



SUSTAINABILITY REPORT 2022



BANYAN TREE
GROUP

Our Approach

- 02 About Banyan Tree Group
- 03 Our Values
- 04 Brand for Good
- 05 Engaging Our Stakeholders
- 06 Materiality: What We Measure, Manage and Mitigate
- 06 The Scope of this Report
- 07 A Snapshot of Our Performance

Embracing the Environment

- 08 Climate Change
- 12 Waste
- 14 Water Scarcity
- 16 Biodiversity

Empowering People

- 18 Diversity, Equality and Inclusion

Our Integrity and Accountability

- 22 Corporate Governance
- 23 Our Reporting Frameworks
- 24 Ethical Compliance and Anti-Corruption
- 25 Internal Audit Declaration

Messages to Our Stakeholders

As a trailblazer in sustainable tourism, Banyan Tree Group has long moved beyond the precautionary principle to a proactive approach embodied in our motto of “Embracing the Environment, Empowering People”. Stewardship, design and experience are our brand cornerstones. Everything we develop, we do so purposefully and for the greater good. This is true of the environmentally sensitive architecture of our resorts, as well as the role we play in building sustainable communities and business ecosystems that enable people to live, work and thrive. We see our properties not only as brick and mortar hotels but living legacies, stewards of the lands and communities in which we operate.

Like us, many businesses, governments and the general public are realising that sustainability is an imperative. COP27 in November 2022 cemented global resolve to mitigate climate change, with countries agreeing to accelerate the phasing out of fossil fuels. This aligns with Banyan Tree Group’s drive toward net zero.

But the world must move beyond strategising and discussion to concrete action. For our part, we have embarked on a new sustainability strategy with new KPIs that take into consideration the disclosure recommendations of the Singapore Stock Exchange (SGX) and Task Force on Climate-related Financial Disclosures (TCFD). This sustainability report, the 17th we have produced, presents our new strategic approach, targets and baselines as we work towards a more sustainable way of doing business by 2030.

We still have a lot to do, and the learning process is never complete. We must keep building on our efforts, identifying new tools and findings, and ensuring that we are transparent and accountable, and compliant with all relevant requirements.

After years of adopting this mindset, systematic, strategic engagement with sustainability issues permeates our organisation, from the Board through to individual associates. We are also making every effort to involve our entire spectrum of stakeholders to address the challenges we face collectively. Your participation makes a difference.

At Banyan Tree Group we remain concerned with the enduring health and wellbeing of our associates, guests, communities and the planet as a whole. Given how everything on this planet is interconnected and interdependent, care for the environment and people must be the first principle for any development. Only from there can we proceed to explore and build long-term sustainable solutions.

The aim of this report is to distil what we as a Group stand for, what we have done and intend to do, and how we measure our progress as we do our part for a sustainable planet. For readers who prefer a deeper dive, a greater level of detail can be found online.

We remain purposeful and passionate about doing good. This is evident in every initiative we undertake, whether it is resort-based conservation or setting up specialist conservation labs. Despite continuing lockdowns in some locations during the year, we carried out 725 environmental and social initiatives involving a wide range of stakeholders.

We have invested considerable effort in collecting and collating the necessary data to measure progress, but it is always worth remembering the stories behind the statistics. Traditional crafts are revitalised, livelihoods are being restored after natural disasters, communities are greener from tree planting, and young people are being educated. For instance, our Laguna Phuket Kindergarten has been serving the community for 30 years. In 2022, we unveiled an extension programme for early learners from around the world, aptly named SILK (Step-up International Laguna Kindergarten). Silk is a soft yet strong fibre, loved and valued all over the world. The Silk Route connects East and West, providing cross-cultural understanding. In the same vein, we hope our young students will grow up respecting diversity and understanding world cultures. Being both cosmopolitan and connected to the community, SILK will also contribute to strengthening the social fabric of Phuket.

These are just a few examples of lives and locations being changed for the better, and by playing a part we too are changed for the better. It has been gratifying to see what we have achieved in the past year. May we continue to be productive and profitable in all the ways that matter.



Ho KwonPing
Founder and Executive Chairman
Banyan Tree Holdings Limited




Claire Chiang
Chairperson
Banyan Tree Global Foundation



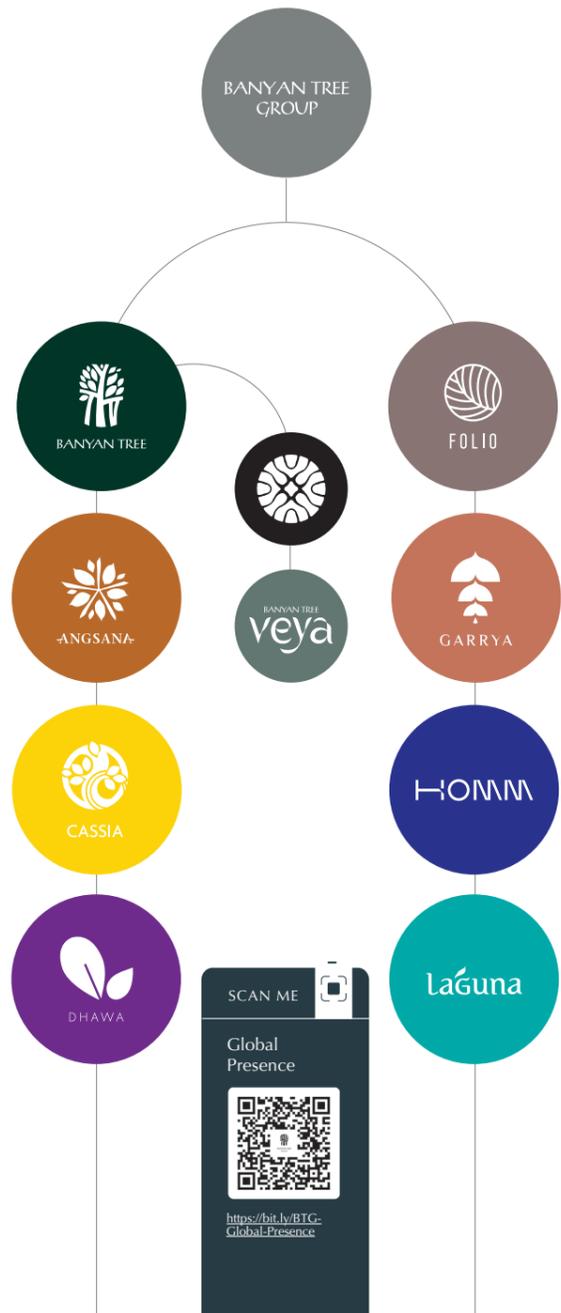
About Banyan Tree Group

Tourism has the potential to generate sustainable development, provide jobs with dignity and strengthen communities, while celebrating and conserving nature and mitigating climate change. Given the tremendous potential of tourism to do good or harm, how we approach it makes all the difference.

With the motto “Embracing the Environment, Empowering People”, the Group has purposefully and effectively driven long-term sustainable development since its inception in 1994. Being a responsible steward and a Brand for Good has been a constant even as our global footprint has expanded dramatically over the decades. From resort development to daily operations, all ten of our brands will adhere to our proprietary “Brand for Good” programme.

To date, our efforts have garnered 103 sustainability awards.

Detailed breakdowns of operations (pages 24–37), markets served (pages 10–23), revenue and finance (pages 59–64) can be found in our Annual Report (investor.banyantree.com). Headquartered in Singapore, we have a global presence including ownership or management interest in:



23	Countries
63	Resorts/Hotels
59	Spas
3	Golf Courses
8,731	Keys
1,302,223	Guests Served (in calendar year)
191	Countries of Residence of Guests
8,430	Associates (as of 31 Dec)
52	Nationalities of Associates (as of 31 Dec)



Our Values

Doing good is good business. Banyan Tree Group is testament to this. Our tried-and-true formula: go beyond the precautionary principle, harmonise operations with nature, cultivate enduring partnerships with stakeholders. We accomplish this by:

- Creating exceptional design-led experiences for guests and customers through services and products that celebrate nature and promote wellbeing
- Providing fair and dignified employment for our associates, which enhances their ability to contribute to the company's growth and elevates their job prospects with Banyan Tree Group and beyond
- Enabling long-term prosperity for communities in which we operate through business conduct, operations and harnessing our competencies to address issues facing the community
- Exercising the precautionary approach to environmental impacts of our operations, and taking an active role in the protection and remediation of global ecosystems
- Conducting business with suppliers and vendors in a fair and transparent manner while working in partnership to enhance societal benefits
- Generating sustained, long-term returns for our shareholders



Brand for Good

We believe in creating long-term value and making meaningful impact on destination and communities, driving sustainable development through our core value of “Embracing the Environment, Empowering People”.

