



**HOTEL GRAND CENTRAL**



**SUSTAINABILITY  
REPORT 2023**



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## Board Statement

### Board Statement

GRI [2-22]

The Board is responsible for overseeing the management and monitoring of the ESG matters within HGC. It views sustainability as integral to the group's business strategy and operations, demonstrating a commitment to conducting our company's affairs in a socially and environmentally responsible manner while upholding rigorous corporate governance standards. Each year, the Board conducts a materiality review to identify and prioritise key ESG concerns and consider their impact on HGC and its stakeholders.

Supporting the company's efforts to meet demand and adhere to sustainable business practices, the Board continues to endorse the ongoing importance of all existing seven material ESG topics. The responsibility for implementing sustainability measures has been delegated to the Management, who provide annual updates to the Board on the company's sustainability performance and any significant changes in policy or practices.

Furthermore, the company is dedicated to transparency and effective climate governance, and has been reporting in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in a phased manner. This approach aligns with the enhanced requirements introduced in December 2021 by the SGX Sustainability Reporting Guidelines.



# 1. Corporate Profile

GRI [2-1] [2-6]






Hotel Grand Central Limited (“HGC” or “the Group”) was incorporated on June 13, 1968, and has been part of the Singapore Stock Exchange since 1978. Operating across five countries, the Group comprises 13 wholly-owned hotels and four wholly-owned investment properties located in Singapore, Australia, New Zealand, China, and Malaysia. Additionally, the Group holds ownership in five associated hotels in Malaysia.

**Figure 1: List of HGC’s operations**





## 2. Key Highlights

Climate-related disclosures	Water Consumption Management	Waste Management
<p>Conducted inaugural climate scenario analysis across short, mid and long term</p>	<p><b>44%<sup>1</sup></b> Reduction in water consumption at Hotel Grand Chancellor Adelaide</p> 	<p><b>Zero</b> Hazardous waste was sent to landfills/incinerated</p> 
Ensuring Fair Employment Practices	Business Ethics and Anti-corruption	Security of Personal Data and Information
<p><b>Zero</b> Life threatening incidents or fatalities</p> <p>Maintained relatively equal gender distribution in the workforce<sup>2</sup></p> 	<p><b>Zero</b> Incidents of corruption or breach of business ethics</p> 	<p><b>Zero</b> Security breaches</p> 

<sup>1</sup> Against FY2022

<sup>2</sup> 57% females and 43% males in FY 2023



### 3. About the Report

GRI [2-2] [2-3] [2-5] [3-1]

We are proud to present our seventh sustainability report, published on 12 April 2024, which captures our sustainability initiatives and performance. This report adheres to the sustainability reporting requirements set out in SGX-ST Listing Rules 711A and 711B and Practice Note 7.6. Additionally, it has been prepared with reference to the internationally recognised Global Reporting Initiatives (“GRI”) Universal Standards. Adopting the GRI Standards has enabled HGC to communicate our sustainability impact in a transparent, consistent and comparable manner. To aid the navigation of this report, we have included a GRI Content Index on Pages 42 to 45, providing an overview of our GRI disclosures.




In line with SGX's requirements, HGC will also be preparing our climate-related disclosures consistent with the recommendations of the Task Force on Climate Related Financial Disclosures (“TCFD”), in a phased approach.

Unless specified otherwise, this report covers HGC’s sustainability performance from 1 January 2023 to 31 December 2023 (“FY2023”). We have disclosed prior year’s (“FY2022”) performance of key indicators where possible for comparative purposes. Although we have not sought external assurance over this reporting period, we are currently conducting an internal review of our sustainability reporting process and relevant disclosures.

HGC welcomes all feedback from stakeholders on this report and its sustainability efforts, please send your comments and suggestions to [hltan@ghihotels.com](mailto:hltan@ghihotels.com).

Our reporting scope encompasses nine (9) wholly-owned hotels located in Singapore, Australia, and New Zealand, as detailed in Table 1. The remaining four wholly-owned hotels<sup>3</sup> of HGC are presently excluded from the reporting scope due to inadequate data availability. However, we remain committed to collaborating with these subsidiaries to enhance their data availability and reporting maturity. This will enable us to gradually expand the scope of our reporting in the future.

**TABLE 1: LIST OF OPERATIONS WITHIN SR2023 REPORTING SCOPE**

Singapore 	Australia 	New Zealand 
1. Hotel Grand Central	3. Hotel Grand Chancellor, Adelaide	9. James Cook Hotel Grand Chancellor Wellington (“JCHGC”)
2. Hotel Chancellor @ Orchard	4. Hotel Grand Chancellor, Brisbane	
	5. Hotel Grand Chancellor, Hobart	
	6. Hotel Grand Chancellor, Townsville	
	7. Hotel Grand Chancellor, Launceston	
	8. Hotel Grand Chancellor, Melbourne	

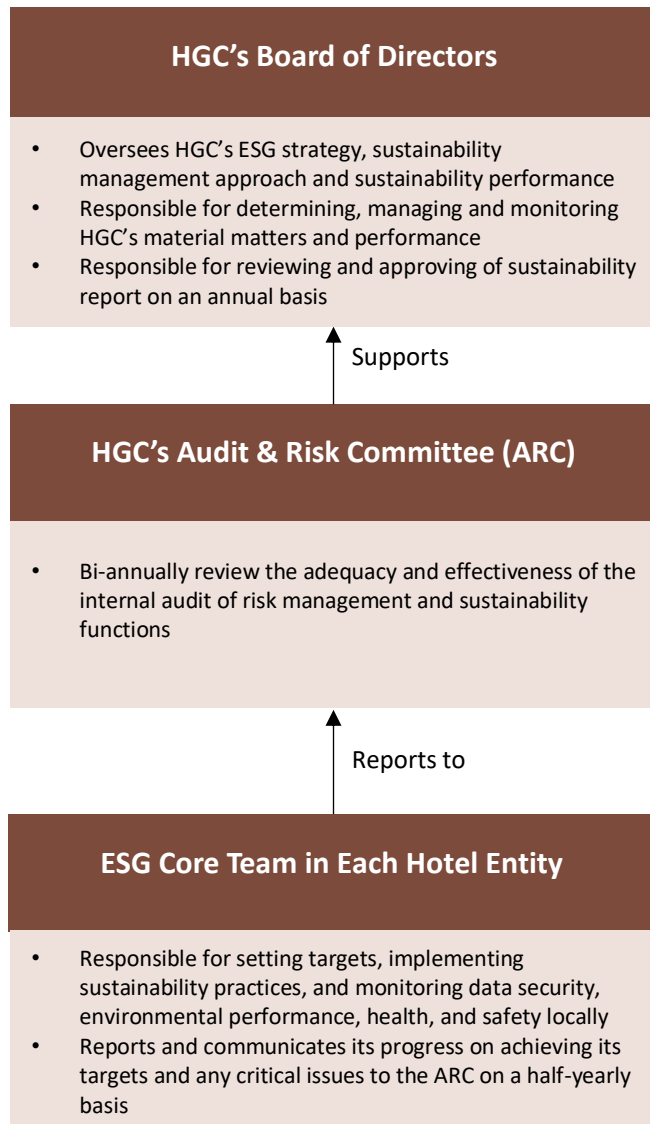
<sup>3</sup> The four wholly-owned hotels not included in the reporting scope are Hotel Grand Crystal, Kedah; Hotel Grand Central Sihui; The Chancellor on Hobson, Auckland; The Chancellor on Currie, Adelaide



## 4. Approach to Sustainability

GRI [2-9] [2-12] [2-13] [2-14]

### 4.1 Sustainability Governance



The Board of Directors, chaired by the Executive Chairman/Managing Director is responsible for overseeing HGC's overarching sustainability management approach, ESG strategy, and sustainability performance. Sustainability matters within HGC are overseen by the Board of Directors through board committees and continuous communication with Senior Management. The board consists of three executive directors, four independent non-executive directors, and one non-independent non-executive director.

The Board is responsible for determining, managing and monitoring HGC's material matters and performance, including its potential and actual impacts on the environment, people and economy. The Board is also responsible for reviewing and approving this sustainability report on an annual basis. The Board has delegated the Executive Director, Ms Tan Hwa Lian, to oversee the Group's overall sustainability performance and manage any impacts from its activities. The Executive Director reports to the Board annually to review the performance and key issues arising from HGC's activities.

The Board of Directors is also supported by the Audit and Risk Committee, which convenes with the Board twice a year. The Audit and Risk Committee is responsible for conducting annual reviews on the adequacy and effectiveness of the internal audit of risk management and sustainability functions.

The ESG core team and management teams at each hotel entity are responsible for setting targets, implementing sustainability practices, and monitoring data security, environmental performance, health and safety locally. Each hotel management and ESG core team will report and communicate its progress on achieving its targets and any critical issues to the ARC on a half-yearly basis. HGC's commitment to sustainability ensures that the Group's operations are conducted in a responsible and ethical manner, contributing to a more sustainable future.

## 4.2 ESG strategy

HGC is committed to managing our social and environmental impacts while striving to create and maintain high economic values and returns. We are guided by our ESG strategy and its three key ESG principles shown in Figure 2, while being supported by the relevant group-wide policies in Corporate Governance and Human Resources. The following table illustrates HGC’s ESG strategy:

**Figure 2: HGC ESG strategy**

Acting as a Responsible Group	Respecting People and the Environment	Delivering Positive Hospitality
<ul style="list-style-type: none"> <li>Setting standards for robust governance, serving investors relations.</li> <li>Ensuring compliance and demonstrating transparent and ethical conduct in all our operations.</li> <li>Investing in a socially responsible manner, by integrating ESG criteria in the investment process.</li> <li>Managing HGC’s supply chain by monitoring ESG risks and disseminating good practices throughout the value chain.</li> </ul>	<ul style="list-style-type: none"> <li>Fostering employee well-being by providing a work environment that respects their rights and enables personal and professional development</li> <li>Reducing HGC’s environmental impact and protecting our climate by systemising hotels processes, fostering circular economy practices, protecting biodiversity, and reducing our carbon footprint.</li> </ul>	<ul style="list-style-type: none"> <li>Delivering an exceptional guest experience by offering care and comfort, promoting innovative services to improve well-being, ensuring hotels’ accessibility, and providing sustainable food.</li> <li>Respecting the communities where we operate by prioritising local employment, supporting local projects and associations, and promoting flexibility and innovation to create multi-functional hotel spaces which benefit both guests and local communities.</li> </ul>

The ESG strategy guides the management approach implemented for each identified material matter, ensuring alignment with the company’s overarching sustainability goals and objectives.

**Table 2: Management Approach for Material Matters**

Material Matter	Management Approach
Business Ethics and Anti-Corruption	All hotels are required to comply with the Group’s Code of Conduct and Anti-Corruption policies.
Security of Information	Compliance with the local Personal Data Protection Act is managed by the hotels’ management and reported to Singapore’s Executive Director.
Health and Safety	These matters are managed locally by hotels’ management.
Energy Consumption and Greenhouse Gas (“GHG”) Emissions	
Water Consumption Management	
Waste Management	
Additional Matter	Management Approach
Employment Practices	All hotels are required to comply with Group Workplace Diversity and Harassment policy outlined in the Employee Handbook. Further, each hotel has its own Human Resource policy, designed to consider local labour market conditions and local labour law and regulations.



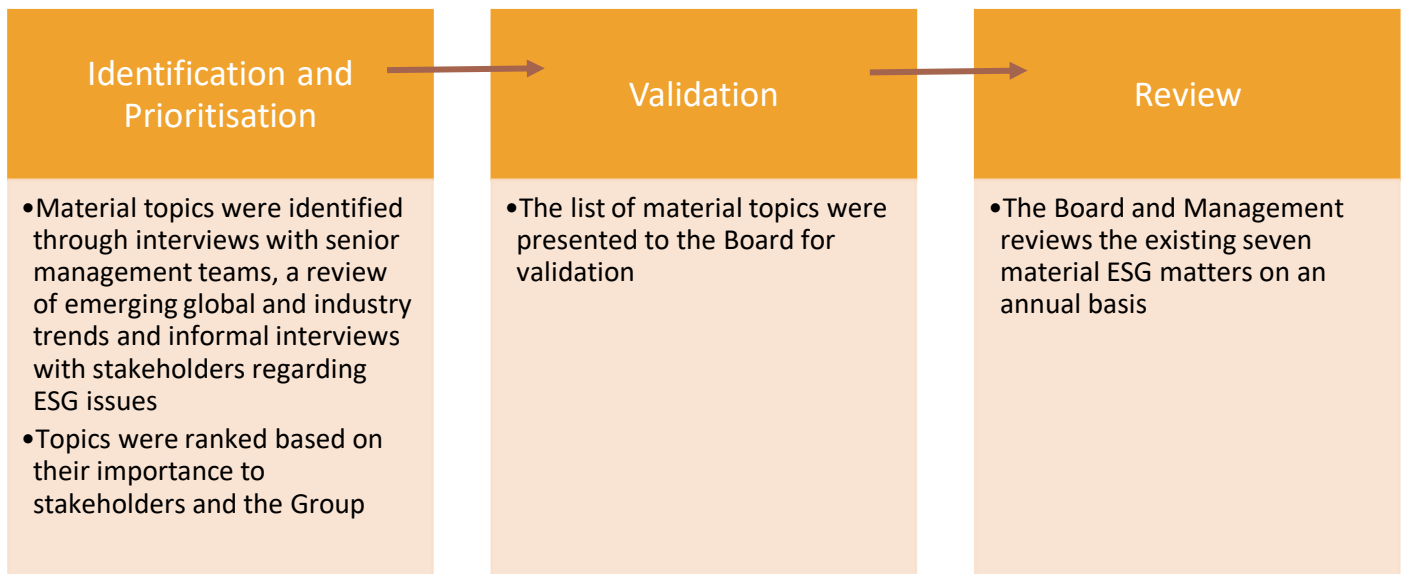


## 5. Materiality and Contributions to SDGs

GRI [3-1] [3-2]





### Materiality Assessment Process

The materiality assessment helps us identify the sustainability matters most critical to our operations. This assessment considers ESG factors in the hospitality industry and examines their impact on our business and stakeholders. Our most recent materiality assessment was conducted in FY2020, and we regularly review the relevance of the identified material matters annually. Internal stakeholder groups, including senior management and employees, are engaged to provide insights into the relevance of existing topics and identify new potential matters crucial to our operations. In FY2023, we reviewed our existing seven material matters and determined that all topics continue to remain relevant. Our materiality assessment process is as outlined below.



