## Building Sustainability

BANYAN TREE HOLDINGS LIMITED SUSTAINABILITY REPORT 2016





Banyan Tree was founded with the core value of driving sustainable development.

As a global hospitality group operating in diverse locations, Banyan Tree's concept of sustainability seeks to create long term value for multiple stakeholders and destinations. The company's triple bottom line of economic, social, and environmental success helps direct sustainable

development by aiming to

inspire associates, guests,

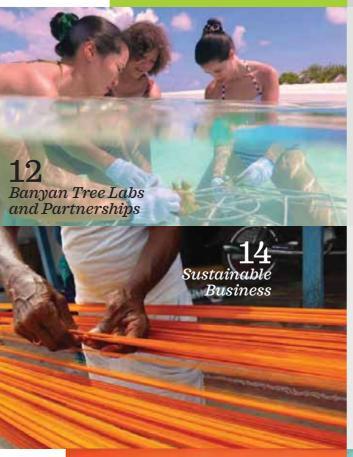
a long-term view when

and partners to take a wider

consideration encompassing

making business decisions.

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Scan this QR Code to access to the online version of the Banyan Tree Sustainability Report 2016.

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Designed & Produced by C2 Design Studio





## Empowering People

- **17**Seedlings Mentorships & Seedlings Café
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Our History

Sustainability has

been a core value

first hotel opened...

for Banyan Tree

even before the

of Sustainability

• Greening Communities launched to raise awareness for climate change

· Seedlings Mentorships launched to empower young people via education and mentorship

2008

· Banyan Tree Lijiang earns EarthCheck Silver Certified status

#### 2009

· Banyan Tree Global Foundation established

- 2011 Condé Nast Traveler World Savers Awards-Overall Winner for Large Hotel Chains
- EarthCheck selected as strategic partner for certifying sustainable operations

 Three pillar approach to sustainability includes Operational efficiency, Protecting biodiversity, and Developing local capacity

## 2012

- · Banyan Tree Lijiang earns EarthCheck Gold Certified status, the first in China
- GPS Development Services Ltd enters an alliance partnership with EC3 Global to offer more completely integrated sustainable development services

- · Laguna Lăng Cô earns certification to EarthCheck's Precinct Planning and Design Standard, the first in South East Asia
- Social enterprise eatery Seedlings Café opens in Hoi An, Vietnam

## 1992

 American Express and International Hotel Association Environmental Award for remediating "toxic site" into Laguna Phuket

#### 2005

• Phuket Tsunami Recovery Fund

2006

Report

• Earth Day appreciation

Banyan Tree Holdings

debuts trading on the

Banyan Tree publishes

its first ever Sustainability

Singapore Exchange

events launched across

- Asian Tsunami Recovery Fund (ATRF)
- Banyan Tree becomes a founding member of United Nations Global Compact in Singapore
- Ms Claire Chiang begins 4 year term as the inaugural president for Singapore Compact for CSR, now known as Global Compact Network Singapore

#### 2004

• Banyan Tree's Corporate Social Responsibility Committee established

#### 2003

• Banyan Tree Maldives Marine Lab starts construction as the first resort based research centre in Maldives

#### 2001

• Green Imperative Fund (GIF) mechanism launched

#### 1996

· Banyan Tree Gallery opens first retail outlet in Phuket

#### 1994

• Banyan Tree Phuket opens, launching the brand

## Bang Tao Bay early 1980's

#### 2015

- Stay for Good framework expands to include Meet for Good, Eat for Good, Gift for Good, and Spa for Good
- Cleaning initiative commences group wide
- Over 25,800 quests participate in sustainability themed optional guest activities

- · Build for Good and Stay for Good frameworks are launched
- Four future developments earn certification to the EarthCheck Design Standard
- Seedlings Café Phuket begins training of young adults

## 2014

**Express International** Hotel Association **Environmental Award** for remediating a

"toxic" tin mine site.

...when the company

won the 1992 American

## Our Core Values



The sustainability agenda requires leadership to walk the talk by developing a management infrastructure to execute the various strategies in achieving the goals set in creating value for the environment, business, and community.

It is a collective effort, one step at a time, that the Banyan Tree community, including our associates, partners, and hotel guests, together contributed in creating a quality environment for all. We have learnt from experts and implemented many initiatives that taught us how to execute better.

We are proud that from the very beginning when we started Banyan Tree, the ethos of "embracing the environment and empowering people" has been an inalienable value we believed in to define the way we build, operate, engage and inspire.

As we embark on a transformational change with our two new global partners – AccorHotels and Vanke – our collective impact in achieving sustainability will create a bigger footprint across the globe.

Thank you for being a part of our journey; it has been meaningful as it was motivating for all.

#### Mission

We want to build globally recognised brands which, by inspiring exceptional experiences among our guests, instilling pride and integrity in our associates and enhancing both the physical and human environment in which we operate, will deliver attractive returns to our shareholders.

#### This involves:



creating an enchantingly memorable experience for **guests and customers** through our services and products;



providing our **associates** with fair and dignified employment which enhances their ability to contribute to the company's growth and elevates their job prospects with Banyan Tree and beyond;



enabling long term prosperity for the **communities** in which we operate. This is achieved via our business conduct and operations as well as by harnessing our competencies to address issues facing the community;



exercising caution with respect to the environmental impacts of our operations, and taking an active role in the protection and remediation of our **global** ecosystems;



conducting business with suppliers and vendors in a dignified, fair, and transparent manner, while working in partnership to enhance societal benefits and reduce environmental impacts;



generating sustained, long-term returns on investment for our shareholders

## Building a Brand... for Good

To deliver on our mission, we have conceptualised our values based on a "for Good" framework.



