruptions	●	●	<ul style="list-style-type: none"> <li>Performing specific site level climate risk assessments, especially for new investments</li> <li>Considering mitigation and adaptation measures</li> <li>Reviewing insurance coverage</li> </ul>
<b>Rising sea levels</b>	Maldives, United Kingdom	Loss of asset value (asset may become uninsurable)	●	●	<ul style="list-style-type: none"> <li>Performing specific site level climate risk assessments, especially for new investments</li> <li>Considering mitigation and adaptation measures for higher risk assets</li> </ul>
<b>Carbon pricing</b>	All	Increase in operational costs associated with carbon pricing	●	●	<ul style="list-style-type: none"> <li>Developing a decarbonisation roadmap</li> </ul>
<b>Technology adoption and market shifts</b>	All	Potential regulatory obligations to adopt certain technologies	–	–	<ul style="list-style-type: none"> <li>Assessing green/smart building technologies that can value add and improve building operation</li> </ul>

● High   ● Moderated   ● Low

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For FY 2023, we reassessed our climate scenario analysis results from FY 2022 and determined that they remain relevant for our climate-related strategy and risk management. We continuously assess the need for an updated climate scenario analysis and we will perform another analysis in the future as circumstances require it.

CDLHT is incorporating the prioritised climate-related risks and opportunities into our general decision-making process and investment strategy. Currently, we are exploring this via two differentiated approaches for the shorter term (by 2030), and in the longer term (by 2050).

As we adjust our operations in the transition to a low-carbon economy, immediate impacts on our investment strategies include an avoidance of locations with significant physical risk, or the implementation of building mitigation and adaptation measures at specific sites. We also consider low carbon and renewable energy features in the buildings when assessing potential acquisitions.

Through sustainable financing, the setting and meeting of intermediate sustainability goals and targets has allowed us to access credit facilities and reap interest savings for the business. Notably, approximately S\$304.0 million in sustainability-linked term loans and bank facilities were secured in FY 2023. CDLHT will continue to pursue sustainability-linked financing to align with its steadfast commitment towards the environment and sustainable business practices.

In addition to the climate-related risks and opportunities detailed above, we continue to make progress developing our overarching strategy for achieving Net Zero emissions by 2050 to ensure we stay resilient to climate physical and transition risks posed to our assets. To measure our near-term performance and transition risk exposure, CDLHT benchmarked its recent FY 2022's GHG performance against the relevant decarbonisation/energy reduction pathways according to the Carbon Risk Real Estate Monitor (CRREM). The results showed that both CDLHT's existing portfolio GHG intensity and portfolio energy intensity remained well on track against the relevant benchmark.

This year, CDLHT established its baseline for Scope 3 Greenhouse Gas ("GHG") emissions, through disclosure of four material Scope 3 categories, for which we provide further details in the Emissions Reduction ESG topic below. As we aim to complete our collection of a full Scope 3 emissions inventory in FY 2024 and improve the overall data collection processes for all three GHG emissions types, we will solidify our decarbonisation strategy through analysis of emissions data and develop an emissions reduction trajectory following a science-based approach. We continue to update on our progress with each sustainability report.

### Risk Management

Risk management constitutes a key component of CDLHT's ESG policy and takes into consideration the Guidelines on Environmental Risk Management for Asset Managers set by MAS. CDLHT's ESG risk management process includes:

- A risk identification checklist that guides the scoping of an ESG risk universe, shortlisting the most relevant ESG factors for CDLHT's operations.
- Procedural systems to monitor, assess and manage the ongoing risks of environmental impacts on individual investments and at a portfolio-level. Risk and return profiles of the investment portfolio are expected to be updated for material occurrences such as natural disasters or significant regulatory changes.
- Alignment with the overall Enterprise Risk Management system, which subjects risks to three lines of defence mechanisms, prioritises and assesses them according to likelihood, degree of impact, and urgency vis-à-vis other risks maintained through a risk matrix, and then assigns controls to each risk.
- Maintenance of ESG risks in a risk register and develop appropriate treatments for each material risk, including avoiding, mitigating or transferring such risks.

In FY 2023, the Managers held a climate risk workshop with senior management where the significant climate-related risks applicable to CDLHT's portfolio were presented and discussed. These risks were further considered in the climate scenario analysis performed in FY 2022 and their findings were subsequently communicated to the Boards, where high-risk areas were further deliberated.

### Metrics And Targets

The Managers track sustainability-related performance and seek to improve sustainability and climate-related metrics and targets via tracking and disclosure. In addition, the Managers maintain an internal corporate scorecard that includes ESG related targets. The corporate scorecard performance is a material component of the Managers' executives' remuneration, aligning financial incentives partially to sustainability related initiatives.

**Greenhouse Gas (GHG) Emissions (FY 2023)**

We account for our consolidated GHG emissions data according to the operational control approach methodology under the Greenhouse Gas Protocol Standard as it is best aligned with our ability to exercise influence over emissions-related activities within our control.

CDLHT began tracking its Scope 1 and 2 GHG emissions from FY 2022 which is the year that will serve as our emissions baseline for future comparison purposes. In particular, we view Scope 1 and 2 GHG emissions as important metrics for understanding CDLHT’s level of exposure to climate risk in terms of how they demonstrate a reliance on non-green sources of energy and products as the world undergoes a green transition. They also represent the emissions borne out of energy use, for which evidence has to be presented for our sustainability-linked loans.

Our Scope 1 emissions are based on the usage of Diesel, Liquefied Petroleum Gas (LPG), and Natural Gas, and the majority of Scope 1 emissions come from fuel usage. Our Scope 2 emissions come from the use of purchased electricity.

From FY 2023, CDLHT began disclosure of Scope 3 emissions in response to the growing demands and requirements from regulations, the market, and investors’ requests for transparency regarding value chain emissions. We view Scope 3 emissions as important to understanding CDLHT’s exposure to climate risk as it represents our level of interaction with downstream assets, suppliers, vendors, and other parties. We will explore setting Scope 3 targets after we have fully developed all material categories of our Scope 3 emissions inventory.

Our Scope 3 emissions for FY 2023 cover the four categories of Fuel- and Energy-Related Activities not included in Scope 1 or Scope 2 (Category 3), Waste Generated in Operations (Category 5), Business Travel (Category 6), and

Downstream Leased Assets (Category 13) under the GHG Protocol Standard’s Technical Guidance for Calculating Scope 3 Emissions, and have been accounted for under the same Standard. We intend to disclose on CDLHT’s other material Scope 3 categories in FY 2024 to fully understand our total carbon inventory.

The breakdown of our Scope 1, 2, and 3 emissions are presented under the Emissions Reduction material topic of our Sustainability Report and summarised in the following table:

<b>Scope 1 emissions (tCO<sub>2</sub>e)</b>	405
<b>Scope 2 emissions (tCO<sub>2</sub>e)</b>	721
<b>Scope 3 emissions (tCO<sub>2</sub>e)</b>	52,163
<b>Total (tCO<sub>2</sub>e)</b>	53,289

Further information on our emissions breakdown may be found below under our material ESG topic of “Emissions Reduction”.

CDLHT is in the process of strengthening analysis on our emissions to better inform our stakeholders of our decarbonisation strategy, such as identifying the emission hotspots to best tackle the most carbon-intensive categories within our Scope 1, 2 and 3 emissions and meet our Net Zero target by year 2050.

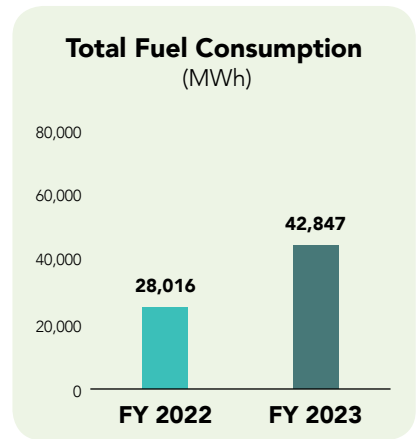
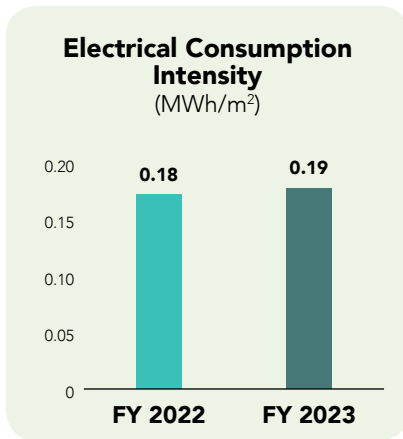
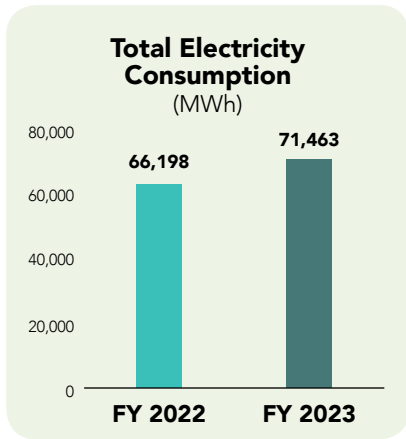
In FY 2024, CDLHT will explore setting targets according to the SBTi to ensure that our GHG emissions reduction goals and pathway are aligned with the Paris Agreement goals, demonstrating our commitment toward greening our business. Through target-setting under the SBTi, CDLHT will also explore deriving its short-, medium-, and long-term decarbonisation targets and use them to delineate our decarbonisation strategy.