We have identified short (1-3 years), medium (4-6 years), and long term (more than 6 years) targets for all seven material matters. These have been mapped and aligned to the relevant UN Sustainable Development Goals (“SDGs”) and GRI Standards, as shown in Table 3.

**Table 3: Alignment of HGC’s Sustainability Matters with relevant SDGs**




Material Matters	Targets	Performance in FY2023	Relevant GRI Standards and SDGs
<p><b>Business Ethics and Anti-corruption</b></p> <p><b>Goal: To uphold highest standards of corporate governance and ensure compliance with applicable laws and regulations</b></p>	<p><b>Short term:</b> To ensure relevant policies related to business ethics and anti-corruption are in place and all stakeholders are aware of such policies</p> <p><b>Medium term:</b> To ensure policies are reviewed and updated in a timely matter</p> <p><b>Long term:</b> To maintain zero incidents related to business ethics and corruption</p>	Zero cases across whole group	<p>GRI 205: Anti-corruption 2016</p> 
<p><b>Security of Information</b></p> <p><b>Goal: To abide by all relevant data protection laws to protect our stakeholders’ personal information privacy</b></p>	<p><b>Short term:</b> -To review current IT systems, identify and resolve any immediate risks -To educate employees about data use policies and cybersecurity risks</p> <p><b>Medium term:</b> To review, adopt and comply with industry standards cybersecurity benchmarks.</p> <p><b>Long term:</b> To maintain confidentiality<sup>4</sup>, integrity<sup>5</sup> and availability<sup>6</sup> of personal data and information.</p>	Zero security breaches across whole group	<p>GRI 418: Customer Privacy 2016</p> 
<p><b>Health and Safety</b></p> <p><b>Goal: To create a safe working environment for all employees &amp; guests</b></p>	<p><b>Short term:</b> To reduce workplace incidents by 10% for each property</p> <p><b>Medium term:</b> To achieve zero fatality and serious injury across our properties</p> <p><b>Long term:</b> To improve work processes with technological adoption across our properties</p>	No life-threatening work-related incidents	<p>GRI 403: Occupational Health and Safety 2018 GRI 416: Customer Health and Safety 2016</p> 
<p><b>Energy Consumption and Greenhouse Gas (“GHG”) Emissions</b></p>	<p><b>Short term:</b> To reduce energy consumption per occupied room by 1% across our properties against prior year performance</p>	Overall 9.2% decrease in direct fuel consumption and a 5.4% increase in electricity consumption compared to FY2022	<p>GRI 302: Energy 2016 GRI 305: Emissions 2016</p> 

<sup>4</sup> Confidentiality refers to authorised personnel use

<sup>5</sup> Integrity refers to data authenticity, which also means protection against unauthorised changes or deletion of data, to maintain reliability and completeness of information.

<sup>6</sup> Availability refers to uptime of data for authorised use.








<p><b>Goal: To manage energy consumption effectively and efficiently; committed to decarbonisation efforts in line with our respective governments' transition to a low-carbon future</b></p>	<p><b>Medium term:</b> To reduce energy consumption per occupied room by 5% against 2023 performance across our properties by 2030</p> <p><b>Long term:</b> Invest in renewable energy such as solar energy if feasible</p>		
<p><b>Water Consumption Management</b></p> <p><b>Goal: To manage water consumption responsibly and reduce consumption by introducing water-saving initiatives group-wide</b></p>	<p><b>Short term:</b> To reduce water consumption per occupied room by 1% across our properties against prior year performance</p> <p><b>Medium term:</b> To reduce water consumption per occupied room by 5% across our properties against 2023 performance by 2030</p> <p><b>Long term:</b> To come up with a long-term water management plan and look into possibility/feasibility of rainwater harvesting system in some properties</p>	<p>Although there was an 8% increase in water consumption across HGC's portfolio, there was a 44% reduction in water consumption at HGC Adelaide</p>	<p>GRI 303: Water and Effluents 2018</p> 
<p><b>Waste Management</b></p> <p><b>Goal: To always seek waste reduction opportunities and implement waste management initiatives to reduce waste consumption</b></p>	<p><b>Short term:</b> To reduce waste generated per occupied room by 1% year-on-year across our properties</p> <p><b>Medium term:</b> To reduce waste generated per occupied room by 5% across our properties against 2023 performance by 2030</p> <p><b>Long term:</b> Aligned with Singapore's Zero Waste Masterplan, to reduce 20% in our operational waste-to-landfill intensity by 2030 as compared to the 2019 baseline year.</p>	<p>Total incineration rate decreased from 11.28% to 6.98% in FY2023</p>	<p>GRI 306: Effluents and Waste 2016</p> 
<p><b>Employment Practices</b> <b>(Additional matter)</b></p>	<p>Maintained diversity and fair employment practices</p>		<p>GRI 401: Employment 2016</p> 

## 6. Stakeholder Engagement



GRI [2-29]

Stakeholder engagement is crucial for HGC as it enables us to understand the needs, expectations, and concerns of our stakeholders. By effectively engaging stakeholders, we can improve our services, foresee and manage potential risks, and ultimately drive growth and success. The table below summarises the key stakeholder groups' interests and HGC's responses.

**Table 4: HGC Stakeholder Engagement Method**

Key Stakeholder Groups	Interests of Stakeholder Groups	Hotel Grand Central's Response	Methods of Engagement	Frequency of Engagement
 Hotel Guests	<ul style="list-style-type: none"> <li>• Guest satisfaction</li> <li>• Provision of a safe and healthy environment for all</li> </ul>	<ul style="list-style-type: none"> <li>• Refurbishments and upgrading of facilities</li> <li>• Maintain hygiene efforts e.g. Staff reminded to sanitise hands for food handling and wearing of masks if unwell</li> </ul>	Feedback forms	Ongoing
			Face-to-face meetings/Online reviews and surveys via Revinate	Ongoing
 Employees	<ul style="list-style-type: none"> <li>• Workplace health and safety</li> <li>• Working environment</li> <li>• Team morale</li> <li>• Fair employment practices</li> </ul>	<ul style="list-style-type: none"> <li>• Active employee engagement</li> <li>• Timely review and resolution of matters raised by employees</li> <li>• The employee of the month programme</li> <li>• Star cards to reward extra efforts</li> </ul>	Face-to-face consultations and feedback	Ongoing
			Committee Meetings	Monthly
			Half-yearly meeting with General Managers	Quarterly
 Shareholders and the Investment Community	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Growth prospects and business outlook</li> <li>• Sustainable value</li> </ul>	<ul style="list-style-type: none"> <li>• Timely and consistent disclosure of hotel operations and performance to assist shareholders in investment decisions</li> </ul>	Annual General Meeting	Annually
			Half-yearly Report	Half-yearly
			Organised visits from Directors	Twice a year
 Suppliers	<ul style="list-style-type: none"> <li>• Long-term and strong business relationship</li> <li>• Feedback on quality of services provided</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate and align expectations between HGC and suppliers</li> </ul>	Meetings	Ongoing
			Email and phone call correspondence	Ongoing and as and when required upon end of contract
 Business Partners	<ul style="list-style-type: none"> <li>• Consolidated effort to improve the hospitality sector</li> </ul>	<ul style="list-style-type: none"> <li>• Networking and exchange of information with various business partners at industry events</li> </ul>	Attendance in meetings hosted by economic development agency	Quarterly (NZ)
			Meetings	Ongoing
			Email and phone call correspondence	Ongoing



Key Stakeholder Groups	Interests of Stakeholder Groups	Hotel Grand Central's Response	Methods of Engagement	Frequency of Engagement
 <b>Regulators</b>	<ul style="list-style-type: none"> <li>Compliance with relevant laws and legislation across countries of operation</li> </ul>	<ul style="list-style-type: none"> <li>Qualified and experienced maintenance team to ensure regular checks and maintenance work are conducted</li> <li>Stay abreast of changes in any regulations</li> <li>Completion of annual building warrant of fitness</li> </ul>	License application and renewal (i.e., liquor)	Annual
			Onsite inspection	As and when required by regulatory bodies
 <b>Local Communities</b>	<ul style="list-style-type: none"> <li>Improve relations and ties in the communities HGC operates in</li> <li>Support to Zealandia</li> <li>Support of Mary Potter Hospice</li> <li>Support of KCA with donations of leftover food from buffet</li> </ul>	<ul style="list-style-type: none"> <li>Regular involvement in the local scene and environment</li> <li>\$2.00 for every room night booked via our website is donated to Zealandia</li> <li>Provide staff to help with Mary Potter hospice collection days and other fundraising activities</li> <li>Staff provide volunteer hours to help with the upkeep of the Island – usually three times per year</li> <li>Unused food from the buffet is frozen and collected by KCA for distribution to families in need</li> </ul>	Employee volunteerism	Annual (Australia / NZ)
			Support towards Earth Hour	Annual
			Monetary and in-kind donation (food and clothing)	Ongoing



## 7. Managing the Use of Our Natural Resources

HGC is dedicated to minimising our environmental footprint by reducing waste, optimising energy consumption, and promoting water conservation. We have implemented environmental policies and procedures in our hotels to encourage and manage eco-friendly practices throughout our organisation. JCHGC has an Environment and Social Sustainability Policy, which covers energy conservation, waste management, water conservation, sustainable procurement, and social responsibility. Similarly, Hotel Grand Chancellor Adelaide, Brisbane and Melbourne also have an Environmental Policy in place, detailing efforts to reduce carbon emissions through various environmental initiatives and programmes. Additionally, we take cognizance of the need for conservation of energy and water, and effective waste management.

### 7.1 Energy Consumption and GHG Emissions

GRI [2-4] [3-3] [302-1][302-3] [305-1][305-2][305-4]

#### Why is this important?

Energy consumption is essential for our economic activities, powering our hotels and enhancing the guest experience. However, it also contributes to greenhouse gas (GHG) emissions, which are a major driver of climate change. This results in more frequent and severe extreme weather events such as heatwaves and storms, resulting in loss of life, property damage, and displacement of communities.

Given the increasing threat of climate change, it is crucial for HGC to focus on efficient energy management and reducing greenhouse gas emissions across our operations. To address this, we implement energy management practices in all our hotels and provide continual training to enhance sustainability awareness among our employees and guests.

#### Various Practices on Energy Consumption and GHG Emissions



Australia

##### Energy Efficiency Initiatives

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• Replace and upgrade existing equipment, chillers and cooling tower to maximise energy efficiency</li> <li>• Recommission Building Management System (“BMS”) for more accurate control over the building’s cooling</li> <li>• Regular maintenance of plant and equipment</li> <li>• Use of motion-detecting thermostats and timers to operate HVAC systems</li> </ul> | <ul style="list-style-type: none"> <li>• Use of variable-frequency drive pumps to reduce the energy required to circulate water</li> <li>• Shut down air-conditioning units during low occupancy seasons</li> <li>• Reduce unnecessary lighting within hotel rooms</li> <li>• Ongoing replacement of traditional light bulbs with LED</li> </ul> |
|---|--|

##### Performance monitoring

- Benchmark electricity consumption against similar-sized hotels and other HGC hotels

##### Training and Awareness

- Mandatory induction training for new employees on environmental policy and energy-saving habits



New Zealand

##### Energy Efficiency Initiatives

- Ongoing replacement of traditional light bulbs with LED
- Replace and upgrade aged hotel equipment such as kitchen equipment, lifts, compressor and coolers

##### Training and Awareness

- Encourage guests to opt for ‘Eco’ Room Service, which promotes overall conservation of resources



**Performance Monitoring**

- Benchmark electricity consumption and GHG emissions against regional average in EarthCheck



Singapore

**Energy Efficiency Initiatives**

- All our buildings have received green mark certification in recognition for their environmentally friendly design and construction
- Reduce air-conditioning temperatures at low traffic times
- Emphasise energy-saving habits
- Use of hot and cold drinking water dispensers in all guest rooms to reduce electricity consumption and one-time plastic bottles
- Ongoing replacement of traditional light bulbs with LED

**Fuel Consumption**

In FY2023, fuel consumption was recorded across all hotels in Singapore, Australia, and New Zealand, with the exception of HGC Townsville in Australia. This includes motor gasoline utilised by HGC-owned vehicles<sup>7</sup> and natural gas used for kitchen operations and water heating.