## SpaforGood

- Showcase for local heritage and ingredients
- Vocational training through Banyan Tree Spa Academy

All aspects of our business seek to have a positive impact on our stakeholders, so when guests and clients support us, they are doing Good for the communities and ecosystems. This starts with design and construction (Build for Good), runs through a guest's time at our resorts (Stay for Good along with Meet for Good and Eat for Good), and extends to Spa and Gallery outlets across the globe (Spa for Good and Gift for Good).



## Giftfor Good

- Community craft showcase and global
- "Retail with a difference"

# StayforGood

## HOTEL OPERATIONS

Efficient and engaged with communities including sustainable supply chain

#### GREEN IMPERATIVE **FUND MECHANISM Guest & Hotel** Matching

SUSTAINABILITY THEMED GUEST **ACTIVITIES** Passive, Active, Engaged

**EFFORTS** Social & **Environmental** 

#### **ANNUAL CELEBRATIONS**

GREENING COMMUNITIES TOGETHER FEEDING COMMUNITIES TOGETHER First week in June Mid-October

## Meet for Good

- Sustainable events venue
- Provide sustainable events
- Second-party verified sustainable

## EatforGood

- Social enterprise eatery
- Provide vocational training for young



- · Local architecture and materials
- Protect/remediate site
- · Third-party certified

In 2016, Banyan Tree launched its effort to engage and monitor the sustainability of hotel supply chains. Created as a collaboration between EarthCheck and Banyan Tree, the tool was built to easily incorporate increased depth of review as well as allowing second- and third-party review and verification of vendor responses.

## Sustainable Tourism Development

Banyan Tree's core values are embedded into every step of the development process, from initial concept through to ongoing operations that are measured and third party certified against industry average and best practice levels.

Banyan Tree is one of the few, if not the only, vertically integrated hospitality companies capable of taking developments from initial tourism concept through to ongoing sustainable operations year after year. Our teams have established track records of delivering on every step of the development process, not just for individual hotels, but also for precinct level integrated developments and resorts.



### CONCEPT

Banyan Tree Huangshan

- Create vision for adding tourism income to destination
- Leverage cultural and physical beauty of site into hospitality business defining success as environmental, social, and financial



### DESIGN

- Expert architects oversee design for tourism/ hospitality experiences
- Embed operational efficiency while also safeguarding the local ecology and empowering local communities

## 3

#### SUSTAINABLE BUILDING CERTIFICATION

- All new developments to be able to earn certification to leading international sustainable building standards
- Third party certification validates the approach to deliver sustainable hospitality operations

## 4

## CONSTRUCTION

- Oversee development from a hospitality provider's perspective
- Amid myriad adjustments from design to reality, an expert enables the sustainable design mindset to be translated to operations

## OPERATIONAL BENCHMARKING & CERTIFICATION

- Annually benchmark and certify to leading international sustainable tourism operations standards
- Validate operational outcomes and management approach against regional expectation (baseline) and possibility (best practice)

## HOSPITALITY OPERATIONS

- Manage and operate hotels, resorts, MICE venues, recreational facilities, spa outlets, retail galleries, property sales, and vacation clubs
- Core founding value of sustainability embedded in all aspects of hospitality operations

## 5

### PRE-OPENING

- Prepare and upskill teams from local labor force to deliver international tourism standards
- Build local capacity and enable the most direct flow of tourism dollars into households within the community

## Efficient **Operations**



Continuing an initiative launched in 2007 to conserve natural resources, Banyan Tree furthered this commitment in 2010 by rolling out the EarthCheck Certified program across all resorts. Because EarthCheck is the leading benchmarking, certification and environmental management program used by the travel and tourism industry, it is also the most relevant and rigorous global framework for monitoring and reporting sustainable tourism practices and achievements. For more details about the EarthCheck methodology and approach, please visit www.earthcheck.org.

In 2016, 35 of our sectors had already achieved EarthCheck Bronze Benchmarked status, 28 had already completed certification (either Gold or Silver). Overall this means that 27 of the 39 hotels in which we have management or ownership interest, are already active within EarthCheck operational benchmarking and certification.

**Banyan Tree** 

**Banyan Tree** 

Singapore

Headquarters

(2 office sector buildings)

Yangshuo

## EarthCheck Certified 2016

Gold Certified



**Banyan Tree Lijiang** 

Silver Certified



**Banyan Tree Ringha Banyan Tree** Angsana Ihuru

**Banyan Tree Ungasan** Laguna Bintan (Banyan Tree, Angsana, and Golf)

**Banyan Tree Samui** Masion Souvannaphoum **Hotel by Angsana** 

**Banyan Tree** 

Laguna Lăng Cô (Banyan Tree, Angsana, Golf, Admin Office, and Laguna Services)

Laguna Phuket (Banyan Tree, Angsana, Golf, Laguna Holiday Club, Angsana Villas Resort, LRH Admin Office, and Laguna Services

Banyan Tree Sanya Banyan Tree Bangkok Banyan Tree Macau **Banyan Tree Cabo** Marqués Angsana Velavaru

Bronze Benchmarked



Angsana Tengchong • **Hot Springs Village** Angsana Xi'an Lintong **Banyan Tree Seychelles Banyan Tree Club** 

Earthcheck Member



Cassia Phuket

## Energy

(Megajoules per Guest Night)



increase from 2015

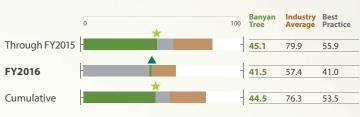
### Group Through FY2015 **441.4** 649.3 455.4 FY2016 **402.5** 479.6 335.7 Cumulative **434.3** 622.3 436.4 Individual Resort 2016 Highlight Angsana **140.3** 442.0 309.4 Laguna Phuket

## Greenhouse Gas Emissions

(Kilograms Carbon Dioxide equivalent per Guest Night)



## Group



### Individual Resort 2016 Highlight

	Maison Souvannaphoum	10				
Tioter by Arigsaria	Hotel by Angsana	-	0.8	8.2	5.7	

### Potable Water

(Litres per Guest Night)



decrease from 2015

## Group



## Waste Sent to Landfill

(Litres per Guest Night)



decrease from 2015

#### Group

Tengchong •

Hot Spring Village



\* At or better than Best Practice At or better than Industry Average

**572.0** 1808.0 1266.0

Scope: Group data includes all hotels listed as EarthCheck Certified (Gold or Silver) and EarthCheck Bronze Benchmarked on page 8, with the exception of 2016 data for Banyan Tree Ringha, Banyan Tree Macau, and Banyan Tree Seychelles.

