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A Member of Far East Organization

SUSTAINABILITY REPORT

2020



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ABOUT THIS REPORT

Far East Orchard Limited's ("Far East Orchard" or the "Company", and together with its subsidiaries, the "Group") Sustainability Report ("SR") for the financial year ended 31 December 2020 ("FY2020") aims to provide a holistic overview of the Group's performance in the past year, focused on the areas of Environmental, Social and Governance ("ESG"). With ramped up initiatives, the Group aims to continue incorporating sustainability into its operations.

This report is prepared in accordance with the Global Reporting Initiative ("GRI") Standards 2016 with reference made to the Singapore Exchange Securities Trading Limited Listing Rules 711A and 711B. The relevant disclosures can be found in the GRI Content Index included at the end of this report.¹

The scope of this SR includes the properties under the Group's portfolio for both hospitality and property business segments, as outlined in the list shown below.

Hospitality	Property
Singapore	Singapore
Hotels <ul style="list-style-type: none"> • AMOY • Oasia Hotel Downtown • Oasia Hotel Novena • Orchard Rendezvous Hotel, Singapore • Rendezvous Hotel Singapore • The Barracks Hotel Sentosa 	Development Properties <ul style="list-style-type: none"> • Woods Square
<ul style="list-style-type: none"> • The Elizabeth Hotel • The Outpost Hotel Sentosa • Quincy Hotel • Village Hotel Albert Court • Village Hotel Bugis • Village Hotel Changi • Village Hotel Katong • Village Hotel Sentosa 	
Serviced Residences <ul style="list-style-type: none"> • Far East Plaza Residences • Oasia Residence • Orchard Parksuites • Orchard Scotts Residences • Regency House 	United Kingdom
	Development Property <ul style="list-style-type: none"> • Westminster Fire Station
	Student Accommodation ("PBSA") <ul style="list-style-type: none"> • Harbour Court, Bristol • Hollingbury House, Brighton • Portland Green Student Village, Newcastle upon Tyne <ul style="list-style-type: none"> - Bryson Court - Marshall Court - Newton Court - Rosedale Court - Turner Court • St Lawrence House, Bristol • The Glassworks, Liverpool • The Foundry, Leeds • The Elements, Sheffield
Malaysia	
Hotels <ul style="list-style-type: none"> • Oasia Suites Kuala Lumpur 	

Table 1: In-scope Properties for FY2020

In FY2020, the scope of the SR has been expanded to include a hotel owned by the Group in Malaysia, Oasia Suites Kuala Lumpur, and three additional PBSA properties acquired and added to the Group's portfolio in November 2019. Following the Group's increasing maturity in sustainability efforts, more overseas operations may be included in the reporting scope of future reports. For the reporting period of FY2020, the Group has not sought external independent assurance.

No physical printed copies of this report were produced as part

of the Group's environmental conservation efforts. An electronic version may be viewed at or downloaded from Far East Orchard's corporate website (www.fareastorchard.com.sg).

CONTACT US

To continuously enhance Far East Orchard's sustainability practices and reporting quality in accordance with the GRI Reporting Principles (accuracy, balance, clarity, comparability, reliability, timeliness), the Group welcomes questions and/or suggestions pertaining to this sustainability report, which may be sent to ir@fareastorchard.com.sg.

¹ Two of the ESG factors identified as material to Far East Orchard – Service Quality and Corporate Governance, are not part of the GRI topic-specific standards and are excluded from the GRI Content Index.

FAR EAST ORCHARD'S LEGACY

Established since 1967, Far East Orchard is a real estate company with a lodging platform that aims to achieve sustainable and recurring income through a diversified and balanced portfolio.

Redefining itself through a strategic transformation of the business in 2012, Far East Orchard expanded into the complementary businesses of hospitality management and healthcare real estate. In 2015, it diversified its real estate portfolio to include PBSA properties in the UK. The Group's hospitality arm — Far East Hospitality — now owns more than 10 hospitality assets and manages over 100 properties with more than 16,500 rooms in Australia, Denmark, Germany, Hungary, Japan, Malaysia, New Zealand and Singapore. Far East Orchard has also developed the FEOR25 Strategy, endorsed by the Board, to help chart the strategic direction from now until 2025.

SUSTAINABLE GROWTH

With a wide range of operations in property management and development, the Group recognises its impact on the environment and communities, in the industries where it operates. The Group has identified several areas of its operations - environmental stewardship, talent management and development, and corporate governance, as key focus areas to grow its sustainable practices.

This is enhanced through active stakeholder engagement with internal and external partners – from customers, business partners, as well as fellow co-workers – such that issues can be considered from every angle.

In this report, the United Nations Sustainable Development Goals (UN SDGs) will also be referenced wherever applicable. The Group is committed to aligning itself with the UN SDGs to the best of its abilities to ensure it can strive for sustainability in a holistic manner. Further information on the UN SDGs can be found on page 10, Commitment to the UN SDGs.

COVID-19 RESPONSE

In response to the changes in business operations due to the COVID-19 pandemic, the Group has monitored the situation and ensured that measures were put in place to keep employees and customers safe. Aside from the inevitable impact on business activities across the industry, the Group has also reviewed the resilience of its business while facing COVID-19. The Group is working towards building greater resilience and ensuring greater business sustainability in the face of future crises, to better meet the expectations of its stakeholders in the long run.



THE GROUP HAS IDENTIFIED SEVERAL AREAS OF ITS OPERATIONS – ENVIRONMENTAL STEWARDSHIP, TALENT MANAGEMENT AND DEVELOPMENT, AND CORPORATE GOVERNANCE, AS KEY FOCUS AREAS TO GROW ITS SUSTAINABLE PRACTICES.



The Clan Hotel Singapore

The Group has implemented guidelines regarding workplace and customer health and safety, and prioritised compliance with nation-wide requirements on social distancing and adjusted operations accordingly with effective Business Continuity Plans in place.

In Singapore, the Group's hospitality properties were SG Clean certified while in the UK, the Group has worked with its PBSA facilities operator to develop a set of suitable operating guidelines to manage the COVID-19 situation at its properties which are also accredited by the British Safety Council. In March 2020, taking into consideration the measures adopted by the UK universities and circumstances of the student tenants at the Group's PBSA properties, also allowed the early cancellation of student residents' tenancies for the semester in view of the unfolding pandemic situation.

Within daily operations, Safe Management Measures were implemented. Meetings and engagement activities were held online wherever possible and trainings were enhanced with an increased focus on hygiene and safety. Alternative arrangements were introduced to facilitate and replace regular learning programmes and engagement activities with stakeholders for continuous learning and training. Within the hospitality industry, many external awards were postponed as it would be difficult for businesses to meet regular criteria. The Group's annual Customer Engagement Index (CEI) survey was also deferred due to the pandemic restrictions.

Looking forward, Far East Orchard is committed to continue all efforts in maintaining standards of health and safety on properties for its employees, contractors, customers and the communities.

IN SINGAPORE, THE GROUP'S HOSPITALITY PROPERTIES WERE SG CLEAN CERTIFIED WHILE IN THE UK, THE GROUP HAS WORKED WITH ITS PBSA FACILITIES OPERATOR TO DEVELOP A SET OF SUITABLE OPERATING GUIDELINES TO MANAGE THE COVID-19 SITUATION AT ITS PROPERTIES

BOARD STATEMENT

DEAR STAKEHOLDERS,

In 2020, Far East Orchard, along with the rest of the world, has had to focus its efforts on finding the viable balance between maintaining our business operations to ensure continuity, while best managing our resources to face the implications caused by an unprecedented pandemic. Through COVID-19, we were able to strengthen measures to ensure business sustainability remains at the top of our key agendas. We have since taken steps to be better prepared to face future crises, and to be better equipped to serve the needs of the community, through providing accommodation for guests under isolation, as well as for foreign workers in Singapore. Across our properties, we made sure to abide by regional guidelines and measures to keep all personnel safe.

In order to keep our business at the forefront of changing expectations and developments in the economy, more so in such extraordinary times, the Group has refreshed our approach to sustainability, incorporating ESG topics and considerations in more facets of our operations.

Most notably, Far East Orchard will be highlighting our efforts towards the United Nations Sustainable Development Goals (UN SDGs) within our sustainability considerations in our operations. The Group has identified five SDGs where we can contribute to most, and which we have the greatest impact on. Through this, we hope to be able to maintain the trust that our stakeholders have continued to place in us.

Sustainability issues and initiatives are continuously monitored at the Board level to ensure that it is considered in the Group's strategy, policies and measures where applicable. We also conduct ongoing assessments of sustainability-related issues, risks and opportunities relevant to our business together with our Audit & Risk Committee and Management Risk & Sustainability Committee.

In this report, we present our ESG performance for 2020 through key ESG material topics that are identified to be relevant to our stakeholders. We will continue to work together with management to ensure that the monitoring of respective ESG efforts and initiatives is carried out regularly.

We continue embarking on our sustainability journey together with our stakeholders, seeking ways to improve the sustainability efforts in our business operations, while also staying committed to maintaining a good holistic performance to achieve a more sustainable business in the long run.

