

The background image is a high-quality rendering of a modern living room. It features a large, light-colored sofa and several armchairs arranged around a central coffee table. The room has large windows with sheer curtains, a patterned rug, and a large, cylindrical pendant light hanging from a grid ceiling. The overall aesthetic is clean, bright, and professional.

Sustainability Report 2023

OUR VISION

The Group aspires to deliver memorable experiences for our guests and continue to grow responsibly and in a sustainable way.

OUR MISSION

The Group strives to satisfy and delight our guests, and understanding the opinions, needs and desires of our stakeholders in the development of our business strategy, products and services. We believe in conducting business with the highest level of integrity, respecting history and heritage, and maintaining high standards in every aspect of our business. These permeate throughout our governance and management values, and align with the principles of sustainability, so we may seek a positive social, economic and environmental benefit for our stakeholders and the local communities where we operate.

BOARD STATEMENT

The Board is committed to its sustainability efforts in addressing Environmental, Social and Governance, including those related to Climate Change, (collectively herein referred to as “ESG”) factors that are material to its business. In line with our sustainability vision and mission, we shall consider ESG factors material to the Group and stakeholders in the formulation of the Group’s strategy and work towards building a strong and sustainable business that will create value for all.

ABOUT IPC CORPORATION LTD

IPC Corporation Ltd ("IPC") was incorporated in Singapore on 8 May 1985 and has been listed on the Mainboard of the SGX-ST (Stock Code: AZA) since 21 May 1993. The businesses of IPC and its subsidiaries ("The Group") includes property investment and development as well as investment holding.

Over the years, the Group developed several projects in China and Japan. The Group's notable development projects include:

- Costa del Sol in Zhuhai, China, a residential cum commercial and a hotel project, that has a total gross build-up area of more than 170,000 square meters. The project was developed from 1997 and all the residential units were sold by 2008; and
- Residential condo projects in various locations in Japan (Tsukuba, Tsuchiura, Uruga, Tsukimino, Oppama and Oiso), were completed between 2009 and 2013, and all the apartment units were sold.

In the U.S., the Group transacted numerous single-family homes through the buy, rehabilitation and sell process from 2009 to 2012.

Concurrently in Japan, over a couple of years from 2010, the Group bought a total of 9 hotels, out of which 6 were rebranded under the "nest" hotel branding. The "Nest Hotel" trademark and name is registered and owned by IPC.

Following its divestment of 9 hotels in Japan in 2015, IPC has transformed its business model into an asset-light hotel management business, although the Group still owns a 217 room Grand nest Hotel zhuhai in China. Armed with an extensive experience in hotel management with a proven track record of optimised returns, the Group is well positioned to competently offer consultancy and advisory services with comprehensive feasibility studies and design for owners of existing hotels embarking on renewal or new hotels development.

Grand nest Hotel Zhuhai is located in Zhuhai Tangjia Bay, China; it faces the sea and offers a beautiful and unobstructed view of the Tangjia bay. The hotel has 217 rooms and MICE facilities. As of 31 December 2023, there were 72 full-time (54.17% were female and 45.83% were male) and 33 part-time (87.88% were female and 12.12% were male) employees working in Grand nest Hotel Zhuhai in China.

ABOUT THIS REPORT

Year 2023 saw China dropped all its domestic COVID-19 curbs and lockdowns. In addition, China fully reopened its borders to allow international travel and removed all quarantine requirements for overseas arrivals after a three year zero-COVID policy that shielded China's borders from the rest of the world.

Initially, after the removal of the domestic COVID-19 curbs, lockdowns and re-opening of borders, there were some sporadic resurgences of COVID-19 infections but none were as disruptive as in the previous years. We continue to remain vigilant and take action to prioritize the health and safety of our guests, business associates and employees by following cleaning and disinfection standards, and safety measures as per the Health Ministry's protocols and guidelines on cleanliness, hygiene and safety. We remain committed to providing our guests, business associates and employees with a clean and safe environment for them to stay, visit and work in.