Data Validation: For EarthCheck Bronze Benchmarked sectors, the data has been clarified and validated by EarthCheck; for EarthCheck Certified sectors (Silver or Gold), the data has been clarified and validated by EarthCheck and also verified by third-party auditors.

## Projects by Location

Safeguarding the environment is central to Banyan Tree's goal of sharing the original beauty of any of our locations with our quests. Numerous site and region specific initiatives seek to support and instil environmental awareness among our associates, our quests, and the local communities supporting our resorts.



## Tree Planting



#### Where

Bintan, Phuket, Koh Samui, Huangshan, Xi'an, Yangshuo, Tengchong, Chongqing, Hangzhou, Fuxian Lake, Luang Prabang, Bangkok

#### **Objective**

Raise awareness about climate change by planting trees.

#### Results

While the group wide Greening Communities initiative was placed on hiatus for 2016 to review monitoring of the program, many resorts conducted their own tree plantings with 3,330 community members, associates and guests planting 25,391 trees.

## Turtle and Stingray Awareness



#### Where

Bintan, Vabbinfaru, Ihuru, Velavaru, Phuket, Mayakoba

#### **Objective**

Promote oceanic conservation and awareness about turtle and stingray lifecycles.

#### **Results**

Over 5,348 guests took part in Turtle feeding (Bintan and Maldives) and Turtle measuring & cleaning sessions (Maldives) while some 13,714 people took part in Stingray feedings (Maldives). A further 2,282 guests, associates, and community members joined to release over 320 turtles in Bintan, Maldives, Phuket, and Mexico. All sessions included pre-activity briefings.

## Guided Walks and Tours



#### Where

Bintan, Koh Samui, Vabbinfaru, Ihuru, Mayakoba, Cabo Marqués

#### **Objective**

Promote conservation and allow guests to learn more about the local ecosystem in a more active manner.

#### Results

Over 8,040 guests took part in bird watching (Bintan, Koh Samui, Cabo Marqués), Citizen Science snorkelling surveys (Vabbinfaru, Ihuru), and land based guided hikes, walks, evening strolls, and sessions (Bintan, Koh Samui, Mayakoba).

## Guided Snorkeling and Reef Care



#### Where

Vabbinfaru, Ihuru, Velavaru, Koh Samui

#### **Objective**

Promote oceanic conservation, especially the importance of coral reefs in ocean habitats.

#### **Results**

Some 626 people took part in guided snorkelling sessions in Maldives and Koh Samui, with 190 guests, associates, and community members transplanting 6,545 pieces of coral broken off by natural tidal action and which otherwise would have died. Another 419 guests and associates took part in reef cleaning efforts on Vabbinfaru and Ihuru.

## Community Clean Ups



#### Where

Bintan, Phuket, Bangkok, Koh Samui, Luang Prabang, Lăng Cô, Macau, Ringha, Lijiang, Fuxian Lake, Hangzhou, Sanya, Tengchong, Chongqing, Yangshuo, Shanghai, Xi'an, Vabbinfaru, Ihuru, Velavaru, Mauritius, Mayakoba, Cabo Marqués

#### **Objective**

Help clean communities by removing trash.

#### Results

Over 51,380kg of trash was picked up from riverbeds, beaches and other locations in host destinations by over 4,670 associates, community members and guests. Angsana Tengchong Hot Springs Village accounted for over half of that total with weekly river clean ups and twice monthly road clean ups.

## Shark Conservation



#### Where

Vabinfaru, Ihuru, Velavaru

#### **Objective**

Monitor shark populations in Maldives to support healthy oceans as sharks are vital to ocean ecosystems.

#### Results

Banvan Tree Maldives Marine Lab recorded historical shark distributions through interviews of 34 former shark fishers and tracked current shark distributions through underwater video surveillance and quests' citizen science observations during recreational snorkelling and diving excursions, with guest observations contributing 436 sightings.





## Earth Hour and Earth Day Celebrations



#### Where

Bintan, Phuket, Hangzhou, Xi'an, Lijiang, Vabbinfaru, Ihuru, Koh Samui

#### **Objective**

Raise awareness for climate change via global celebrations.

#### **Results**

551 guests, associates and community members took part in activities commemorating Earth Hour and Earth Day, with Maldives adding World Biodiversity Day and World Environment Day celebrations as well.

## Resort Gardens



#### Where

Lăng Cô, Lijiang, Tengchong, Huangshan

#### **Objective**

Raise awareness about sustainable food sources and local ingredients.

#### Results

Some 425 guests and associates toured, tended or otherwise took part in on-property organic gardens, often also including follow up culinary demonstrations or classes for guests.

## Free Conservation Presentations



#### Where

Bintan, Vabbinfaru, Ihuru, Velavaru

#### **Objective**

Promote conservation and build awareness about the local ecosystem of the destination.

#### Results

Over 740 guests joined free briefings on conservation about Bintan Indonesia as well as the Indian Ocean and Maldives.

## Banyan Tree Labs and Partnerships

With a dual mission to support field research and increase awareness for ecosystems supporting tourism businesses, Banyan Tree Labs seek to not only unlock deeper knowledge of ecosystems, but to help visiting guests better understand and appreciate the host destination.