Across the Group, we implement a total of 40 standard of various themes to help us achieve our mission to be a Brand for Good.

Stay for Good



Guest experience

Natural and cultural heritage, annual celebrations (Earth Hour, Earth Day, World Environment Day, World Tourism Day)

Green Imperative Fund

Hotel matching sustainable financing to support local environments and communities

Generate stewardship

Long-term sustainable destination management

17 standards for the category

Operate for Good



Green operations

Resource efficient, renewables and recycling, responsible purchasing

Zero waste

To landfill, implementation of 5Rs, responsible purchasing and menu design

Certification and assurance

Sustainable operations certification (EarthCheck)

9 standards for the category



Build for Good



Concept

Sensitive, sustainable, biophilic design

Construction

Local and sustainable materials, low impact and site remediation

Certification

By design to ensure efficient operations

5 standards for the category

Collaborate for Good



Empower

Equality in local communities and our associates

Educate

Inclusive vocational training and community development

Engage

Diversity in associates, travellers, industry and society to create positive impact

9 standards for the category

Engaging Our Stakeholders



As hospitality providers, it is in our DNA to bring people together, and we believe that a sustainable business is possible only when we treat stakeholders as partners.

The scale and geographical footprint of our business means that it impacts many people and organisations with a range of opinions. This diversity of stakeholders necessitates a variety of platforms for two-way communication and collaboration. For each group of stakeholders, we identify pertinent issues and establish platforms for engagement such as in-person town hall meetings or seeking suppliers with values that align with our own.

In 2022, we continued to engage with individuals, businesses, NGOs, and public and private institutions worldwide.

50 SUSTAINABILITY CHAMPIONS

13 NGOS FUNDED TO DATE THROUGH GREATER GOOD GRANTS

659 STAKEHOLDERS ENGAGED IN MATERIALITY

The Board of Directors manages the roadmap towards creating long-term, sustainable value for all stakeholders.

Sustainability remains a key component of our corporate purpose, and the Board of Directors manages the roadmap towards creating long-term, sustainable value for all stakeholders. The Board has endorsed an updated materiality and sustainability framework for the Group, arising from stakeholder consultation, approving the selection of material Environmental, Social and Governance (ESG) factors. The Board also had final oversight of the formulation of our new sustainability strategy, which takes into account the disclosure recommendations of SGX and the Task Force on Climate-related Financial Disclosures (TCFD), to establish new sustainability KPIs for the Group.

The Board acknowledges that ownership starts with itself, while senior management ensures the sustainability mission is both implemented and embraced by all within the Banyan Tree family.



SCAN ME

Stakeholder Engagement



<https://bit.ly/BTG-SR22-Stakeholder-Engagement>

Materiality: What We Measure, Manage and Mitigate

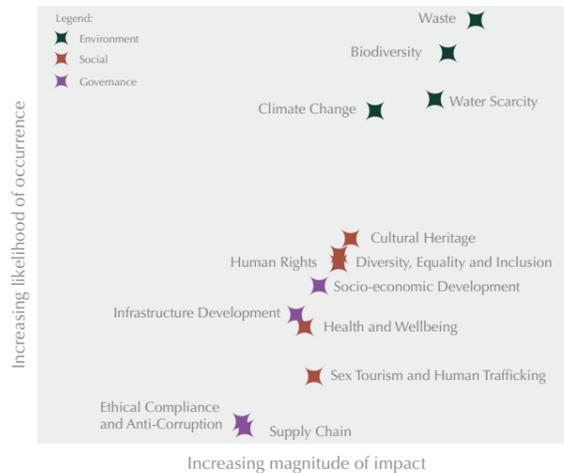
In 2022, we developed strategies, established baselines, drafted policies and new procedures to support implementation of the materiality assessment we completed at the end of 2021. Executive management presented these to the Board, refined them based on the directors' feedback, and obtained the Board's approval.

The process by which we renewed materiality was as follows:

- We reviewed published academic literature, competitor and industry reports to incorporate emerging material risks.
- Executive management approved for prioritisation a shortlist of 14 existing and emerging environmental, social and governance (ESG) material risks pertinent to our business.
- The severity and likelihood of material risk impacts were rated following Global Reporting Initiative (GRI) (2021) guidance, via an online survey, with 659 senior and executive management respondents across Banyan Tree Group worldwide. Material topics were evaluated at the residual level, considering the adequacy and effectiveness of existing controls and progress, and comparing the impact of each topic from our business against other topics rather than within a global context that may not be within our control.

This framework provides the foundation of our efforts from 2022 to 2030. Regular reviews ensure it is current, meets stakeholder needs and promotes responsible travel.

This report is the first for our current material topics. For each topic, we present its importance, its scope, our management approach, Key Performance Indicators (KPIs) and progress, in accordance with the reporting requirements of the Singapore Exchange (SGX) and referencing GRI standards.



WE DEFINED IMPACT SCOPE AND DEVELOPED MITIGATION STRATEGIES FOR THE FIVE GREATEST MATERIAL RISKS FROM OUR BUSINESS:

Waste, Biodiversity, Water Scarcity, Climate Change, and Diversity, Equality and Inclusion.

The Scope of this Report

This is Banyan Tree Group's 17th annual sustainability report. This Report presents data for the calendar year as of 31st December 2022, and focuses on hotel, resort, golf course, spa and gallery operations owned or managed by Banyan Tree Group, as well as our head office in Singapore.

Operational control allows us to align our reporting with the Greenhouse Gas Protocol. For this reason, the scope no longer includes franchised hotels for which we do not manage operations (Banyan Tree Macau and Homm Sukhumvit34 Bangkok) and hotels operated by Accor Hotels (Banyan Tree AlUla and Banyan Tree Doha at La Giale Mushaireb). Their exclusion may cause some variances in data reported for previous years due to recalculation.

For each topic, we report on the Group's performance and highlight progress by hotels we own, for which we have full control over operations and capital expenditure. While 2022 was the first year for our current materiality, most of

the topics were already material to our business and pre-existing data are shared when available showing a three-year trend in progress. The scope and boundaries of each material topic are clarified within their respective sections.

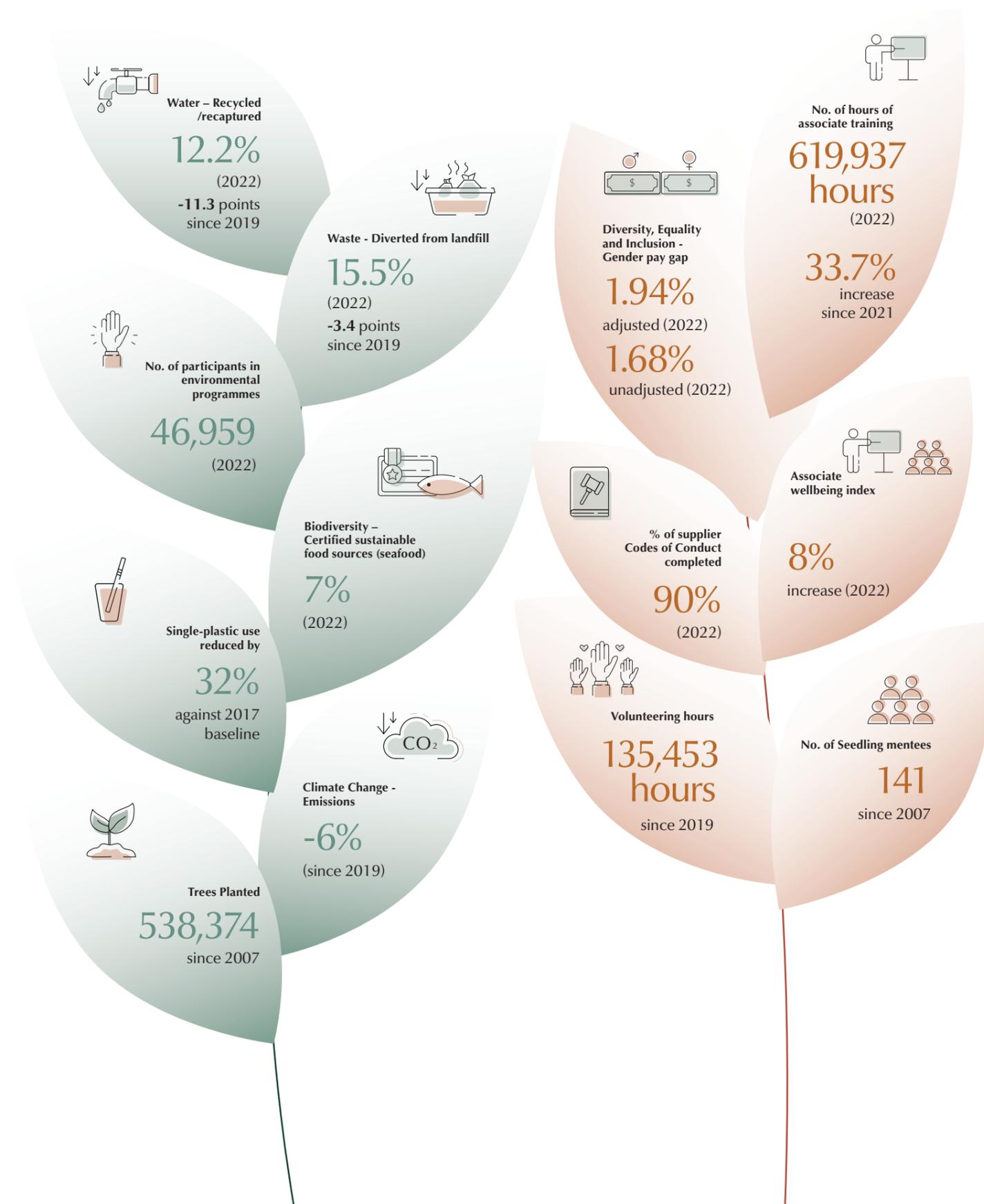
Previous reports and additional information can be found by visiting the website below. We welcome questions and feedback, which may be sent to csr@banyantree.com.