We stay committed to our sustainability efforts in addressing ESG factors and we are pleased to present our seventh sustainability report for the fiscal year 2023 which was prepared with reference to the Global Reporting Initiative ("GRI") Standards, which is one of the most widely adopted global sustainability reporting framework. Additionally, we have undertaken an internal review of the reporting process to establish the accuracy and reliability of the data and narratives disclosed within this sustainability report. The relevant disclosures can be found in the GRI Content Index. In addition, the Task Force on Climate-related Financial Disclosures is included as an appendix to this report. The report reflects the operational performance of our Grand nest Hotel zhuhai in Zhuhai, China.

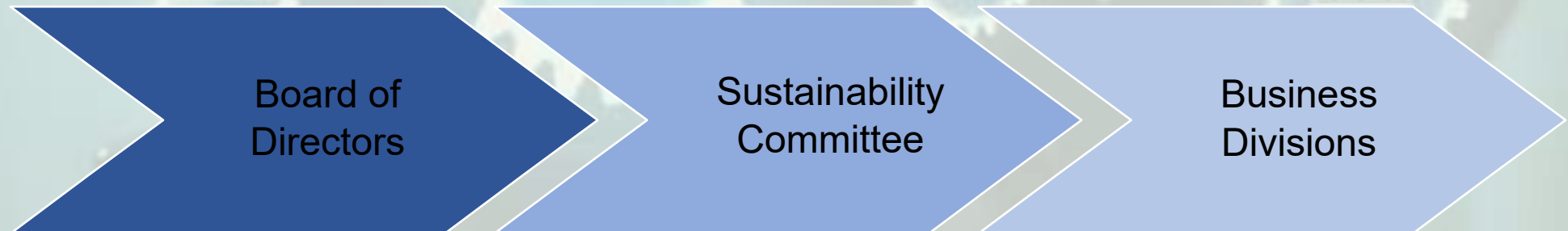
SUSTAINABILITY GOVERNANCE

The Board recognises the Group's duty to be a responsible business, the increasing stakeholders' interest in environmental sustainability, and our impact on the world around us is a key focus area. The Board has overall responsibility for climate-related matters, this reflects the importance of climate change in the Group's corporate strategy.

As we strive for a more sustainable future, the Board, together with the Sustainability Committee, set the directions and have oversight of the ESG objectives, policies, initiatives, evaluation of risks and opportunities, and formulation of the Group's strategy.

The Sustainability Committee, comprising of an Executive Director and employees from various departments, has supervision over and works with the business divisions which are responsible for identifying, assessing and implementing these ESG objectives, policies, initiatives, risks and opportunities, mitigation measures and strategy.

The Sustainability Committee is also responsible for providing ESG updates, including climate-related issues, evaluating sustainability-related operation improvement, reviewing sustainability performance, and sustainability reporting.



STAKEHOLDERS ENGAGEMENT

We continue to engage and consult with our key stakeholder groups with significant influence and interests in our business activities and identify ESG factors which are material to the Group and our key stakeholders.

We believe in regular engagement and consultation with our key stakeholders to better understand their interests and expectations to help anticipate and address ESG challenges, and bolster our sustainability efforts.

Key Stakeholders	Modes of Engagement and Consultation
Shareholders	<ul style="list-style-type: none"> • Annual General Meeting • Financial Reportings • Announcements • Corporate Website • Queries to Investor Relation Team
Board of Directors	<ul style="list-style-type: none"> • Induction and Orientation Programme for new Directors • Ongoing Communication • Board and Board Committees Meetings • Strategy Meetings • Site Visits
Employees	<ul style="list-style-type: none"> • Orientation Programme for new Employees • Training Programmes • Meetings • Survey, Feedback, Performance and Career Development Review
Guests	<ul style="list-style-type: none"> • Guest Feedback • Guest Satisfaction Survey • Websites
Business Associates (including Suppliers)	<ul style="list-style-type: none"> • Meetings • Visits • Conferences
Local Community	<ul style="list-style-type: none"> • Media Channels • Donations • Events and Sponsorships

MATERIALITY ASSESSMENT

As a result from the process of engagement and consultation with our key stakeholder groups, the following set out the priorities for the Group after consideration of reasonable estimation of ESG impacts, the interests and expectations of our key stakeholders:

Responsible Business: We strive to conduct our business with integrity in building a sustainable business that delivers long-term value and growth to all our stakeholders.