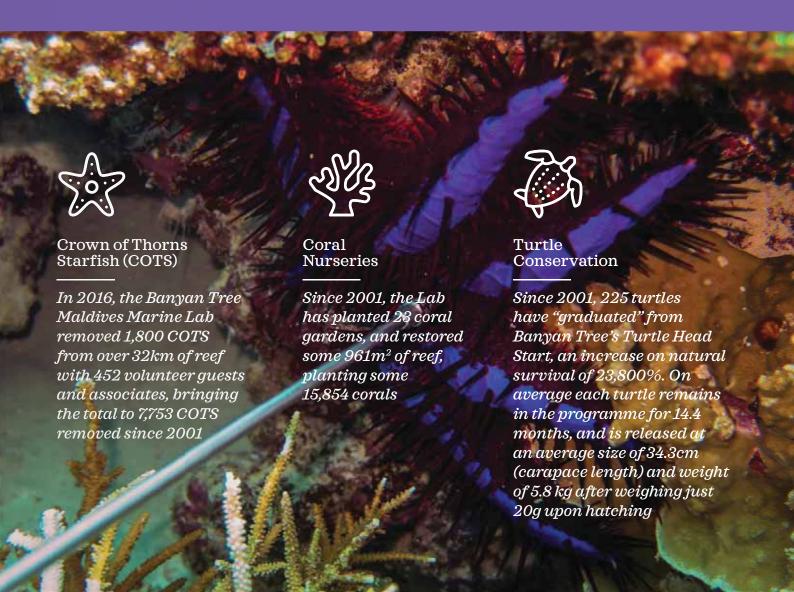
Launched in 2003 on Banyan Tree Vabbinfaru to provide visiting scientists with basic marine research facilities and support, the Banyan Tree Maldives Marine Lab became the first resort based research facility in the Maldives. In 2006, the Lab opened another branch on Angsana Velavaru, and in 2007 a sibling facility, the Banyan Tree Bintan Conservation Lab, opened to support both marine and terrestrial research in a coastal hillside forest in Indonesia's Riau Archipelago.





"... some of the best looking and most successful [reef] restoration I've ever seen anywhere in the world..."

**Professor Alasdair Edwards**Professor of Coral Reef Ecology,
Newcastle University School of Biology





## Coral Reefs

Among the most productive and biologically diverse ecosystems, coral reefs support the livelihoods of 275 million people worldwide. However, globally and increasingly widespread and severe natural and human impacts threaten coral reefs, making conservation efforts even more critical. Banyan Tree Marine Labs target coral reef protection by Reef Monitoring, Reef Restoration, and Reef Protection.

#### **REEF MONITORING**

In 2015, Banyan Tree Maldives Marine Lab initiated an annual assessment of 10 reefs in North Male Atoll, adding 8 more reefs from South Nilhande Atoll in 2016. Two years in, the surveys have revealed severe coral bleaching in 2016, with coral mortality up to 87% on some reefs.

#### REEF RESTORATION

Despite the coral bleaching in 2016, the Lab's coral reef restoration efforts since 2001 have proven that transplanting fragments of coral facilitates more rapid reef recovery. Coral nurseries set up by the Lab in 2015 can now rear nearly 1,000 corals to support low cost reef recovery by coral transplantation.

#### REEF PROTECTION

Voracious coral predators, Crown of Thorns Starfish (COTS) and outbreaks of them are one of the major threats to reefs in the Indo-Pacific. Rapid reaction to such outbreaks are vital, thus the importance of the Lab's citizen science efforts to monitor COTS sightings while guests snorkel and dive in the area.

## Turtle Conservation

Classified as endangered since 1986, Green sea turtles use the Maldives for breeding and nesting.

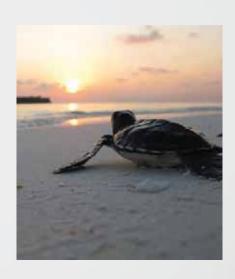
#### **AWARENESS**

Banyan Tree Maldives Marine Lab created, published, and distributes a Green sea turtle booklet in Dhivehi (Maldivian language) sharing the life cycle and plight of turtles in the Maldives. This complimentary publication has been disseminated to 26 islands in 26 atolls, and compliments the Lab's regular school

visits which amounted to 42 students learning about sea turtles in 2016.

#### TURTLE HEADSTART

With only 1 in 600 hatched Green sea turtles surviving in the wild, increasing survival rates of juvenile turtles by just a small amount may have a significant impact on adult populations. Banyan Tree Maldives Marine Lab takes a small proportion (10%) of hatchlings to join a Turtle Headstart program to increase survival in the vulnerable first year or two of life.



## Collaborations

Since founding, the Maldives
Marine Labs and Bintan
Conservation Lab have engaged
with, hosted, and otherwise
supported peers across
traditional industry boundaries
to unlock synergies, explore fresh
opportunities, and nurture mobility
of information and resources.

Partners have included nongovernment organizations like United Nations Development Program (UNDP); International Union for Conservation of Nature (IUCN); United Nations Educational, Scientific and Cultural Organization (UNESCO); Wildlife Conservation Society (WCS); 15 Universities from 11 countries; as well as leading experts in their respective fields such as Prof Wolf Hibburtz and Dr Tomas Goreau for electrified reef regeneration (1996-2001); Dr Nicholas Pilcher for

satellite tracking of turtles hatched in Maldives (2001-2004); coral spawning in Maldives with Prof Peter Harrison (2004-2008); Dr Graeme Gillespie to describe the herpetofauna of Bintan (2007); Prof Daphne Fautin to discover 9 species of anemone new to Maldives (2009); and Dr Kyle Morgan and Dr Paul Kench for parrotfish's role in creating coral islands in Maldives (2010-2011).