A total of 35,870 GJ of direct energy was consumed, translating to 1,911 tonnes of carbon dioxide equivalent (“tCO<sub>2</sub>e”)<sup>8</sup> of Scope 1 emissions. The total fuel consumption and Scope 1 emission have decreased slightly by 9.2% and 8.0% respectively compared to FY2022. This is despite an increase in operational activities resulting from a rise in tourism, a testament to our ongoing efforts to reduce fuel consumption and increase in energy efficiency.

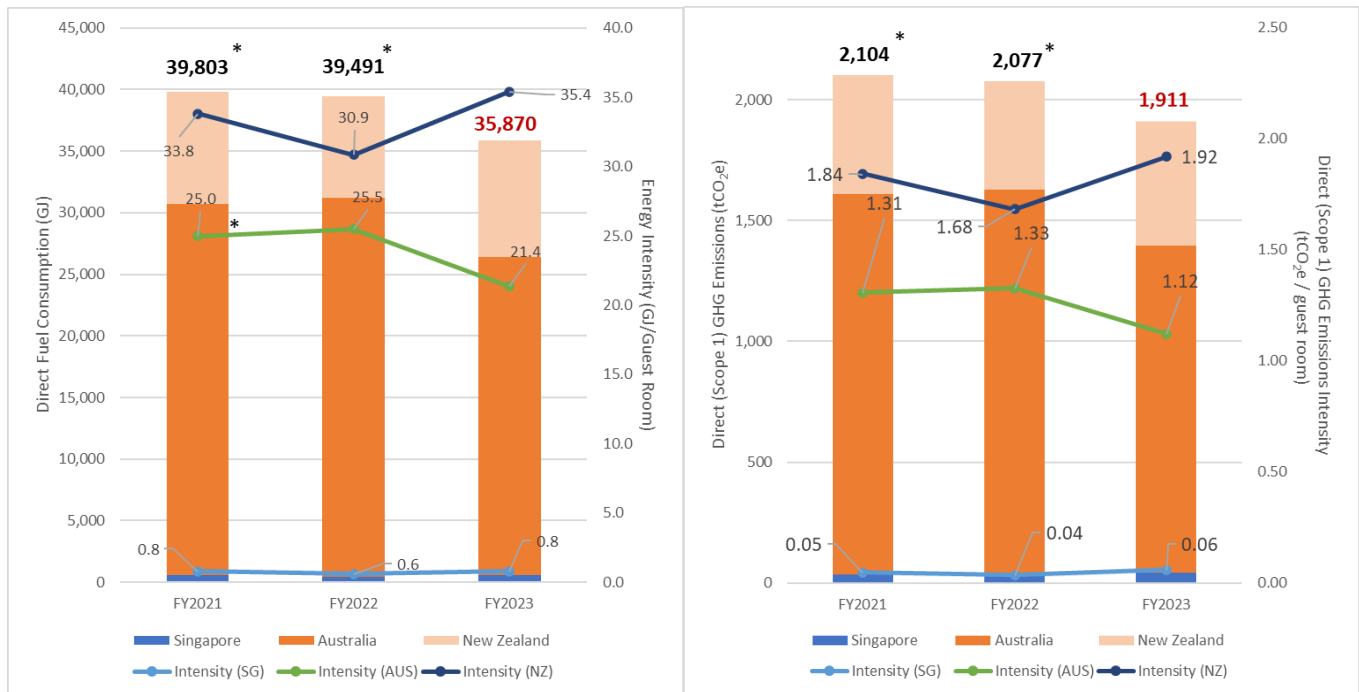
We have revised our methodology for calculating fuel consumption intensity from annual fuel consumption per room to annual fuel consumption per occupied night. This change provides a more accurate representation of HGC’s fuel consumption intensity, taking into account the occupancy throughout the year. Based on this updated methodology, the fuel consumption intensity for HGC in 2023 is 0.0028 GJ/occupied night in Singapore, 0.0737 GJ/occupied night in Australia, and 0.1316 GJ/occupied night in New Zealand. Figure 3 illustrates the fuel consumption and intensity using the existing methodology of consumption per guest room. The updated methodology will be used for all future reports moving forward.

<sup>7</sup> The cars are provided for senior executives (General Manager and Sales Director) at the hotels.

<sup>8</sup> Emissions disclosed here are Scope 1 GHG emissions which come from sources that are owned or controlled by Hotel Grand Central. This relates to diesel oil, natural gas and motor gasoline and is expressed in tonnes of CO<sub>2</sub>. For New Zealand, emission factors are obtained from the “Measuring emissions: A guide for organisations” report, published by the Ministry for the Environment, New Zealand. The emission factor values for Australia was sourced from the “Australian National Greenhouse Accounts Factor” report published by Australia’s Department of Climate Change, Energy, the Environment and Water. Singapore’s emission factors were adopted from the “Greenhouse Gas (GHG) Emissions Measurement and Reporting Guidelines” published by the National Environment Agency.



**Figure 3. Direct Fuel Consumption & Intensity (Left) and Direct (Scope 1) GHG Emissions & Intensity (Right)**



Note: Restated numbers are marked in asterisk (\*). The total fuel consumption for FY2021 and FY2022 has been restated due to the availability of more accurate data for natural gas and gasoline consumption and the update of HGC’s motor gasoline emission factor. For FY2021, fuel consumption has been restated from 12,000.90 GJ to 39,803.48 GJ, and for FY2022 fuel consumption has been restated from 13,166.10 GJ to 39,490.58 GJ. Consequently, the total scope 1 emissions have also been restated from 633.40 tonnes to 2,103.51 tonnes in FY2021 and from 717.10 tonnes to 2,077.30 tonnes in FY2022.

### Electricity Consumption

In FY2023, the total electricity consumption at HGC increased to 22,751 MWh from 21,582 MWh in FY2022. The corresponding scope 2 GHG emissions is recorded at 8,120 tonnes of carbon dioxide equivalent (“tCO<sub>2</sub>e”)<sup>9</sup>, an increase from 8,062 tCO<sub>2</sub>e in FY2022. The rise in overall electricity consumption is attributed to the recovery in global tourism and occupancy rates at HGC hotels, leading to increased electricity usage for hotel operations.

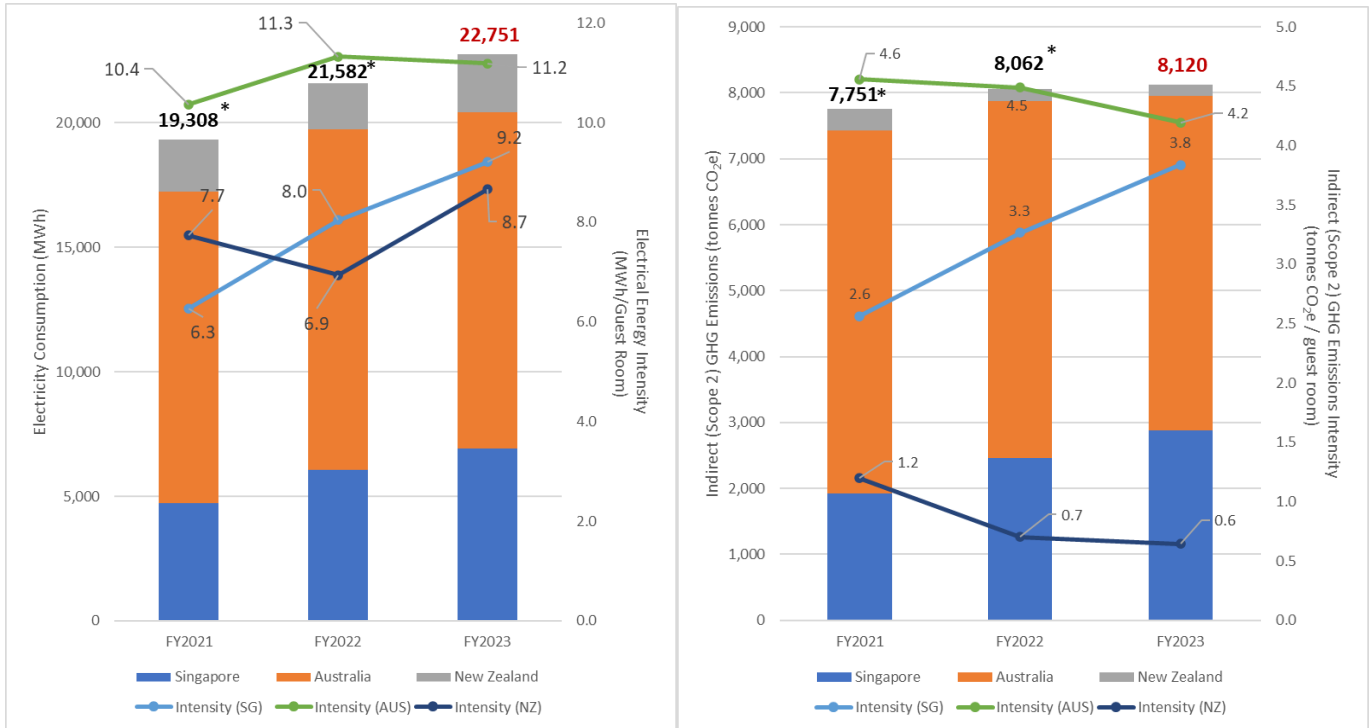
We have revised our methodology for calculating electricity consumption intensity from annual electricity consumption per room to annual electricity consumption per occupied night. This change provides a more accurate representation of HGC’s electricity consumption intensity, taking into account the occupancy throughout the year. Based on this updated methodology, the electricity consumption intensity for HGC in 2023 is 0.033 MWh/occupied night in Singapore, 0.039 MWh/occupied night in Australia, and 0.032 MWh/occupied night in New Zealand. Figure 4 illustrates the electricity consumption and intensity using the existing methodology of consumption per guest room. The updated methodology will be used for all future reports moving forward.

<sup>9</sup> For New Zealand, emission factors were obtained from the “Measuring Emissions” guide compiled by the Ministry for the Environment. For Australia, the emission factors were sourced from the “Australian National Greenhouse Accounts Factors” report published by the Department of Climate Change, Energy, the Environment and Water. For Singapore, emission factors were retrieved from the “Singapore Energy Statistics 2023” published by the Energy Market Authority.





**Figure 4: Electricity Consumption & Intensity (Left) and Indirect (Scope 2) GHG Emissions & Intensity (Right)**



Note: Restated numbers are marked in asterisk (\*). The total electricity consumption for FY2021 and FY2022 has been restated due to updated data for the Australia and New Zealand hotels and improved data accuracy. For FY2021, electricity consumption has been restated from 23,102.89 MWh to 19,307.62 MWh, and for FY2022 electricity consumption has been restated from 27,503.47 MWh to 21,582.15 MWh. Consequently, the total scope 2 emissions have also been restated from 8,811.98 tonnes to 7,750.76 tonnes in FY2021 and from 10,306.98 tonnes to 8,061.57 tonnes in FY2022.

**SPOTLIGHT: Greening our energy consumption and improving energy efficiency**

As we continue to seek sustainable and environmentally friendly solutions for our energy needs, we have embarked on a journey to green our energy consumption. A feasibility study is currently underway in HGC Brisbane and HGC Hobart to determine the viability of installing solar panels on the conference center’s roof. The solar panels will harness solar energy to power the hotel, thereby lowering our dependency on fossil fuels and significantly reducing our carbon footprint.

In efforts to improve energy efficiency, we have been progressively replacing light bulbs in our Australia hotels with more energy efficient LED lights. We are also looking to upgrade our water heating systems in HGC Melbourne and JCHGC to reduce our carbon emissions. In HGC Melbourne, we are considering the installation of an electric-powered heat pump system as a substitute for the existing gas water heating system. Meanwhile, at JCHGC, we are formulating plans to transition away from gas boilers to more environmentally friendly alternatives starting from 2025.

## 7.2 Aligning to the Recommendations of Task Force on Climate-related Financial Disclosures (TCFD)

HGC is committed to addressing climate-related risks and opportunities through a phased implementation of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. As part of our ongoing efforts, we are reporting for the second year against the TCFD recommendations. Our aim is to ensure transparency and effective climate governance by aligning with the TCFD's disclosure guidelines and communicating our approach clearly to stakeholders. We remain dedicated to evaluating and disclosing climate-related risks and opportunities across our operations, focusing on governance, strategy, risk management, and metrics and targets.

Moving forward, we will continue to enhance our implementation of TCFD recommendations as we strive for continuous improvement and support the global effort to combat climate change. Further details on our response to the TCFD recommendations can be found below.