Environment: We strive to minimise our properties' operational impact on the environment through resource conservation and best practices.

- Energy
- Water
- Waste

Customer Privacy: With guests as our focal point, we strive to treat our guests' privacy and their data safely, respectfully and fairly.

Guest Experience: We aspire to deliver memorable experiences for our guests; we treat all feedback as important and track guest satisfaction data so as improve guest experience.

Human Rights: We strive to respect human rights in accordance to the UN Guiding Principles on Business and Human Rights (UNGPR). We treat and interact with all persons with respect, fairness, dignity and equality. By upholding human rights, we work to ensure fair jobs, promote and embrace inclusion and diversity within its business operations.

Code of Conduct: We believe that integrity, honesty and fairness are important elements in our business. The Code of Conduct sets out the standards of behaviour expected from our employees.

Occupational Health and Safety: As a caring host, it is our nature to care for and we strive to ensure the health and safety of our guests, business associates and employees who stay, visit and work at our properties.

Training and Education: A well-trained and professional workforce is key to ensure our business continuity. We are committed to the training and education of our employees and provide them with opportunities to develop personally and professionally.

OUR SUSTAINABILITY JOURNEY

We take pride in creating memorable experiences in our hotel while operating sustainably and creating economic opportunity wherever we do business.

We are committed to making a difference in the communities where our guests and colleagues live, work and play. We continue to work diligently to minimise the environmental impact on our hotel and we stress the importance of being a responsible business and follow the principles of sustainability across our operations.

We seek creative and innovative ways to meet the needs of our guests while maintaining high standards in every aspect of our business, from environmental to social sustainability.

As we embark on this journey, we strive to continuously identify, address and manage key material ESG factors of the business and shall review them on an ongoing basis, so as to help achieve and build a sustainable business for the interests of all our stakeholders over the long term.

RESPONSIBLE BUSINESS

Our commitment to serve our guests, business associates, the environment and communities is an important part of our company culture and is integrated into how we do business. The Group applies the following principles to the work we do in building a sustainable business that deliver long-term value and growth to all our stakeholders.

Guiding Principles:

- **Responsible Business:** Conduct business in a manner that is honest, fair, transparent, environmentally responsive and ethical.
- **Integrity:** Embed integrity into our decisions so as to align with our strategic goals and benefit our stakeholders and the environment.
- **Equality and Respect:** Conduct business with ethical conduct, which support equality and respect.
- **Focus on our People:** Provide our people with opportunities to succeed, grow and give back to their communities.
- **Innovation:** Use dynamic thinking and innovative technology to enhance the memorable experience, while adapting and responding to the changing market and global environmental issues.
- **Resource Efficiency:** Minimise the negative impact of our operations.
- **Sustainable Growth:** Grow our operations in a sustainable manner that benefit the environment for years to come.

We strive to work towards continued growth of the business with the highest standards of principled and ethical approach. We shall have non-tolerance of anti-competitive behaviour and shall not condone such actions by employees. We aim to ensure our business practices are compliant with applicable laws and regulations as these laws and regulations are designed to promote competition and protect consumers.

Employees must not propose or engage in any formal or informal arrangements, understandings or communications with competitors or potential competitors on sensitive issues related to competition:

- Control, fix or stabilise room, banquet and services prices or discounts
- Control, fix, or stabilise wages, benefits or other compensation for employees, suppliers or contractors
- Target certain group of guests, suppliers or contractors
- Share non-public, price-related, occupancy-related or any confidential information with competitors
- Any arrangement with suppliers, contractors or customers that may improperly restrict competition

** Target

- No breaches of applicable laws and regulations related to anti-competition.

Additionally, the Group strives for responsible business practices across its supply chain and encourage our business associates to prioritise on their ESG factors and ensure their business practices are in compliance with applicable environmental and social laws and regulations. The Group has incorporated environmental and social considerations into its procurement and assessment practices when considering working with new business associates and when reviewing existing business relationships with business associates. The Group prioritises business associates whom are more environmental and socially responsible, and comply with applicable laws and regulations.

ENVIRONMENT

The Group is committed to environmental protection and sustainability. We strive to minimise our properties' operational impact on the environment through resource conservation and best practices.