The Board of Directors
16 March 2021

FAR EAST ORCHARD 2020 SNAPSHOT

In FY2020, Far East Orchard leveraged on business continuity plans to minimise disruptions to its operations from COVID-19. The Safe Management Measures were implemented to provide assurance to the guests staying in our hotels. Far East Orchard aims to reassure stakeholders that the Group continues to perform and strive in adverse conditions. Below is a snapshot of the Group's financial performance in 2020.

\$112.2 MILLION REVENUE	\$1.5 MILLION PROFIT ATTRIBUTABLE TO EQUITY HOLDERS	3.0 CENTS FINAL DIVIDEND PER SHARE (PROPOSED)
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STRIVING FOR GOOD CORPORATE GOVERNANCE

We believe that ethical and transparent corporate governance goes a long way in maintaining our quality business and operations.

For the Singapore Governance and Transparency Index 2020, Far East Orchard ranked **41 out of 577** SGX-listed companies (top 8%) for corporate governance practices in Singapore.

Far East Orchard is also ranked **19th in Singapore** for the Asean Corporate Governance Scorecard (ACGS) Awards 2020.

EMPLOYEE PASSION

In 2020, due to the COVID-19 pandemic, training hours were reduced to comply with safe distancing measures and increased telecommuting. Physical training sessions were replaced with online sessions to further ensure safe distancing.

41
OUT OF 577
SGX-LISTED
COMPANIES

19TH
IN SINGAPORE
ACGS AWARDS
2020

91.7
AVERAGE
TRAINING HOURS
PER EMPLOYEE

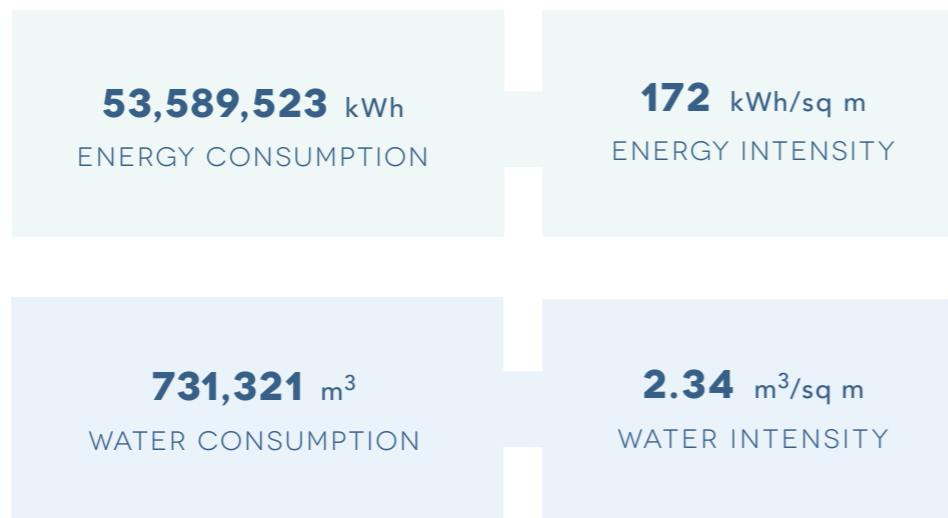
ENSURING HEALTH AND SAFETY AT WORK

For the past three years, Far East Orchard has recorded zero incidents of workplace fatalities and occupational disease at its hospitality properties.



ACHIEVING RESOURCE EFFICIENCY

Our hospitality properties are managed and monitored to ensure efficiency in energy and water consumption, in line with our belief that eco-efficiency minimises our impact on the environment and brings us cost savings.



BUILDING SUSTAINABILITY TOGETHER



As the Group continues to face a changing climate and economy, it maintains its efforts to incorporate sustainability within its operations. The Group ensures that the needs and concerns of key stakeholders are taken into consideration in developing and executing its business strategies. In view of environmental stewardship, the Group also aligns itself with operational processes that are sustainable, responsible, and resource efficient.

INFLUENCING OUR SUPPLY CHAIN

The Group continues to strive for sustainable business practices across its supply chain, from subsidiaries to suppliers. The Group prioritises socially and environmentally responsible business partners in line with its commitment to sustainability throughout all facets of operations. Within projects and properties, Far East Orchard also incorporates eco-conscious construction processes and encourages contractors to source for raw materials from sustainable sources. Across its supply chain, the Group also aims to educate stakeholders and involve them within its sustainability efforts.

OUR SUSTAINABILITY GOVERNANCE

To ensure that measures and directions to strengthen sustainability within the business are continuously effective, Far East Orchard has in place a sustainability governance structure to identify, drive and execute sustainability initiatives across the Group and its business operations.

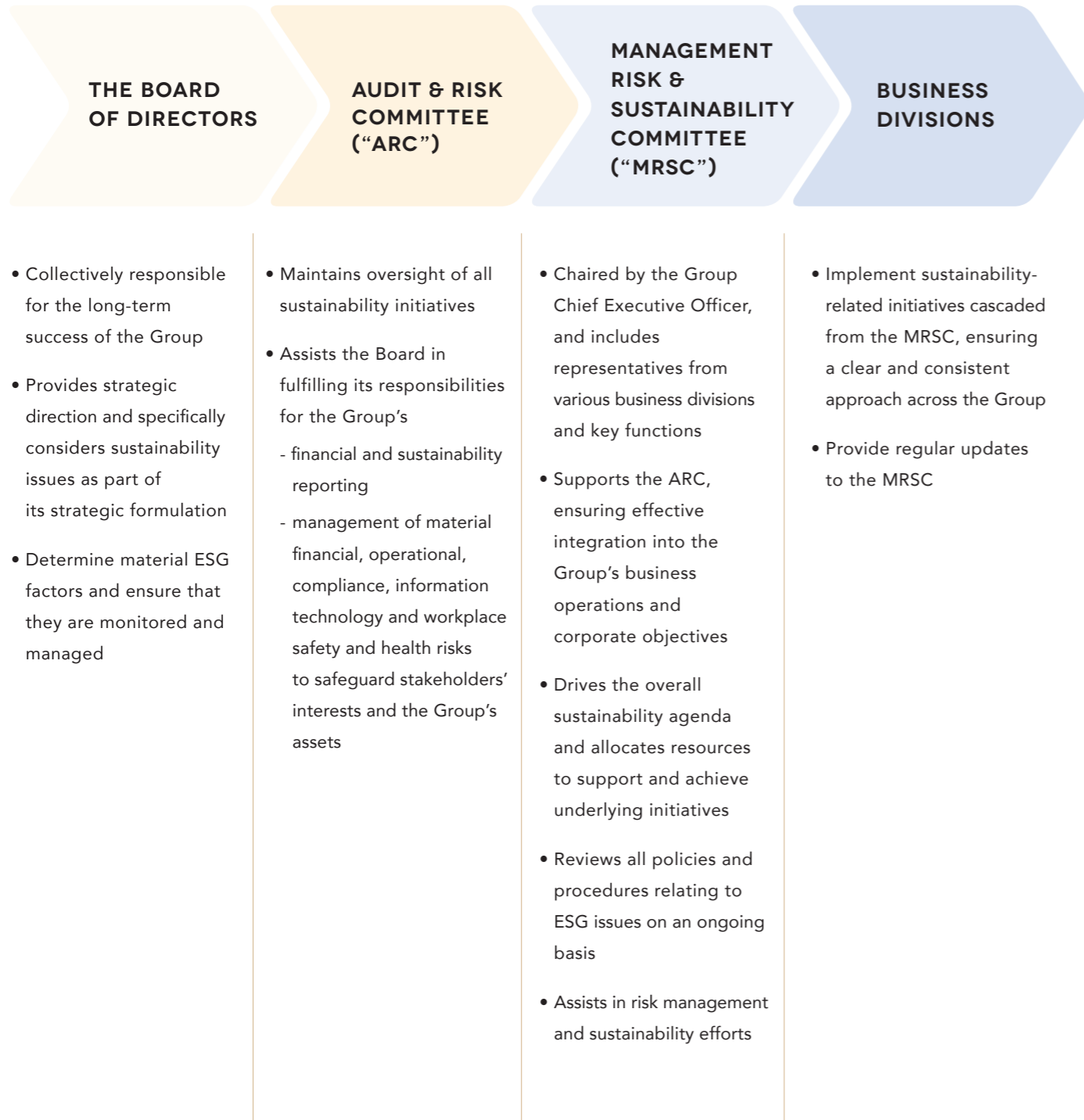


Figure 2: Sustainability Governance Structure and Roles and Responsibilities of different stakeholders

COMMITMENT TO THE UN SDGS

The 17 Sustainable Development Goals developed by the United Nations (UN SDGs), adopted by all UN Member States in 2015, aim to enhance global progress towards the 2030 Agenda for Sustainable Development. The Goals are set as end targets for a 15-year plan, for the planet, as well as the people living on it.

Far East Orchard recognises the importance of incorporating initiatives and measures within its business operations such that they can be more aligned towards meeting the Goals.

For this report of FY2020, the Group has identified five key UN SDGs:

	UN SDGs	Description
1	4 QUALITY EDUCATION 	Goal 4 Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
2	5 GENDER EQUALITY 	Goal 5 Gender equality Achieve gender equality and empower all women and girls
3	8 DECENT WORK AND ECONOMIC GROWTH 	Goal 8 Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
4	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Goal 9 Industry, innovation and infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
5	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Goal 16 Peace, justice and strong institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Figure 3: Descriptions of SDGs addressed within the scope of this report

The Goals are integrated within how the Group approaches its daily operations, taking into consideration its impact on people who are part of those daily operations as well as society at large. Details of the individual Goals and targets will be elaborated upon in the respective sections.