### **Governance**

The Board has overall responsibility for the governance of risk, which includes climate and sustainability risks. To pursue a sustainable long-term growth path, the Board recognises the importance of, and is responsible for, ensuring that Management designs, implements and monitors a sound system of risk management and internal controls as part of good governance. The Board works closely with the senior management to oversee risk management within HGC with biannual Board meetings, where key risks, including climate risks and sustainability strategy issues are discussed. The Board is also responsible for determining, managing and monitoring HGC's material matters and performance including its climate-related risks and opportunities. More information on HGC's governance of climate-related matters is outlined in the "Sustainability Governance" section on page 5.

### **Strategy**

#### **Identification of risks**

HGC acknowledges that understanding climate risk at the asset level involves a nuanced consideration of transition and physical risks, both of which can significantly impact financial and strategic aspects of operations. Transition risks arise from policy measures aimed at transitioning to a low-carbon economy, while physical risks encompass tangible effects of climate change like flooding and extreme weather events. Taking into account HGC's 24 assets in Singapore, Australia, New Zealand, China, and Malaysia, we have identified transition risks such as enhanced reporting obligations, carbon pricing, changes in customer demand, exposure to litigation, mandates on existing services and costs to implement lower emission technologies. Similarly, physical risks such as change in precipitation, flooding, storms, sea level rise, change in average temperature and drought were identified as key physical risks to HGC, which can affect business operations and viability. These risks present challenges to maintaining profitability and sustaining growth. Therefore, HGC recognises the importance of addressing both transition and physical risks in order to mitigate potential financial and operational impacts.

#### **Scenario Analysis**

This year, HGC conducted our inaugural climate-related qualitative scenario analysis encompassing all our assets situated in Singapore, Australia, New Zealand, China, and Malaysia. We aimed to enhance our understanding of our assets' resilience and effectiveness of existing strategies to adapt effectively to potential disruptions and uncertainties, thus bolstering our performance amidst evolving climate-related challenges and opportunities.

The scenario analysis assessed the physical and transition risks associated with our assets across three different time horizons. We categorised these horizons as short-term (1 – 3 years), medium-term (by 2030), and long-term (by




2050). Additionally, we performed scenario analyses using the net zero Representative Concentration Pathway (RCP) 2.6 and Business-as-usual RCP 8.5 scenarios<sup>10</sup>, as outlined in Table 5. Our analysis showed that the impacts of the identified risks typically got larger in the long-term, with transition risks having a larger impact in a RCP 2.6 scenario, and physical risks having a larger impact in a RCP 8.5 scenario.

**Table 5 Risk Analysis Scenarios**

Risk Analysis Scenario	Description
<b>RCP 2.6 (Net zero/ "NZ")</b>	A scenario that aims to keep global warming below 2°C above pre-industrial temperatures by 2100. This scenario assumes immediate and significant action to reduce greenhouse gas emissions.
<b>RCP 8.5 (Business as Usual "BAU" )</b>	It is sometimes referred to as a "worst-case scenario" as it assumes the highest greenhouse gas concentrations over time, leading to the most severe consequences of global warming. Under this scenario, global mean temperature could rise above 5°C by 2100, far exceeding the aims of international climate agreements.



Moving forward, we are committed to further enhancing our disclosures in accordance with TCFD recommendations. As our reporting practices mature, we will explore advancing towards more quantitative analyses and disclosures. This will enable us to accurately assess the financial implications of climate risks and the necessary actions required to address them effectively.

The table below presents the risk analysis undertaken for the six physical and six transition risks identified on a portfolio level. This showcases the residual risk ratings, factoring the mitigation measures in place across the short term ("ST"), medium term ("MT"), and long term ("LT") under the RCP 2.6 and RCP 8.5 scenarios:




Physical Risks (residual)	Risk Description and Impacts	Mitigation Measures												
 Change in precipitation - Increased intensity & frequency  <table border="1"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <th>BAU</th> <td>L</td> <td>L</td> <td>M</td> </tr> <tr> <th>NZ</th> <td>L</td> <td>L</td> <td>L</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	M	NZ	L	L	L	<p>HGC's portfolio assets are situated in regions experiencing heightened precipitation, a trend expected to amplify with climate change. Consequently, the prevalence of extreme wind-driven rain events is anticipated to rise in the future. This is anticipated to lead to potential damage and operational expenses for hotels, including higher insurance premiums and repair costs. Additionally, there may be a decline in traveler demand during severe weather events.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: The disaggregated risk rating for Singapore and Australia assets is expected to be high in a business-as-usual (BAU) scenario. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"> <li>• Comprehensive insurance coverage</li> <li>• Regular monitoring of water seepage into hotels</li> <li>• Ensure robustness of drainage systems within and around the properties</li> <li>• In the process of developing a business continuity plan and evaluating feasibility of erecting flood barriers for some properties</li> </ul>
	ST	MT	LT											
BAU	L	L	M											
NZ	L	L	L											

<sup>10</sup> Representative Concentration Pathway ("RCP") 2.6 is a GHG concentration trajectory by the IPCC that assumes that emissions start declining and reach zero by the end of the 21st century, while RCP 8.5 assumes that emissions will continue to increase throughout the 21st century



 <p>Coastal and riverine flooding</p> <table border="1" data-bbox="113 450 405 562"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <th>BAU</th> <td>L</td> <td>M</td> <td>H</td> </tr> <tr> <th>NZ</th> <td>L</td> <td>L</td> <td>M</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	M	H	NZ	L	L	M	<p>Several of HGC’s assets are situated in regions prone to frequent flooding, often attributed to heavy rainfall, low-lying terrain, drainage issues, and rising temperatures. With the impact of climate change, these occurrences are anticipated to increase in frequency and intensity. As a result, hotels may face potential damage and increased operational costs, including elevated insurance premiums and increased repair expenses. Furthermore, there could be a downturn in traveler demand during severe weather events.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: The disaggregated risk ratings for Australia and New Zealand are expected to be medium in the short, medium, and long term in all scenarios. On the other hand, Singapore, China and Malaysia’s risks are low in the short term and increase to a maximum of medium in a net zero scenario and a maximum of high in a BAU scenario. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	
	ST	MT	LT											
BAU	L	M	H											
NZ	L	L	M											
 <p>Extreme weather — Storms and cyclones - Increased intensity, frequency and/or duration of storms</p> <table border="1" data-bbox="113 1458 405 1570"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <th>BAU</th> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <th>NZ</th> <td>L</td> <td>L</td> <td>L</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	L	L	<p>Storms pose a significant risk to HGC’s portfolio, especially in regions prone to severe weather events. The increasing frequency and intensity of storms, exacerbated by climate change, heighten the potential for extensive property damage, disruption of operations, and safety hazards.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: The disaggregated risk rating for Australia is expected to be medium across various time scales and scenarios. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"> <li>• Comprehensive insurance coverage</li> <li>• Prepare and rehearse evacuation procedures</li> <li>• Isolate water, gas and electrical supplies when severe storms are forecasted to occur to minimise damage or prevent further damage and personal injury</li> <li>• Regular inspection and maintenance of building structure and features, especially the roof</li> <li>• In the process of developing a business continuity plan</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	L	L											





 <p>Sea level rise</p> <table border="1" data-bbox="111 403 399 515"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>L</td> <td>L</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	L	L	<p>Sea-level rise results from melting polar ice caps and the expansion of ocean water due to warming. Projections indicate accelerated sea-level rise by the end of the century, even under scenarios aligned with the Paris Agreement’s temperature goal. Some of HGC’s assets are located in coastal or low-lying areas and are susceptible to the impacts of rising sea levels. These hotels may face potential damage and operational expenses, including higher insurance premiums and increased repair costs. Additionally, there could be a reduction in traveler demand during severe weather events.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: The disaggregated risk rating for New Zealand is expected to be medium in the short and medium term. The risk is expected to maintain at this level in a net zero scenario and increase to high in a BAU scenario. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"> <li>• Comprehensive insurance coverage</li> <li>• In the process of developing a business continuity plan</li> <li>• Evaluating feasibility of erecting flood barriers and elevating plinth levels for some properties</li> <li>• Ensure robustness of drainage systems within and around the properties</li> <li>• Consider the location and avoid low-lying/flood prone areas for future properties</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	L	L											
 <p>Change in average temperature</p> <table border="1" data-bbox="111 1254 399 1366"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>H</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>L</td> <td>L</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	H	NZ	L	L	L	<p>Rising global temperatures can lead to extreme heat events, posing health risks to vulnerable groups like the elderly, sick, physically challenged, and young. Additionally, there’s a decrease in heating loads and a rise in cooling loads, especially in urban areas where heat island effects are prevalent. This can increase operational costs for air conditioning systems and raise expenses for food and water due to shortages.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: The disaggregated risk rating for China is expected to be medium in the short term and drop to low in a net zero scenario. In a BAU scenario, the risk for all countries are expected to increase to high in the long term. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"> <li>• Regular inspection and maintenance of air-conditioning systems</li> </ul>
	ST	MT	LT											
BAU	L	L	H											
NZ	L	L	L											
 <p>Drought</p> <table border="1" data-bbox="111 1937 399 2049"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>L</td> <td>L</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	L	L	<p>HGC’s assets are located in areas where climate change is projected to increase the frequency and intensity of extreme weather events like drought. Warmer temperatures accelerate evaporation and dries out soils and vegetation while also altering the timing of water availability, resulting in droughts. This can increase operational costs from increased expenses for food and water due to shortages.</p>	<ul style="list-style-type: none"> <li>• Actively conserving and implementing water-efficient practices</li> <li>• Diversified supplier base allows for alternative food and water supplies</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	L	L											






	<p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: In a BAU scenario, the disaggregated risk ratings for China and Singapore are expected to be medium in the long and medium term and Malaysia's risk is expected to increase to high in the long term. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"><li>• In the process of conducting feasibility studies for usage of water-efficient fixtures within the properties, water recycling, and xeriscaping</li></ul>
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Transition Risks	Risk Description and impacts													
 <p>Enhanced emissions-reporting obligations</p> <table border="1" data-bbox="113 488 403 600"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>M</td> <td>M</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	M	M	<p>Governments are increasingly requiring companies to disclose climate-related risks aligned with TCFD guidelines and to report their greenhouse gas (GHG) emissions. Additionally, investors and asset managers are demanding transparent disclosure of information related to carbon emissions. These requirements may lead to increased costs stemming from emissions-reporting obligations and potential fines or penalties for failure to meet these obligations.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: The disaggregated risk rating for Singapore is the highest among the analysed countries – with a medium rating in the short, medium and long term BAU scenario; and a high rating in the medium and long term in a net zero scenario. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"> <li>• Constantly staying abreast of latest reporting obligations and regulations</li> <li>• Enhance employee’s sustainability knowledge through training sessions</li> <li>• Constant monitoring of energy, water, waste usage and consumption</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	M	M											
 <p>Changes in customer demand</p> <table border="1" data-bbox="113 1234 403 1346"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>M</td> <td>M</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	M	M	<p>Customers’ perceptions of the organisation may shift if they perceive a lack of commitment to or deviation from national or international climate agendas. Concurrently, there is a growing customer preference towards sustainable hotels. Consequently, this trend can result in potential fluctuations in revenue from eco-conscious customers and increased costs associated with implementing environmentally friendly practices in hotels.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: In a net zero scenario, the disaggregated risk rating for Singapore, Australia and Malaysia is expected to be high in the medium and long term. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"> <li>• Comply with all local government’s sustainability goals</li> <li>• Considering attaining sustainability certifications for hotels</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	M	M											



 <p>Exposure to litigation</p> <table border="1" data-bbox="113 456 405 568"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>L</td> <td>L</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	L	L	<p>Climate-related litigation cases are becoming more common and corporations are increasingly being held accountable by shareholders for climate impacts. Being involved in such lawsuits can drain a company’s time, resources and potentially incur financial losses and diminish investor confidence.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: The ratings for all countries at all scenarios and time scales are expected to be low. We will strive to ensure that our current mitigation measures are continuously effective to maintain this low risk rating.</p>	<ul style="list-style-type: none"> <li>• Constantly staying abreast of latest laws and regulations related to sustainability to ensure compliance</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	L	L											
 <p>Increased pricing of GHG emissions</p> <table border="1" data-bbox="113 1019 405 1131"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>L</td> <td>M</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	L	M	<p>With climate change moving closer to the top of political agendas and the increased urgency of meeting government commitments under the Paris Agreement, carbon taxes are expected to continue to rise. This can lead to direct tax costs or indirect costs passed down from services affected by carbon pricing.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: In a net zero scenario, the disaggregated risk rating for Singapore and China are expected to be medium in the long term. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"> <li>• Constant monitoring of energy usage and implementation of energy reduction initiatives</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	L	M											
 <p>Mandates on and regulation of existing products and services</p> <table border="1" data-bbox="113 1630 405 1742"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>H</td> <td>H</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	H	H	<p>Governments may enforce regulations such as energy efficiency standards, operational emissions, and building requirements to facilitate the transition to a low-carbon economy. These requirements may lead to increased costs stemming from potential fines or penalties for failure to meet these obligations and increased costs associated with implementing environmentally friendly practices in the hospitality industry.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: In a net zero scenario, the disaggregated risk rating for Singapore, Australia and New Zealand are expected to be high in the medium and long term whereas the the disaggregated risk rating for Malaysia is expected to be medium in the medium term and high in the long term. HGC intends to</p>	<ul style="list-style-type: none"> <li>• Constantly staying abreast of latest laws and regulations related to sustainability to ensure compliance</li> <li>• Considering attaining sustainability certifications for hotels</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	H	H											





	implement the mentioned mitigation measures in locations with medium to high risk.													
 <p>Costs to transition to lower emissions technology</p> <table border="1" data-bbox="113 591 405 703"> <thead> <tr> <th></th> <th>ST</th> <th>MT</th> <th>LT</th> </tr> </thead> <tbody> <tr> <td>BAU</td> <td>L</td> <td>L</td> <td>L</td> </tr> <tr> <td>NZ</td> <td>L</td> <td>M</td> <td>M</td> </tr> </tbody> </table>		ST	MT	LT	BAU	L	L	L	NZ	L	M	M	<p>To transition to a low carbon economy, countries and companies will need to move to lower-emission sources of energy and technology in order to meet their targets. This will lead to increased construction costs associated with implementing lower emissions technology.</p> <p>The residual risk assessment provided is consolidated at the portfolio level, based on project valuation. Our notable findings are as follows: In a BAU scenario, the disaggregated risk rating for Malaysia is expected to be medium in the short, medium and long term; and high in the medium and long term in a net zero scenario. In a net zero scenario, Australia’s risk rating is expected to be medium in the medium and long term whereas New Zealand’s rating is expected to be high in the same time scale. HGC intends to implement the mentioned mitigation measures in locations with medium to high risk.</p>	<ul style="list-style-type: none"> <li>• In the process of evaluating other energy suppliers that can provide renewable energy, costs of new technology and feasibility of installation</li> <li>• Feasibility studies are underway to install solar panels in some properties</li> </ul>
	ST	MT	LT											
BAU	L	L	L											
NZ	L	M	M											