A Snapshot of Our Performance

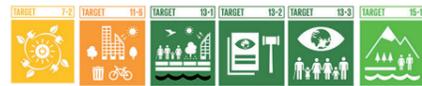
Embracing the Environment

Empowering People



Our business has always been based on a connection with nature. Because of this, we recognise the importance of doing our part to mitigate climate impacts. With our experience in research, remediation and resource conservation, we are also partnering external organisations and local communities to support climate action and the UN Sustainable Development Goals.

Climate Change



Tourism significantly impacts the climate through high energy and resource use, infrastructure development and complex supply chains. Conversely, climate-friendly tourism can bring real benefit to at-risk destinations.

KEY PERFORMANCE INDICATOR



SCOPE

This Report includes direct emissions from owned and managed operations (hotels, offices, spas, galleries, golf) and construction (Scope 1 emissions), and indirect emissions from the consumption of purchased electricity, steam, heat and cooling (Scope 2 emissions)*. This is the first year we have included emissions for non-EarthCheck properties, based on verified data using location-specific emission factors provided by EarthCheck for each fuel type or purchased electricity.

Data were not available for Homm Bliss Southbeach Patong.

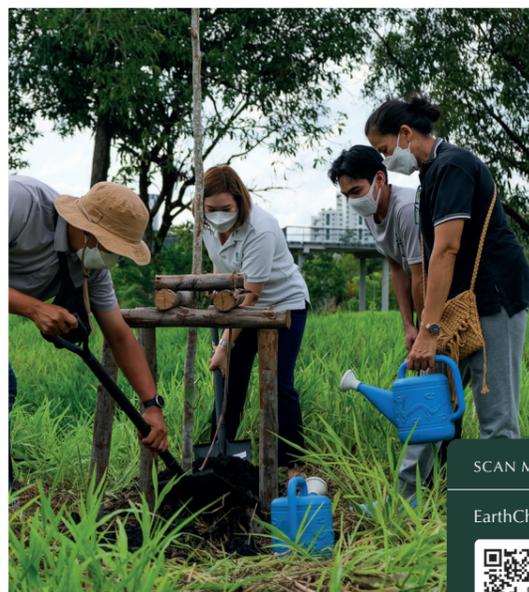
At this time, this Report does not cover indirect emissions (Scope 3) from operations not owned by the company in the value chain upstream (travel, employee commuting waste, purchased goods and services and their transportation, guest travel and capital goods) and downstream (franchises, leased assets). However, we are measuring baseline Scope 3 emissions in 2023, in anticipation of expanding future reporting.

As methodologies evolve, as well as our understanding on how to address climate change in a meaningful way, so should our approaches in measuring our carbon footprint and in reducing our emissions over time. As part of our transition plan, from 2023 we will be changing our baseline from 2019 to 2022, to be in line with Science Based Targets initiative (SBTi) guidance and the latest climate science. Our business recognises the importance of continuous improvement and going above and beyond wherever possible, so in anticipation of improving our future reporting, we will also be extending the scope of our GHG footprint measurement from Scope 1 and Scope 2 for hotels only, to include non-hotel operations and Scope 3 emissions from 2023 reporting onwards.

*In 2023, we will expand our baseline scope to include major subsidiaries.

MANAGEMENT APPROACH

To achieve our targets of reducing emissions, we are taking a holistic approach to embed climate risk in our business development, operations and supply chain. In 2023, we will apply multiple climate scenarios to assess the risks across the business value chain. Climate risk is incorporated into the Group's Enterprise Risk Management, which is reported every quarter to the Audit & Risk Committee (ARC) and the Board of Directors (Annual Report, pages 48–51). We have also partnered with EarthCheck since 2010 to ensure transparency, objective benchmarking and independent certification.



SCAN ME

EarthCheck

<https://bit.ly/BTC-SR22-EarthCheck>

TASK FORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONTENT INDEX

The TCFD recommendations cover four elements (Governance, Strategy, Risk Management and Metrics & Targets), which are disclosed in various sections of this Sustainability Report.

	GOVERNANCE
Describe the Board's oversight of climate-related risks and opportunities	<ul style="list-style-type: none"> The ARC has oversight of the Group's sustainability approach and the integration of sustainability-related matters, including climate-related issues, in the formulation of Group strategy. The ARC reports to the Board and is the primary vehicle for engagement with the Board on sustainability matters. There are quarterly meetings to track progress, raise issues or concerns and obtain input and feedback. The ARC is updated on the climate-related risk and opportunities and actions taken by management in line with TCFD requirements every quarter. The ARC monitors and oversees progress on sustainability and climate-related risks and opportunities that meet shareholders' expectations, and reviews significant issues raised. The Board approves the Sustainability Report, which provides comprehensive sustainability disclosures.
Describe management's role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> The management Executive Committee (Exco) is responsible for monitoring the ESG factors and performance/prospective impact. A sustainability team comprising Group Sustainability and Risk managers, drives the implementation of the Group's sustainability strategy. The team is headed by an Exco member. Each property has a Sustainability Champion and Green Teams to support the Group's strategy.
	STRATEGY
Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.	<ul style="list-style-type: none"> We have so far identified 10 climate-related risks and classified each as short-term (up to 2025), medium-term (2025 to 2030) and long-term (beyond 2030). <p>Physical risks are: 1) increased severity of extreme weather, 2) rising and lowering of mean temperature, 3) degradation of physical tourism destinations, 4) scarcity of water, 5) rising sea levels.</p> <p>Transition risks are: 1) changing customer behaviour, 2) increased pricing of GHG emissions, 3) lack or cost of new technology to mitigate physical risks, 4) impact on supply chain, 5) mandates on and regulation of existing products and services, carbon taxes.</p> <p>Additional risks may be added in future if deemed necessary.</p>
Describe the impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.	<ul style="list-style-type: none"> In 2022, we strengthened our understanding of how climate-related risks and opportunities could potentially affect our respective business lines and operational activities. In 2023, we will apply multiple climate scenarios to quantify risk to our assets geographically and over time, and to ensure our strategy is appropriate, comprehensive and resilient.

RISK MANAGEMENT	
Describe the company's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> The Group follows its Enterprise Risk Management Framework in identifying, assessing and managing climate-related risks. Climate change is identified as a Tier 1 risk. A separate climate-change risk register identified 10 climate-related risks, ranked them based on likelihood and impact, and classified them under the three time horizons. We will continue to monitor and review developments to relevant standards and fine-tune our risk taxonomy and framework.
Describe the company's processes for managing climate-related risks.	
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	
METRICS AND TARGETS	
Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> The Group uses the following metrics: 1) energy use, 2) energy intensity, 3) emissions produced (Scope 1 and 2, with Scope 3 to be included from 2023), 4) emission intensity
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<ul style="list-style-type: none"> The Group has measured and disclosed in this Sustainability Report our Scope 1 and Scope 2 GHG emissions, which remain in our control, including the related risks. In 2023, we will finalise the metrics used to assess climate-related risks and opportunities, including Scope 3 GHG emissions for the Group. We will also establish targets used by the Group in qualitative terms, together with qualitative scenario analysis.
Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.	