# SUSTAINABILITY REPORT

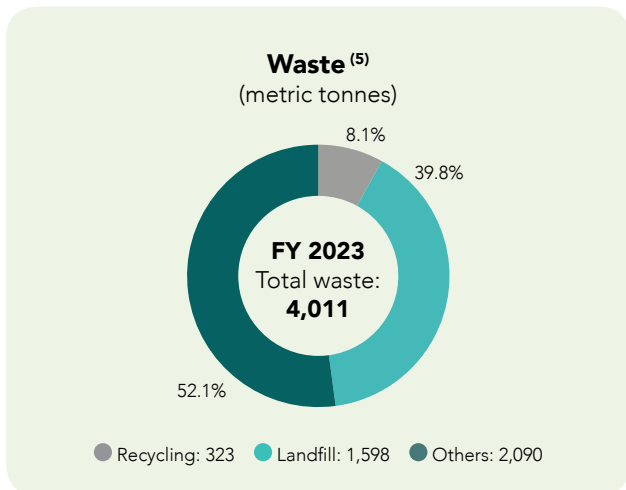
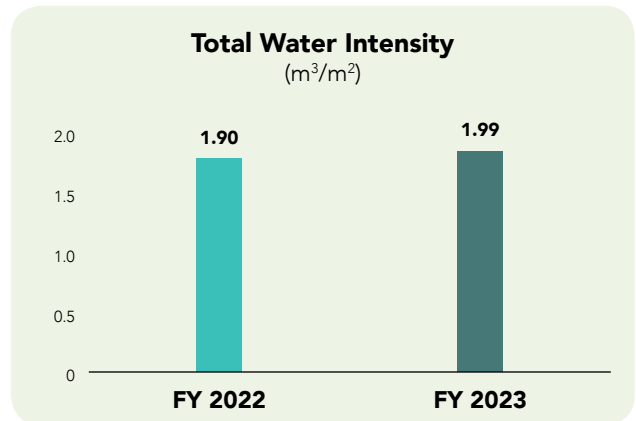
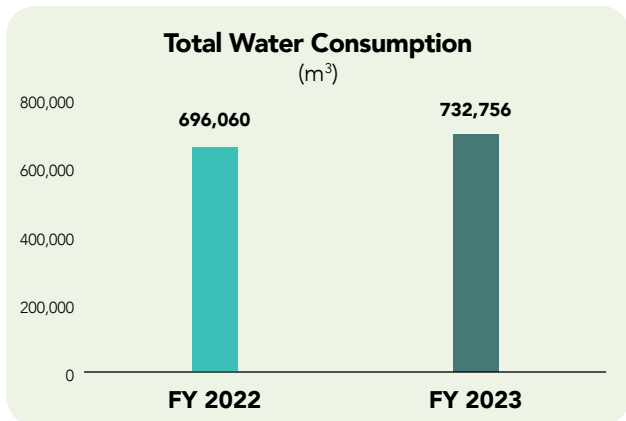
## Resource Usage (FY 2023)

We also summarise our ESG metrics on other resource usage data, including the forms of energy consumption, water consumption and waste generated, which are used to track, assess, and monitor climate-related risks and opportunities, as follows:

### Energy Consumption <sup>(3)</sup>



### Water Consumption <sup>(4)</sup>



The individual targets set out for each category of resource usage are detailed in their respective sections within our ESG material topics below. As CDLHT continues to make progress on tracking and reporting its full GHG emissions footprint, we will also align the attainable and ambitious short-, medium- and long-term resource usage targets with those for decarbonisation, including being SBTi aligned in future years, with the view to achieve Net Zero by 2050.

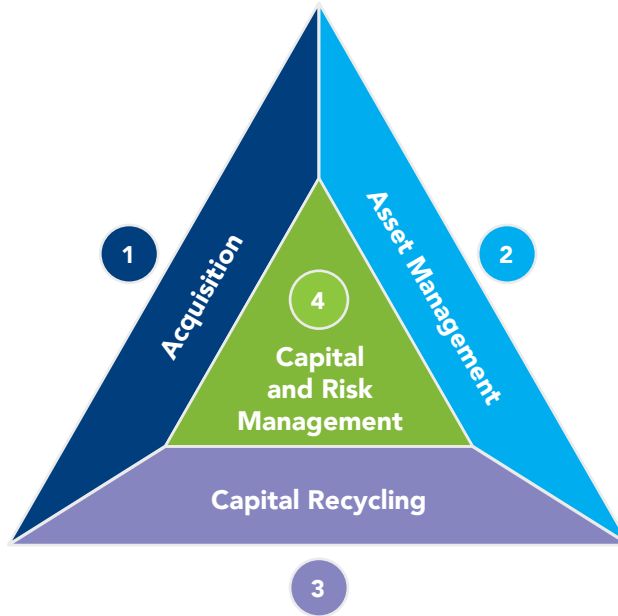
(3) Further information can be found under our material topic on Energy Efficiency.  
 (4) Further information can be found under our material topic on Water Stewardship.  
 (5) Further information can be found under our material topic on Waste.

**RESPONSIBLE INVESTMENT AND SUSTAINABLE VALUE**

At CDLHT, we drive the shift towards responsible investing by ensuring transparent, sustainable, and ethical investments. As our hotels operate across numerous geographies, we track, as far as possible, our environmental and social impacts, risks and opportunities across our business value chain and operations. We create sustainable value by incorporating our ESG material topics within our economic performance, investments decisions, and business efforts, and strategically adopting a holistic business approach that contributes to the betterment of the communities in which we have a presence. We aim to deploy our capital to positively impact society and the environment towards a sustainable future.

**Economic Performance**

As one of the leading hospitality trusts, ensuring economic growth is paramount to the sustainability of our business. Our primary economic objectives are to maximise the rate of return of Stapled Security Holders whilst ensuring regular distributions. The financial summary of FY 2023's operations, revenues and costs are highlighted on pages 168 to 170, in our annual report. Our management aims to achieve these economic objectives through the following means:



**1 Acquisition Growth Strategy**

- Pursue quality assets with growth potential
- Pursue asset class diversification within the lodging space and promote income stability
- Adopt a medium to long term perspective to ride through market cycles
- Partner with or tap on potential pipeline from M&C/CDL

**2 Asset Management Strategy**

- Work closely with master lessees, hotel/property managers and/or operators to implement active revenue and cost management
- Implement asset enhancement initiatives to optimise asset potential
- Operate and invest in alignment with relevant ESG standards

**3 Capital Recycling Strategy**

- Evaluate divestment opportunities periodically to recycle capital for better returns, rebalance portfolio and/or unlock underlying asset values
- Continually improve quality of portfolio

**4 Capital and Risk Management Strategy**

- Maintain a healthy balance sheet
- Enhance financial flexibility by maintaining diversified sources of funding
- Manage exposure arising from interest rates and foreign exchange through appropriate hedging strategies



# SUSTAINABILITY REPORT

## Responsible Investment

In recent years, many businesses have begun including broader corporate objectives, including notions of profit-with-purpose. This is also evident from the rapidly increasing value of global assets under management that fall under ESG investing, or asset managers that have committed themselves to sustainable or net-zero portfolio investments. As we progress towards a more sustainable world, CDLHT has built ESG considerations into investment decisions as part of its responsible investment approach.

## Our Approach

As part of our investment due diligence process, we assess the sustainability performance and risks of potential acquisitions by conducting ESG due diligence. This due diligence process allows us to identify potential ESG risks and opportunities for improving energy efficiency of the asset. To the extent possible, the risks assessed would include climate and environmental risks (such as energy efficiency, renewable energies, water utilisation, waste and pollution etc.), social risks (such as accessibility, health and wellbeing of stakeholders etc.) and governance risks (such as sustainability labelling, ESG strategy, etc.) of the asset. As part of the ESG due diligence process, we conduct carbon due diligence to identify the asset's carbon footprint, energy consumption and GHG emissions.

The responsible investment approach also extends to management of ESG-related practices in our existing managed assets. In the respective material topics, we detail how we build sustainable infrastructure into our hotels, such as installation of solar panels, EV charging stations, eco-digesters to reduce food waste, and water-saving showerheads. On an ongoing basis, CDLHT actively pursues capital expenditure investment opportunities that further enhances our buildings' sustainability performance, especially in improving operational and energy efficiency.

## Our Performance

In FY 2023, we completed the phase 1 installation of solar panels at Raffles Maldives Meradhoo and Angsana Velavaru, which generated 413 MWh in the same year, avoiding 144,000 litres of diesel or equivalent to 327 tonnes of CO<sub>2</sub>. Studio M Hotel had seen through asset enhancement works with its air conditioning system upgraded, improving efficiency by 25%.

As we progress, both Maldives resorts will have their total solar system capacity further increased by 650 kWp in FY 2024. We are also exploring solar energy supplementation for our other portfolio properties, either via capital expenditure or partnership agreement. Further information can be found under our material topic on Energy Efficiency, Water Stewardship and Waste.