**Risk Management**

HGC has in place an Enterprise Risk Management (ERM) Framework to ensure that key risks are properly and systematically addressed. We employ a comprehensive risk assessment process to ensure that all potential risks are identified and addressed effectively. To begin with, we conduct event and trend identification, engaging a diverse group of HGC members to ensure a thorough examination of our operations. These risks, including climate-related risks, are then assessed and prioritised based on their final risk ratings. While all risks are reviewed annually, higher risks are constantly monitored and reviewed quarterly.

By systematically identifying and documenting risks, we can better understand the potential challenges and vulnerabilities that may affect our operations. This proactive approach enables us to develop robust risk management strategies aimed at effectively mitigating these risks and safeguarding the interests of our stakeholders. As part of our mitigation efforts, we prioritise addressing scope 2 emissions, recognising that electricity constitutes the largest source of emissions for HGC. Measures adopted across HGC portfolio includes:

- Ensuring robust insurance coverage
- Tracking of emissions and energy usage
- Embarking on feasibility studies in some properties to install solar panels
- Evaluating other energy suppliers who may offer renewable energy
- Keeping updated on new technology and conducting feasibility studies on whether these can be applied to our properties

We are in the process of incorporating these climate-related risks into our ERM framework to outline the responsibilities, policies and processes in assessing, monitoring and managing climate-related risks in the future. We

have identified and assessed our climate-related risks based on the risk ratings in our ERM framework and target to fully incorporate and monitor climate-related risks in the subsequent years.

**Metrics and Targets**

Climate-related and environmental metrics such as Scope 1 and Scope 2 GHG emissions, energy consumption, water consumption and waste have been disclosed in this report. Please refer to the “Energy Consumption and GHG Emissions” section on page 12, “Water Consumption Management” on page 24, and “Waste Management” on page 26.

We are currently developing additional metrics to monitor and manage climate-related risks and opportunities, drawing guidance from the TCFD recommendations. Furthermore, we remain committed to tracking and monitoring our environmental footprint and enhancing energy efficiency within our operations whenever feasible.

**7.3 Water Consumption Management**

GRI [3-3] [303-1] [303-2] [303-5]

**Why is this important?**

Water is a critical resource in our operations, utilised for various activities like cooking, housekeeping, laundry, and maintenance across all hotels. However, excessive water usage can deplete water bodies and contribute to water scarcity, impacting surrounding communities' access to clean drinking water.

As a responsible hotel operator, we recognise the importance of efficient water management to safeguard resources and minimise environmental strain from our operations. This not only enhances environmental performance, but also reduces our operational cost. To achieve this, we have established monitoring systems and implemented water-saving initiatives. Additionally, we actively encourage our stakeholders, such as guests and employees, to use water efficiently at our premises.


**Various Practices on Water Consumption Management**




Australia

Water-saving initiatives		Monitoring and Review
<ul style="list-style-type: none"> <li>• Install equipment with water-saving features such as low flow showerheads, water flow restrictors and water-efficient equipment</li> <li>• Regular maintenance of equipment including pool, chillers and cooling towers</li> </ul>	<ul style="list-style-type: none"> <li>• Weekly meter readings to monitor water consumption and detect leaks or irregularities</li> </ul>	
Training and Awareness		
<ul style="list-style-type: none"> <li>• Increase awareness amongst guests                             <ul style="list-style-type: none"> <li>○ Green Cleaning Policy where guests can choose not to have their rooms serviced daily</li> <li>○ Encourage guests to hang towels dry instead of replacing daily</li> </ul> </li> <li>• Induction Program where new employees familiarise themselves with the Environmental Policy</li> </ul>		

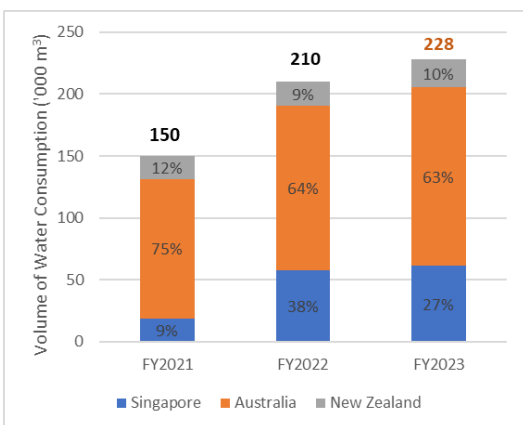


 <span style="margin-left: 10px;">New Zealand</span>	
<b>Water-saving initiatives</b>	<b>Training and Awareness</b>
<ul style="list-style-type: none"> <li>• Install equipment with water-saving features               <ul style="list-style-type: none"> <li>○ Low flow showerheads</li> <li>○ Dual flush toilets in guest rooms</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• On-the-job training provided for kitchen and housekeeping staff on minimising water usage</li> </ul>
<b>Performance Monitoring</b>	
<ul style="list-style-type: none"> <li>• Benchmark water consumption against regional average in EarthCheck</li> </ul>	

 <span style="margin-left: 10px;">Singapore</span>	
<b>Water-saving initiatives</b>	<b>Monitoring and Review</b>
<ul style="list-style-type: none"> <li>• As part of Green Mark certification, all bathroom fittings and cisterns installed have a minimally two-tick rating under the WELS<sup>11</sup> to ensure optimal water use efficiency</li> <li>• Use of non-potable water only for landscaping in our hotels</li> </ul>	<ul style="list-style-type: none"> <li>• Use of an internal monitoring system to detect and prevent leaks in the building</li> <li>• Monthly review of utility bills and inspections of premises</li> </ul>

Water consumption increased from 209,703 m<sup>3</sup> in FY2022 to 227,837 m<sup>3</sup> in FY2023. This is due to the recovery in global travel. As travel restrictions eased and tourism rebounded, there was a surge in occupancy rates across our properties, leading to higher water usage for various purposes such as guest amenities, cleaning, and landscaping maintenance. Additionally, with the resumption of conferences, events, and other activities, there was a heightened demand for water-intensive services within our facilities. This uptick in water consumption reflects the positive momentum in the tourism industry and underscores the need for continued monitoring and management of our environmental impact as we navigate the recovery phase. Moving forward, HGC is working towards achieving our short term goal of reducing our water consumption per occupied room by 1% and by 2030 reduce water consumption per occupied room by 5% across our properties against 2023 performance.

**Figure 5: Water Consumption by Operating Countries**



<sup>11</sup> The Water Efficiency Labelling Scheme (WELS) is a mandatory scheme introduced by the Public Utilities Board (PUB) to inform consumers of promoting water the use of the water-efficient system. More information on WELS can be obtained from <https://www.pub.gov.sg/Public/WaterLoop/Water-Conservation/WELS>



## 7.4 Waste Management

GRI [2-4] [3-3] [306-1] [306-2] [306-4] [306-5]

### Why is this important?

Improper waste disposal can release harmful chemicals that seep into groundwater, causing soil and water pollution. This pollution not only affects the environment but also infringes upon neighbouring communities' rights to safe drinking water. Improper waste disposal can also exacerbate climate change due to the methane released from the waste.

Recognising the importance of proper waste management, HGC aims to minimise our environmental footprint, conserve natural resources, and reduce pollution. Additionally, efficient waste management leads to substantial cost savings by reducing waste disposal and resource consumption. It also ensures compliance with regulatory requirements, mitigating the risk of fines or penalties.

We have been actively enhancing our waste management procedures and promoting the 3R's (Reduce, Reuse, Recycle) across our hotels. Proper recycling systems are in place for the collection of recyclables such as cardboard, paper, plastic, and glass. Moreover, we also recycle and compost certain hazardous wastes<sup>12</sup> like cooking oil and grease traps in accordance with appropriate safety guidelines. Third-party contractors are engaged to handle the disposal of hazardous and non-hazardous waste disposal across Australia, New Zealand and Singapore.

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<sup>12</sup> Grease traps have been classified as hazardous waste as defined by Hazardous Waste in Australia 2017 published by the Department of Environment and Energy. Please refer to <https://www.environment.gov.au/system/files/resources/291b8289-29d8-4fc1-90ce1f44e09913f7/files/hazardous-waste-australia-2017.pdf> for more details



**Various Practices on Waste Management**



Australia

Waste management initiative	Training and Awareness
<ul style="list-style-type: none"> <li>• Routine checks on waste bins for proper waste segregation to limit the costly collection of general waste bins by contractors to three times a week</li> <li>• Proper disposal of organic waste by third-party contractors</li> <li>• Onsite conversion of food waste to fertiliser through Pulpmaster food waste recycling system</li> <li>• Recycling of cooking oil instead of direct disposal</li> <li>• Reduction in use of single-use containers for conferences and functions</li> <li>• Recycling of all paper and cardboard products</li> <li>• Phased out plastic straws</li> </ul>	<ul style="list-style-type: none"> <li>• Training of all employees with potential to encounter contaminated waste on correct handling and disposal</li> </ul>



New Zealand

Waste management initiative	Training and Awareness
<ul style="list-style-type: none"> <li>• Regular inspections to ensure waste management practices are implemented and executed</li> <li>• Phased out plastic straws</li> </ul>	<ul style="list-style-type: none"> <li>• Dedicated hotel Green Team working with hotel staff for wider waste minimisation awareness</li> </ul>