KEY STAKEHOLDER ENGAGEMENT

Meaningful two-way communication with stakeholders of the business helps the Group to better anticipate and manage challenges in a sustainable long-term business. Stakeholders with a significant influence on and interest in the Group's business are engaged through both formal and informal channels of communication.

Building on stakeholder engagement, the Group considers the interests of key stakeholders in developing its strategy, striving to balance their interests with its business objectives. Bespoke modes of engagement are used for different stakeholders that matter to the business, as shown in the table below.

Key Stakeholders	Modes of Engagement
Shareholders	<ul style="list-style-type: none"> • Half-yearly financial reporting • Announcements/ news releases on corporate actions and developments • Annual General Meeting • Corporate website • Analyst meetings • Roadshows • Queries to Investor Relations team
The Board	<ul style="list-style-type: none"> • Induction and orientation programmes for new Board members • Ongoing communication • Board and Board committee meetings • Site visits • Strategy meeting
Employees	<ul style="list-style-type: none"> • Orientation programme • Ongoing staff communication • Training programmes • Team bonding and recreational activities • Annual colleague engagement survey • Performance and career development reviews • Townhall meeting
Customers	<ul style="list-style-type: none"> • Customer satisfaction surveys • Guest comment cards • Priority guest programme • Websites
Business Partners	<ul style="list-style-type: none"> • Physical and virtual meetings • On-site visits • Industry gatherings

Figure 4: Key stakeholder engagement initiatives

In the current situation of the pandemic, Far East Orchard adheres to the Safe Management Measures to the best of its abilities and aims to prevent any risk of unnecessary contact between its stakeholders.

As such, engagement activities with relevant stakeholders were conducted online as much as possible such that exposure is minimised. Communication with individual

stakeholder groups are continued through contactless or virtual means. In accordance with guidelines issued by the regulator, the Group held its annual general meeting for shareholders through a virtual platform, with a live audio-visual webcast in June 2020. As the pandemic is still yet to be under control, the Group will continue utilising alternative communication channels to keep its stakeholders in the loop about the business.

MATERIALITY ASSESSMENT

Key material ESG topics were identified as relevant to Far East Orchard and its stakeholders. Annually, a materiality refreshment exercise, including a peer benchmarking analysis and consultations with internal stakeholders, is conducted to ensure the continued relevance of these ESG topics. These ESG topics were then endorsed by Far East

Orchard's management and Board.

For the reporting year of 2020, following the GRI principles, 11 topics have been identified within the 9 key ESG topics, unchanged from the previous reporting period, and will be elaborated in the following sections.



Figure 5: 2020 Materiality Matrix

THE YEAR IN REVIEW

ORGANISATION VITALITY AND RESILIENCE

DOING GOOD BUSINESS



INDUSTRY, INNOVATION AND INFRASTRUCTURE

Far East Orchard is committed to contributing to the local economy, works with changemakers to bring creative solutions to address issues and improve the community and society around it.

GRI-202-1

Direct economic value generated and distributed

The Group recorded revenue of \$112.2 million in FY2020, a decrease of 28.1% compared to the prior year, and \$1.5 million profit attributable to equity holders, compared to \$26.0 million in FY2019.

Details of Far East Orchard's FY2020 financial performance are listed in the following sections in its 2020 Annual Report:

- Chairman's Statement
- CEO's Message
- 5-Year Financial Highlights
- Financial Report

The Group is committed to delivering sustainable growth for its stakeholders over the long term, through its lodging platform strategy that focuses on hospitality and PBSA business segments to generate recurring income.

In 2020, in view of the COVID-19 pandemic, Far East Orchard has ensured business continuity to minimise disruptions to its operations by triggering the business continuity plans. The Group has implemented safety measures in its properties and strived for a balance between business growth and keeping all personnel safe in these unprecedented times.

CONDUCTING A FAIR BUSINESS FOR ALL



PEACE, JUSTICE AND STRONG INSTITUTIONS

Far East Orchard is committed to contributing to the local economy, working with changemakers to bring creative solutions to address issues and improve the community and society around it.

GRI-206-1

Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices

It is the Group's policy to conduct business fairly and ethically in the markets it operates in. Without exception to this policy, Far East Orchard consistently strives towards the highest standards of professional values and

integrity, including the non-tolerance of anti-competitive behaviour. It takes legal compliance very seriously and does not condone or sanction any anti-competitive conduct by employees.

MAINTAINING THE HIGHEST LEVEL OF ETHICS

Far East Orchard has and continues to routinely review and implement rigorous compliance and training programmes to ensure that its business practices are and continue to be fully compliant with all applicable laws.

To ensure the continued growth of its business in a principled and ethical manner, Far East Orchard will continue to adhere strictly to all applicable laws.

Some of the measures which have been and continue to be adopted include:

Compliance Checks	Staff Readiness
<ul style="list-style-type: none"> • Putting in place internal processes to monitor continuous compliance and reinforce adherence with the Competition Act • Evaluating reported incidents of non-compliance with the Competition Act, guidelines by the Competition and Consumer Commission of Singapore ("CCCS") and investigations by relevant authorities against the Group for anti-competitive behaviour, if any • Reviewing legal contracts and agreements to ascertain the absence of anti-competitive behaviour 	<ul style="list-style-type: none"> • A Competition Law Compliance Manual is part of the Employee Handbook which is given to all new hires and made available to all existing employees • Incorporating a session on compliance with competition law as part of the orientation programme for new employees • Arranging annual legal briefings conducted by external competition lawyers on competition law for employees • Conducting in-house quarterly briefings on competition law for sales and marketing employees

Figure 6: Measures adopted to ensure that business operations are conducted ethically

In FY2020, the Company and its subsidiaries are in compliance with the Competition Act. No infringement decisions were made by the CCCS.

FY2021 Target	Key Initiatives to be Continued/ Implemented
No violations of the Competition Act and CCCS guidelines	<ul style="list-style-type: none"> • Outline the expectations of employees in relation to compliance with competition laws during orientation programmes • Provide appropriate training and refresher courses for all employees that deal directly with any of Far East Orchard's competitors • Encourage reporting of any suspected anti-competitive conduct to relevant parties (e.g. risk management and compliance personnel) and/or external regulatory agencies • Build a culture that encourages employees to immediately inform the Group's Head of Legal when they become aware of any behaviour or work practice that appears to be inconsistent with the Group's Competition Compliance Manual

CORPORATE GOVERNANCE, ACCOUNTABILITY AND TRANSPARENCY



Peace, Justice And Strong Institutions

Far East Orchard has an internal governance structure to ensure that policies and management are reliable and effective, benefiting customers and employees alike.

GRI-102-18
Governance structure

Far East Orchard is committed to good corporate governance, accountability and transparency in all its endeavours. The Group observes a high standard of corporate conduct, integral to ensuring the sustainability of its business and performance as well as safeguarding

stakeholders' interests and maximising long-term shareholder value.

The Group has established corporate policies and internal controls to ensure compliance with the relevant laws and regulations as presented below.



Figure 7: Corporate Policies and Internal Controls

RECOGNISING GOOD CORPORATE GOVERNANCE PRACTICES



ASEAN CORPORATE GOVERNANCE SCORECARD AWARDS

Far East Orchard ranked top 19th in Singapore for the ACGS Awards 2020, evaluated by the ASEAN Capital Markets Forum for corporate governance standards.



SGX FAST TRACK PROGRAMME 2020 & 2021

Launched by SGX, the programme recognises companies with good corporate governance.



RANKED AMONG TOP 8% OF SGX-LISTED FIRMS

In SGTI 2020, Far East Orchard ranked 41 out of 577 companies for corporate governance practices in Singapore.

The Group has well-established corporate governance practices, and is firmly committed to upholding high standards of corporate governance. Far East Orchard was ranked among the top 8% of companies listed on the SGX according to the Singapore Governance and Transparency Index ("SGTI") 2020. The SGTI is the leading index for assessing corporate governance practices of Singapore-listed companies and is published annually.

In 2020, Far East Orchard was ranked 19th in Singapore for the ASEAN Corporate Governance Scorecard (ACGS) Awards, organised by the ASEAN Capital Markets Forum (ACMF), a high-level grouping of capital market regulators from all 10 ASEAN jurisdictions. The scorecard measures the standards of corporate governance for publicly listed

companies in areas such as shareholder rights, anti-corruption, transparency and Board management. The Group has made significant improvement since its placement of 68th back in 2017.

SGX has also included Far East Orchard in its Fast Track Programme for 2020 and 2021. The SGX Fast Track programme rewards companies with high corporate governance standards and a good compliance track record. It incentivises companies through prioritised clearance for selected corporate-action submissions to SGX RegCo.

The Group's corporate governance practices are detailed in its 2020 Annual Report with specific reference to the principles and provisions of the Code of Corporate Governance 2018.

In FY2020, there were neither any lapses with SGX rule requirements resulting in SGX reprimands nor any confirmed incidents of bribery or corruption involving employees.