# Gallery, Spa, and MATTER

The company's three retail and wellness segments actively leverage their business conduct to not only provide valued products and services for guests and customers, but also to create value for communities of suppliers while safeguarding the latent value of the global ecosystem. Providing global touch points for guests of Cassia, Angsana, and Banyan Tree branded hotels, Gallery, Spa, and MATTER seek to retain meaningful connections with guests even after they've departed the resort, extending the lifestyle values of the Group's brands into guests' daily lives and homes.



## Banyan Tree Gallery

The Group's socially responsible retail arm, Banyan Tree Gallery is based on the concept of "retailing with a difference", supporting village-based craft with over thirty active communities in Asia through its sourcing strategy for its in-property boutiques.

Since the first Banyan Tree Gallery opened in Phuket Thailand in 1996, the retail arm has continually sought to reflect the beauty of the destination's culture while promoting and providing incomes for traditional and "vanishing" crafts. Gallery also provides design expertise, procurement, and logistical services for amenities at the Group's resorts, hotels, and spas while also developing proprietary spa products for retail and for use in spa operations.



76 outlets in 24 countries

One of the largest retail chains in hospitality



14 /

Community Collaborations

56 ongoing with 127 since founding



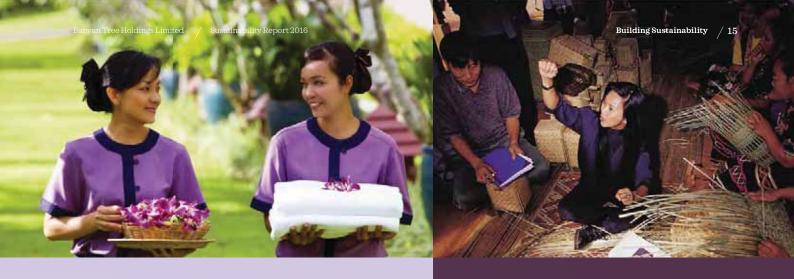
Women Empowerment

Commissioned over 100 products from women communities impacting 29 women communities across 7 countries



Voice for Ethnic Crafts and Culture

Helps conserve the culture and heritage of destinations while sustaining livelihoods and skills of artisans through gainful employment



## Banyan Tree Spa

As the first luxury oriental spa in Asia, Banyan Tree Spa combines an exotic blend of ancient health and beauty practices and reintroduces them through wellness therapies and natural home spa products.

The leading Asian spa operator and pioneer of the tropical garden spa, Banyan Tree Spa first opened in 1994 in Phuket, Thailand offering time-honoured Asian healing therapies and beauty remedies through its award-winning wellness therapies and spa products.

### Unique Sense of Place

A traditional therapeutic and soothing remedy, the Cajuput Oil used in Lăng Cô Vietnam Spa outlets is produced in the nearby communes of Loc Thuy and Loc Tien. Purchasing oil directly from producers more directly connects local businesses to benefits of international tourism while also introducing resort guests to the benefits of Cajuput Oil.

#### Nature Based Wellness

Made up of over 95% natural and over 80% fully biodegradable ingredients, each collection of retail spa products embodies over 100 hours of research, development, and testing.

#### **Empowering Employment**

With the vision of developing its own signature techniques, treatments, and training philosophy, Banyan Tree Spa Academy was launched in May 2001. Accredited by Thailand's Ministry of Education and Ministry of Public Health, the Spa Academy has been instrumental in Banyan Tree Spa entering the Travel Trade Gazette's Hall of Fame for winning the award for Best Spa Operator annually since 2004.

To commemorate the 20th anniversary of Banyan Tree Gallery, we produced a book titled "The Pride of Craft", paying homage to the artisan communities who have contributed their work over the years. The content is now featured in each of our rooms via the resort TV channel, conveying the importance of supporting community craft producers.

Sustainable Artisan Employment



Works with 977 artisans across 7 communities and 5 heritage fabric techniques

### MATTER

Gallery's in-house brand that collaborates with artisans and designers to reinterpret heritage prints, techniques and styles, producing modern apparel and textile products that appeal to the next generation of conscious consumers.

Founded in 2014, MATTER began with the intention to make where and why something is made, and by whom, matter. Acquired by Banyan Tree in 2016, MATTER retains its threefold mission to foster designer-artisan collaborations, inspire consumers to value provenance and process, and pioneer industry change and sustainability for rural textile communities.

## Workplace Diversity

Central to any sustainable business and empowerment effort is how a company treats its own community of internal stakeholders: associates/employees. Empowering associates via a sustainable workplace is the first step to engaging external communities.

## "Mrs and Mrs Banyan Tree"

Banyan Tree is proud to play a role in not only guests enjoying the romance of travel, but also helping serve as a catalyst for associates finding love and romance, becoming couples and starting on the journey of partnership with a significant other.

In Thailand alone, 49 people found their "other half" while both were under the employment of Banyan Tree. Many researchers have found that having a spouse, partner, or romantic interest at work can increase associate satisfaction and retention while also enhancing motivation, excitement, and even dealing with stress.



Mr and Mrs Banyan Tree: Mr Sakariya Jangwang (Steward, Banyan Tree Phuket) and Mrs Arisa Jangwang (Customer Service Representative, Laguna Golf Phuket), 3 children and 17 years married.



From Left to Right: Tanwa (3rd generation), Nim (2nd generation), Bew (3rd generation), and Prasit (1st generation).

## Three Generations enabled by Laguna Phuket

Twenty-seven years ago, a young man from Pasak town in Phuket joined Laguna Services Company (LSC) as a Heavy Machinery Mechanic. Prasit was his name and he supervised all the truck and tractor logistics at the Laguna Phuket construction site before any hotels existed. Over his years of work, he witnessed firsthand the creation of a tourism hub from an old abandoned tin mine.

Not only the place where he could build his career, Laguna Phuket was where Prasit felt he could build a family, starting a few years after joining the company. Recognising education as fundamental for prosperity as well as success and happiness, he enrolled his daughter, Nim, to study at Laguna Phuket Kindergarten (LPK). The three year course at LPK guided Nim to be free-spirited, yet grounded, and

overall self-reliant. Enjoying being close to her Dad, Nim cherishes the memories of her Dad dropping her off and picking her up every day, the absolute joy of riding on her Dad's motorbike to and from school in Laguna Phuket.