## GOOD GOVERNANCE AND ETHICAL BUSINESS

Ensuring fair, responsible, compliant, and transparent business conduct stands as a cornerstone in cultivating trust and fostering loyalty amongst all stakeholders. CDLHT steadfastly upholds its dedication to corporate governance, ethical business practices and compliance to all pertinent, applicable regulations, thereby fortifying the foundation of CDLHT's enduring sustainability while safeguarding the diverse interests of our valued stakeholders, as well as reinforcing our position as a trusted partner and steward of value creation. Throughout FY 2023, the Managers have complied with the principles of corporate governance laid down by the MAS Code of Corporate Governance 2018 (Code), and also complied, substantially, with the provisions underlying the principles of the Code. In addition, the REIT Manager is a member of the Financial Industry Disputes Resolution Centre Ltd (FIDReC) and a member of REIT Association of Singapore (REITAS).



### Ethical and Transparent Business

Zero cases of corruption, bribery and misconduct in FY 2023



### Social and Environmental Compliance

Zero cases of non-compliance with social, environmental laws in FY 2023



### Data Privacy and Protection

Zero data privacy and protection breaches in FY 2023

**Board Diversity**  
**Our Approach**

In accordance with CDLHT’s commitment to sustainable development, the Boards of the Managers recognise that a diverse Board of Directors is important. A diverse board will enhance the decision-making process of the Boards through a range of perspectives derived from the various skills, business experience, industry discipline, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service and other distinguishing qualities of the Directors.

Additionally, the selection of Directors will be based on merit against objective criteria that complements and expands the collective skills and experience of the Board as a whole. Careful consideration will be given to maintain the overall balance and effectiveness of diverse Boards.

The Nominating and Remuneration Committees of the Managers will periodically review the Board Diversity Policy, to assess the relevance and effectiveness of the diverse Boards. Through the findings, adjustments will be recommended to ensure the continued effectiveness of diverse Boards.

**Our Performance**

The Managers strive to maintain a board size of six members and have consistently maintained independence with at least two out of three or more members being independent over a 4-year period. The Directors should have the relevant expertise and experience that would complement those already on the Boards and for succession planning by FY 2025.

Presently, four out of the six of the Boards’ members are independent, and one out of the six is below 50 years old. The Managers target to improve age diversity over a 4-year period by appointing younger directors aged 50 or below by FY 2025 to further complement the Board’s diversity.

CDLHT currently has one female Board member in the Boards and will strive to increase its female representation to at least 25% by FY 2025.

**Ethical And Transparent Business**

At CDLHT, we are committed to upholding the highest level of integrity and ethical standards across all our business functions and operations. We commit to this through our robust corporate governance, responsible business practices, accountability, and transparent management systems that key towards preventing incidents of misconduct, corruption, and non-compliance throughout our organisational processes. By upholding these principles, we not only earn the trust of our stakeholders, but also within the wider community. This stands as the foundation of our success, ensuring that all our actions are guided by the principles of being ethical and transparent.

**Our Approach**

To uphold good corporate governance, we prioritise mandatory compliance training tailored to the specific business functions for all our employees. This ensures that every member of our team is equipped with the knowledge and skills necessary to navigate their roles with integrity and adherence to our principles. Additionally, our hotel employees are required to practise and uphold the highest level of integrity across all our operations.

We have adopted numerous policies to promote a robust risk management culture. This encompasses a range of considerations, including addressing various issues that targets ethical business practices, such as Anti-Bribery Policy, Anti-Corruption Compliance Guide, Business Hospitality and Gifts Policy and Whistleblowing Policy. We also have established policies on Corporate Communications, Global Data Protection and Related Party Transactions to further enhance our dedication to ethical business practices and accountability.

Across the portfolio, the implementation of these policies is managed through the following processes:

- Regularly screening the policies to ensure alignment with evolving laws and regulations, and implementing any updates.
- Reporting of any suspected violations to the established line manager.
- Maintaining oversight and monitoring of non-compliance issues.
- Documenting incidents through incident reports that will be filed with the Security department.

**Our Performance**

In FY 2023, we had zero cases of misconduct and non-compliance across the portfolio. Additionally, we did not observe any anti-competitive behaviours or violations of anti-trust or monopoly legislation. As a result, CDLHT did not incur any related fines or sanctions.

# SUSTAINABILITY REPORT

## Whistle Blowing Policy

### Our Approach

The Managers have in place a comprehensive whistleblowing policy that sets out the procedure for employees, directors as well as third parties to raise any concerns on possible improprieties in confidence and good faith without any fear of reprisals. The whistleblowing policy is incorporated into all new employees' orientation training and is publicly accessible on CDLHT's website. Any concerns raised will be independently investigated and appropriate actions will be taken as necessary.

Moreover, all our hotels maintain an open-door policy through their human resource departments, providing employees with a safe and open channel to report any incidences of non-compliance or violations.

The Managers' ARCs maintain oversight and review of whistleblowing incidents at its scheduled meetings, to ensure continuous monitoring and accountability.

### Our Performance

There were zero incidences of whistleblowing complaints received via CDLHT's whistleblowing channels in FY 2023.

## Anti-bribery And Code of Conduct

### Our Approach

CDLHT upholds a zero-tolerance stance against bribery, corruption, or fraud. The Managers are committed to conducting business with integrity and adherence to all relevant laws and regulations. To further strengthen this commitment, CDLHT has implemented comprehensive policies and guidelines to provide direction to all employees of the Managers, maintaining the highest standards of integrity in their work and business dealings. There is also an Internal Code of Business and Ethical Conduct, alongside a Business Hospitality and Gifts Policy, that outlines the proper protocols for handling gifts (monetary or in kind), entertainment or concessionary offerings.

Furthermore, all employees of the Managers undergo refresher training sessions periodically to re-acquaint themselves with anti-corruption policies and procedures.

### Our Performance

The Managers strive to maintain zero incidences of corruption, bribery and misconduct. In FY 2023, there were no such incidences reported. We continuously conduct training sessions on relevant policies as part of the orientation for new hires, and keep our employees informed of any development to applicable policies and regulations.

## Compliance With Social And Environmental Regulations

As an organisation with a global portfolio, CDLHT is conscious of remaining compliant with all the social and environmental regulations applicable within the countries in which we operate.

### Our Approach

We vigilantly monitor changes to requirements through monthly interaction with our hotel operating partners in each country. This process allows us to ensure that each asset adheres to local and national regulations, and promotes responsible and lawful operations.

### Our Performance

In FY 2023, CDLHT had zero incidences of non-compliance with social and environmental laws, and no significant fines and sanctions. CDLHT aims to maintain zero incidences of non-compliance with social and environmental laws and regulations, mitigating the risk of substantial fines and sanctions.

## Data Privacy And Protection

### Our Approach

The Managers have implemented a Data Protection Handbook in place to safeguard personal data processed, adhering to relevant legal requirements outlined in the Personal Data Protection Act and the Securities and Futures Act in Singapore. Furthermore, all lessees and hotel managers diligently comply with local data and privacy laws within their respective jurisdictions.

### Our Performance

In FY 2023, there were no complaints received by the Data Protection Officer on data privacy breaches. The portfolio properties will continue to maintain its best practices in data protection measures, both within our operations in Singapore and overseas.

## Safe and Liveable Buildings

At CDLHT, we understand that developing infrastructure that positively influences our occupants, is a crucial step towards creating a liveable city. We are committed to delivering high standards of building safety and ensuring the comfort of our guests, visitors and tenants. Liveable buildings also directly contribute to the quality and service reputation at our hotel assets, and quality of spaces and tenant satisfaction at our commercial assets. Our buildings are equipped with amenities that provide universal and family-friendly accessibility to our building facilities.

### Our Approach

The Manager ensures that buildings comply with their respective regulations and best practices on building safety, accessibility, and liveability. For our assets in Singapore, the Managers ensure that the buildings comply with BCA's Code on Accessibility in the built environment and where requirements are not met, to retrofit the buildings as expediently as practical.

Building inspections are also periodically carried out to ensure our properties meet safety standards and provide a safe living environment for our occupants. Guest satisfaction surveys are carried out to understand how we can improve our buildings to better serve the guests' and tenants' needs, continuously seeking improvement with respect to the feedback.

**Our Performance**

There was zero incidence of non-compliance or statutory lapses recorded in FY 2023. CDLHT pledges to maintain these stringent standards, guaranteeing that all development and asset enhancement efforts prioritise safety and comfort for guests and tenants.

**CLIMATE RESILIENCE AND ENVIRONMENTAL STEWARDSHIP**

CDLHT recognises the importance of addressing climate change and mitigating affiliated risks to ensure alignment to best practice within the industry.

As a key player in the hospitality industry, we actively engage in activities and initiatives aimed at reducing our environmental impact. We do so through our efforts to conserve natural resources by reducing our energy and water consumption, lowering our direct and indirect carbon emissions, and minimising waste generation across our portfolio of properties. We strive to lead by example and aim to create positive change within the hospitality industry and contribute to a more sustainable future.