PROGRESS

- Compared to our baseline of 2019, total energy use and corresponding Scope 1 and 2 greenhouse gas emissions (GHG) in 2022 were **lower by 6%, despite the number of properties increasing from 47 to 63**. This was due to improved efficiency and some temporary closures.
- Energy use consisted of 57% purchased electricity, 34% stationary fuel and 9% mobile fuel.
- Both energy intensity and GHG production intensity (POR) for Group-owned hotels fell by 41% compared to 2021.

IN ADDITION TO TCFD REQUIREMENTS, WE UNDERTOOK THE FOLLOWING INITIATIVES IN 2022:

- To validate our Scope 1 and 2 emissions and support development of a decarbonisation roadmap, we engaged a consultant to map and verify emissions across our portfolio, and support development of our decarbonisation roadmap.
- We adopted a Marginal Abatement Cost Curve (MACC) analysis to understand and prioritise decarbonisation projects at Laguna Phuket based on return on investment.
- Through 113 initiatives, including phasing out incandescent light bulbs and switching to more energy-efficient air conditioners, we reduced energy consumption by 2.98 million kWh in 2022.
- In a pilot solar project at Laguna Phuket Kindergarten, rooftop photovoltaic panels met 43% of energy needs for the year.
- Since launching the Greening Communities programme in 2007, we have planted 538,374 trees in local communities, sequestering approximately 205,103 tonnes of carbon (based on 40 kg of carbon sequestered per tree per year, and assuming 100% survival).

GREENHOUSE GAS EMISSION (GHG) (VS 2019)

-6%

DESPITE THE NUMBER OF PROPERTIES INCREASING FROM (2022)

47 to 63



ENERGY INTENSITY AND GHG PRODUCTION INTENSITY (POR) FOR GROUP-OWNED HOTELS (2022)

-41%



ENERGY USE CONSISTED (2022)

57% PURCHASED ELECTRICITY

34% STATIONARY FUEL

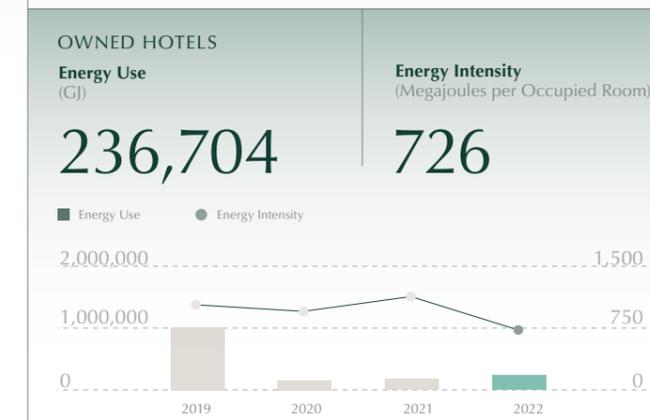
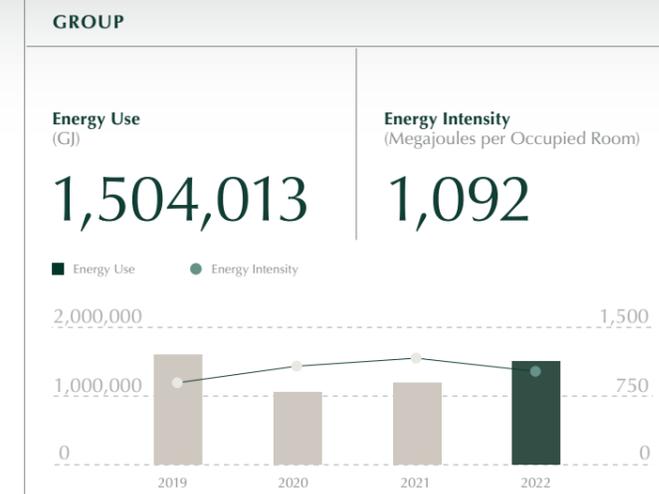
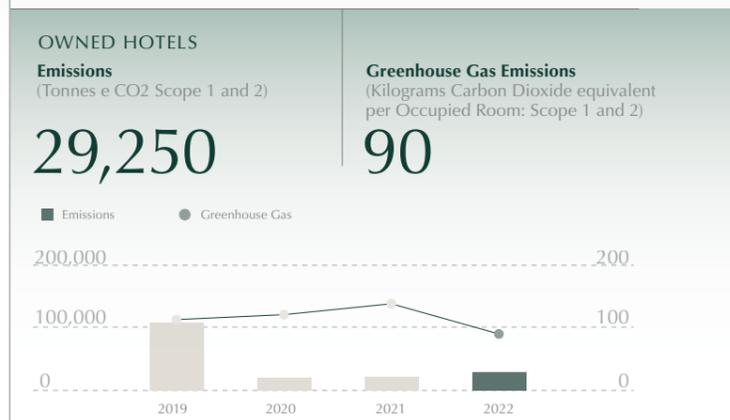
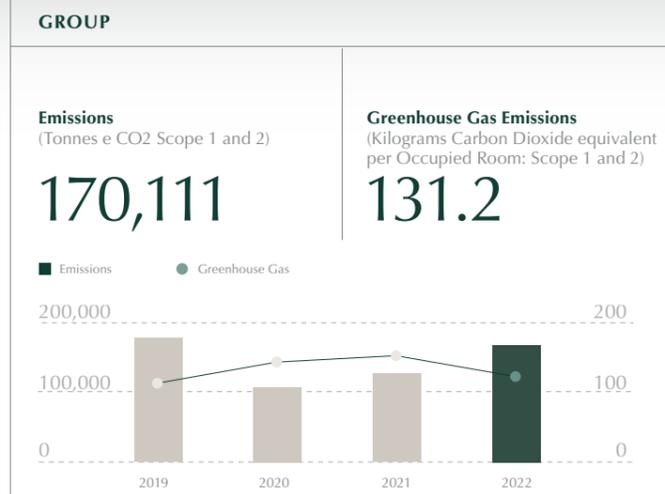
9% MOBILE FUEL



NEXT STEPS

In 2023, we will:

- Expand the scope of our emissions reporting to cover Scope 1 and 2 for the non-hotel aspects of our business and establish baseline Scope 3 emissions.
- Conduct TCFD quantitative scenario risk mapping with the assistance of an external consultant.
- Apply the MACC to additional properties to prioritise emission reduction and renewable projects.





Waste

Waste contributes to climate change, pollutes the environment, and creates conditions for disease to thrive. Given the projections for global waste to grow by 70% by 2050, local waste management systems will face considerable stress. Tourists, who often produce double the waste of locals, exacerbate the problem. In particular, tourism contributes disproportionately to food loss and waste (FLW). Because achieving net-zero is impossible without tackling FLW, there is great potential for the hospitality sector to make a positive impact.

KEY PERFORMANCE INDICATOR



SCOPE

We define waste as solid and liquid waste excluding water and emissions. We report total waste as the sum of all Group-owned and managed hotels. We also present data from hotels and resorts per occupied room (POR) so that they are comparable even when occupancy varies.

Waste data were unverifiable or incomplete for Angsana Corfu, Cassia Phuket and Angsana Teluk Bahang were not included.

MANAGEMENT APPROACH

Monitoring and understanding what waste we produce, where and how much, enables us to target waste reductions through the 5Rs – reduce, refuse, reuse, recycle and remove. We monitor waste production by each outlet and property following the methodology of the World Wildlife Fund (WWF) and Greenview (2021).

We continue to manage and reduce food waste throughout operations. Such efforts are supported by landfill diversion programmes. We donate diverted food waste to local farms to use as feed or compost, and we partner with Scholars of Sustenance, an NGO that rescues and serves surplus food to communities in Thailand and Indonesia.

On the procurement side, we partner with suppliers to reduce waste in production, packaging and food loss during transportation. Involving local residents in community clean-ups mitigates impacts and fosters a sense of ownership for the environment. Finally, we create awareness among our guests, encouraging them to support sustainable tourism and adopt responsible lifestyles at home.



PROGRESS

In 2022:

- Total waste increased by 63% to 12,296 cubic metres, due to new hotel openings and reopenings, as well as renovations at Angsana Ihuru and Banyan Tree Vabbinfaru. However, increased recycling helped reduce waste production by 1% to 14.2 litres POR for EarthCheck-registered properties and business units.
- We implemented compulsory waste monitoring and recycling tracking at all properties including those not registered with EarthCheck, to provide a more complete picture of waste production and reduction throughout the Group.
- We achieved a 32% reduction in single use plastic compared to the 2017 baseline: 5 million less pieces of plastic were used in 2022, a 26.1 million reduction from 2017.
- 235 community clean-ups removed over 23 tonnes of waste with the support of 6,603 participants worldwide.