Fast forward to today, Nim is a mother of two – 10-year old Bew, and a 5-year old Tanwa. Bew finished her early formative learning years at LPK and is now enrolled in Thepkrasatri primary school. She often helps her younger brother Tanwa with his LPK homework. In his third and final year at LPK, Tanwa is now in a builder-creator phase, playing with jigsaw puzzles and building blocks, with thoughts of becoming a heavy machinery mechanic like his Grandfather.

From Prasit to Nim and on to Bew and Tanwa, the three generations of the family have been empowered by Laguna Phuket.

# Seedlings *Mentorships*



Launched in 2007 to nurture young people at risk of societal exclusion, Seedlings Mentorships is a two-phased programme aiming to provide young people with the motivation and means to complete their education in order to transcend the poverty cycle.



## 1. Mentorship

18 are mentored by volunteering associates



## 2. Scholarships

Structured topics help guide mentor-mentee interactions to reinforce communal values along four key areas:

O.....O....O....O....O....O

#### **Enviromental**

#### Academic **Interests**

Language

#### Health & Sports





work days provided for for young people

## Seedlings Cafe

A social enterprise eatery aiming to empower young adults via vocational training, Seedlings Café leverages Banyan Tree's Food & Beverage expertise to create a lasting positive impact upon host communities by providing vocational training and work experience for young adults at risk of societal exclusion.

#### 1. Selection

Young adults at risk of societal exclusion are reviewed for opportunities to enter the F&B industry.

#### 2. Training

F&B training is provided by hotel F&B departments while Training teams provide basic life skills training.

#### 3. F&B Internship at hotel

Training includes internships within hotel F&B outlets.



#### 4. Jobs

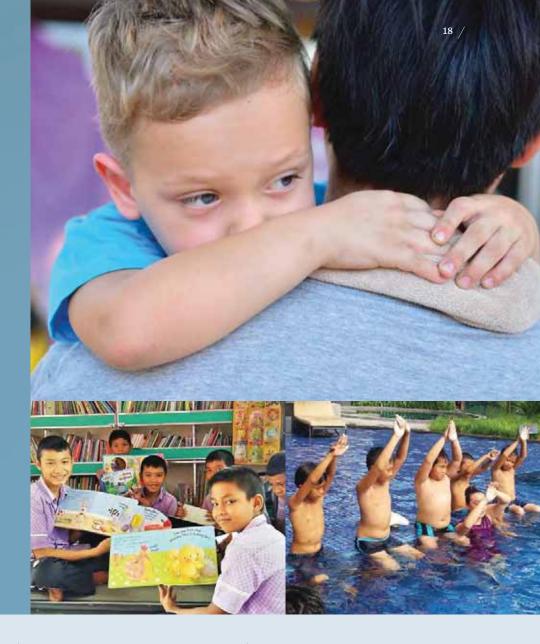
Graduates spend 9 months working at Seedlings Café before permanent job placement at local F&B outlets, including outlets beyond the hotel's operations.

## Education

Education is the key long term enabler for an individual's societal contribution, career and earning potentials, and overall empowerment.

To support education at the primary, secondary, and tertiary levels,

Banyan Tree has implemented various site and region specific efforts.



## Laguna Phuket Kindergarten



Established as a Child Care Centre in 1992 before formally converting to a kindergarten under the guidance of Thailand's Ministry of Education in 2008, Laguna Phuket Kindergarten is widely acknowledged as one of the best in Thailand.

#### Where

Phuket

#### **Objective**

Provide early childhood education supporting emotional and intellectual habits and skills for independent life-long learning.

#### **Results**

Enrolment of 173 children aged between ages three and six, with 12 certified teachers, and 11 guests and 27 associates volunteering as helpers for classes, including reading to the children during story time. Total enrolment since 2001: 3,214 students (with 814 having graduated from the three year programme).

### School Donations



Engage with local schools to provide support when possible, some opportunities allow guests to be a part of the support.

#### Where

Lăng Cô, Lijiang, Hangzhou, Chongqing, Tengchong, Cabo Marqués, Bintan

#### **Objective**

Provide needed supplies, infrastructure, or learning equipment to schools to enhance school children's education.

#### **Results**

20 guests and 16 associates helped provide clean water for a local school Vietnam; 14 guests and 6 associates donated benches and stationary to Wenhai Primary in China;14 associates donated school supplies to a hearing impaired school in Hangzhou, China; 3 quests and 20 associates provided snacks for 100 students and their parents at a special education school in Chongging, China; 73 guests and 70 associates combined to support a local autism school by helping the school move, support a young student facing especially difficult situation, and celebrate the year-end holidays together in Tengchong, China; 13 community members and 10 associates combined to prepare and paint a local kindergarten in Acapulco; and Bintan provided training for 7 kindergarten teachers.

## Scholarship



Direct assistance to enable young people to continue their educations.

#### Where

Phuket and Bintan

#### **Objective**

Provide educations for promising students who face difficulties in affording costs of school.

#### **Results**

Bintan provided 4 university scholarships for 4 Seedlings Mentorships young people while the Laguna Phuket Scholarship Program provided 16 students with scholarships of 89,500 Baht.

## Children's Day



Special recreational sessions to observe Children's Day.

#### Where

Koh Samui, Ringha, Lijiang, Cabo Marqués

#### **Objective**

To benefit and promote the welfare of children, especially via education.

#### Results

Some 62 associates spent Children's Day in Thailand, China, and Mexico playing games, sharing meals, and donating school materials to 453 school children.

## Laguna Phuket Community Learning Centre

Free English language training centre converted to support wider communal learning.