<b>Climate Action And Resilience</b>
Second year of TCFD disclosure, ahead of SGX requirements.
<b>Emissions Reduction</b>
Reporting on Scope 3 emissions from FY 2023
<b>Energy</b>
Energy intensity is 12.5% lower compared to FY 2019
<b>Water</b>
Water intensity is 20.4% lower compared to FY 2019
<b>Waste</b>
Achieved target to remove or partially remove single-use plastics from 50% of our hotel portfolio in 2023

**Climate Action and Resilience**

Climate change poses both physical and transition risks to CDLHT's global assets and operations, underscoring the importance of our commitment to climate action and its respective impact on our business strategies and engagement with stakeholders. As our hotel operations traverse multiple continents, it is critical for us to take stock of regional factors including climate risks at each hotel asset's geography. These include changing energy costs in the world's transition to a low-carbon economy, and physical risks of flooding and other natural disasters. By proactively identifying and addressing these challenges, we enhance the sustainability and resilience of our business, ensuring that they remain aligned with evolving climate realities.

**Our Approach**

CDLHT has adopted the recommendations of the TCFD as a guiding framework for our climate-related disclosures and how we approach climate resilience as a company with a global presence.

FY 2023 marks our second year of alignment with TCFD recommended disclosures and presenting CDLHT's financially material climate-related risks and opportunities accordingly. In particular, the Strategy and Resilience pillars of disclosure outline our key policies and actions towards ensuring a climate-resilient portfolio. We are steadfast in our commitment towards strengthening our capabilities and experience in this area and remain dedicated to reporting on our progress in future years.

**Climate-related Risk Management**

Climate-related risks may be viewed as either physical risks or transition risks. Physical risks are associated with the direct impacts of climate change, and include chronic risks that occur over a longer time period, such as rising sea levels, as well as acute risks that refer to hazards such as wildfires, heat waves or floods. Transition risks are related to economic costs that may arise out of a transition toward lower-carbon economies, which encompass increased costs of carbon-intensive energy sources due to rising carbon tax, or increased compliance costs due to the need for green certification of buildings. Notably, some of these risks present themselves as opportunities for CDLHT to capitalise on and gain a competitive edge through effective climate strategy.

We continue to refine our climate risk management policies and systems, recognising the value they provide in business decision-making. We remain committed to minimising our exposure to material climate risks by integrating climate-related factors into our investment policy and conducting relevant analysis as part of investment and divestment strategy. For further details, please refer to the Risk Management disclosures under our TCFD Report above.

# SUSTAINABILITY REPORT

## Scenario Analysis

By conducting a scenario analysis against different global decarbonisation pathways, we have gained valuable insights into the effectiveness of our actions in enhancing CDLHT's climate resilience. Our scenarios are science-based and informed by the Network for Greening the Financial System's ("NGFS"). For further details, please refer to the Strategy disclosures within our TCFD Report above.

## Emissions Reduction

The hospitality industry remains a significant contributor to global GHG emissions. According to research done by the Sustainable Hospitality Alliance in 2022, the hotel sector accounts for around 1% of global carbon emissions, with this amount expected to increase over time. Recognising the substantial risks posed to our business operations due to climate change, we remain committed to reducing our global emissions, thereby ensuring the sustainability of our business and contributing to climate change mitigation efforts.

## Our Approach

In line with the Singapore Hotel Sustainability Roadmap's targets, CDLHT began tracking and reporting on its Scope 1 and 2 GHG emissions in FY 2022. In FY 2023, we have achieved a more comprehensive understanding of our emissions baseline as we disclosed four categories of our Scope 3 emissions, and aim to disclose our other material Scope 3 categories next year.

We recognise the growing importance of GHG emissions reporting as a metric that our investors and other stakeholders are interested in, and seek to continuously improve the underlying collection and reporting processes of emissions to build on the robustness of our disclosures.

Leveraging on our more extensive GHG emissions inventory, we will conduct analysis on the data collected to identify carbon hotspots within our value chain. This will also be used to shape our emissions reduction strategy moving forward.

## Our Performance

### GHG Emissions for FY 2023 (in metric tCO<sub>2</sub>e)

Scope 1	405
Scope 2	721
Scope 3 Category 3 Fuel-and energy-related activities not included in Scope 1 or Scope 2	8,245
Scope 3 Category 5 Waste generated in operations	845
Scope 3 Category 6 Business travel	189
Scope 3 Category 13 Downstream leased assets	42,884
<b>Scope 3 total</b>	<b>52,163</b>

In FY 2023, we reassessed the governance of operational processes and policies over our portfolio properties and deemed that CDLHT holds operational control, according to the GHG Protocol Standard definition, over The Lowry Hotel only. Accordingly, we have reclassified the remainder of our Scope 1 and 2 emissions, originally from the other hotel properties, into Scope 3 Category 13 Downstream Leased Assets emissions. Our Scope 1 and 2 emissions in FY 2023 pertain to the use of town gas and electricity, respectively, at The Lowry Hotel only.

Our emission factors are sourced from the United Kingdom's Department of Environment, Food & Rural Affairs (DEFRA), the International Energy Agency (IEA), and the United States' Energy Information Administration (EIA).

Our emissions arising from energy use include the use of fuel across the 18 portfolio properties across the different geographies. Diesel and LPG usage is mainly from properties in the Maldives, while natural gas is the main form of fuel used at the remaining properties.

For other details, please refer to our Metrics and Targets disclosures within our TCFD Report above.

## Our Targets

We aim to work towards reducing our emissions through various energy efficiency measures, with a target of achieving Net Zero by 2050. To help us achieve this goal, we intend to derive near, medium, and long term emissions reduction targets by undertaking a target-setting exercise aligned with SBTi in FY 2024. For more details, please refer to the Metrics and Targets disclosures within our TCFD Report above. We will also consider decarbonisation strategies for identified emission-intensive hotspots.

Our reporting baseline for Scope 1 and Scope 2 emissions will be FY 2022. We will explore setting Scope 3 emissions targets, including those aligned with the SBTi, after we fully derive all material categories of our Scope 3 emissions, which we aim to complete in FY 2024.

## Energy Efficiency

We are dedicated to reducing energy consumption throughout our entire portfolio by implementing a range of energy efficiency initiatives. Concurrently, we actively monitor consumption patterns to pinpoint areas for further improvement, enabling us to make the relevant strategic decisions for reducing our overall energy consumption. This proactive approach not only contributes to our environmental stewardship but also demonstrates our commitment to operational excellence and resource optimisation.

## Our Approach

The numerous assets across the CDLHT portfolio tailor their energy management approaches according to their respective environmental policies and regulations, and are based on their individual energy practices. This involves implementing operational initiatives at the asset level aimed at directly reducing energy consumption and retrofitting technological advancements to generate energy efficiencies.

**Operational Controls To Curb Energy Consumption**

Our hotels primarily adhere to the environmental policies and energy management systems established by their respective brand systems. These systems monitor energy consumption practices, guide the implementation of energy-saving measures, and enhance awareness of energy consumption.

Primary energy efficiency measures adopted across our individual hotels include the use of Building Management Systems (“BMS”) and Energy Management Systems (“EMS”). These systems assist in monitoring, managing, reporting, and ultimately controlling energy-intensive business operations, thereby enabling hotels to optimise their energy use. Our hotels employ BMS and EMS to determine lighting schedules, operating hours for building functions, temperature settings and other control functions to reduce energy consumption.

CDLHT has established a centralised data management platform that efficiently collects, organises and monitors ESG data from all of our properties. This allows for the real-time monitoring of ESG metrics such as energy consumption, waste management, carbon emissions and employee diversity. This data is meticulously analysed to identify areas for improvement and inform decision-making at both the individual property and portfolio levels.

**Action Across Hotels**

- **All Singapore hotels, Hilton Cambridge City Centre, The Lowry Hotel and Pullman Hotel Munich** use Building/Energy Management Systems to manage and control their Air-Conditioning and Mechanical Ventilation operations. This enables the hotels to effectively manage temperatures at optimal efficiency. With actively managed set points, the hotels were able to improve its energy efficiency by approximately 10%.
- **W Singapore – Sentosa Cove**, continues to uphold a commitment to their “2025 Sustainability and Social Impact Goals” aimed at reducing the operational carbon footprint through advancements in energy efficiency and stringent energy consumption monitoring. Utilising industry best practice and the appropriate BMS controls, the hotel is able to delineate areas to optimise 5% - 10% energy usage through alterations to its chillers and Heating, Ventilating and Air Conditioning system.
- After the implementation of solar energy systems at **Angsana Velavaru** and **Raffles Maldives Meradhoo**, both resorts have adjusted their operations to utilise energy-intensive equipment during daylight hours, thereby optimising the solar energy generated.
- **All of our properties** conduct regular maintenance and cleaning of critical Air-Conditioning and Mechanical Ventilation Systems to ensure they function optimally. More importantly, in applicable areas, energy consumption is reduced in non-essential zones, limiting supply to equipment like lighting, escalators, and air-conditioning to curb energy wastage.



Solar panels at Angsana Velavaru

# SUSTAINABILITY REPORT

## Retrofitting And Technological Advancements to Boost Energy Efficiency

To facilitate energy efficiency, CDLHT employs technological advancements by retrofitting our operational assets and equipment. For example, upgrading of halogen lights to LED saw lighting energy efficiency improved by 85%.

To continuously improve utility consumption, some of our portfolio assets have also been equipped with sensor lights to detect motion and halt energy use during non-occupancy. Heavy machinery such as escalators are also fitted with motion sensors and power-saving inverters to reduce electricity usage and extend the life of parts.