NEXT STEPS

We are exploring several possibilities for further waste reduction, such as:

- Waste recovery through food digestors, composting, and conversion to biodiesel or biochar.
- Working with suppliers to minimise waste in transportation.
- Supporting community waste management initiatives.

WASTE – DIVERTED FROM LANDFILL (2022)

15.5% (-3.4 POINTS SINCE 2019)

WASTE PRODUCTION REDUCED (2022)

-1%

COMMUNITY CLEAN-UPS RESULTS (2022)

23 TONNES OF WASTE REMOVED

6,603 PARTICIPANTS WORLDWIDE

SINGLE-USE PLASTIC USED (SINCE 2017)

-32%



GROUP

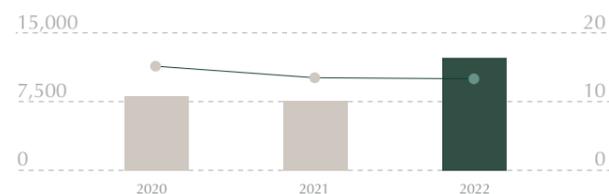
Waste Sent to Landfill (m³)

12,296

Landfill waste

Waste Intensity (Litres per Occupied Room)

14.2



OWNED HOTELS

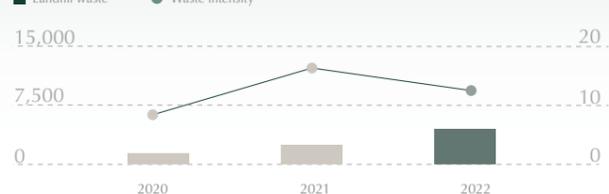
Waste Sent to Landfill (m³)

4,483

Landfill waste

Waste Intensity (Litres per Occupied Room)

13.7

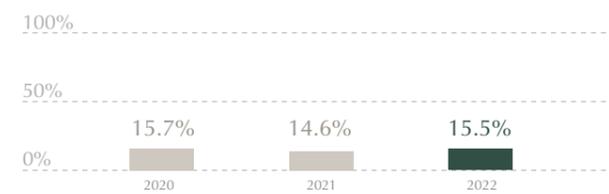


GROUP

Waste Sent to Landfill (%)

15.5

Percentage

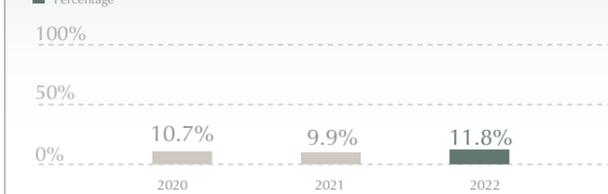


OWNED HOTELS

Waste Sent to Landfill (%)

11.8

Percentage

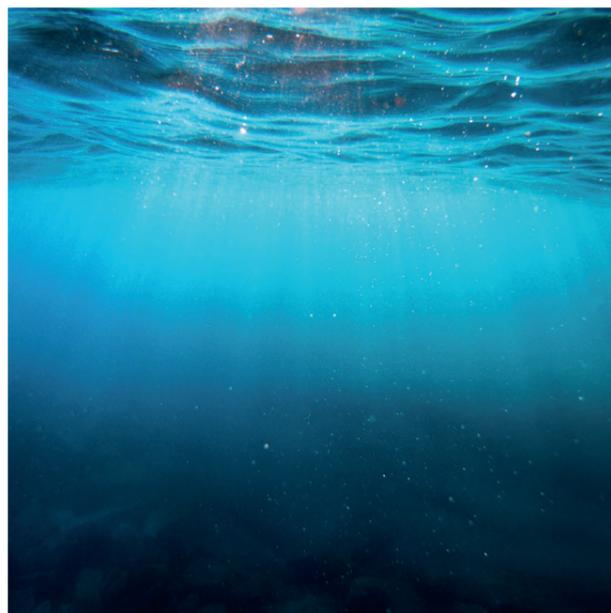




Water Scarcity

Water scarcity is one of the three global systemic risks of highest concern (World Economic Forum, 2022). Demand is forecast to outstrip supply by 40% by 2030, with a third of the world's population expected to be living in areas of severe water stress by this time (International Tourism Partnership, 2021). According to CDP, the cost to business from water risks is six times the expense to address them. Because water consumption by tourists can far outstrip that by locals, efficient water management by the industry is key to safeguarding this precious resource.

KEY PERFORMANCE INDICATOR



SCOPE

We report on potable and non-potable water sourcing, use, treatment and reuse. As with waste reporting, we report total water use as the sum of all Group-owned and managed hotels and provide use intensity (POR).

MANAGEMENT APPROACH

We take a multi-faceted approach to water conservation, from repairing infrastructure and monitoring leaks to boosting storage capacity and reusing water. To make sure that local communities enjoy equitable catchment use and access, we apply inclusive water governance with provenance.

PROGRESS

In 2022:

- Over 12% of water used by the Group was recycled or recaptured.
- The Group's total annual potable water use increased by 27% year-on-year to 5.86 billion litres but use POR decreased by 12.3% because of increased water recycling.
- Our partnership with the China Environmental Protection Fund (see page 24) installed 10 water dispensers at Central Primary School in Yangshuo County, supplying students and staff with safe drinking water. The project provided 32,405 litres of water and saved 7,134 kg of CO2 emissions during the year. This initiative is being expanded to other schools.



WATER RECYCLED/RECAPTURED (2022)



WATER USED POR (2022)



WATER SUPPLIED (2022)



EMISSIONS SAVED (2022)



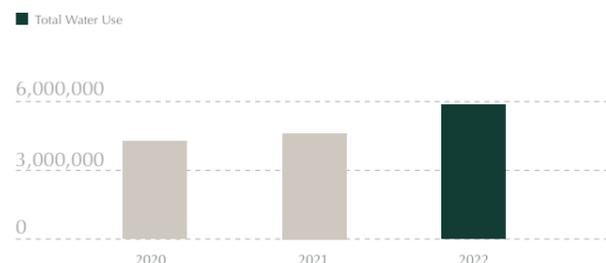
NEXT STEPS

The Group has identified further avenues to mitigate water scarcity. In 2023, we will:

- Increase grey-water storage.
- Explore ways to render our operations more water-efficient.
- Assess water catchments on and around our properties, to understand our impacts and identify alternative sources such as rainwater capture, grey-water capture and reuse, and desalination.
- Increase groundwater retention through good resort design.
- Create awareness among guests and encourage them to conserve water, especially in areas at high risk of scarcity.

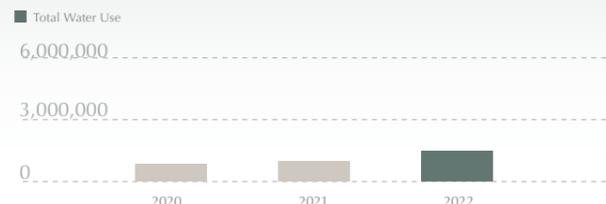
GROUP

Total Water Use (m³)



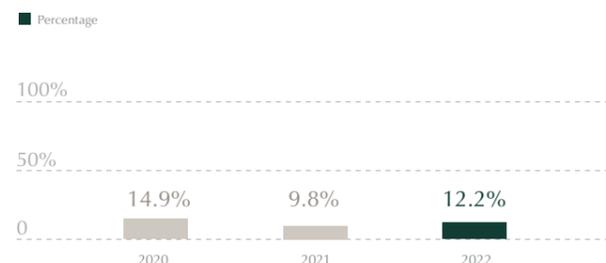
OWNED HOTELS

Total Water Use (%)



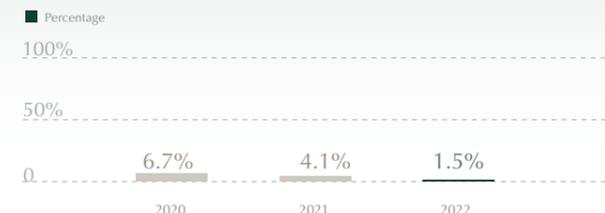
GROUP

Water Recycled/Recaptured (%)



OWNED HOTELS

Water Recycled/Recaptured (%)



Biodiversity



The World Economic Forum has assessed biodiversity loss as the second most impactful risk for the next decade, with consequences including the collapse of food and health systems and disruption of supply chains (WEF, 2022).

KEY PERFORMANCE INDICATOR



SCOPE

We report on activities in Group-owned and managed operations that contribute to the direct and indirect disruption to, and loss of, habitat and species and ecosystem services.