**Benchmarking**

- Benchmark waste diverted to landfill against regional average in EarthCheck



Singapore

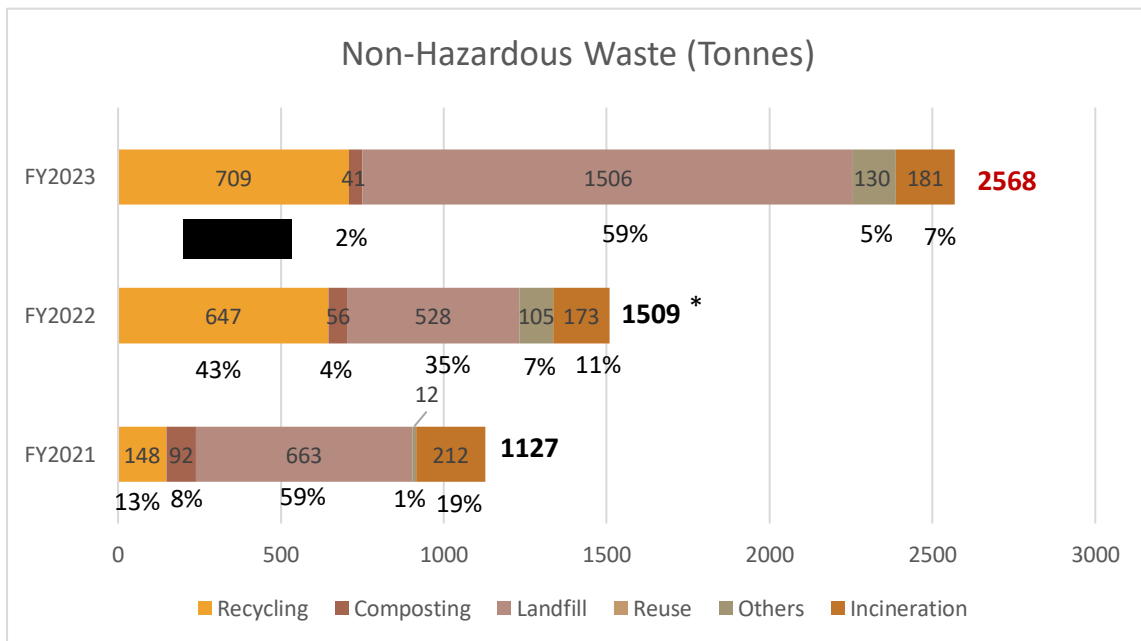
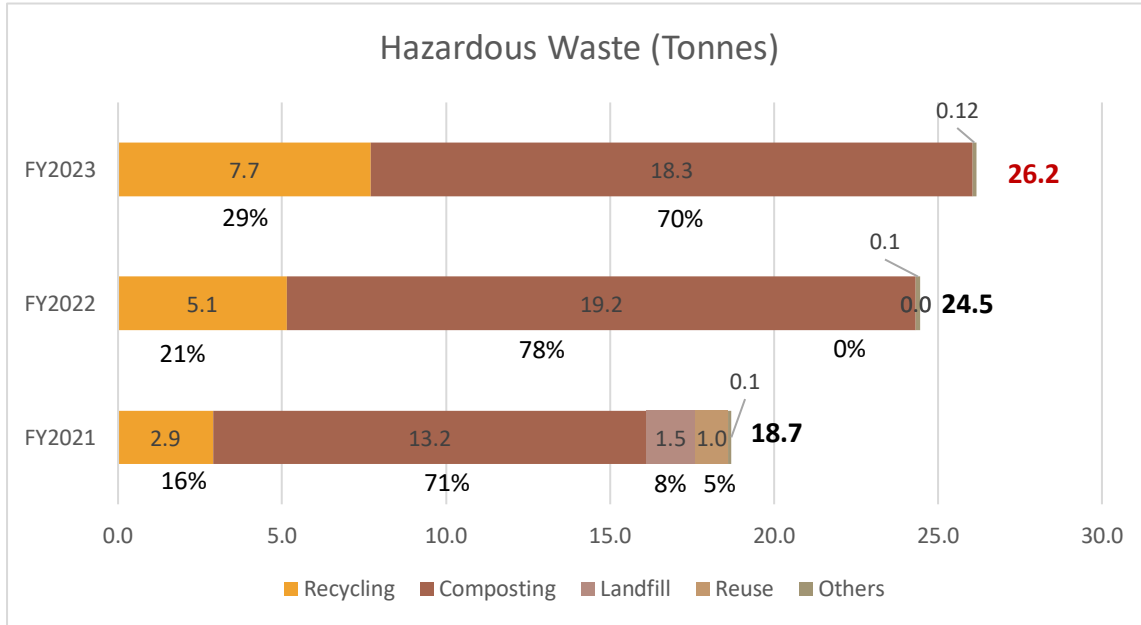
Waste management initiative
<ul style="list-style-type: none"> <li>• Reduce single-use plastic through installation of water and soap dispenser systems installed in hotel rooms</li> <li>• Where possible, paper waste generated from day-to-day activities is recycled by an external contractor</li> <li>• Phased out plastic straws</li> </ul>

In FY2023, HGC recorded a 69% increase in total waste generated. This was primarily attributed to the rise in hotel occupancy rates following the gradual return of global travel. As such, this resulted in a significant amount of waste being generated from increased customer and operational activity.

Majority of the hazardous waste generated (70%) was composted, while approximately 59% of non-hazardous waste was diverted to landfills. Moving forward, HGC remains committed to proper waste management through exploring alternative disposal methods and lowering the amount of waste diverted to landfills in Australia and New Zealand. In Singapore, most of the general waste is sent for incineration. It is also notable that its recycling rate in HGC Singapore also increased from 3.1% in FY2022 to 6.1% in FY2023. We look towards continuously strengthening our recycling efforts across hotels.



**Figure 6: Total Waste Generated Categorised by Disposal Methods**



Note: Restated numbers are marked in asterisk (\*). The total waste for FY2022 has been restated due to the availability of more accurate data for HGC Launceston and HGC Melbourne. The total waste in FY2022 was restated from 1,516 tonnes to 1,509 tonnes.



**SPOTLIGHT: Using refillable dispensers for room amenities**



Example of disposable room amenities



Example of refillable room amenities

We identified disposable room amenities as a major source of waste produced by hotels. Hundreds of disposable mini plastic bottles are discarded everyday - contributing significantly to landfill waste. In an effort to reduce waste, we are in the process of installing refillable dispenser brackets in our Australia and New Zealand hotels to replace single use plastic bottle amenities. Instead of the routine provision of new bottles with each room service, our housekeeping will replenish amenities such as shampoo, body wash, hand wash, and lotion in reusable bottles.



## 8. Ensuring Fair Employment Practices

GRI [2-4]

Fair employment practices play a key role in staff productivity, retention, and job satisfaction. They foster a positive working environment and inspire employees to engage actively in their roles, thus supporting organisational productivity. It also enhances HGC's reputation as an employer of choice, attracting top talent and potentially leading to an expanded customer base and investor appeal. Therefore, we are committed to cultivating a work environment where each individual feels valued and motivated to contribute to the best of their abilities.

### 8.1 Providing a Healthy and Safe Environment for All

GRI [2-4] [3-3] [403-1] [403-2] [403-3] [403-4] [403-5] [403-6] [403-7] [403-9] [416-2]

#### **Why is this important?**

Ensuring health and safety within our environment is paramount at HGC, as it directly impacts our productivity and economic well-being. By fostering a safe environment, we significantly reduce the risk of workplace injuries or illnesses, thereby minimising potential liabilities and financial losses. Additionally, a safe workplace promotes the well-being of our workforce, leading to increased productivity and decreased absenteeism.

We believe that all our guests and employees deserve a safe environment to live and work in. Therefore, we have adopted leading workplace health and safety (“WHS”) practices and established a comprehensive occupational health and safety management system containing relevant policies, standards, and surveillance processes applicable across the entire Group. This health and safety management system is overseen by the respective local Health and Safety Committee to ensure strict compliance with relevant local laws and regulations. This year, we are proud to announce that HGC recorded zero incidences of non-compliance - an achievement that we aim to upkeep.

#### **Australia and New Zealand**

The Health and Safety Committee within our assets in Australia and New Zealand consists of senior management, employee representatives from each operational department, WHS Officers, and Human Resource personnel. The Committee is responsible for monitoring and overseeing our health and safety management system which is guided by the Health and Safety Policy, First Aid Policy and Procedure, Drugs and Alcohol in the Workplace Policy and Crisis Management Plan.

Moreover, we also have an Incident Reporting Channel – a platform for employees to report any health and safety incidents or raise feedback or concerns regarding workplace safety hazards. Once an incident is reported, the Health and Safety Committee will conduct a thorough investigation to identify the root causes of the incident and devise corrective responses if necessary. The Committee convenes monthly to review risk assessments, injury incident reports and discuss action plans and possible areas of improvement.

Additionally, we conduct annual internal and external audits of our occupational health and safety management system to ensure its continued robustness. To prevent reoccurrences of incidents, our internal audit team thoroughly reviews the Committee’s responses to each incident and verifies that the relevant risks have been adequately addressed.





***Various Practices on Occupational Health and Safety Practices***

- Undertake health and safety risk assessments associated with various tasks
- Mandatory induction training (first aid, emergency preparedness /evacuation, chemical handling, safe disposal of rubbish/sharps) and ad-hoc training (sudden outbreak of disease and terrorist incident)
- Department training on skillsets specific to the scope of work including manual handling and safe work method statements (“SWMS”)
- Installation of Lone Worker Device (duress alarms) (Australia)
- Rehabilitation support and arrangement of suitable duties to employees who have sustained injuries at work
- Ensure compliance to certification requirements such as first aid, chemical handling and pool management

**Singapore**

In Singapore, the Workplace Health and Safety Committee comprises key staff members from Operations, Housekeeping and Kitchen. The Committee is responsible for overseeing and conducting risk assessments pertaining to their work activities and ensuring that necessary controls are in place for each identified safety hazard. Trainings are conducted for Committee members to keep them updated on any regulatory changes.

Our risk register is reviewed once every three years in accordance to the Workplace Safety and Health (“WSH”) Act mandated by the Ministry of Manpower. Additionally, we also have an internal Fire Safety Committee which consists of trained fire wardens, firefighters, and a Company Emergency Response Team (“CERT”).

Moreover, the Singapore hotels have also established a whistleblowing channel for all stakeholders to report any health and safety-related concerns. This channel is administered and managed by the Executive Director while the Audit Committee is in-charge of investigating the reports received.

***Various Practices on Occupational Health and Safety***

- Routine checks on health and safety facilities conducted twice a month
- Mandatory training for internal fire safety committee on first aid and emergency response
- Fire drills conducted twice a year for hotel guests and employees
- Maintain appropriate fire certificates

**Occupational Health and Safety Performance**

In FY2023, there were a total of 76 work-related injuries recorded across the three regions, all of which were minor accidents. There were no fatalities and high-consequence<sup>13</sup> work-related injuries recorded. Out of the 76 injury cases recorded, 25 occurred in New Zealand, 50 in Australia-based hotels and one case in Singapore.

The minor incidents mainly occurred during housekeeping and kitchen duties, resulting in injuries such as burns, cuts, bruises and sprains. To mitigate the recurrence of similar incidents, follow-up actions have been taken where employees are provided with trainings on safe work practices and reminded to always exercise caution while on duty. The trainings encompass correct knife handling, chemical usage during housekeeping, as well as selection of appropriate clothing and footwear. Additional measures that have been implemented include making first aid kits available across the hotels, provision of protective gloves, and displaying of signage that indicates potential safety hazards.

<sup>13</sup> Injury which individual cannot/not expected to recover fully to pre-injury health within six months



During the year, incidents are reviewed during the monthly WHS committee meetings at each hotel. The committee ensures that corrective actions have been undertaken and aims to continually improve safety awareness across the hotels.

**Table 6: FY2023 Work-related injuries for employees**

	FY2022		FY2023	
	Number	Rate <sup>14</sup>	Number	Rate
<b>Fatalities</b>				
Australia	0	0	0	0
New Zealand	0	0	0	0
Singapore	0	0	0	0
<b>Recordable work-related injuries</b>				
Australia	11	14	50	58
New Zealand	25	142 <sup>15</sup>	25	118
Singapore	0	0	1	3
<b>High-consequence work-related injuries</b>				
Australia	0	0	0	0
New Zealand	0	0	0	0
Singapore	0	0	0	0
<b>Number of hours worked</b>				
Australia <sup>16</sup>	786,494		855,828	
New Zealand <sup>17</sup>	176,310		212,363	
Singapore	318,240		344,448	

Workers who are non-employees

Workers who are non-employees but whose work or workplace is controlled by the organisation includes workers who provide cleaning, security and laundry services to the hotels which are hired through third-party service providers. There were no workers hired in the New Zealand hotels. Some workers were hired by Hotel Grand Chancellor Townsville, Hotel Grand Central Singapore and Hotel Chancellor @ Orchard and there were no life threatening incidents or fatalities across the 139,592 hours clocked by the workers during the year.

<sup>14</sup> Based on International Labor Organisation (ILO) Standards, recordable work-related injury is calculated as the total number of recordable work-related injuries divided by the total number of hours worked by employees in the reference group during the year, multiplied by 1,000,000

<sup>15</sup> New Zealand's work-related injury rate has been restated due to the availability of updated work hours data

<sup>16</sup> Australia's work hours for FY2022 and FY2023 have been restated due to the availability of updated work hours data for HGC Hobart and HGC Brisbane

<sup>17</sup> New Zealand's work hours for FY2022 and FY2023 have been restated due to the availability of updated work hours data for JCHGC

## 8.2 Profile of our Workforce

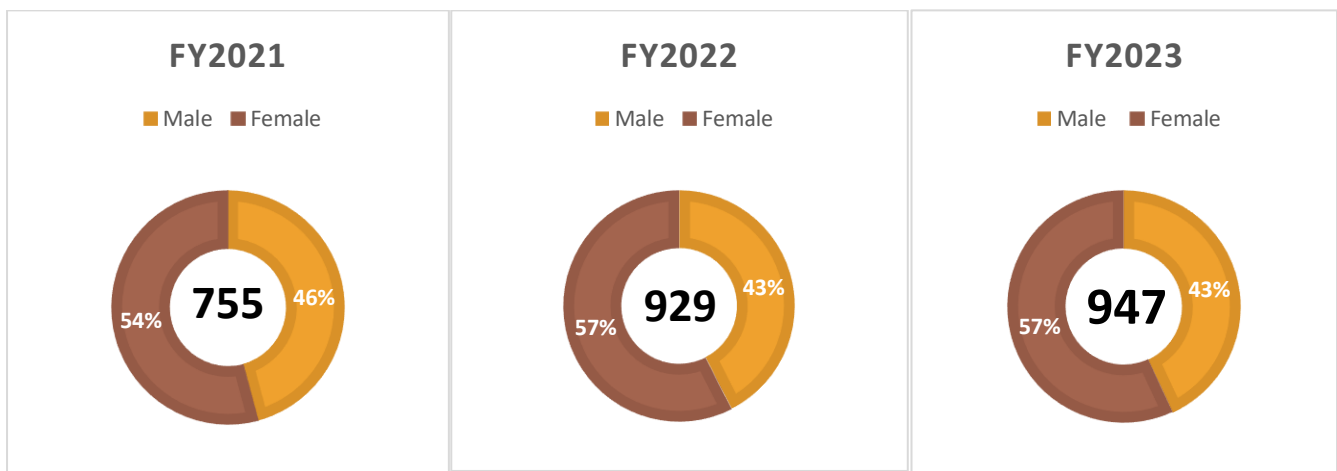
GRI [2-6] [2-7] [2-8]

Overall, our total workforce has increased from 929 employees in FY2022 to 947 in FY2023. This is due to the recovery in tourism travels, which resulted in an increased in employee numbers to support our operations.