### Action Across Hotels

- More than 80% of our property portfolio by value has completed the transition to LED lighting. Some of these LED lights also include motion sensors, enabling additional energy savings when areas are unoccupied. Efforts to replace remaining lighting with LED technology are ongoing and continue to be implemented incrementally.
- **Grand Copthorne Waterfront Hotel** completed its room refurbishment works with all rooms fitted with Smart Room Technology to efficiently manage power, lighting, and air-conditioning. This system monitors the occupancy status of the room and adjusts energy consumption accordingly. The hotel upgraded the public areas Air Handling Units to electronically commutated fans, improving energy efficiency by at least 40%.
- **Studio M Hotel** completed its air-conditioning and mechanical ventilation upgrading and have seen a 25% improvement in total system efficiency.
- Our **Hilton Cambridge City Centre** hotel continues to implement Hilton's award-winning LightStay platform, which enables the tracking, management, reporting and improvement of environmental and social impacts across its global portfolio of hotels. This aids in improving the energy efficiency and resource consumption by Hilton Hotels. At this property, LightStay has resulted in the implementation of motion lighting sensors in the gym and toilets, low-energy monitors for hotel computers and 95% conversion to LED lighting.
- **Both the Maldives resorts** completed their Phase 1 installation of solar panels, which generated 413 MWh of solar power since operation in 2023, avoiding 144,000 litres of diesel consumption, equivalent to 327 tonnes of CO<sub>2</sub>. In FY 2024, the resorts will commence Phase 2 solar panels installation that will see the system capacity increase by a further 650 kWp.

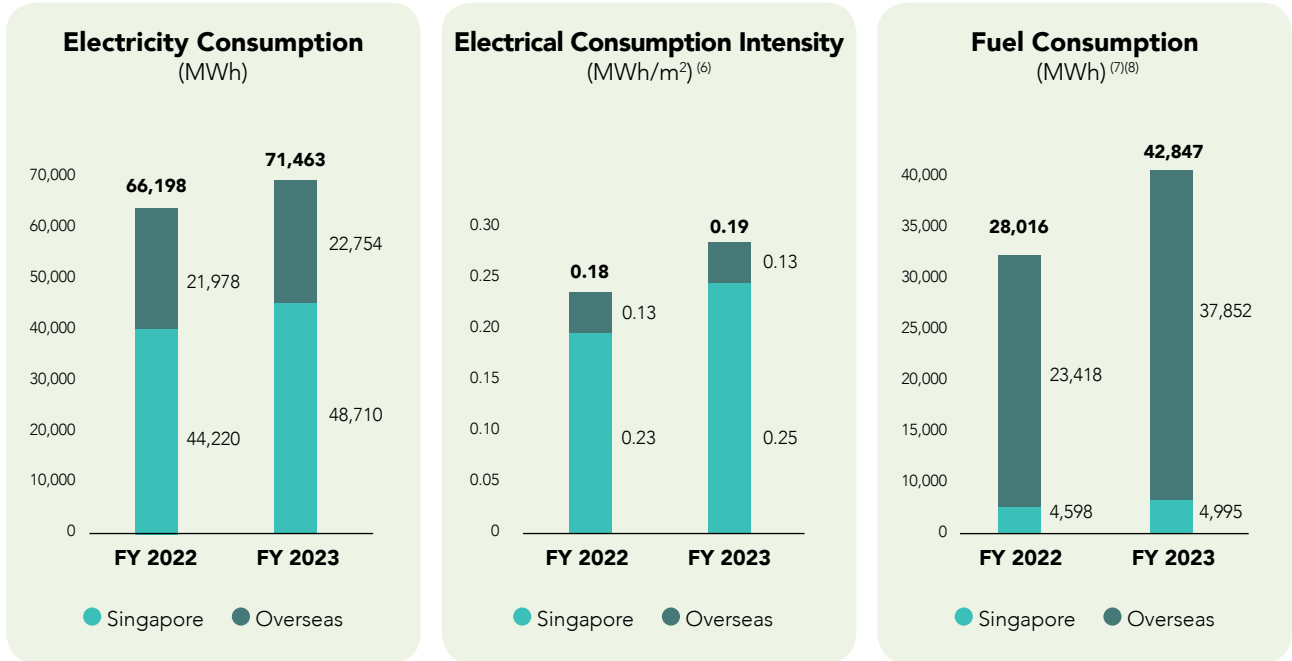
## Awards And Certifications

We view accreditation of our Sustainability initiatives as recognition of our efforts as a hospitality industry leader.

Name Of Award	Our Portfolio
<b>BCA Green Mark Award</b>	<p><b>Platinum</b></p> <ul style="list-style-type: none"> <li>• Copthorne King's Hotel</li> <li>• Grand Copthorne Waterfront Hotel</li> </ul> <p><b>Gold Plus</b></p> <ul style="list-style-type: none"> <li>• Orchard Hotel</li> <li>• M Hotel</li> </ul> <p><b>Gold</b></p> <ul style="list-style-type: none"> <li>• Studio M Hotel</li> </ul>
<b>EarthCheck Gold Certificate</b>	Angsana Velavaru
<b>EPC Rating</b>	<p><b>"B" Rating</b></p> <ul style="list-style-type: none"> <li>• The Lowry Hotel</li> <li>• Hilton Cambridge City Centre</li> <li>• Hotel Brooklyn</li> </ul>
<b>BREEAM</b>	<p><b>Very Good</b></p> <ul style="list-style-type: none"> <li>• Hotel Brooklyn</li> </ul>
<b>EarthCheck Gold</b>	Angsana Velavaru
<b>Green Globe</b>	Raffles Maldives Meradhoo

### Our Performance

We experienced an increase in our overall electricity consumption in FY 2023, attributable to the increase in travel following the further normalisation of travel across many jurisdictions. As business operations have stabilised post-pandemic, our properties generally operated at higher capacities compared to previous years. While there has been an increase in overall electricity consumption due to an increase in overall business activities globally, CDLHT will continue to look for new areas of improvement and opportunities to implement technologies to achieve our targets in reducing our overall consumption.



### Our Targets

Whilst properties across our portfolio have individually established targets, CDLHT aims to achieve an aggregate 5% to 7% reduction in energy consumption (or corresponding intensity) across our portfolio by 2026, with FY 2019 as the comparative baseline year.

(6) Electrical consumption intensity is defined as the electricity consumption (MWh) divided by the Gross Floor Area (m<sup>2</sup>).  
 (7) Diesel volume data was converted into energy units based on the following: 1 litre of diesel = 38 Megajoules.  
 LPG volume data was converted into energy units based on the following: 1 m<sup>3</sup> of LPG = 94.6 Megajoules.  
 (8) For FY 2022, we have restated the metric for fuel consumption, from Megajoules to Megawatt hour, as it reflects a standardised metric relating to our energy consumption.



# SUSTAINABILITY REPORT

## Water Stewardship

Responsible water use is integral to our properties' operations. CDLHT prioritises efficient water usage practices through the implementation of robust water management and conservation initiatives to spearhead water preservation efforts and bolster the overall sustainability of our operations.

### Our Approach

We are committed to conserving water and limiting our consumption through water management policies, operational control mechanisms and investment in technological advancements. Our properties operate in compliance with water-related regulations in their respective jurisdictions. All CDLHT's portfolio properties have water conservation policies in place to reduce overall water consumption.

In Singapore, our portfolio properties continue to report their water data on the Water Efficiency Management Plan of the Public Utilities Board, enabling effective implementation of water conservation policies whilst tracking water utility, consumption, and potential areas to minimise water loss.

### Operational Controls To Curb Water Consumption And Retrofitting To Boost Water Efficiency

All our properties have water management systems that monitor their daily water use across all functions. This enables them to identify abnormal spikes in consumption and respond. Daily monitoring has also aided in promptly identifying any abnormalities and leakages in water-providing mechanisms, helping to limit wasteful water loss. We recognise the role of innovation and technology in improving water efficiency and retrofit our systems to conserve water.