FY2021 Targets	Key Initiatives to be Continued/ Implemented
To ensure no lapses with SGX rule requirements resulting in SGX reprimands	<ul style="list-style-type: none"> Participate in seminars, dialogues, round-table discussions and consultations with SGX, to understand and track any new listing rules and keep abreast of any penalties issued against other SGX-listed companies Maintain and track new listing rules or updates Maintain and centralise all communication and correspondence with SGX (and any other relevant regulatory authorities), to monitor and track all inquiries, feedback, and responses and to maintain a consistent response in each correspondence Continue the practice of mandatory Annual Declaration on Conflict of Interest to declare potential interests so they may be appropriately managed
To ensure no confirmed incidents of bribery or corruption involving employees	<ul style="list-style-type: none"> Mandatory Annual Declaration on Conflict of Interest to declare potential interests so they may be appropriately managed Annual confirmation by employees to agree to comply with the guidelines and policies contained in the Code of Conduct. These include conduct on "Giving/ Offering Gifts and Other Inducements" and "Receiving Gifts and Lavish Entertainment" Continual update of the Code of Conduct which is made available to all employees via the intranet

EMPLOYEE PASSION

EMPOWERING OUR PEOPLE



Quality education

Far East Orchard ensures that all employees receive fair and suitable opportunities within their careers for self-improvement through training, performance feedback and educational initiatives.

GRI-404-1

Average hours of training per year per employee



Gender equality

Far East Orchard takes extra note to uphold gender equality in hiring and employment, striving to provide a workplace where equal opportunities are given regardless of gender.

GRI-404-3

Percentage of employees receiving regular performance and career development reviews

The Group is committed to attracting, developing and retaining a diverse and inclusive workforce to ensure continued growth in a competitive global marketplace.

To that end, the Human Resources team continues to foster cross-functional connections, support mentoring and

networking opportunities, and provide professional and leadership development opportunities for its employees.

As of 31 December 2020, the Group employs 1,066 staff members², including the 109 or 10% who are covered by collective bargaining agreements.

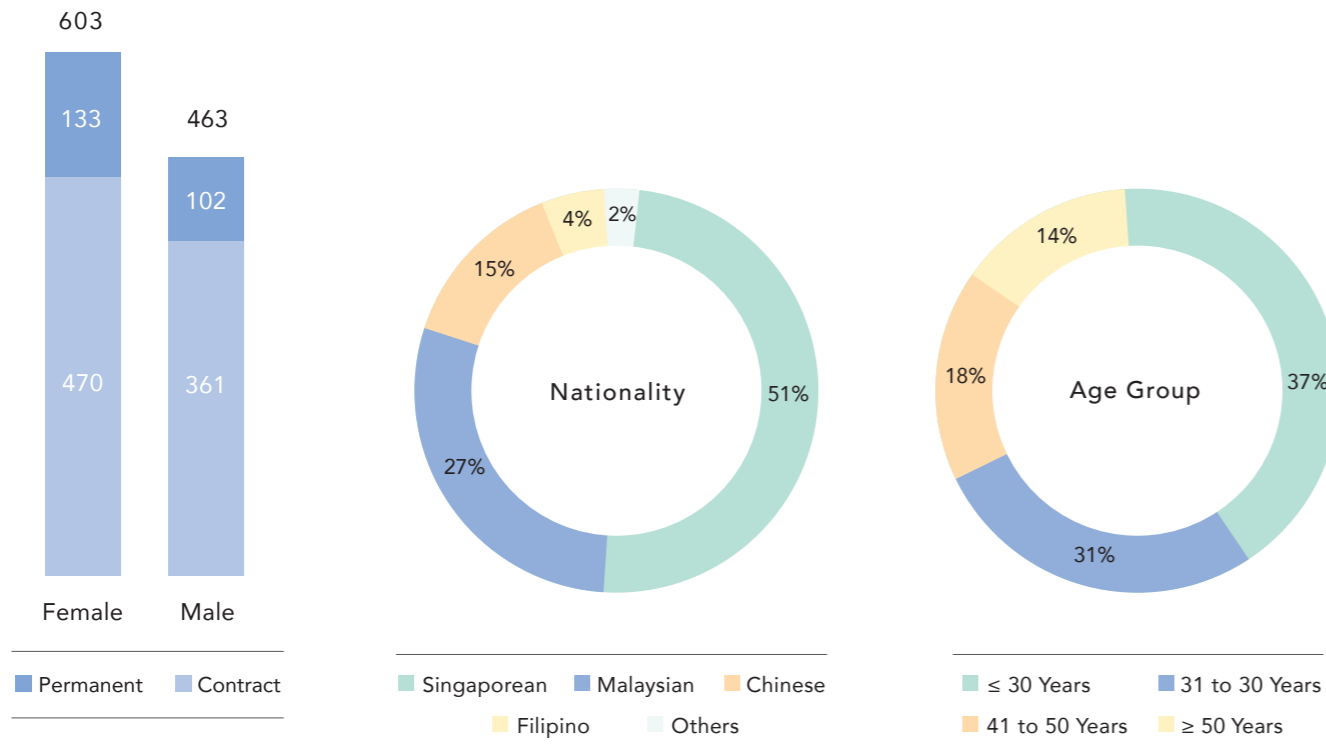


Figure 9: Workforce statistics as at 31 December 2020

² Includes employees supervised by the Group's hospitality management arm but employed by the owner of the in-scope properties and excludes employees hired by the Group's joint venture - TFE Hotels.

ENABLING CONSTANT LEARNING AND UPGRADING

Average training hours per year per employee

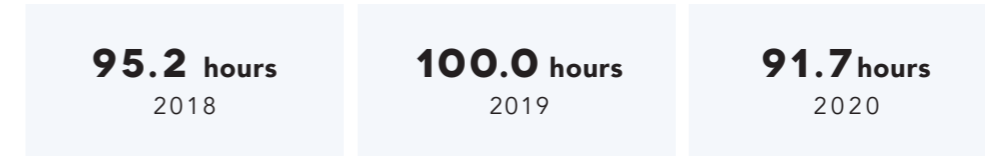


Figure 10: Training hours per employee for the past 3 years

The commitment of Far East Orchard to the development of its employees is underscored by its belief that building the capabilities of its employees allows it to retain its competitive edge and enhance its brand profile. In enabling employees to be strong in their functional core skills and building their leadership capabilities, the Group

can continuously develop a talent pool ready for succession and deployment.

Far East Orchard has cultivated a learning culture where employees feel valued, motivated and confident. In turn, this enhances overall performance and productivity, while reducing employee turnover.



Figure 11: Holistic employee development approach

The Group's designated Learning and People Development ("L&PD") team monitors and evaluates the development of its employees. This is done through the Learning Management System, which records the impact of training programmes on employees and reviews training investment in terms of time and cost on a monthly basis.

on-the-job transfer of learning. Training programmes are monitored, reviewed and modified quarterly to ensure relevance to the business needs, changing environment as well as employee profiles.

The effectiveness of training programmes is also measured through post-training evaluation and observation of any

The Group's employees received a total of 99,100 hours of training in 2020, an average of 91.7 training hours per employee. A breakdown by gender is shown in Figure 12.

Average training hours per employee



Figure 12: Average training hours per employee in FY2020

In FY2020, each employee underwent an average of 91.7 hours of training, exceeding its FY2020 target of an average of 80 hours per employee. The Group will continue to work towards equipping its employees with the necessary knowledge and skills, as well as elevate their competencies.



COVID-19 Measures

In 2020, training activities have been impacted by the COVID-19 pandemic due to the implementation of safe distancing guidelines at workplaces.

During the period of the Circuit Breaker implemented by the Singapore government, Safe Management Measures and restrictions were in place in the Group's properties and operations. As such, many of the regular learning programmes, as well as guest or staff engagement activities were cancelled. Instead, training sessions were offered virtually where possible.

In view of the pandemic, the Group will continue to focus its training programmes on topics such as hygiene, safety and mental wellness in FY2021. In preparation for business recovery, the Group is looking into 3 key development

areas: Productivity (Job Redesign), Data and Digital Skills, and Service Experience (Incorporating Safety Measures). This will be accompanied with a training and education target of 80 hours per annum for FY2021.

FY2021 Target	Key Initiatives to be Continued/ Implemented
80 hours of training per employee per annum	<ul style="list-style-type: none"> Conduct training for employees via varied modes of learning Roll out compulsory e-learning courses

PERFORMANCE MANAGEMENT AND TALENT DEVELOPMENT

To ensure that employees of Far East Orchard are able to review and monitor their own individual progress over the year, the Group has in place a continuous performance management process to formally evaluate employees' achievements against the agreed goals set at the beginning of the year.

At regular intervals throughout the year, ongoing performance feedback conversations between managers and team members ensures timely review of progress, adjustments to support needed and the realignment of efforts and resources where necessary. The year-end performance appraisal is the final stage in the overall

performance management process where managers and team members take stock of the achievement of agreed goals and targets set for the year.

The discipline of activities in the performance management process underpins our efforts to build a high-performance culture where the work and contributions of every staff member are clearly defined, measured and objectively evaluated.

The **eAppraisal system** enables and facilitates the process, and provides visibility and structure to monitor, review and document goals, activities, achievements and feedback. Triggers via emails and HR team will be through the stages.