MANAGEMENT APPROACH

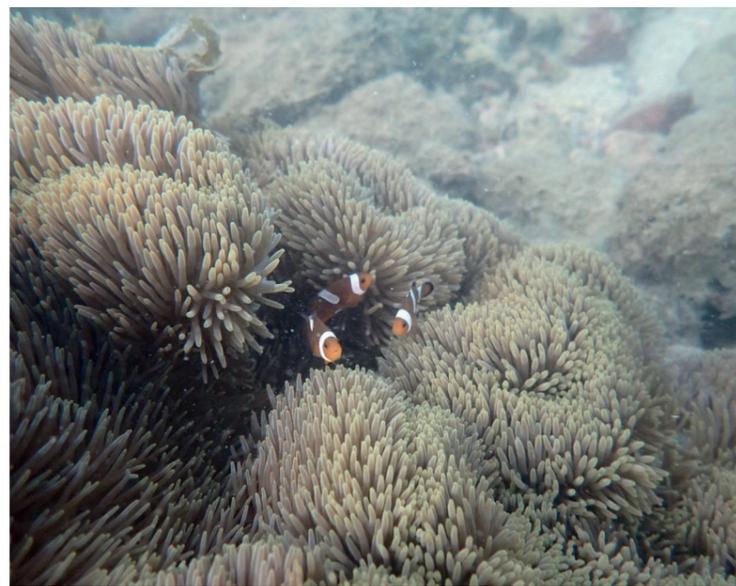
Banyan Tree Group uses a science-based approach to conserve habitats and endangered species. This begins from the design of our properties and continues with construction and operation. Risk assessments enable us to minimise adverse impacts on sensitive habitats or areas of high biodiversity.

To support education, restoration and research programmes, we have established conservation labs in the Maldives and Indonesia. We also partner with institutions and individuals who have domain expertise and engage our guests and other stakeholders to promote awareness of biodiversity issues, appreciation of nature and responsible travel.

SUSTAINABLE SEAFOOD



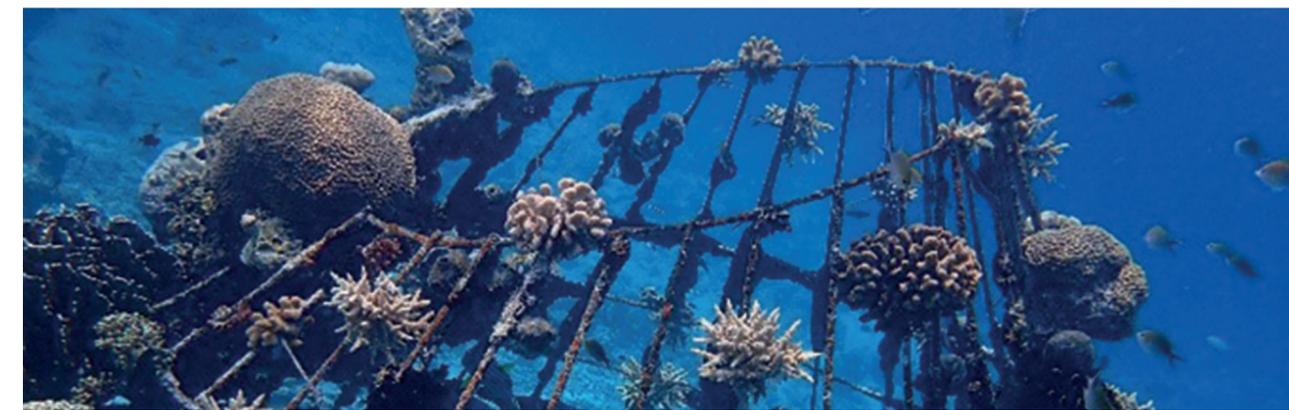
Because we evaluate materiality at the residual level, considering the adequacy and effectiveness of existing controls and progress, we identified the supply chain as the area with greatest opportunity for improvement. We are focusing especially on seafood, as it impacts marine habitats, the ecosystem and labour practices in the aquaculture industry.



PROGRESS

In 2022, we:

- Established our baseline of sustainably certified seafood at 7%. The top-performing property, Banyan Tree Cabo Marques, achieved 84% certified seafood.
- Developed Group-wide animal welfare policies and standards to drive cage- and crate-free production, and a policy to increase plant-based menu options that have a lower environmental impact than meat. These are in addition to our endangered species policy.
- Created “traffic light” guidance for sustainable food purchases.
- Continued with conservation and restoration efforts on land and sea including:
 - Annual monitoring of coral reefs in the Maldives and Bintan and planting of 5,114 corals.
 - Turtle conservation programmes in Indonesia, Mexico, Thailand and Vietnam, and the safe release of 876 hatchlings.
 - Partnering with the China Environmental Protection Foundation, the team works on a large-scale breeding of endangered clownfish and successfully released a total of 2,030 clownfish in Luhuitou Peninsula, Sanya of Hainan province in China. This was done in three batches - the first on Oct, the second on 9th Dec, and the third between the 13th and 16th Dec.



NEXT STEPS

We will:

- Map sensitive habitats and create endangered species lists for each property. This will inform location-specific conservation efforts and create awareness among associates, guests, contractors and the local community.
- Identify and target invasive species for eradication and, where appropriate, replacement with native species, to prevent further damage to local ecosystems.
- Pilot rewilding projects to restore natural habitats.

At Banyan Tree Group, we believe that business can be a catalyst for change and should serve society. This begins with the development, health and wellbeing of our associates and extends to the surrounding communities and their most vulnerable members. Through long-term collaborations, we aim to build people up, bridge differences and boost diversity, equality and inclusion.

Diversity, Equality and Inclusion (DEI)



Tourism and hospitality can empower women and local communities by providing secure livelihoods, supporting urban renewal and rural development, and creating access to education. Action for DEI supports SDG 4 (quality education), 5 (gender equality), 8 (decent work and economic growth) and 10 (inequality) by providing opportunities for youth, women and those with special needs through capacity and skills development.

KEY PERFORMANCE INDICATOR



SCOPE

We report on DEI within operations owned, operated and managed (including contractors) to increase acceptance, productivity, creativity and performance. We also support DEI principles and human rights in our guests, suppliers, service providers and local communities to raise awareness and inspire action. We define gender parity as a non-significant difference as a non-significant difference, and parity in hire, promotion, turnover and pay.

MANAGEMENT APPROACH

Our approach is founded on cultivating a sustainable, responsible and inclusive tourism model with people and planet at the centre.

We are committed to cultivating a culture of diversity as a moral imperative, and aim to foster equitable and inclusive workplaces and business practices which promote meritocracy, empowerment and mutual respect amongst our associates. We commit to uphold and respect human rights irrespective of gender, age, culture, ethnicity, nationality and ability.

We promote transparency, engagement and inclusion in the workplace and with our stakeholders: our associates, guests, communities, investors and partner suppliers, ensuring both business prosperity and positive social and environmental impact.

We are committed to:

- Promoting equity in the workplace, transparency, meritocracy, engagement and inclusion.
- Fostering and strengthening a culture of diversity.
- Upholding human rights, treating diversity and inclusion as more than policies or quotas.
- Engaging stakeholders in cultivating inclusive tourism with people at its heart.

GROUP UNADJUSTED GENDER PAY GAP

1.68%

GROUP ADJUSTED GENDER PAY GAP

1.94%

***ADJUSTED GPG INCLUDES HUMAN CAPITAL CONTROLS OF GENDER, LOCAL/EXPAT, AGE, JOB LEVEL, EDUCATION**

DIVERSITY

NEW HIRES:



SENIOR MANAGEMENT:



SUPERVISOR:



NON-SUPERVISOR:



GENDER PARITY IN THE GROUP

Gender inequality often results in opportunity and pay gaps. At Banyan Tree Group, we hire, train and promote without discrimination. In 2022:

- 18% of the Board and 43.4% of management were women.
- The gender pay gap at our owned and managed hotels was 1.94% after adjusting for gender, local/expatriate, age, job level and education. This was well within our KPI of <5%.
- The total rate of turnover among associates was 34.2%. Turnover for female associates was 35.7%, compared with 33.0% among male associates.
- In terms of training hours, female associates averaged 6.3 hours per month, while male associates averaged 5.8 hours, with both surpassing our target of 5 hours per month per associate.

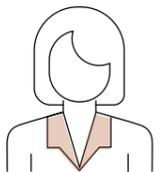
DIVERSITY ON THE BOARD

The Company believes in diversity and values the benefits that diversity can bring to its Board. Diversity promotes the inclusion of different perspectives and ideas, mitigates against group think and ensures that the Company has the opportunity to benefit for all available talent. The Company seeks to maintain a Board with a diverse mix of attributes in the following areas: age, gender, industry expertise, domain or functional expertise, tenure, independence, cultural ethnicity and international experience.