#### Action Across Hotels

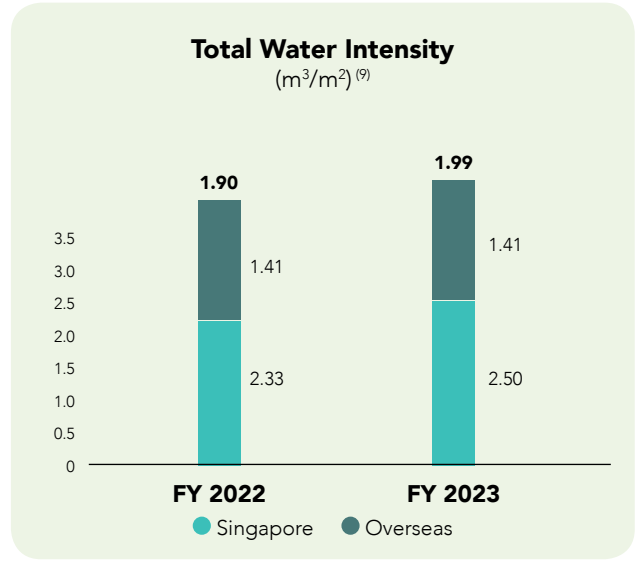
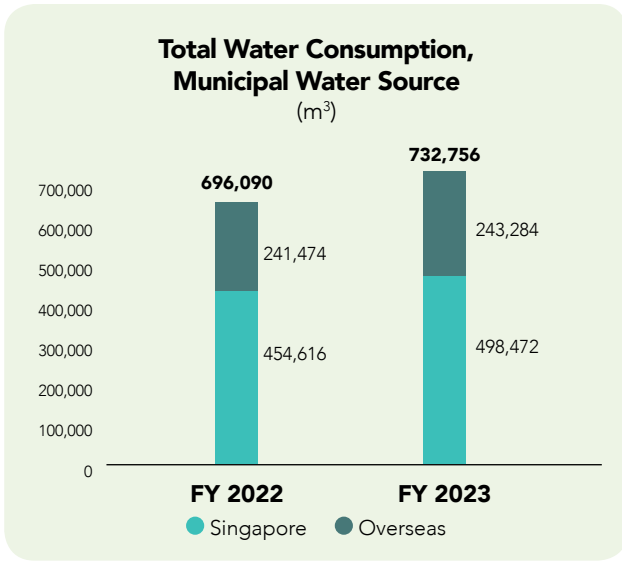
- **80% of our hotels** are fitted with water-saving shower heads that reduce consumption while maintaining water pressure as well as eco flush systems for most of the toilets.
- **Grand Copthorne Waterfront Hotel and Copthorne King's Hotel** upgraded its public restrooms which are fitted with water consumption restrictors. By using sensor-controlled taps, the hotel is able to reduce water wastage.
- Whenever possible, **Orchard Hotel, Copthorne King's Hotel and M Hotel in Singapore** each utilise just one cooling tower, instead of the industry standard of two, as a means of conserving water across their operations.
- **W Singapore – Sentosa Cove** operates under Marriott International's conservation initiatives targeting hotel operations including low-flow toilets and showerheads, smart irrigation controllers, laundry water reuse systems, and high-efficiency irrigation spray nozzles. Recycled water is also used for landscaping and flushing.
- **Majority of the hotels** have introduced the option for guest to skip daily housekeeping, reducing excessive water use and its associated carbon footprint.

## Recycling Water

Several of CDLHT's properties endeavour to further reduce their water consumption by using recycled water and harvested rainwater. These have been used for landscaping and gardening purposes at W Singapore – Sentosa Cove, Raffles Maldives Meradhoo and Angsana Velavaru.

## Our Performance

In FY 2023, we experienced an increase in overall water consumption and water intensity across the entire portfolio, mostly attributed to increased business activity as market recovery accelerated globally. CDLHT strives to manage its water consumption responsibly and to reach its long-term targets.



### Our Targets

We aim to achieve an aggregated 2% to 7% reduction in water consumption (or corresponding intensity) by 2026, with FY 2019 as our comparative baseline. In 2019, CDLHT consumed 767,480 m<sup>3</sup> of water across all operations. This year we achieved a 4.5% reduction in water consumption compared to the FY 2019 baseline. We will continue working towards achieving our aggregated target by 2026.

### Waste

The effective management of waste has become an increasingly pressing concern for governments and organisations worldwide. Within the hospitality industry, the issue of waste, particularly food waste, holds significant relevance. Failure to address this issue may result in compounding environmental and financial risks for businesses. CDLHT recognises the role it can play as a stakeholder in the hospitality sector to implement proactive measures to mitigate waste generation, optimise resource utilisation, and foster a culture of sustainability.

### Our Approach

CDLHT properties have implemented numerous initiatives to reduce their waste output, and improve waste segregation and recycling. CDLHT started collecting and reporting on waste performance since FY 2021.

### Waste Reduction

Many of our hotels utilise waste digesters to safely compost waste, thereby reducing the volume of our waste output. Our hotels are increasingly shifting towards employing reusable materials across all hotel functions.

#### Action Across Hotels

- **Grand Copthorne Waterfront Hotel, Copthorne King’s Hotel, Orchard Hotel, M Hotel, Studio M Hotel, Hilton Cambridge City Centre, The Lowry Hotel and Pullman Hotel Munich** have on site food digesters. Food digesters convert 100% of food waste into water, reducing the amount of waste that either goes to landfill or incineration.
- **All hotels** have replaced or are in the process of removing single-use plastic bathroom amenities by installing shampoo and soap dispensers as alternatives to individual bottles, reducing plastic waste.
- **More than 50% of our hotels** removed single-use plastics in F&B operations.

### Waste Segregation And Recycling

Many of our hotels complete a waste segregation exercise prior to collection as an essential step in recycling. Waste is segregated into paper, plastic, and glass, and upon recycling, the respective weights of each category are reported monthly. This informs our waste management systems and denotes areas of improvement through analysis of the amounts collected by category.

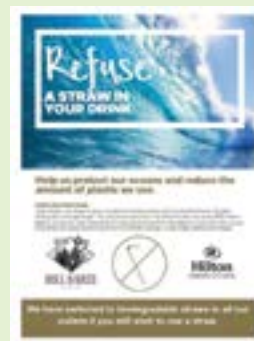
Recognising the role of awareness campaigns in combatting wasteful practices, our hotels engage in food waste reduction and recycling programmes for paper, glassware, and plastic, promoting a sense of purposeful contribution and environmentally friendly habits amongst our staff. This involves an interdepartmental collaboration across our Housekeeping, Food & Beverages, and Engineering departments.

(9) Total water consumption intensity is defined as the total water consumption (m<sup>3</sup>) divided by the Gross Floor Area (m<sup>2</sup>).

## SUSTAINABILITY REPORT

### Action Across Hotels

- **W Singapore – Sentosa Cove** recycles and reuses wet waste for landscaping purposes after composting and is enrolled in the Food Waste Recycling Programme at Sentosa Cove Village.
- **Raffles Maldives Meradhoo** has been operating a biogas plant since August 2022, converting food waste into gas for use in the kitchen. Additionally, the hotel also utilises recycled materials from the hotel and island's generated waste to operate its organic garden.
- **Angsana Velavaru** started operating a food composter in the third-quarter of 2022, generating a daily average of 80kg of compost for use throughout the resort. The hotel has also implemented a Reduce, Reuse and Recycle policy to advocate for waste reduction, including reusable glass bottles and dispensers and onsite. The hotel also invests in biodegradable items including garbage bags and cling film to reduce plastic footprint.
- **Hilton Cambridge City Centre** implemented its #RefuseTheStraw initiative, curbing single-use straws on its premises by shifting towards biodegradable straws. The use of biodegradable straws is aimed at protecting our oceans and ultimately reducing plastic use and pollution.
- **Hilton Cambridge City Centre** and **W Singapore – Sentosa Cove** have implemented a Self-Bottling System to replace guest drinking plastic water bottles with recyclable glass water bottles.
- **Hilton Cambridge City Centre** displays the carbon footprint of food and drinks on the menus of the Restaurant, Lounge Bar, and Room Service.



### Our Performance

CDLHT is in the process of expanding its formal waste data collection systems across each of the hotels to better capture, track, and reduce waste generated at each of our properties. As such, waste generation numbers continue to increase significantly due to a larger portion of our portfolio being scoped in over time.

As CDLHT's portfolio operates within the hospitality industry, waste is generated only from non-hazardous sources, including paper, glass, and food.

### Waste by Type and Disposal Method for FY 2023

Disposal Method	In Singapore	Overseas	All Properties
	Total Weight of Non-Hazardous Waste	Total Weight of Non-Hazardous Waste	Total Weight of Non-Hazardous Waste
	(Metric Tonnes)		
Recycling	181.98	140.64	322.62
Landfill	1,225.51	372.28	1,597.79
Others	1,809.34	281.04	2,090.31
<b>Total waste</b>	<b>3,216.83</b>	<b>793.96</b>	<b>4,010.79</b>

### Our Targets

We have exceeded our previous target of removing or partly removing single-use plastics bathroom amenities from operations for 50% of our hotel portfolio in FY 2023, and aim to remove 85% of the same by FY 2024. We continue to monitor and manage food waste through food management systems to manage buffet food waste at our W Singapore – Sentosa Cove and an eco-digester at both Raffles Maldives Meradhoo and Angsana Velavaru.

**ENABLING INCLUSIVENESS, SAFETY, GROWTH AND DIVERSITY OF OUR PEOPLE**

The foundation of our success lies in our dedicated workforce. CDLHT’s portfolio of hotels is committed to maintaining a safe and engaging working environment for our employees.

To address the above, our hotels in Singapore have implemented the following:

- Diversity Policy
- Fair and merit-based employment and recruitment practices
- Policies on performance evaluation, and career development
- Tripartite Alliance for Fair and Progressive Employment Practices (“TAFPEP”)
- Fair and competitive remuneration based on merit

CDLHT is committed to upholding the strength of our data collection and internal control systems and hence have implemented internal controls to effectively reduce data discrepancies in the future.

**Employment And Employee Engagement**

CDLHT is steadfast in our commitment to maintain fair employment standards and competitive remuneration for our employees, grounded on merit and compliance, based on relevant regulations in the jurisdictions we operate in.

<b>Employment and Employee Engagement</b>
Our hotels employed more than 2,500 staff in FY 2023
<b>Health and Safety</b>
Zero fatalities from work-related injuries in FY 2023
<b>Diversity Inclusion &amp; Equal Opportunity</b>
41% permanent staff were female in FY 2023
<b>Training and Development</b>
32 hours of training on average across portfolios

**Our Approach**

At CDLHT, we emphasise the importance of continuous employee engagement from induction of new joiners to maintaining ongoing communication with our seasoned staff. Our HR policies, implemented at both the Managers and portfolio property level, maintain processes and channels that are dedicated to addressing the needs of our employees. Continuous staff training and development, an integral aspect of employee engagement, is discussed further in our “Training and Development” subtopic below.