2020 Performance Management



Figure 13: Performance management process

*Completion of quarterly 1-to-1 performance review and feedback conversation will follow the Apr, Jul, Oct cycle from 2021

In FY2020, 100% of full-time employees received regular performance and career development reviews.³

FY2021 Target	Key Initiatives to be Continued/ Implemented
100% of full-time employees to receive regular performance and career development reviews³	<ul style="list-style-type: none"> Inculcate a culture of continuous performance management at all levels, encouraging effective ongoing conversations and feedback between managers and their direct reports throughout the year

³Excluding employees on prolonged leave and new hires that have been with the Group for less than three months.

HEALTH AND SAFETY AT WORK



Quality Education

Far East Orchard ensures that all employees receive appropriate and adequate training and education on topics related to workplace health and safety, ensuring that their wellbeing is prioritised when they are at work.

GRI-403-2

Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

WORKPLACE SAFETY AND HEALTH

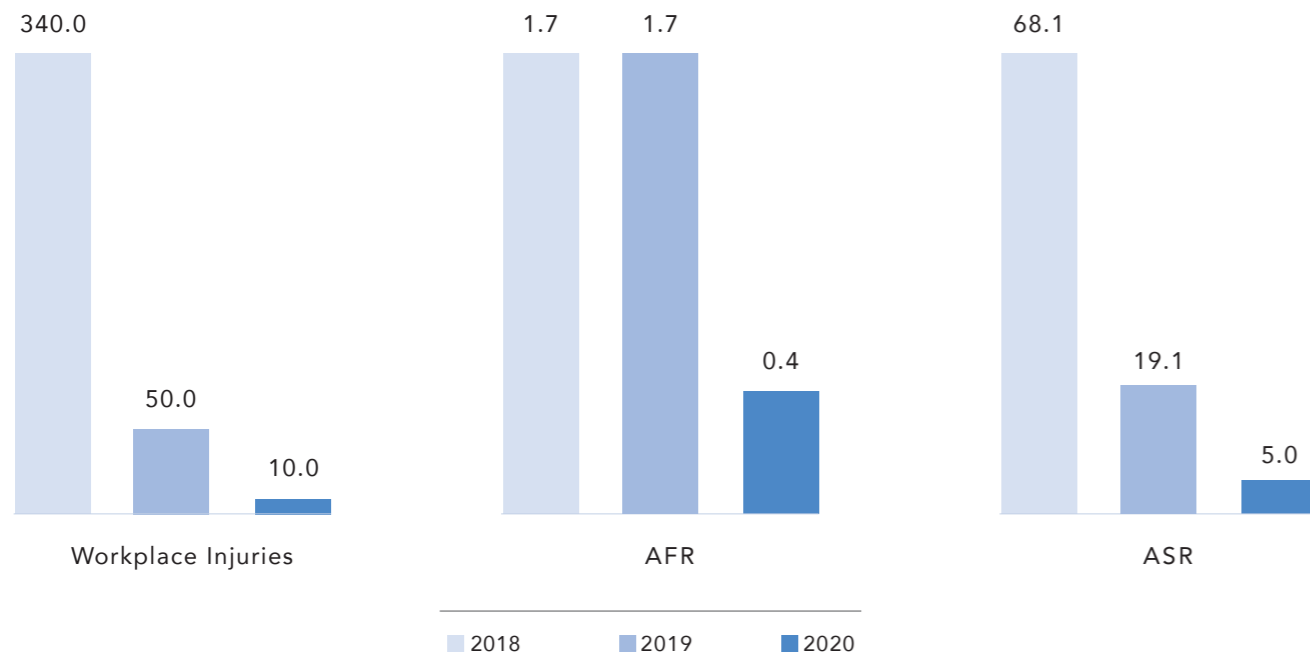


Figure 14: Workplace safety trends for the past 3 years

Far East Orchard prioritises workplace safety and health (“WSH”) and strives to provide its employees and other stakeholders with a safe and conducive work environment.

The Group establishes procedures for dealing with workplace hazards, and strictly enforces health and safety measures where any non-compliance is detected.

Key initiatives undertaken by the Group include:

Key Initiatives	
Policies	<ul style="list-style-type: none"> • Adopt safe working practices that are in line with national and international safety regulations • Provide employees with safe and well-maintained tools and equipment • Provide training to all employees to enhance their competence and awareness on WSH requirements • Annual pledge to acknowledge and comply with the Group’s Safety Commitment, outlined in the Employee Handbook • Review of WSH Policy and objectives at least once a year • Requirement for all engaged main contractors to be Occupational Health and Safety Assessment Series (“OHSAS”) 18001 certified or an equivalent of a well-recognised standard for safety management system
Reinforcements	<ul style="list-style-type: none"> • Daily morning brief on WSH for hospitality employees • Fortnightly circulation of reminders about WSH to all employees to increase awareness and impart safe work habits • Conduct quarterly cluster WSH meetings • Conduct annual WSH risk assessments to proactively identify hazardous activities and workspaces, and put mitigation measures in place • Conduct emergency drills for potentially hazardous situations, including, but not limited to power failures, medical emergencies, fires and lift entrapments, at least twice a year • Conduct table-top exercise with local authorities to prepare for lone wolf terrorist attacks • Annual review of the Group’s risk register with new incidents to be updated and shared across properties
Appointed WSH Personnel	<ul style="list-style-type: none"> • Maintain recognised WSH management system • Appointment of a WSH representative with at least a bizSAFE Level 2 certificate, to be responsible for handling WSH matters and implementation of WSH policies at each property • Formation of Company Emergency Response Teams who are equipped with safety equipment to perform emergency responses • Engagement of certified Fire Safety Managers to evaluate the fire safety measures deployed within the in-scope hospitality properties

Figure 15: Occupational health and safety key initiatives

RESPONDING TO THE COVID-19 PANDEMIC

Keeping in line with the Group's commitment in maintaining a high level of health and safety for its employees and customers, the management has in place strict measures in the workplace ever since the COVID-19 outbreak.

The Group's PBSA properties' operator in the UK, Abodus Student Living, has received the COVID-19 assurance statement from the British Safety Council in November 2020, as a testament to its standards of health and safety. Through a remote-based review, the assurance was issued upon the confirmation that appropriate protocols, organisational policies, procedures and arrangements were in place, complying with current UK government and sector-specific guidelines relating to the control of COVID-19.

In Singapore, the Group's hospitality properties were SG Clean certified through its effective measures in place. The SG Clean quality mark recognises organisations from various sectors that commit to upholding good standards of sanitation and hygiene practices that are assessed through a thorough official assessment.

These standards that the Group has met are a strong endorsement of the safety standards in the Group's operations, with not many operators having received the stringent accreditation. Far East Orchard will continue to ensure that its properties are kept as safe as possible for its employees and customers.

MAINTAINING A SAFE WORKING ENVIRONMENT

In its pursuit of high WSH standards, the Group also monitors and evaluates "near-misses" in addition to the mandatory reportable incidents (in occurring at its hospitality properties). Root Cause analysis are conducted, and lessons learnt are shared with

all employees to increase awareness and prevent reoccurrences.

A breakdown of the Group's FY2020 health and safety performance is as follows:



Figure 16: Occupational health and safety indicators for the hospitality properties¹

In FY2020, Far East Orchard maintained its zero workplace fatalities and occupational disease cases record at its hospitality properties. The Group's efforts to create a safe working environment for its employees were also reflected in the lower number of workplace injuries from 50.0 in FY2019 to 11.0 in FY2020. Far East Orchard saw a decrease in its AFR from 1.7 in FY2019 to 0.8 per million man-hours year-on-year, while its ASR improved from 19.1 to 6.1 per million man-hours worked in FY2020.

¹ Applicable to Singapore properties only

FY2021 Targets	Key Initiatives to be Continued/ Implemented
Zero cases of workplace fatalities	<ul style="list-style-type: none"> Conduct regular safety trainings Collaborate with local authorities to organise emergency drills for potentially hazardous situations
Improvement to AFR and ASR	<ul style="list-style-type: none"> Quarterly WSH Committee meetings, where representatives from each property share about common incidences, causes and preventive measures Organise two roadshows at every hospitality property to promote WSH
Reduce the number of workplace injuries by 25%	

KEEPING THE WORKPLACE SAFE IN THE PANDEMIC

To ensure minimal impacts to the Group's operations, Business Continuity Plans were put into place alongside safe workplace measures. Far East Orchard prioritises the health and safety of its employees, more so during the COVID-19 pandemic.

In June 2020, employees at Far East Orchard group of business were split into two groups and allowed back into the office on an alternating week basis (Grouping A/B) and only if they required materials or services that were provided only in the office, such as completing contracts or other transactions on-site or to access specialised terminals or machines in the workplace. Employees were to stagger their lunch breaks and working hours, to minimise exposure when commuting on public transport. Safe distancing and Safe Management Measures were implemented, such as the checking in and out of the office building, keeping a mask on at all times, and avoiding crowding or gathering in the office.

StaySafe@FEO is an online portal introduced for employees to record their daily temperatures twice a day including weekends and public holidays. This allows for the management to keep track of employees' health

status and travel declarations in case of any emergencies.

Where possible, internal and external meetings were conducted virtually. For physical meetings that cannot be held online, the organiser is responsible for limiting the number of attendees with safe distancing to be observed at all times.