Wherever possible, we hire staff on a permanent basis. Permanent staff currently make up 82% of our workforce in FY2023. Our workforce consists of 55% part-time staff and 45% full-time staff.

The figures and tables below highlight the breakdown of HGC’s workforce by gender, region, employment type and employment contract.

**Figure 7: Breakdown of Employees by Gender**



**Figure 8: Breakdown of Employees by Region**

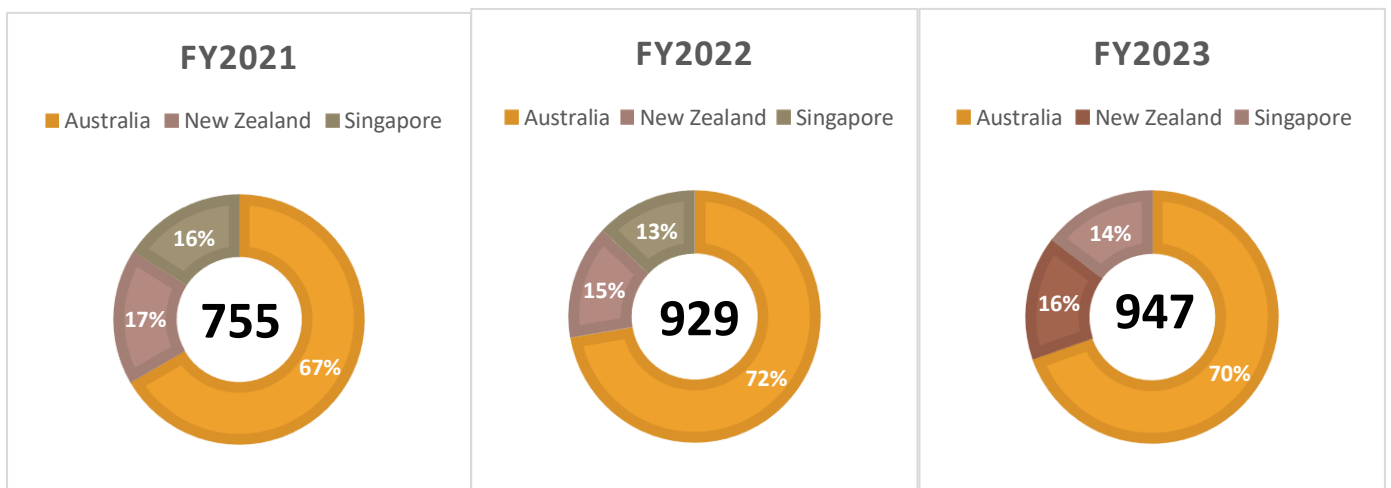
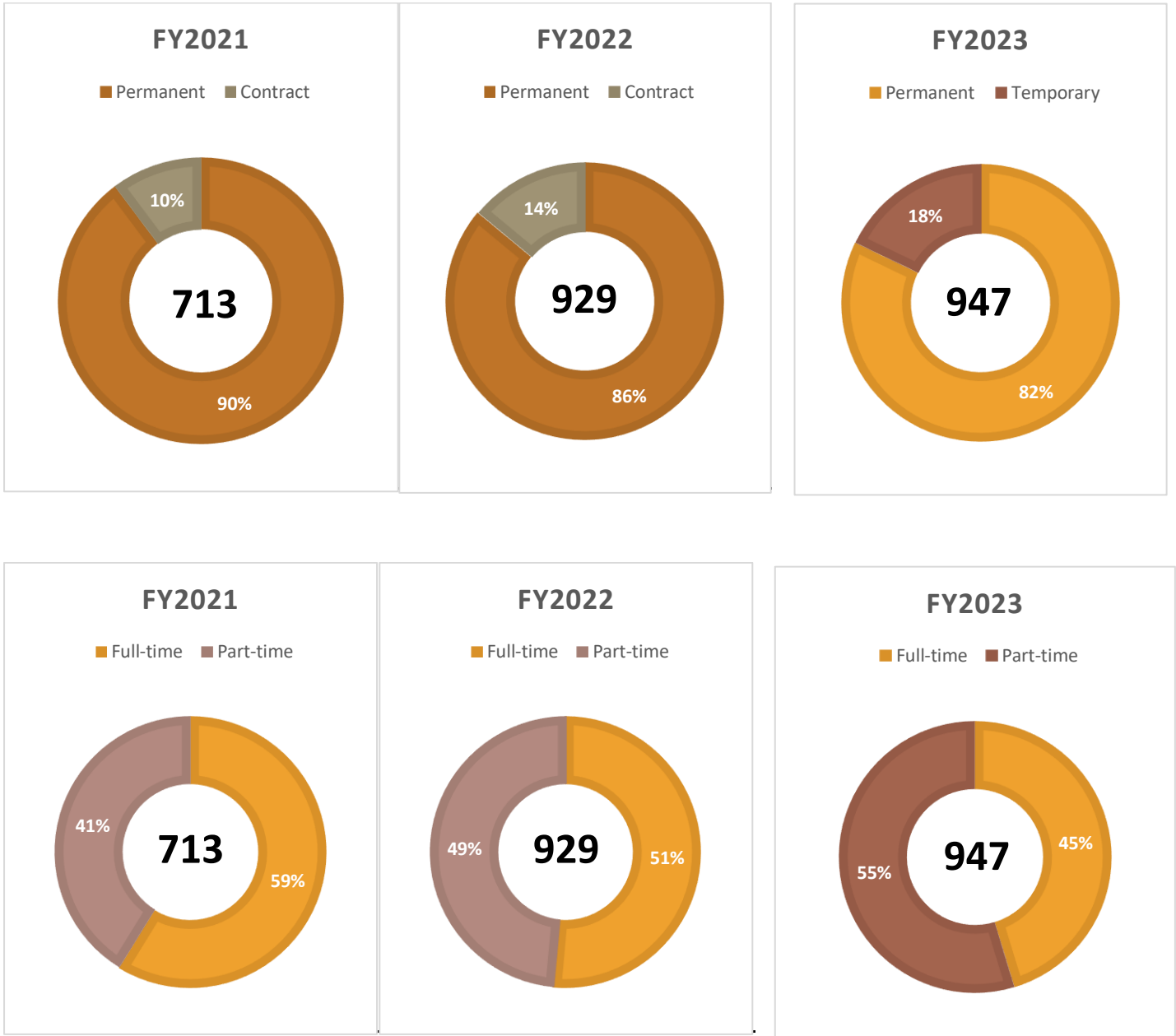




Figure 9: Breakdown of Employees by Employment Contract and Employment Type





**Table 7: Breakdown of Employees by Employment Contract and Employment Type**

<b>By Employment Contract</b>						
Region	FY2021		FY2022		FY2023	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Australia	449	54	565	107	514	145
New Zealand	118	14	121	0	150	0
Singapore	110	10	114	22	114	24
<b>By Employment Type</b>						
Region	FY2021		FY2022		FY2023	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Australia	285	218	280	392	241	418
New Zealand	61	71	114	22	74	76
Singapore	110	10	84	37	114	24

<b>By Employment Contract</b>						
Gender	FY2021		FY2022		FY2023	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Male	323	23	353	42	367	47
Female	354	55	447	87	411	122
<b>By Employment Type</b>						
Gender	FY2021		FY2022		FY2023	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Male	230	84	234	162	226	188
Female	226	215	244	289	203	330

Our operations are also supported by workers who are not employees with a total of 61 workers employed in FY2023, across our operations. The main types of workers that are employed by HGC include contractors who do onsite work such as maintenance, auditing of essential services and housekeeping, as well as suppliers who provide services such as hygiene and security services.

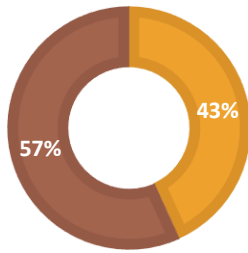


**Figure 10: FY2023 New Hire and Turnover Rate**

**Total New Hires in FY2023: 449**  
**Total New Hire Rate: 47%**

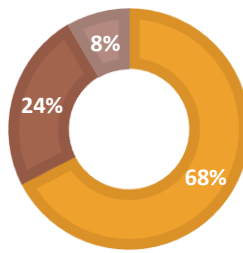
**BY GENDER**

Male Female



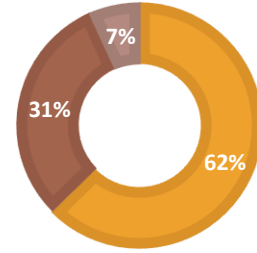
**BY REGION**

Australia New Zealand Singapore



**BY AGE**

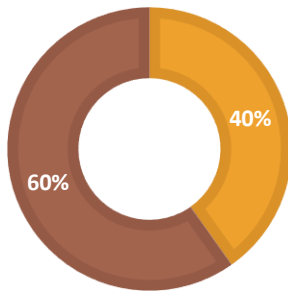
<30 years old 30-50 years old  
 >50 years old



**Total Turnovers in FY2023: 413**  
**Total Turnover Rate: 44 %**

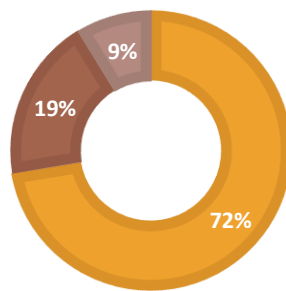
**BY GENDER**

Male Female



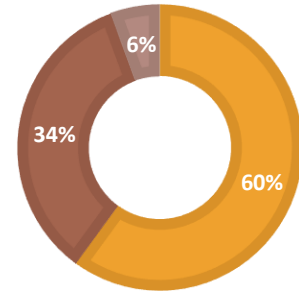
**BY REGION**

Australia New Zealand Singapore



**BY AGE**

<30 years old 30-50 years old  
 >50 years old



**Note: Total new hire and total turnover rate is calculated as a percentage of staff on payroll as of 31 December 2023.**

In FY2023, the total new hire rate was 47%, with a higher intake of female than male employees. This is largely influenced by the greater representation of women in HGC’s workforce. On the other hand, turnover rate was 44%, where the highest turnover was recorded in Australia (72%), followed by New Zealand at 19%, primarily due to the larger number of Australian assets included in the reporting scope.



### 8.3 Employment Practices and Benefits

Recognising the importance of our employees to our operations, we are dedicated to fostering a safe and inclusive environment where they feel empowered to voice their opinions and raise concerns. To uphold this commitment, we have implemented robust policies, procedures, and grievance mechanisms designed to safeguard employees' anonymity and ensure swift resolution of any issues raised.

**Table 8: Policy on Employment Practices and Benefits**

Policy	Summary	Boundary
<b>Workplace Diversity and Harassment Policy</b>	<ul style="list-style-type: none"> <li>Includes strict guidelines on prevention of workplace harassment, discrimination and bullying</li> <li>Covers procedures for complaints and feedback through formal and informal resolution processes</li> <li>All employees are required to sign off and abide by all provisions set out in the policy.</li> </ul>	Group-level

To support the professional growth of our employees, we have developed a two-pronged approach for employee training and development – structured training programmes and performance evaluation.

During onboarding, employees must undergo on-the-job training and additional skill enhancement training sessions if required. Following this, performance reviews are conducted at the conclusion of their probationary period to provide employees with a clearer understanding of their performance. Subsequently, annual feedback sessions are held with managers, allowing employees to discuss their overall performance, strengths, weaknesses, and areas for improvement. This two-way communication fosters a work environment where job-related concerns can be addressed and personal performance can be reviewed.

In addition to fostering professional growth, we are committed to maintaining an equitable work environment where discrimination of any form is not tolerated. All employees, regardless of race, religion, age, gender, sexual preference, or disability, are entitled to the same employment benefits. Our comprehensive benefits package includes healthcare, parental leave, and retirement allowances for full-time employees. Further details can be found in the table provided in the appendix.



## 9. Advocating Proper Business Conducts and Ethics

### 9.1 Business Ethics and Anti-corruption

GRI [2-16] [2-23] [2-24] [2-25] [2-26] [2-27] [3-3] [205-3]

#### Why is this important?

Adopting ethical practices fosters trust amongst investors, customers and partners, boosting our brand image and business potential. Amid the rise of corruption practices such as bribery, fraud, extortion, we remain steadfast in upholding the utmost standards of corporate governance to protect our reputation and safeguard the interests of our stakeholders. Our anti-corruption measures will protect HGC from financial losses, legal penalties, and reputational harm that could result from litigation and lawsuits.

To build trust and respect among our stakeholders, HGC has established strict policies and procedures that are reviewed regularly to ensure continued relevance. Amendments or updates will be promptly circulated to employees through emails or meetings. All employees are required to familiarise themselves with the ethical principles outlined in each hotel’s Employee Handbook and confirm their understanding by signing the document.