**Employee Well-being**

The Managers gather employee feedback via staff dialogues to gain a comprehensive understanding of key areas of concern within CDLHT. Upon the commencement of an employee at CDLHT, meetings are conducted to facilitate the employee’s integration into their role and new environment. Additionally, at the end of an employee’s tenure with us, an exit interview is conducted to obtain feedback and address any areas of concern.

At the Managers’ office, we also disseminate an employee handbook that details all policies and procedures pertaining to employment, performance evaluation and development. Together with the handbook, CDLHT provides guidance and related resources on informing employees of their benefits, such as medical coverage. As part of progressive work norms, we practise a flexible work arrangement that allows employees a hybrid of working from the office and at home. We also ensure the proper induction and on-boarding of all staff.

The Managers’ staff are automatically enrolled to Hong Leong Group Sports & Recreation Club where the committee organises sporting competitions, shopping tours, movie nights and other interest group events to foster team bonding. Our Sponsor group also provides employees of the Managers and hotel staff with benefits at F&B outlets and discounted hospitality accommodation owned by the Sponsor.

Our hotels have engaged their employees on activities that nurture mental and physical welfare as part of looking after employee wellbeing.

**Our Performance**

In FY 2023, the hotels employed a total of 2,586 staff with a mix of 59% male and 41% female. 1,037 employees left us, of whom 61% were male and 39% were female, while 1,025 newly joined, of whom 55% were male and 45% were female. As a result, our total rates of new hire employment and turnover were both at 40%.

## SUSTAINABILITY REPORT

### New Employee Hires and Turnover

(FY 2023)

For FY 2023	All Properties		
	Male	Female	Total
Employee Count	1,530	1,056	2,586
Number of New Employee Hires	562	463	1,025
Rate of New Employee Hires	36.7%	43.8%	39.6%
Number of Employee Turnover	631	406	1,037
Rate of Employee Turnover	41.2%	38.4%	40.1%

### New Employee Hires and Turnover

(FY 2022)

For FY 2022	All Properties		
	Male	Female	Total
Employee Count	1,195	889	2,084
Number of New Employee Hires	645	501	1,146
Rate of New Employee Hires	54%	56%	55%
Number of Employee Turnover	455	413	868
Rate of Employee Turnover	38%	46%	42%

We aim to continuously work with the hotel managers to minimise staff turnover rate and retain talent within our portfolio.

### Health And Safety

CDLHT remains committed to diligently adhering to and enforcing workplace health and safety standards to ensure our portfolio of hotels can continue to safely operate. We prioritise employees' safety and wellbeing so our hotels' employees can continue to provide quality service to guests. We work closely with each of our hotels through rigorous safety protocols to ensure that they can continuously and safely operate at all times.

### Our Approach

CDLHT monitors the overarching safety measures implemented by the individual hotel operators. The hotel operators are tasked with ensuring strict adherence to all local regulations and guidelines whilst establishing any additional safety standards required to guarantee the wellbeing and safety of all our hotel employees and guests. As the asset owner, CDLHT is in regular communication with the hotel operators on compliance and incidents of work-related injuries. In cases of work-related injuries, each hotel operator lodges a report of the injury to review and assess the affiliated hazards aimed at limiting its future occurrence.

In addition to ensuring governance for health and safety matters, training and communication of Occupational Health and Safety ("OH&S") to employees is crucial in the management of health and safety at the workplace. Across our portfolio, the policies surrounding OH&S are applicable to our employees, visitors, and contractors as they are expected to remain compliant with all regulatory standards and workplace guidelines. Hotel employees in managerial levels, including managers and supervisors, are responsible for ensuring OH&S and enforcing its policies.

Our hotels undertake numerous OH&S related initiatives to limit affiliated hazards and liabilities, including risk assessments and certified accreditation.

### Conducting OH&S Risk Assessments

Workplace risk assessments are carried out to identify potential hazards, determining employees, jobs or equipment that are of high risk. Our portfolio of hotels conducts risk assessments for routine and non-routine work activities to prevent affiliated hazards. Furthermore, some of our hotels, such as Orchard Hotel in Singapore, perform risk assessments on newly introduced equipment to identify potential hazards that employees might encounter during operation.

### Accreditation

We endeavour to obtain accreditation and certify our OH&S processes as it strengthens the hotels management system and initiatives. Grand Copthorne Waterfront Hotel has achieved the Bizsafe Level 4 Certification whilst the W Singapore – Sentosa Cove in Singapore has been 'SG Clean Certified'. At Pullman Hotel Munich, they have achieved the Hazard Analysis Critical Control Point ("HACCP") across their kitchen and food service processes.

### Our Performance

We are pleased to report that we had zero fatalities resulting from work-related injuries in FY 2023.

### Work-Related Injuries for FY 2023

Type Of Work-Related Injury	All Properties
Number of Fatalities as a result of Work-Related Injury	0
Number of High-Consequence Work-Related Injury (excluding fatalities) <sup>(10)</sup>	25
Number of Recordable Work-Related Injury <sup>(11)</sup>	31
Total Work-Related Injury	56
Number of Hours Worked	9,186,895

### Our Targets

We continuously aim to have zero incidents of fatality or permanent disability and strive to minimise any work-related injuries. CDLHT will continue to engage its stakeholders, including hotel operators, to ensure that workplace health and safety measures are in place and upheld.

(10) This category includes: Number of dangerous occurrences, incidents exceeding three days of medical leave, incidents of hospitalisation, occupational disease, and/or permanent disabilities.

(11) This category includes: Number of incidents that required less than three days of medical leave, reportable incidents, and/or temporary disabilities.

### Diversity, Inclusion And Equal Opportunity

As a global business with operations across numerous countries, we strive to foster diversity and inclusion in the workplace with the aim of cultivating a fair and equitable working environment. This commitment is reflected in our diversity policies, training, and dedication to respecting the diverse backgrounds of individuals within our organisation. We believe in the inclusion of all individuals regardless of their backgrounds to establish ourselves as fair and equal employers. By upholding these principles, CDLHT endeavours to drive positive change and foster a workplace environment where every individual can thrive and contribute to our collective success.

### Our Approach

The Boards have adopted a Board Diversity Policy which is available on CDLHT’s corporate website, setting out its policy and framework for promoting diversity on the Boards. The Boards recognise that a diverse Board of Directors is an important element which will better support the CDLHT’s achievement of its strategic objectives for sustainable development by enhancing the decision-making process of the Boards, to avoid group think and foster constructive debate. Board Diversity enhances our overall business governance through the more diverse perspectives derived from the various skills, qualifications/knowledge, business experience, industry discipline, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service and other distinguishing qualities of the Directors.

Across the portfolio, initiatives around Diversity, Inclusion and Equal Opportunity are driven by the policies of our hotel portfolio managers.

#### Action Across Hotels

- **Hilton Cambridge City Centre** has been established as the first Lesbian, Gay, Bisexual, Transgender, Queer, and Others (“LGBTQ+”)-led hotel in Cambridge. All employees have undergone a Diversity, Inclusion and Unconscious Bias training, conducted by the hotel’s General Manager.
- In FY 2023, **Ibis Perth** had all staff attend “WATCH” (We Act Together for Children) training, a program designed to provide individuals with the knowledge and skills needed to recognise and respond effectively to signs of child abuse and neglect in the hospitality industry.
- **Angsana Velavaru** collaborated with the Ministry of Tourism of the Maldives to promote tourism awareness and provide career guidance at Nilandhoo School. The collaborative effort involved a joint presentation attended by 90 students and 12 teachers, focusing on various career opportunities within the tourism industry. This initiative aimed to inspire and educate students about potential career paths and opportunities in the vibrant tourism sector of Maldives.

### Our Performance

In FY 2023, 60% of our total permanent staff were male and 40% were female, while 53% of our total temporary staff were male and 47% were female. The majority of our properties’ employees are aged between 30 and 50 years or are under 30, at 32% and 53% respectively, attributable to the nature of our industry. We continuously strive to implement diversity and inclusion across our workforce as it enables a more holistic, productive, and sustainable work culture.

### Diversity and Inclusion Data for FY 2023

Number Of Employees	All Properties		
	Male	Female	Total
Permanent Staff	1,329	875	2,204
Temporary Staff	201	181	382

Number Of Employees	All Properties	
	Male	Female
Aged <30 years		822
Aged between 30 – 50 years		1,364
Aged >50 years		400

### Diversity and Inclusion Data for FY 2022

Number Of Employees	All Properties		
	Male	Female	Total
Permanent Staff	1,055	746	1,801
Temporary Staff	140	143	283

Number Of Employees	All Properties	
	Male	Female
Aged <30 years		612
Aged between 30 – 50 years		1,136
Aged >50 years		336

### Our Targets

We remain committed to reflecting diversity across our workforce and hiring processes. We strive to encourage the diversity of our employees across management roles through continuous talent identification and development efforts, whilst honing our hiring plan to attract and retain a diversified workforce.