#### Where

Laguna Phuket, established in 2007 and expanded in 2014

#### **Objective**

Provide long term vocational and life skills training and community enrichment for those impacted by the 2004 Indian Ocean tsunamis.

#### Results

8,250 learners have participated in programs ranging from English language to Chinese culture, and from performance arts to general life skills.





## Summer Camp and More



**Educational and recreational** activities for school children.

#### Where

Lăng Cô and Xi'an

#### **Objective**

Provide fun and educational opportunities and activities for children during school holidays.

#### **Results**

3 associates and the 76 guests delivered two sessions of the "English is Fun" summer camp concept to 210 local children in Vietnam, while a summer camp play put on for 20 children from the Shaanxi' Aiding Centre led to Angsana Xi'an Lintong helping fund a heater for the center later in the year.

## Children's Safety



Train and educate school children in relevant safety matters.

#### Where

Lăng Cô and Mayakoba

#### **Objective**

Help increase water safety for children (Vietnam) and help prevent child abuse and trafficking (Mexico) by raising awareness in the community.

#### **Results**

6 associates and 14 guests taught first aid and swimming techniques to 29 local children Lăng Cô's annual Swimming for Safety in Vietnam, and 50 young people attended a "My Body is My Treasure" talk aiming to prevent child abuse and trafficking the year.

## Fully Booked! Mobile Learning Centre



A mobile classroom and library bringing learning and books to communities and schools around Phuket.

#### Where

Laguna Phuket since April 2014

#### **Objective**

Re-introduce reading, a basis of selfempowerment, to local community members who may lack adequate access to books.

#### Results

Over 1,100 students and 50 teachers in the Phuket and Pang-Nga areas benefitted from the weekly visits including sessions on Sufficiency **Economy Learning and English** language, with 11 guests serving as volunteer assistants.

# Community *Impact*

Enabling long term societal prosperity for communities is central to Banyan Tree's ability to create value for stakeholders. Our resorts have implemented numerous site and region specific initiatives addressing community empowerment issues identified by host communities.



## Feeding Communities Together



#### Where

Bintan, Phuket, Bangkok, Koh Samui, Luang Prabang, Lăng Cô, Macau, Ringha, Lijiang, Sanya, Tengchong, Chongqing, Xi'an, Huangshan, Maldives, Seychelles, Mayakoba, Cabo Marqués

#### **Objective**

Support and engage with communities by providing meals as either community celebrations or to underserved segments of the community.

#### **Results**

Over 10,117 meals were provided to community members ranging from rural schools to special needs schools and seniors.

## In Kind Donations



#### Where

Bintan, Koh Samui, Mayakoba

#### **Objective**

Support local communities via donation of goods and materials identified as needed by host destinations.

#### **Results**

Soap for Hope, Bintan- since starting in October 2016, 27 guests and 10 associates sanitized and pressed over 7kg of left over guest room soaps to create 46 bars of recycled soap that was given to 4 local junior and senior high schools in Bintan.

Other in kind donations- 88 guests, associates, and community members joined forces to collect and donate shoes and other clothes to underserved young people (Koh Samui), as well as

linens and towels to the Exceptional Children's Association, furniture to local churches and small businesses, meals to the Firefighters Academy, and refrigerators, sportswear, and sports equipment to local schools (Mayakoba).

### Blood Donations



#### Where

Phuket, Koh Samui, Lăng Cô, Mayakoba

#### **Objective**

Support community health and blood banks by organizing blood donation drives.

#### Results

965 associates and community members donated over 756 units (about 340,000ml) of blood to local blood banks in Thailand, Vietnam, and Mexico.

## Seniors Support



#### Where

Lăng Cô, Chongqing, Xi'an, Phuket

#### **Objective**

Support marginalized senior citizens within host communities.

#### Results

327 people supported senior citizens in need by monthly visits to seniors homes (Lăng Cô), donating meal and winter slippers (Chongging), gifts and home repairs (Xi'an), or sharing meals (Phuket).

## Health



#### Where

Lăng Cô, Koh Samui, Hangzhou, Xi'an, Macau, Mayakoba, Cabo Marqués

#### **Objective**

Enhance health care opportunities for vulnerable segments of communities.

#### **Results**

Some 5,921 guests, associates, and community members supported with efforts including art exhibition for young disabled artists (Lăng Cô); ongoing aluminum collection and monthly donations to the Prosthesis Foundation (Koh Samui); exhibitions of art from deaf-mute children (Hangzhou); fund raising for injured children and school expenses for children of injured community members (Xi'an); promoting good health and hygiene via United Nations International Yoga Day and Global Handwashing Day (Macau); pool parties for children with cancer and donations to homes for children with autism (Mayakoba); and fund raising for the Children's Rehabilitation Centers (Centro de Infantil Rehabilitacion) as well as for children with disabilities (Cabo Marqués).

### Volunteers



#### Where

Mayakoba

#### **Objective**

Empower the community by supporting those who personally volunteered in service to their communities.

#### Results

Hosted some 200 community members for the Playa del Carmen Ceremony recognising those volunteers who have given their time in service for the larger community.

### Children



#### Where

Lăng Cô, Seoul, Xi'an, Mauritius, Jiuzhaigou

#### **Objective**

Provide support to children of host communities as they develop into future leaders.

#### **Results**

Over 180 guests, associates, and community members collaborated

to provide clean drinking water to schools (Lăng Cô), support local child care centres with Kimchi making excursions and cleaning trips (Seoul), raise over 46,000RMB (just under US\$7,000) for a local Children's Welfare Institute (Xi'an). and share meals and activities with orphanage visits (Mauritius and even Juizhaiguo before it opened).

## Vocational Training



#### Where

Vabbinfaru, Velavaru, Xi'an

#### **Objective**

Provide young adults with vocational training and work experience.