At HGC, we take pride in creating and maintaining a strong compliance culture. We do not tolerate fraud, bribery, corruption or any breaches of internal policies. To facilitate the reporting of any suspicious activities, we have a whistleblowing channel in place. Employees can report their concerns directly to the Chairman of the Audit Committee (AC) either via post or email. Alternatively, they can also reach out to the AC via the email address provided on the staff canteen notice board. Upon receiving any reports, the AC will thoroughly investigate the alleged misconducts and take disciplinary actions against individuals found guilty of any offences. Further information regarding the Whistle-Blowing Policy can be found in the Annual Report 2023 on page 21.

In FY2023, we are proud to note that there were zero confirmed incidents of corruption reported through the whistleblowing channels, and we will continually strive to maintain this performance.

**Table 9: Policies on Business Ethics and Anti-Corruption**

Policy	Summary	Boundary
<b>Code of Conduct</b>	The Code sets out HGC’s expectations of employees on performing their duties responsibly and professionally, promoting and protecting our brand reputation, and resolving conflicts properly.	Group-level
<b>Policy on Whistle Blowing</b>	This group-wide policy provides an avenue for employees and third parties to report in confidence, without fear of reprisals, concerns about possible improprieties in financial reporting or other matters.	Group-level





## 9.2 Security of Personal Data and Information

GRI [3-3] [418-1]

### Why is this important?

The secure handling of personal data is paramount in building consumer trust and fostering customer loyalty. It not only shields HGC from potential financial penalties associated with data breaches but also upholds our reputation in today's digital economy, where individual privacy is highly valued by our customers.

To this end, we are committed to ensuring that our business strictly adheres to personal data protection regulations. In all our hotels, we implement and strictly abide by Standard Operating Procedures (SOPs) that govern the collection, usage, disclosure, storage and access to personal information such as personal particulars, credit card information, employee's personal information and vendor price agreements.

In response to the growing incidence of credit card scams, we make sure to be in full compliance with merchant banks' record-keeping laws and credit card security standards. This year, we have ceased the collection and retainment of credit card information and worked with Sertifi, a 3rd party PCI-compliant<sup>18</sup> company to manage our hotel booking payments. We also regularly review our credit card policy to ensure adaptability to the most recent trends and allow us to take appropriate protective measures. These updates are communicated to employees during our regular staff training sessions.

Additionally, we also conduct training on data privacy and information security best practices to employees who frequently handle personal data to minimise their vulnerability to cyber risks. HGC's local data protection officers are responsible for overseeing all data privacy and information security matters in their respective countries to ensure compliance with the relevant Acts and policy detailed in Table 10 and Table 11.

**Table 10: Applicable Personal Data Protection Act by Country That We Comply With**

<i>New Zealand</i>	<i>Australia</i>	<i>Singapore</i>
Privacy Act 1993	Privacy Act 1988	Personal Data Protection Act 2012

**Table 11: Policy on Security of Information**

<b>Policy</b>	<b>Summary</b>	<b>Boundary</b>
<b>Privacy Policy</b>	Sets out the procedures of collection and use of information; storage, access and retention of personal information; compliance; source of information regarding security of information	Group-wide

HGC's servers are managed by a specialised third-party provider and access to server information is restricted to authorised personnel approved by the General Manager on a need-to-know basis. Our Information Technology ("IT") consultants routinely maintain and update our internal servers, email exchange systems, and Windows System.

<sup>18</sup> A PCI-compliant company is one that meets the Payment Card Industry Data Security Standards (PCI DSS) set by the PCI Security Standards Council. Achieving compliance involves adhering to 78 base requirements, more than 400 test procedures and 12 key requirements that ensure the security of a business' credit card transactions. More information on PCI can be obtained from [https://www.pcisecuritystandards.org/about\\_us/](https://www.pcisecuritystandards.org/about_us/)



Additionally, they also install and regularly update the firewall, anti-virus, and malware protection softwares to minimise the risk of potential security breaches.

In FY2023, there were zero cases of IT system breach. the HGC continues to take precautions to prevent future breaches from happening. For FY2023, we aim to continually improve IT security and work towards maintaining zero breaches in the future.

**SPOTLIGHT: Cybersecurity Tightening**

HGC is committed to comply with internationally recognised cyber security standards. In line with this commitment, we have initiated a continuous process of migrating our data to a secure cloud infrastructure that continuously monitors and audits our data in accordance with regulatory compliance measures. In addition, we acknowledge that employees are our the first line of defence for cybersecurity and have rolled out a cyber security awareness programme that teaches them how to identify phishing emails through simulation tests.



## 10. Appendix

### Benefits offered for full-time employees at HGC

Types of Benefits offered for Full-time Employees				
Countries of Operation	Healthcare	Parental Leave	Retirement Provision	Others
<b>Australia</b>	Insurance for general managers above and family	Ranges from eight to twelve paid parental leave proportionate to years of service (minimum of two years)	Superannuation benefit	<p>Long service leave benefit</p> <ul style="list-style-type: none"> <li>• 1.3 weeks per annum upon ten years of employment</li> <li>• Paid out if employee resigns after seven years of service</li> </ul> <p>Two days of compassionate leave on the death of an immediate family member</p>
<b>New Zealand</b>	Selected senior employees entitled to Southern Cross Medical Insurance	18 weeks of parental leave entitlement applicable to all employees employed under New Zealand	NIL	Management and senior staff employees are entitled to Food & Beverage Management Account reflecting 60% discount
<b>Singapore</b>	Hospitalisation and surgical insurance for all local and foreign employees	16 weeks of maternity leave and 1 week of paternity leave in accordance with the Child Development Co-Savings Act	7.5% - 17% of wage monthly contribution to Central Provident Fund based on age group	<ul style="list-style-type: none"> <li>• Up to six days of compassionate leave depending on the employee's relationship (immediate or non-immediate) with the deceased family member</li> <li>• Three working days in the event of a critical illness</li> <li>• Six days of childcare leave</li> </ul>



## 11. GRI Content Index

<i>General Standard Disclosures</i>				
<b>GRI Standard</b>	<b>Description</b>		<b>Section of Report and / or Explanation for Omission</b>	<b>Page Reference</b>
GRI 2: General Disclosures 2021	<b>Organizational profile</b>			
	2-1	Organisational details	Corporate Profile	2
	2-2	Entities included in the organisation’s sustainability reporting	About the Report	4
	2-3	Reporting period, frequency, and contact point	About the Report	4
	2-4	Restatements of information	Energy Consumption and GHG Emissions Waste Management Providing a Healthy and Safe Environment for All	12-15 26-29 30-32
	2-5	External assurance	This report has not been externally assured. HGC may explore external assurance as reporting matures.	4
	<b>Activities and workers</b>			
	2-6	Activities, value chain and other business relationships	Corporate Profile Profile of our Workforce	2 33-36
	2-7	Employees	Profile of our Workforce	33-36
	2-8	Workers who are not employees	Profile of our Workforce	33-36
	<b>Governance</b>			
	2-9	Governance structure and composition	Approach to Sustainability	5
	2-10	Nomination and selection of the highest governance body	Annual Report 2023	10
	2-11	Chair of the highest governance body	Annual Report 2023	12
	2-12	Role of the highest governance body in overseeing the management of impacts	Approach to Sustainability	5
	2-13	Delegation of responsibility for managing impacts	Approach to Sustainability	5
	2-14	Role of the highest governance body in sustainability reporting	Approach to Sustainability	5
	2-15	Conflicts of interest	Annual Report 2023	7
	2-16	Communication of critical concerns	Annual Report 2023 Business Ethics and Anti-Corruption	21 38
	2-17	Collective knowledge of the highest governance body	Annual Report 2023	10-15
	2-18	Evaluation of performance of the highest governance body	Annual Report 2023	15-16
2-19	Remuneration policies	Annual Report 2023	16-17	
2-20	Process to determine remuneration	Annual Report 2023	16-17	
2-21	Annual total compensation ratio	Confidentiality constraints; This information is not disclosed as it is viewed to be confidential.		



Strategy, policies, and practices			
2-22	Statement on sustainable development strategy	Board Statement	1
2-23	Policy commitments	Annual Report 2023 Business Ethics and Anti-Corruption	18-21 38
2-24	Embedding policy commitments	Business Ethics and Anti-Corruption	38
2-25	Processes to remediate negative impacts	Business Ethics and Anti-Corruption	38
2-26	Mechanisms for seeking advice and raising concerns	Business Ethics and Anti-Corruption	38
2-27	Compliance with laws and regulations	Business Ethics and Anti-Corruption	38
2-28	Membership associations	<p>Our hotels hold key memberships in regions and countries they are located in.</p> <p><b>Australia</b>  <i>Adelaide:</i> Australian Hotels Association (South Australian Branch) (AHA SA), South Australian Tourism Industry Council (SATIC), Business SA – Chamber of Commerce and Industry South Australia and Adelaide West End Association</p> <p><i>Launceston:</i> Tourism Industry Council of Australia, Tourism Northern Tasmania, Business Event Tasmania (BET), Launceston Chamber of Commerce and Tasmanian Hospitality Association</p> <p><i>Hobart:</i> Tourism Industry Council Tasmania (TICT), Tasmanian Hospitality Association (THA), Business Event Tasmania (BET)</p> <p><i>Melbourne:</i> Australia Hotels Association Accommodation Division, Accommodation Association Australia</p> <p><i>Brisbane and Townsville:</i> Queensland Hotels Association, Brisbane Economic Development Agency, Australian Tourism Export Council (ATEC)</p> <p><i>Townsville:</i> Queensland Tourism Industry Council (QTIC), Townsville Enterprise,</p> <p><b>New Zealand</b>            James Cook: Tourism Export Council New Zealand (TECNZ)</p> <p><b>Singapore</b>            Singapore: Singapore Hotel Association (SHA), Singapore Business Federation</p>	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholder Engagement	10-11
2-30	Collective bargaining agreements	4% of HGC's employees are covered under collective bargaining agreements	



<b>Reporting Practice</b>				
	3-1	Defining report content and topic Boundaries	About the Report Materiality and Contributions to SDGs	4 7-9
	3-2	List of material topics	Materiality and Contributions to SDGs	7-9
<b>Material Topics</b>				
<b>GRI Topic-specific Disclosure</b>	<b>Description</b>		<b>Section of Report and / or Explanation for Omission</b>	<b>Page Reference</b>
<b>Business Ethics and Anti-corruption</b>				
GRI 3: Material Topics 2021	3-3	Management of Material topics	Business Ethics and Anti-Corruption	38
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Business Ethics and Anti-Corruption	38
<b>Security of Information</b>				
GRI 3: Material Topics 2021	3-3	Management of Material topics	Security of Personal Data and Information	39-40
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Security of Personal Data and Information	39-40
<b>Health and Safety</b>				
GRI 3: Material Topics 2021	3-3	Management of Material topics	Providing a Healthy and Safe Environment for All	30-32
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Providing a Healthy and Safe Environment for All	30-32
	403-2	Hazard identification, risk assessment, and incident investigation	Providing a Healthy and Safe Environment for All	30-32
	403-3	Occupational health services	Providing a Healthy and Safe Environment for All	30-32
	403-4	Worker participation, consultation, and communication on occupational health and safety	Providing a Healthy and Safe Environment for All	30-32
	403-5	Worker training on occupational health and safety	Providing a Healthy and Safe Environment for All	30-32
	403-6	Promotion of worker health	Providing a Healthy and Safe Environment for All	30-32
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Providing a Healthy and Safe Environment for All	30-32
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Providing a Healthy and Safe Environment for All	30-32



<b>Energy, GHG Emissions and Alternate Energy Sources</b>				
GRI 3: Material Topics 2021	3-3	Management of Material topics	Energy Consumption and GHG Emissions	12-15
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Consumption and GHG Emissions	12-15
	302-3	Energy Intensity	Energy Consumption and GHG Emissions	12-15
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Energy Consumption and GHG Emissions	12-15
	305-2	Energy indirect (Scope 2) GHG emissions	Energy Consumption and GHG Emissions	12-15
	305-4	GHG emissions intensity	Energy Consumption and GHG Emissions	12-15
<b>Water Consumption Management</b>				
GRI 3: Material Topics 2021	3-3	Management of Material topics	Water Consumption Management	24-25
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water Consumption Management	24-25
	303-2	Management of water discharge-related impacts	Water Consumption Management	24-25
	303-5	Water consumption	Water Consumption Management	24-25
<b>Waste Management</b>				
GRI 3: Material Topics 2021	3-3	Management of Material topics	Waste Management	26-29
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste Management	26-29
	306-2	Management of significant waste-related impacts	Waste Management	26-29
	306-3	Waste generated	Waste Management	26-29
	306-4	Waste diverted from disposal	Waste Management	26-29
	306-5	Waste directed to disposal	Waste Management	26-29
<b>Additional Topics</b>				
<b>Employment Practices</b>				
GRI 3: Material Topics 2021	3-3	Management of Material topics	Employment Practices and Benefits	37
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Profile of our Workforce	33-36
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employment Practices and Benefits Appendix	37 41