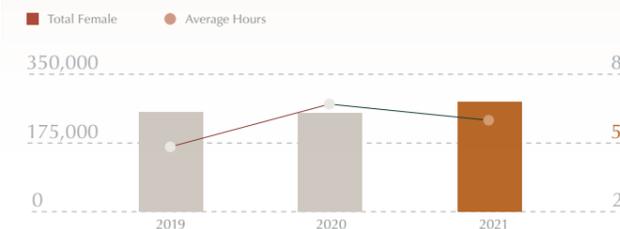
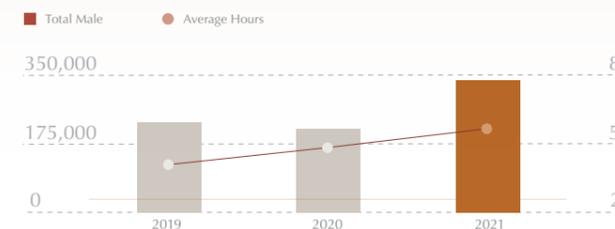
The Board recognises that a diverse Board is an important component which will assist to better support the Company's achievement of its strategic and business objectives for sustainable development thereby facilitating better decision-making process and enhanced business performance for the Company.

The current Board composition reflects our commitment to Board diversity, especially in terms of female representation, domain and industry expertise, and ethnic diversity. Decisions by, and discussions with, the Board are enriched by the Directors' broad range of perspectives and experience. At 18%, our Women On Board is close to the 20% target set by the Council of Board Diversity. The Board will look to, at minimum, maintain the number of female independent directors, and will continue to review the diversity of its members.

FEMALE REPRESENTS



TRAINING HOURS PER GENDER



PROGRESS

In 2022, we continued to empower and care for people in the following ways:

SILK

The Group unveiled an extension of the highly successful Laguna Phuket Kindergarten. Step-Up International Laguna Kindergarten (SILK) offers a holistic, immersive education to students from all over the world and promotes cross-cultural understanding, diversity and inclusiveness. In addition to SILK, the Group contributed to community education programmes with support from 13,515 guests and 8,380 associates.



APPRENTICESHIP PROGRAMME

From the inaugural cohort, 10 out of 21 apprentices, ranging in age from 21 to 46 years, found employment with Banyan Tree Group.

SEEDLINGS MENTORSHIP:

During the year, the programme supported 91 young people at risk of societal exclusion, providing vocational and life skills.

ASSOCIATE DEVELOPMENT:

Both Banyan Tree Management Academy and Banyan Tree Spa Academy support our organisational goals and the personal development of our associates. By being open to external enrolment, Banyan Tree Spa Academy also elevates women in the wider community by providing them with a profession and career development.

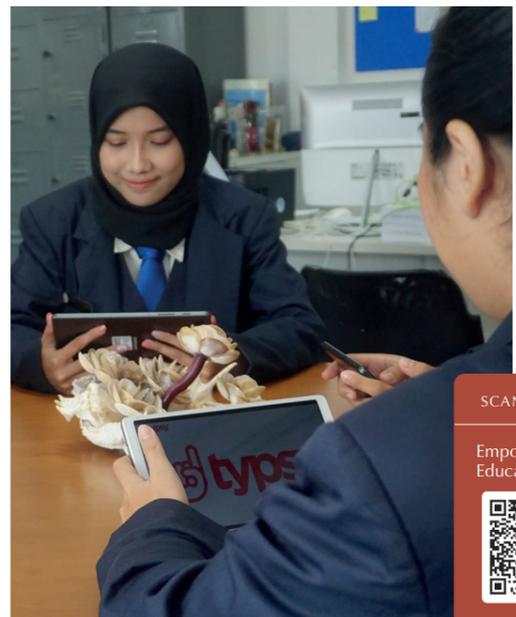
BANYAN TREE SPA AND GALLERY:

By focusing on artisanal traditions and hiring locally, the Group's spa and retail arms continue to provide employment and training for women in local communities while upholding cultural heritage.

THE GROUP'S SPA & WELLBEING ACADEMY CONTINUES TO PROVIDE

Employment and training

FOR WOMEN IN LOCAL COMMUNITIES



SCAN ME

Empowering Education

<https://bit.ly/BTG-SR22-Empowering-Education>

GROUP CONTRIBUTED TO COMMUNITY EDUCATION WITH SUPPORT FROM (2022)

13,515 GUESTS

8,380 ASSOCIATES

FROM INAUGURAL COHORT (2022)

10/21

SEEDLINGS MENTORSHIP SUPPORTED (2022)

91 YOUNG PEOPLE AT RISK OF SOCIETAL EXCLUSION



NEXT STEPS

We will:

- Identify areas where we can further improve gender parity within our business.
- Review opportunities and develop policies to strengthen our support for accessibility, maternity and paternity, remote work, supplier engagement and ethical sourcing.

WORKPLACE HEALTH, SAFETY AND HAPPINESS

ASSOCIATE HEALTH AND WELLBEING:

The health and wellbeing of our associates is, as always a priority with the Group's long track record in this area. However, as a compassionate employer, we continually seek to improve in this area, with efforts aligned to eight pillars of wellbeing. Our second Associate Wellbeing Survey, which was completed by 98% of associates, indicated that wellbeing in key areas increased by 8% year-on-year.

WORKPLACE HEALTH AND SAFETY:

Workplace accidents resulted in no fatalities, one high consequence injury, 526 recordable injuries and 196 recordable work-related ill health cases worldwide. We continue to track these metrics and identify ways to mitigate risk, supported by an Enterprise Risk Management structure based on the Committee of Sponsoring Organizations of the Treadway Commission Internal Control – Integrated Framework.

SCAN ME

Associate Development

<https://bit.ly/BTG-SR22-Associate-Development>

SCAN ME

Promoting Cultural Heritage

<https://bit.ly/BTG-SR22-Promoting-Cultural-Heritage>

GREATER GOOD GRANTS

Banyan Tree Global Foundation awarded Greater Good Grants to two NGOs in 2022:

PATA FOUNDATION

Employment in Indonesia's travel and hospitality sector is largely filled by graduates of Technical and Vocational Education and Training institutions that traditionally focus on technical skills. PATA Foundation's Micro Impact Macro Impact initiative equips youth with the additional skills to live independently, navigate new careers and deal with rapidly changing work environments.

With the grant, PATA Foundation extended the initiative to Polytechnic Bintan Cakrawala (PBC) in Bintan, developed a course on Critical Thinking and facilitated access for more than 100 students to digital microlearning content that supports both technical and soft skills.



RAK MAI YAI FOUNDATION

After harvest, rice fields in Thailand, are typically cleared by burning, producing PM 2.5 pollution that compromises air quality and contributes to climate change. Rak Mai Yai Foundation is teaching communities in Pathum Thani and Ayuthaya to utilise the rice stubble for small mushroom farming instead. Trainees also receive instruction on how to extend the shelf life of the mushrooms and mushroom products.

The project has generated additional income for the communities as well as health and environmental benefits. To date, 200 participants have attended mushroom-growing workshops.

Our responsibility extends beyond the precautionary approach, to serve as stewards of the environment and communities in an ethical, accountable manner.

Corporate Governance



BANYAN TREE GLOBAL FOUNDATION (BTGF)

We seek to support, influence and evangelise sustainability practices. Recognising that doing good often requires financial backing, we established BTGF in 2009. It directs the Group's pursuit of sustainable business, allocating donations to worthy projects. Contributions and disbursements are accounted for under the incorporated Banyan Tree Global Foundation Limited, audited by Ernst & Young LLP, Singapore.



GREEN IMPERATIVE FUND (GIF)

Since 2001, the GIF has offered guests at our hotels the opportunity to participate in environmental and community-based projects. Under an "opt-out" arrangement, they contribute US\$2 per room night at Banyan Tree branded properties, or US\$1 per room night at Angsana, Cassia and Dhawa properties. The receiving property dollar-matches all such donations.

Each resort is given 20% of their previous year's GIF contribution to spend autonomously on projects/initiatives that have an external beneficiary. While allocation is at the discretion of the resort, use of the funds is governed by strict guidelines, with project administration limited to 20% of expenditure.

In China, donations are made directly to and managed by the China Environmental Protection Foundation (CEPF), supporting projects mutually agreed upon, with CEPF providing quarterly progress updates to BTGF.