Visitors to any Far East Orchard property were restricted to essential services only, with prior approval from the Company Safety Management Officer. They are also made to adhere to the safe distancing measures and to have their temperature screened before entering the properties.

In September, employees returned to the office two days a week with alternating schedules and with no more than 50% of the employees in office each day. Employees were to continue working from home if they were not scheduled to be in the office.

The Group aims to continue monitoring the situation to better adjust these measures such that health and safety can be maintained at high standards in Far East Orchard properties.

COMMUNITY ENGAGEMENT

VALUES IN MOTION

Through Far East Orchard's core values in Business with Grace, Unity, Integrity, Love and Diligence, the Group is committed to contributing in various ways to benefit the community around it. Employees are regularly encouraged to contribute to charitable causes supported by the Group. Volunteer activities are conducted during and outside of office hours, reflecting both corporate and personal commitment in contributing to the causes.

In FY2020, due to the onset of COVID-19, the Group was

unable to conduct its regular volunteering and community engagement activities. In compliance with Safe Management Measures and to minimise the risk of exposure between employees and other stakeholders, Far East Orchard has decided to postpone most of its engagement events and activities.

The Group envisions to double up its efforts and look into enhancing its future activities when the pandemic restrictions are let up in the near future.

CUSTOMER DEVOTION

SAFEGUARDING THE PRIVACY OF CUSTOMERS



Peace, Justice And Strong Institutions

Far East Orchard follows a strict code of conduct to ensure that its customers have their personal information safeguarded and will continue to enjoy their privacy with the Group.

GRI-418-1
Substantiated complaints concerning breaches of customer privacy and losses of customer data

Far East Orchard is committed to safeguarding its customers' personal information, and maintaining the privacy and security of data in relation to its business operations. Customers can trust that their personal data is being collected, handled, and protected in a responsible and secure manner. The Group does not divulge or sell

personal information to third parties for marketing or promotional purposes. In particular, the personal data of guests who stay at the hotels and serviced residences operated by the Group is collected, used and disclosed strictly for registration and stay purposes only.

MANAGING PERSONAL DATA

Key initiatives to uphold customer privacy include:

- Appointment of data protection officers ("DPOs") for each business unit who maintain and monitor each business unit's compliance with the relevant data protection legislation
- Regular monitoring of business processes and security procedures to assess and ensure compliance with relevant data protection laws
- Periodic reviews and updates to manuals and policies to ensure relevancy, including the Information Security and Management Policy, Privacy Policy and a manual for employees to inculcate awareness of, and facilitate compliance with, applicable data protection laws
- Maintain a data inventory map to facilitate effective record management
- Taking measures to comply with the advisory guidelines relating to National Registration Identity Card and other national identification numbers issued by Singapore's Personal Data Protection Commission ("PDPC")
- Taking measures to comply with other relevant regional and/or national guidelines, including the European Union's General Data Protection Regulation and the UK's Data Protection Act 2018

The Group also has a manual for employees to inculcate awareness of the importance of complying with applicable data protection laws. This manual was reviewed and updated in 2019, and a further review is underway in view of the proposed changes to the PDPA. Employees are

required to go through retraining or a refresher course at least once a year.

The DPOs can be contacted by email at dpo@fareastorchard.com.sg. The contact details were published in BizFile in 2020.

In FY2020, there were no substantiated complaints concerning breaches of customer privacy and loss of customer data that resulted in fines by the PDPC.

FY2021 Target	Key Initiatives to be Continued/ Implemented
No substantiated complaints concerning breaches of customer privacy and loss of customer data that resulted in fines by the PDPC	<ul style="list-style-type: none"> • Educate employees on data privacy regulations and their role in compliance • Regular review of business processes to facilitate compliance with data privacy regulations • Training by external counsel to educate employees

PROVIDING QUALITY SERVICE



Peace, Justice And Strong Institutions

Far East Orchard takes into consideration the needs and demands of its customers as well as its employees providing services through appropriate stakeholder engagement.

GRI-102-43
Identifying and selecting stakeholders

RI-102-44
Approach to stakeholder engagement

In a highly competitive industry, the Group’s hospitality arm, Far East Hospitality, strives to maintain a sustainable competitive advantage and the confidence of its customers through its focus on service quality. The Group is committed to drive continuous improvement while differentiating itself within the industry to resonate with both new and existing

customers. The Group uses a two-pronged approach to manage Service Quality, with initiatives throughout the year to provide the Group with a holistic assessment on the service delivered to its customers.

The two-pronged approach comprises:

PROCESS QUALITY

DELIVERY QUALITY

- Review and update SOPs for service delivery regularly according to customers’ feedback to meet the evolving expectations of customers.
- Conduct on-the-job trainings or communication sessions for the respective roles/departments affected.
- Update the Service Quality Audit survey questions accordingly to ensure a matched assessment.

- Conduct daily trainings for Far East Hospitality employees on “Service”, as guided by the Acts of Grace service values.
- Set expectations for all employees to consistently deliver the Acts of Grace (Attitude-Customer-Tream-Savviness-Observation-Fulfilment-Gratitude-Responsiveness-Anticipation-Change-Engender) service attributes to all guests.
- Conduct bi-annual Service Quality Audits (Mystery) by a select pool of surveyors to assess the delivery of services in accordance with SOPs and the effectiveness of trainings.
- Track and Monitor customers’ feedback
- Review customers’ feedback on Revinate and social media (e.g. TripAdvisor)
- Give recognition to employees who perform beyond expectations for service delivery.

Figure 17: The two-pronged service quality approach

Various initiatives are also in place to build a service-oriented workplace, including:



EMPLOYEE OF THE MONTH

Programme served to recognise staff who have received excellent reviews from guests for their service delivery

HALL OF EXCELLENCE

Annual programme to reward staff who have over the year delivered extraordinary service to our customers and are a role model for their fellow colleagues

PARTICIPATION IN INDUSTRY SERVICE EXCELLENCE AWARDS AND ACCOLADES

Staff are nominated in any and every service excellence awards organised by/for the industry

As a member of the Singapore Hotel Association (SHA) and Association of Rooms Division Executives (Singapore) and a Collaborative Partner of the Singapore Tourism Board, Far East Hospitality benefits from industry insights and learning about best practices via networking events and publications. This information is used to strengthen the Group’s service quality standards and operational excellence.

Since 2016, Far East Hospitality has engaged an independent external consultant to assess the quality of service delivered to its customers. Working with management, the external consultant has developed a Customer Engagement Index (“CEI”) target for the Group, which is benchmarked against

the industry. A corresponding survey to measure the Group’s CEI score is conducted annually.

Due to the pandemic restrictions on Far East Hospitality’s operations in 2020, the annual CEI assessment was cancelled as it would not reflect an accurate result in the current circumstances. Instead, customers were engaged through various activities throughout the year via virtual platforms such as Microsoft Teams, as well as on property when possible.

The Group will continue to monitor and take into account guest feedback received. The Group aims to reinstate its CEI survey targets at such time when hospitality operations return to pre-pandemic conditions.

FY2021 Target	Key Initiatives to be Continued/ Implemented
<p>CEI Survey: N/A*</p> <p>*The CEI survey of 2021 would take into consideration the performance and feedback in 2020, so it will not provide an accurate result. As such, no targets are set for FY2021, and the Group will monitor the number and nature of feedback from guests.</p>	<ul style="list-style-type: none"> • Far East Hospitality employees to perform an act of grace beyond work each day • Incorporate hygiene and safety topics Service Experience Creation to meet the unspoken needs of guests • Maintain validation by the COVID-19 Joint Task Force personnel through keeping a high standard of health and safety on property • Recruit mystery shoppers from government agencies to enhance the service audit

ENSURING CUSTOMER HEALTH AND SAFETY



Peace, Justice & Strong Institutions

Far East Orchard ensures that measures and policies are in place to maintain a high standard of health and safety within its properties for customers.

GRI-416-2
Incidents of non-compliance concerning the health and safety impacts of products and services

Working closely with employees and property operators, Far East Orchard is committed to providing its customers with a safe and healthy environment.

The Group has identified potential risks, established mitigating safety measures, and set up Standard Operating Procedures (“SOPs”) which are regularly updated to ensure that its employees are well-equipped and prepared to respond appropriately and promptly in various situations.

In the preceding year, the Group’s commitment to a high standard of security was recognised at the 2019 Annual Hotel Security Awards Presentation Ceremony, organised by SHA, National Crime Prevention Council and the Singapore Police Force.

In FY2020, the Annual Hotel Security Awards were not held due to the COVID-19 pandemic.

HOSPITALITY

Comprehensive measures undertaken to ensure the health and safety of hotel guests on-site include:

Risk Management

- Conducting operations and internal compliance audits
- Conducting regular maintenance checks and inspections on equipment and facilities
- Identifying and mitigating hazards that customers may encounter

Staff Readiness

- Training employees to handle Automated External Defibrillators
- Training employees to handle reported cases of infectious diseases and render medical assistance for minor injuries
- Enrolling employees who handle food in Food Safety and Hygiene courses

Quality Service

- Accompanying guests to nearby clinics or hospitals where medical assistance is sought
- Ensuring that all guest incidents are recorded and reported to the duty manager
- Making service recovery and courtesy calls to guests to check on their well-being after an incident

Infrastructure

- Equipping buildings with closed-circuit televisions
- Programming guest room keys for lift access to designated floors only

Figure 19: Measures taken to ensure the health and safety of hotel guests on-site

STUDENT ACCOMMODATION

To maintain a high level of customer health and safety across the Group’s PBSA properties, Far East Orchard works closely with its facilities operator to provide a centralised function and perform periodic audits for all properties.