# SUSTAINABILITY REPORT

## Training And Development

We place great importance on the continuous training and development of our employees to nurture a resilient, competitive, and upskilled workforce. We also recognise that constantly evolving societal norms and expectations may bring new work demands and job skills. In response, we encourage our hotels to expand their training offerings for the hotel employees and encourage them with training opportunities beyond what is mandatory to refresh and upgrade their skills, which supports the continuous development of their career aspirations and contributes value to the business.

### Our Approach

CDLHT recognises the pivotal role that employee development and job design play in employee satisfaction. Respectively, our hotel's HR policies reflect the emphasis we encourage in each area to ensure that their employees remain engaged and enjoy cross-functional opportunities.

### Continuous Training, Development And Upskilling

At the Managers, biannual performance reviews are conducted to provide feedback to employees and evaluate their achievements, goals, and career trajectory. We conduct an informal mid-year discussion and a formal year-end performance appraisal. Key Performance Indicators are established, updated, communicated and pegged to individual roles prior to performance assessments to encourage continuous growth.

Our hotels are committed to nurturing talent and fostering a culture of continuous learning and development. Our Sponsor group, Hilton, Marriott and Accor have a structured talent development strategy involving forecasting of hiring needs and actively developing new pools of talent to meet current and future demands. By identifying key roles and competencies, our hotels proactively groom and prepare employees for leadership positions, ensuring a smooth transition and continuity within the organisation.

They also offer graduate apprenticeship program for recent graduates or entry-level employees to obtain valuable hands-on experience and mentorship. Through structured learning modules and on-the-job training, participants gain practical skills and insights into their chosen field while contributing meaningfully.

The relevant HR department within the hotels provides general orientation as well as mandatory training courses to all those on-boarded. The respective HR departments undergo a training needs analysis to identify skill gaps and gauge employee interest when tailoring skill training programmes for dissemination. Once confirmed, HR encourages Heads of Departments ("HODs") across the hotels to nominate relevant staff for specified training. These specialised training courses, including leadership training, are conducted by HODs, the internal training department or external providers. Our hotels also actively collaborate with educational institutions to develop or deliver joint training programs tailored to the specific needs of the staff. These partnerships facilitate knowledge exchange, industry insights, and access to professional training resources. By leveraging the expertise of academic partners, the hotels ensure the employees receive relevant and high-quality training that aligns with industry best practices and emerging trends.

## Job Redesign

At CDLHT, we acknowledge the importance of equipping hotel employees with cross functional skills, thus ensuring talent retention and diversification of skillsets. The Orchard Hotel and W Singapore – Sentosa Cove in Singapore have embarked on a 'Job Redesign' initiative to improve employee efficiency, skills and resourcefulness through cross-functional training. As the Singapore government has been supporting this initiative, we have been engaging government agencies to encourage hotel employees to attend training relating to Job Redesign.

### Our Performance

This year we achieved an average of 32.84 hours of training per employee across our portfolios.

#### Average Training Hours (FY 2023)

Number Of Employees	All Properties		
	Male	Female	Total
Total number of employees (head count or FTE)	1,329	875	2,204
Total number of training hours provided to employees	46,060	26,322	72,382
Average training hours per employee	34.645	30.08	32.84

#### Average Training Hours (FY 2022)

Number Of Employees	All Properties		
	Male	Female	Total
Total number of employees (head count or FTE)	1,055	746	1,801
Total number of training hours provided to employees	37,154	21,474	58,628
Average training hours per employee	35.22	28.79	32.55

### Our Targets

Last year, CDLHT set a target to achieve a minimum of 20 hours of training per employee across all our portfolios in FY 2023. CDLHT has achieved its target for FY 2023.

## NEW MATERIAL TOPIC

### Fair Labour and Human Rights

CDLHT is committed to responsible business practices throughout our operations and relationship with suppliers and hotel employees. Our commitment to enabling the safety and growth of our people includes upholding and supporting human rights. We recognise and understand the profound impact our operations can have on the lives of individuals and communities, both within and beyond our organisational boundaries. We place firm emphasis towards ensuring fair practices towards our employees as well as tackling unjust workplace practices.

Our suppliers also play a vital role in our operations. As such we believe it is important that we work with our suppliers to prevent any unfair labour practices and/or violation of human rights.

**Our Approach**

CDLHT complies with all applicable employment laws and ethical hiring practices. We have put in place HR policies to provide a safe and healthy work environment for all our employees, including but not limited to policies in compliance with applicable laws in each jurisdiction of employment.

Our suppliers are only appointed after a rigorous screening process and reputable suppliers will be appointed. This supports our commitment towards protecting labour and human rights across the stakeholders and counterparties we work with.

**Our Performance**

In FY 2023, we had zero cases of forced or labour violations throughout our operations and suppliers.

**ENGAGING LOCAL COMMUNITIES AND ADVOCATING FOR POSITIVE IMPACT**

**Local Community Impact**

Beyond their roles as commercial enterprises, our portfolio properties actively engage and support the diverse communities in which they operate. CDLHT views community involvement as integral to fostering goodwill and garnering support in the various localities where we do business. We strive to make positive contributions to society and uphold our responsibility as good corporate citizens.

**Our Performance**

The local community remains one of our top priorities, and throughout FY 2023, our properties participated in over 70 corporate and social responsibility activities. This included volunteering and donation drives and information sessions in our properties’ local communities, where our key focus areas were education, health, and environmental awareness.



Sustainable Christmas Market

**Sustainable Christmas Market**

This carbon-neutral event is organised by Peace of Art SG and features environmentally focused workshops as well as a bazaar, consisting of more than 80 vendors, for sustainably-made products and eco-friendly food. The Managers’ staff and their families participated in the workshops, making Christmas gifts out of sustainable material. More than S\$280,000 was raised and the proceeds went towards supporting vulnerable children and the youth community.

**Community Chest Trees of Hope**

In tandem with celebrating 40 years of fund-raising and supporting those in need by Community Chest, a community project Trees of Hope was curated in partnership with Mediacorp to raise funds to empower children with special needs and youth at-risk, adults with disabilities, persons with mental health conditions and families and seniors in need of support. The Manager’s staff and colleagues from Millennium & Copthorne Hotels participated in this event, assembling a piece of art, named ‘Trees of Hope’, as a symbolic representation of collaboration within the community to support those in need. Over the entire programme, The Community Chest raised over S\$16.7 million.



Community Chest Trees of Hope

**Island Initiatives**

Aligning with CDLHT’s priority of contributing to the local communities and the environment, Angsana Velavaru participated in various clean up initiatives across Maldives throughout the year. In total, they collected over 1,200kg worth of trash by cleaning up beaches in Maeenbodhoo, Rinbudhoo and Meedhoo and participated in an underwater clean up during World Environment Day.

Additionally, they celebrated Earth Hour by turning off non-essential electric lights saving 53kWh of electricity in an hour and spread environmental awareness through talks and awareness programs for guests and students.



# SUSTAINABILITY REPORT

## Action Across Hotels

### • W Singapore – Sentosa Cove Singapore

Throughout the year, staff volunteered at Singapore-based non-profit organisations Community Chest Fu Dai, Willing Hearts and Food from the Heart, to provide support in areas such as packing items and food preparation. Additionally, they also contributed to Food from the Heart's donation drives and the 2023 Toy Buffet, a charity festival for young beneficiaries.

Donations also went to Club Rainbow, which supports children with chronic illnesses and low-income families, and Road to Give – an annual charity run and the Community Chest donation drive.

### • Copthorne King's Hotel and M Hotel

To support communities across various walks and beneficiary groups, staff members from Copthorne King's Hotel and M Hotel participated in the Hong Leong Foundation annual charity event (a wellness workout programme with the elderly), the Assisi Hospice Fun Day 2023 to raise funds to support patients with terminal illnesses and their families, the Community Chest Heartstrings walk to support communities in need and the Run for Hope.

Copthorne King's Hotel also participated in the Community Chest 40th Anniversary Charity TV Show Community Project: Trees of Hope and GAC Singapore Tree Planting Day.

### • Hilton Cambridge City Centre

The hotel's donations over the year included raising funds for various charity organisations, donating over 100kg of clothes, shoes and toys to Emmaus charity, providing support to homeless people, collecting food items for the Food Bank, and toiletries for Clean the World Charity.

They also collaborated with local charity partner, Spectrum, to provide a safe space for children with autism and volunteered at Cambridge's Papworth Trust to help at the local community centre.

### • Angsana Velavaru

Angsana Velavaru participated in various environmental and social initiatives throughout the year. This included education-related initiatives including conducting camps and classes and providing stationary packages and environmental initiatives from beach clean-ups and awareness programs.

### • Raffles Maldives Meradhoo

Raffles Maldives Meradhoo collaborated with various partners to support and celebrate various beneficiaries within the community – staff partnered with the local school of Nadela to celebrate their teachers during Teachers Day, invited doctors from the nearby island Hospital for an awareness exchange and staff diabetes screening during World Diabetes Day and celebrated women within the company during Women's Day on 8th March.

They also participated in multiple reef cleanings throughout the year to further reef conservation in the Maldives, mobilised volunteers in partnership with a local NGO Parley for Ocean and also participated in a friendly football match with local schools.

## Our Targets

The target for the portfolio is to conduct at least 15 community/social events or projects in FY 2024.

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