SCAN ME

Corporate Governance



<https://bit.ly/BTG-SR22-Corporate-Governance>

Our Reporting Frameworks

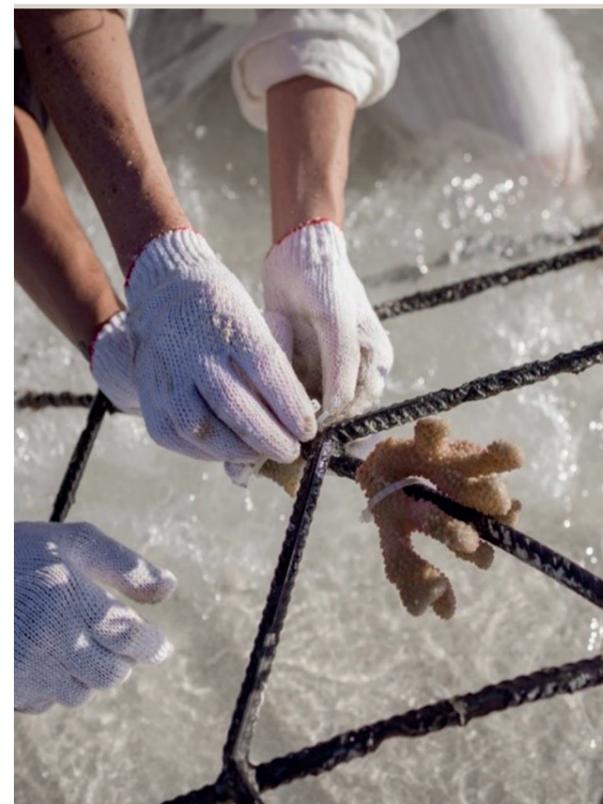
We employ multiple frameworks to manage our material risks and to support transparent, standardised and comparable communication of our economic, environmental and social impacts.

- 📄 This is our sixth report voluntarily produced in referencing the latest Global Reporting Initiative (GRI) Standards (globalreporting.org). For a complete GRI Standards content index, please see banyantreeglobalfoundation.com/gri.
- 📌 In 2021, the Singapore Stock Exchange (SGX) proposed a list of core ESG metrics aligned with GRI, TCFD, SASB and WEF frameworks for implementation in FY22. This is our second year following these reporting standards.
- 📌 As a founding signatory of the United Nations Global Compact (UNGC) in Singapore, we apply the precautionary principle when managing impacts of our material risks, aligning our efforts and reporting with the UNGC's Ten Principles for human rights, labour, environment and anti-corruption.
- 🌐 The 2030 Agenda for Sustainable Development specifically calls on tourism to support the United Nations Sustainable Development Goals (SDGs), particularly #8: decent work and economic growth, #12: responsible consumption and production, and #14: life below water. We align our reporting with the global SDG framework but apply it to the local context where we operate. Within each material topic, we go beyond highlighting this alignment to setting specific targets so that we can measure progress towards achieving the relevant SDGs.

WE APPLIED

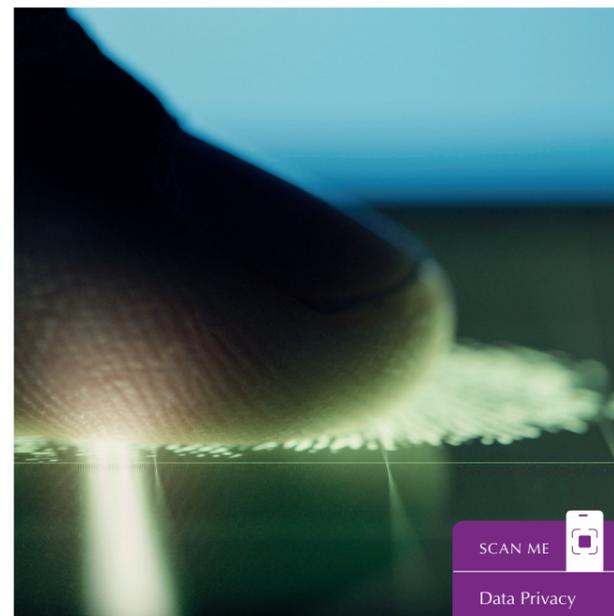
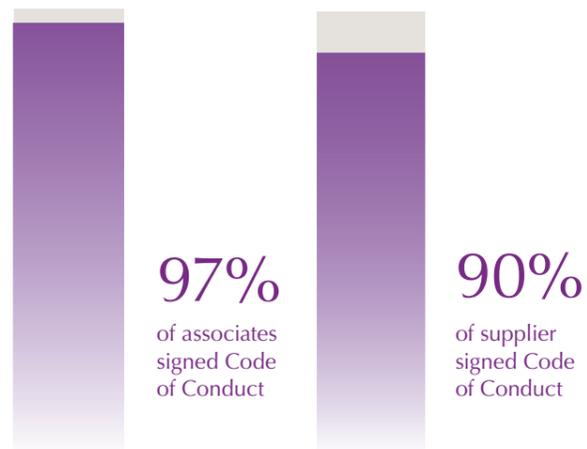
Precautionary Principle

WHEN MANAGING OUR MATERIAL RISKS, ALIGNING OUR EFFORTS AND REPORTING WITH THE UNGC'S TEN PRINCIPLES FOR HUMAN RIGHTS, LABOUR, ENVIRONMENT AND ANTI-CORRUPTION.



Ethical Compliance and Anti-Corruption

We continually seek to be transparent and accountable in all our dealings, complying strictly with all legal and ethical requirements wherever we operate. We have zero tolerance for corruption and expect the same of those with whom we do business. Because Banyan Tree Group has a long track record of doing business right, this was not identified as a material topic for us. Nonetheless, we continue to emphasise its importance.



SCAN ME 

Data Privacy



<https://bit.ly/BTG-SR22-Data-Privacy>

As a publicly traded company, our Board of Directors and management teams are committed to the Code of Corporate Governance. In 2022, we had zero incidents of corruption or bribery, and no business partnerships were terminated or not renewed due to corruption. Over 5,700 (68%) of our associates received anti-corruption training in 2022.

Our Code of Conduct strengthens associates' awareness of good corporate conduct, governs conflicts of interest and protects associates from sexual harassment. All associates are required to sign the Code of Conduct annually, and 97% did so in 2022. To ensure that violations can be reported without fear of retaliation, we maintain a confidential whistle-blower policy. Our supplier Code of Conduct helps to uphold human rights and the environment. Our supply chain comprised 5,223 suppliers, with signed Codes of Conduct covering 90% of our Group dollar purchases (US\$66 million) in 2022.

To protect the rights of guests and associates, our data privacy policies ensure compliance with the Personal Data Protection Act 2012 in Singapore, and the European Union's General Data Protection Regulation (GDPR). Group-wide cybersecurity training for IT personnel and access point users was delivered to 5,290 associates (62%) in 2022, with no substantiated complaints, breaches or losses of customer data identified.

We are committed to uphold the Ten Universal Principles as a founding member and signatory of the United Nations Global Compact in Singapore, and we support the United Nations World Tourism Organisation Global Code of Ethics. Compliance to Banyan Tree Group's sustainability standards is assessed by EarthCheck's third-party audits of environmental, social, operational and governance systems and initiatives, and an annual self-audit with remote verification by the regional sustainability coordinators and BTGF.



Internal Audit Declaration

An internal review of the processes for the collection of data relating to selected material factors has been initiated for selected properties, as part of the approved annual internal audit plan. The approach to the internal review will continue to be enhanced alongside the maturity of the Group's sustainability reporting framework.





Scan this QR code to access the online version of the Banyan Tree Group Sustainability Report 2022.



Note About Printing:

In line with Banyan Tree Group’s continuing efforts to promote environmental sustainability, this report is printed on Forest Stewardship Council® (FSC®) certified paper. If you would like additional copies or to share this report, we encourage you to join the bulk of our shareholders and enjoy the soft copy in order to reduce consumption of resources from printing and distributing hard copies. The portable document format (PDF) soft copy is available for download via Banyan Tree Group’s website:

investor.banyantree.com.



About The Forest Stewardship Council:

The Forest Stewardship Council® (FSC®) is an independent, non-governmental, not-for-profit organisation established to promote the responsible management of the world’s forests. FSC® certification provides a credible link between responsible production and consumption of forest products, enabling consumers and businesses to make purchasing decisions that benefit people and the environment as well as providing ongoing business value.

Disclaimer

All rights reserved. Some of the information in this report constitutes “forward-looking statements” that reflect Banyan Tree Holdings Limited’s current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which may be outside the Group’s control. You are urged to view all forward-looking statements with caution. No information herein should be reproduced without the express written permission of Banyan Tree Group. All information herein is correct at the time of publication.



BANYAN TREE
GROUP

Banyan Tree Holdings Limited

Reg No: 200003108H

211 Upper Bukit Timah Road
Singapore 588182

Tel : +65 6849 5888
Fax : +65 6462 0186

banyantree.com