At each of the Group’s PBSA properties, there is a health and safety committee to manage health and safety matters, with guiding policies and SOPs in place. These include:

- Site Security Plan and Policy
- Health and Safety Procedures
- Emergency Response Plan
- Managing Accidents and Near Misses Policy
- Fire Drill and Evacuation Policy
- Incident Management and Escalation Policy

- Illegal Drugs and Alcohol Policy
- Student Guests and Visitors Policy
- Student Welfare and Mental Health Policy

Students are also encouraged to take ownership to ensure their own safety. Prior to their arrival, they are required to complete an online safety induction exercise. A Student Handbook which includes a section on safety information is issued to all students. During the year, students are also kept abreast of health and safety matters via email newsletters and notice boards in the properties.

A well-being strategy is also in place to monitor and engage students, aimed at helping them adjust to the student accommodation property and university life.

In FY2020, there were no fines for safety breaches, and safety processes were improved to complement and unify safety culture across business divisions.

FY2021 Targets	Key Initiatives to be Continued/ Implemented
No fines for safety breaches	<ul style="list-style-type: none"> • Adopt best practices in the industry • Encourage a strong internal culture of sharing or reporting of any potential safety breaches or unsafe work practices observed within the hotel premises or at construction sites • Introduce an internal “stop-work” initiative until a rectification or remediation plan is in place to address the unsafe practice • Update existing feedback channels to seek specific inputs on health and safety at hotel premises or at construction sites • Maintain regular engagement and contact with local health and safety regulatory agencies to obtain updates on regulatory changes • Conduct management walkabouts to provide an additional perspective and uncover “blind spots” with regard to potential hazards within the hotel premises or at construction sites
Improve safety processes and inculcate a strong safety-first culture across businesses	<ul style="list-style-type: none"> • Increase employee training for customer health and safety matters • Conduct management walkabouts to provide an additional perspective and uncover “blind spots” with regard to potential hazards within the hotel premises or at construction sites

PROPERTY DEVELOPMENT

Upholding its commitment to ensure the health and safety of occupants in properties developed by the Group, Far East Orchard chooses to work with contractors and suppliers that have health and safety-related accreditations in the various operating jurisdictions.

The Group only works with companies that voluntarily register with the Considerate Constructors Scheme and agree to abide by the Code of Considerate Practice.

These are guidelines that are designed to encourage best practice beyond statutory requirements. For its overseas developments, Far East Orchard works with relevant partners to comply with occupational health and safety management systems such as the OHSAS 18001.

In addition, all site safety matters during the development are monitored closely and regularly through site meetings and daily briefing sessions.

SERVICE AWARDS AND ACCOLADES

Far East Orchard strives to consistently deliver quality service. The Group has continued to take pride in receiving prestigious local and global awards and accolades for its properties. In 2020, over 300 accolades were presented

to Far East Hospitality's employees, hotels and serviced residences. Due to the ongoing COVID-19 pandemic, several awards were not given out this year. A list of key awards won during the year is presented in Figure 23.

Awards	Description
Excellent Service Award 2020 by SHA	
<ul style="list-style-type: none"> • 18 Outstanding Star Winners • 94 Star Winners • 70 Gold Winners • 146 Silver Winners 	To recognise individuals who have gone beyond the call of duty in delivering exceptional service and creating memorable experiences for guests
Tally Press	
Top 10 Boutique Hotels in Singapore, 1st	To highlight unique boutique hotels in Singapore recommended for travellers who are looking for a change in hotel stays
FIABCI Singapore Property Awards 2020	
<ul style="list-style-type: none"> • Hotel Category (Awarded to 2 properties) • Heritage Category (Awarded to 1 property) 	To recognise quality properties in Singapore that are eligible to compete in the prestigious international real estate competition FIABCI World Prix d'Excellence Awards 2020
Singapore Good Design Awards (SG Mark) 2020	
Interior Design Category (Awarded to 1 property)	To acknowledge innovative and exceptional designs that spur the imagination and enhance day-to-day lives
Travel Weekly Asia 2020 Readers' Choice Awards	
Best New Hotel, Asia Pacific	To recognise travel suppliers that have displayed resilience, innovation, and endurance during these unprecedented times
HRM Asia Readers' Choice Awards 2020	
<ul style="list-style-type: none"> • Best Serviced Residence Property, Gold • Best Serviced Residence Property, Silver 	To recognise vital partners to the HR profession and industry in the region
Hotels.com Loved by Guests Awards 2020	
Most Wanted Awards (Awarded to 6 properties)	To recognise individuals, organisations and leaders that have achieved excellence in giving to the community
Hotels.com Loved by Guests Awards 2020	
<ul style="list-style-type: none"> • Top 25 Hotels for Service, 6th & 8th • Top 25 Hotels – Singapore, 8th and 11th • Travellers' Choice Awards (Awarded to 15 properties) 	To recognise the best tourism establishments in terms of service, quality, customer satisfaction and more, across a range of categories, based on millions of reviews and opinions from travellers from around the world

Figure 20: Key hospitality awards received by Singapore hospitality operations in FY2020

ENVIRONMENTAL STEWARDSHIP

TAKING OWNERSHIP OF OUR FOOTPRINT



Peace, Justice & Strong Institutions

Far East Orchard respects the environment and society that it works closely together with, and strives to be environmentally responsible and conscious in its operations, incorporating sustainability in its core values.

GRI-307-1
Non-compliance with environmental laws and regulations

Across Far East Orchard's various business units, environmental compliance has a significant impact on the environment due to the choice of materials used on site. Therefore, the Group adopts best-in-class practices, and works together with its partners during the procurement process, to ensure that sustainability objectives are met.

The Group takes a firm approach in complying with regulatory requirements and conducts regular reviews on its business and practices to ensure any non-compliant matters are swiftly addressed. An internal reporting procedure has been established, to quickly identify and rectify any potential issues.

In Singapore, the development of Woods Square, an integrated office development jointly developed with Far East Organization and Sekisui House, Ltd, was completed in February 2020. This development incorporated numerous green features, as listed in the table below, and received

the Building and Construction Authority's Green Mark Gold Plus Certification.

In the UK, all development work at the ongoing Westminster Fire Station project complies to BREEAM standards.

Apart from collaborating with environmental agencies, a dedicated HSE personnel, will be undertaking annual reviews of operational risks through the Asbestos Management Plan or the Legionella Risk Assessment to ensure that building-related environmental compliance is adequately addressed. Environmental policies have been gradually rolled out within the Group to create a process for monitoring efforts and eliminating environmental risk.

To ensure that environmental issues are addressed, the Group enforced the following measures for its development and student accommodation properties:

Woods Square	Westminster Fire Station	PBSA properties
<ul style="list-style-type: none"> • Obtained Building and Construction Authority Green Mark Gold Plus Certification • Use of sustainable materials and environmentally friendly products certified under the Singapore Green Labelling Scheme during the construction process and final material finishes • Installation of solar photovoltaic modules to harvest energy for the site office • Use of solar powered lightings for the guardhouses 	<p>Ongoing Initiatives</p> <ul style="list-style-type: none"> • Designed to achieve a "Very Good" to "Excellent" Building Research Establishment Environmental Assessment Method ("BREEAM") rating • Collaboration with suppliers and manufacturers with environmentally friendly certifications, including: <ul style="list-style-type: none"> o Forest Stewardship Council o Programme for the Endorsement of Forest Certification o Water Regulations Advisory Scheme o ISO 14000 and 9000 and energy efficient appliances 	<ul style="list-style-type: none"> • Compliance with the 2013 Building Regulations Approved Document L2A: Conservation of Fuel and Power in New Buildings other than Dwellings, including a 10% overall energy reduction • Installation of combined heat and power units • Installation of LED lighting • Adherence to a Waste Management and Recycling Policy

Woods Square	Westminster Fire Station	PBSA properties
<ul style="list-style-type: none"> • Incorporation of programmable timer controls for lighting in common areas and energy-saving light fittings • Installation of energy-saving lift system with an in-built sleep function that is activated when the system is not in use for a period of time • Installation of water fittings that are certified under the Water Efficiency Labelling Scheme • Fit out of toilets with light motion sensors and sensor taps • Provision of recycling bins to encourage tenants and end users to recycle • Encourage tenants and owners to use environmentally friendly materials for renovation and interior fitting out works and adopt energy-saving initiatives in their daily operations • Provision of adequate bicycle parking lots to encourage cycling 	<ul style="list-style-type: none"> • Introduction of sustainable biodiverse landscaping in the courtyard • Installation of photovoltaic panels on the roof <p>Planned Initiatives for the Future</p> <ul style="list-style-type: none"> • Record energy consumption via the Building Management System. Data may be reviewed and used to promote energy reduction initiatives • Use of energy efficient systems including low energy lighting controlled by photocells and time clocks and light wells • Use of a central boiler plant for heating to reduce gas consumption instead of individual apartment boilers • Provision of a complimentary 25-year membership of car club and bicycle storage facilities to minimise private car ownership and encourage cycling 	<ul style="list-style-type: none"> • The in-scope PBSA properties have achieved the following ratings: <ul style="list-style-type: none"> o BREEAM ratings <ul style="list-style-type: none"> • Excellent: 2 properties • Very Good: 4 properties o Energy Performance Certificates ratings: <ul style="list-style-type: none"> • B: 2 properties • C: 1 property <p>We will work towards improving the ratings of the properties.</p>

In FY2020, there were no fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations.