#### Results

Provided 17 young adults with internships in various departments to give valuable workplace experience and training, including 1 converting to full time employment (Maldives) and some 100 associates providing undergraduates with internship training during university summer and winter breaks (Xi'an).



## Corporate Governance

In 2001, Banyan Tree set up the Green Imperative Fund (GIF) as a mechanism to provide critical financial support to worthy environmental action and community based projects where Banyan Tree has a presence.

At Banyan Tree branded properties, guests are invited to support these efforts via a small contribution of US\$2 per room night, under an "opt-out" arrangement. At Angsana and Cassia properties, the amount is US\$1 per room per night. Hotels then match these guest contributions, dollar for dollar. To further link the performance of the resorts with support for social and/or environmental efforts, each property seeks to maintain a contribution of at least 1% of its profit.

Each year, every resort is allocated their Autonomous CSR budget

amounting to 20% of their previous year's GIF mechanism collection and contribution. This fund can be spent at the complete discretion of the property's General Manager and CSR Champion with the following 3 prohibitions:

- purchasing turndown gifts for guests,
- · paying service charge to associates,
- · paying wages.

Projects eligible for funding are those which create value for communities or environmental issues around the group's properties whereby the primary beneficiary is external

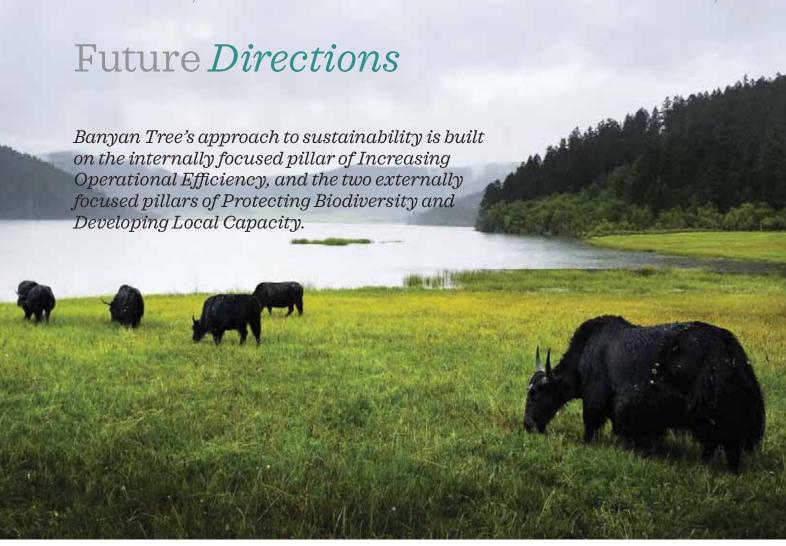
to Banyan Tree, with a maximum of 20% of the expense used for administrative purposes. A small portion can also be used for research and development as long as the results of such research are shared unreservedly and publicly.

Banyan Tree Global Foundation oversees the finances and allocation of these funds under its Singapore based Board of Directors:
Chairperson Ms Claire Chiang,
Co-Chairperson Mr Des Pugson, and Chief Financial Officer Mr Eddy See, and managed by Coordinating Director Mr Michael Kwee.

The contributions and disbursements in relation to all the funds tabled on the below are accounted for under Banyan Tree Global Foundation Limited, a company incorporated in 2009 as part of the ongoing effort to formalise Banyan Tree's sustainability efforts and structure. This entity is audited by Ernst & Young LLP, Singapore.

	2001 to 2015 US\$	FY 2016 US\$	Cumulative 2001 to 2016 US\$
Contributions			
Hotel guests	3,883,386	294,272	4,177,658
Hotel and resorts	4,453,668	395,089	4,848,757
Others including employees	1,323,983	_	1,323,983
<b>Total contributions</b>	9,661,037	689,361	10,350,398
Other income			
Bank interest	78,638	6,826	85,464
Disbursements			
Project related	4,519,632	272,823	4,792,455
General and administration	1,339,861	180,701	1,520,562 **
Total disbursements	5,859,493	453,524	6,313,017
Income tax			
Income tax expense	377	(53)	324
Surplus	3,879,805	242,716	4,122,521

<sup>\*\*</sup> Total cumulative general and administrative expenses is 14.69% of total cumulative contributions.



We remain committed to sustainability as a continual journey of improvements and progress towards creating value for multiple groups of stakeholders in order to Embrace the Environment and Empower People.

## Internal Focus, *Operations:*

We remain committed to efficient operations benchmarked against industry and certified to relevant leading tourism standards. We will continue expanding the number of vendor-partners taking part in our Sustainable Supply Chain approach while also seeking to better measure upstream impacts of our retail brands, Banyan Tree Gallery and its MATTER label. Under our Meet for Good platform, we will refresh our push for verified sustainable event venues. With the upcoming Singapore Exchange guidelines for sustainability reporting, we will also focus on the additional steps to reflect the spirit of the guidance.

## External Focus, *Environment:*

As have we firmly established our citizen science approach in Maldives, we will seek to expand these efforts to other resorts to support data capture from optional guest recreational activities. Since we expect 2017 to continue providing data for the Maldives Marine Lab's shark census effort, we are cautiously optimistic about achieving a sample size large enough to share with relevant bodies to help influence research as well as further conservation efforts.

## External Focus, Community:

We remain committed to developing capacity building programs in our community learning facilities and through vocational training in our social enterprises. We shall focus on children and disadvantaged segments in the community by addressing their basic material sustenance needs. The end goal is resourcing a host community that is better able to navigate future uncertainties and thrive towards a better future.



In line with Banyan Tree's continuing efforts to promote environmental sustainability, this report is a Forest Stewardship Council™ (FSC™) certified print job.

ABOUT THE FOREST STEWARDSHIP COUNCIL: The Forest Stewardship Council (FSC) is an independent, non-governmental, not-for-profit organisation established to promote the responsible management of the world's forests. For more information, please visit: www.fsc.org.





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