FY2021 Target	Key Initiatives to be Continued/ Implemented
No significant fines and non-monetary	<ul style="list-style-type: none"> • Implement standardised reviews for environmental impact assessments.

ENVIRONMENTAL ACCOLADES

The Group is dedicated in ensuring that its hospitality properties under management are developed and maintained to be as environmentally conscious as possible.

In reducing the environmental impacts of operations, selected properties have achieved the following accolades from the Building and Construction Authority (BCA):

Property	Certification
Village Hotel Albert Court	Green Mark Platinum
Rendezvous Hotel Singapore	Green Mark Gold
Village Hotel Changi	Green Mark Certified
The Elizabeth Hotel	To be Green Mark Certified in 2021
Village Hotel Bugis	
Oasia Novena Hotel	
Oasia Hotel Downtown	To be Green Mark Gold Certified in 2021
Village Hotel Sentosa	
The Outpost Hotel Sentosa	
The Barracks Hotel Sentosa	

Aside from the BCA Green Mark Scheme, Far East Orchard's hospitality properties in Singapore have also achieved the basic and intermediate ranking for the STB (Singapore Tourism Board) Certification for Sustainability in the MICE industry. This certification recognises the Group's efforts in improving sustainability and reducing footprint in MICE operations.

In the UK, the Hollingbury House in Brighton achieved a score of 75.8% (Excellent) on its BREEAM New

Construction 2011 Certification in 2020 as a Multi-Residential Accommodation. The certification recognizes the property's high standards in transport provided, efficient land use and ecology, energy efficiency and low levels of pollution amongst other environmental aspects in its assessment.

Far East Orchard aims to maintain its environmental standards, and continuously reviews its internal policies and initiatives to seek areas for further improvement.

ACHIEVING RESOURCE EFFICIENCY

In the Group's efforts in maintaining for its hospitality properties in Singapore to be high performing with minimal environmental footprint, it ensures that energy

and water consumption are well managed and monitored through various initiatives.



Figure 21: Energy and water saving initiatives

Aside from the properties that are Green Mark certified for efficiency and innovation in design and management, the Group also places ample focus to ensure the same standard is maintained across all properties.

minimises its operational footprint but also brings about cost savings, and thus has been gradually working towards attaining more relevant accolades and certifications.

The Group will continue to explore ways to reduce its energy and water consumption across its properties.

Far East Orchard believes that eco-efficiency not only

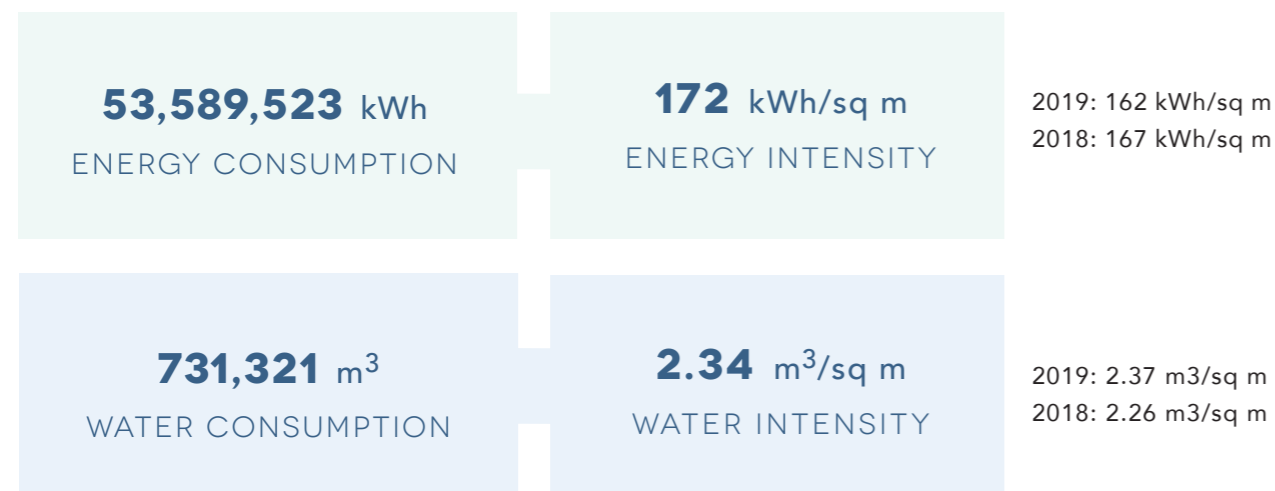


Figure 22: Resource consumption for 2020 across all Singapore properties in comparison with past years

CARING FOR THE ENVIRONMENT

Far East Orchard believes that taking care of its environment also contributes to the long-term success of its business. Within its properties, initiatives that promote eco-friendliness have been rolled out in 2020, engaging not only the Group's employees, but also guests. Across

the Group's hospitality properties and at the corporate office, three focus areas have been identified and have measures in place to ensure progress in improving on-property sustainability:



PROVIDING ENVIRONMENTALLY FRIENDLY GUEST STAYS

The Group has implemented sustainable practices in its hospitality operations. Initiatives aligned to the 3Rs (Reduce, Reuse, Recycle) have also been launched to promote more environmentally friendly practices in guest rooms and other facilities on property.

This includes the digitalisation of processes to reduce the usage of paper, as well as providing amenities only upon request. To reduce the overall waste generated, recycling initiatives are also in place to ensure that supplies such as soap recycling, whereas waste separation is done with care to facilitate recycling.

Reduce	Reuse	Recycle
Digitalising processes <ul style="list-style-type: none"> Digital confirmation letters Digital check-in/checkout Digital signages QR codes for hotel collaterals and information Virtual gym with Les Mills 	Bring Your Own <ul style="list-style-type: none"> Guests are encouraged to use their own bottles, straws, bags and cutlery Special Oasia Green Kit available for purchase Infused water provided at guest corridors and the gym 	Recycling initiatives <ul style="list-style-type: none"> Bin separators in guest rooms and public areas Participation in soap recycling programme
Opt-in services <ul style="list-style-type: none"> Amenities (e.g. notepads and bedroom slippers) provided only on request Linen change programme Opt-in housekeeping 	Using environmentally friendly alternatives <ul style="list-style-type: none"> Biodegradable amenities: tea bags, coffee capsules, shower amenities Reusable amenities: laundry bags Recycled amenities: notepads, pens 	

Figure 23: Initiatives in enhancing sustainability in dining options

PARTNERSHIPS FOR SUSTAINABLE DINING

Dining is an important part of a hotel stay for guests at Far East Orchard's hospitality properties. To ensure that the Group's hotels can provide more engaging and sustainable stays for guests, it has partnered with local social enterprises and green businesses such as Edible Garden City and Green Nudge to enhance the dining experience provided. The Group works together with these green

partners to provide green menu options, to cut out at-risk seafood from its menus, and to ensure that hotels use food from local and sustainable sources.

Through these initiatives, the Group aims to enhance current operations to be more targeted towards reducing its environmental footprint while letting its guests understand the importance behind these efforts.

Reduce	Reuse	Recycle
Digitalising processes <ul style="list-style-type: none"> eMenu and receipts provided through QR codes 	Using biodegradables <ul style="list-style-type: none"> Straws, takeaway containers, paper bags provided in dining areas 	Food waste composting <ul style="list-style-type: none"> Food waste is separated and repurposed as fertilisers for Edible Garden
Reducing over-ordering <ul style="list-style-type: none"> No self-serving for breakfast 	Hosting sustainable meetings and weddings <p>Amenities</p> <ul style="list-style-type: none"> No single-serve amenities (e.g. sauces, sugar, creamer) Opt-in meeting amenities (e.g. notepads, pens) Digital e-invites and signages Menu is provided through QR codes 	
Eating responsibly <ul style="list-style-type: none"> Properties do not serve shark's fin, bluefin tuna and soft-shell crabs Food supplies are sustainably sourced Plant-based menu options are provided in collaboration with Edible Garden 	<p>Food</p> <ul style="list-style-type: none"> Locally produced teabags and coffee beans are used Mint, nuts and local vegetable chips are provided in collaboration with the Green Initiative for Green Nudge and Garden City Impossible Meat and healthier food options provided in menu Succulent plants are recommended as sustainable wedding favours Flower re-wrapping station provided for guests to bring home 	

Figure 24: Initiatives in enhancing sustainability in dining options

GRI CONTENT INDEX

GRI Standards 2016	Disclosure Title	Page Reference & Remarks
GRI 102: General Disclosures 2016		
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102-3	Location of headquarters	Pg 3
102-4	Location of operations	Pg 3
102-5	Ownership and legal form	Pg 3
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