In delivering this commitment, our goals are to:

- Educate and inspire our guests and business associates to conserve and preserve.
- Work diligently to minimise our waste stream and conserve natural resources, particularly through energy and water conservation, minimise usage of single-use plastics and recycle waste.
- Address environmental challenges through energy and water conservation best practices.
- Value the natural and cultural heritage of our properties, allowing us to give our guests an authentically local experience.
- Comply with all applicable environmental laws and regulations and strive to follow best environmental practices.
- Make environmental considerations an important aspect of decision-making.
- Consider the opinions and feedback of our guests when examining our environmental programs and procedures.

** Targets:

- To continue exploring energy and water conservation practices to reduce energy and water consumption across the properties.
- Not to offer plastic straws, not to use single-use plastic stirrers, cutlery, cups, bowls and plates (unless guests specifically ask for them) at the restaurant, bar and rooms.
- Recycle waste to reduce total waste-to-landfill by sorting waste into recyclables and non-recyclables.

Environmental Sustainability:

Responsible management of natural resources in our hotel operations is a part of our business. With the changing climate and increased stresses on natural capital and resources, an ever-growing number of guests, business associates and stakeholders want to be informed about and engaged in our efforts to operate our hotel more sustainably and our climate-related risks mitigation strategies.

Energy

We work to reduce energy intensity at our hotel through identifying and implementing best practices at the property level; besides using energy efficient lighting and equipment, we are committed to making our properties as energy efficient as possible.

Examples of Energy Conservation Practices:

- Use low energy light bulbs, such as florescent and LED, wherever possible. These bulbs use up to 80 percent less energy than incandescent light bulbs.
- During room cleaning and turnover, open curtains whenever possible to let sunlight in the rooms during the cleaning work, so that a lamp should be lit only in dark areas, such as a bathroom.
- Keep windows closed and curtain drawn. The ingress of hot air during the summer and cold air during the winter contribute to significant waste of energy.
- Turn off room's lights, appliances, aircon, heaters, etc. when not physically occupied.
- Educate guests and staff to turn off lights and appliances when not in use in rooms and public areas.
- Front Desk staff book rooms in clusters, so that only occupied building areas or wings need to be heated or cooled. Rooms on top floors, at building corners, and facing west (in summer) or north (in winter) can be the most energy-intensive to heat or cool; therefore, consider renting them last.

- During lower occupancy period, try to block complete floor. If this is not practical, attempt should be made to block total wings of each floor.
- Lobby main entrance doors are not to be kept opened unduly. A door opening will result in ingress of hot air during the summer and cold air during the winter, thus contributing to significant waste of energy.

Water

In the pursuit of water conservation at our hotel, we have identified and implemented best practices to enhance the efficient use of water at the hotel we manage; besides using low-flow faucet and toilet fixtures, etc. to reduce water usage.

Examples of Water Conservation Practices:

- Ensure that staff are trained to know how to prevent excessive water usage while cleaning. For instance, they should know how many times they should flush the toilet, to mop rather than hose the floor, not to leave the taps running when carrying out cleaning.
- Use of low flow shower heads. These provide a good quality shower experience while using only 10 litres per minute.
- Use of low flow faucets. These typically have a maximum flow of 4 to 6 litres per minute.
- Use of low flow toilets. These toilets can use up to 80 percent less water than conventional toilets.
- Implementation of re-use of linen/towel program where guests are informed that we will not change linens or towels daily unless they request the service.
- Routinely check for leaks and fixing them in a timely manner.
- Pre-soaking utensils and dishes before washing.
- Wash vegetables and fruits in a sink of water rather than using running water to rinse.

Waste

We work to reduce waste intensity at our hotel through identifying and implementing best practices at the property level.

- a. We understand plastics accumulating in our oceans and on our beaches have become a global crisis. Billions of pounds of plastics can be found in swirling convergences that make up about 40 percent of the world's ocean surfaces. At current rates plastics are expected to outweigh all the fish in the sea by 2050.

In joining the global fight against plastics use, we have committed to the following as part of our continuous journey to undertake sustainable practices to reduce plastic waste:

- use dispensers for soaps and shampoos in bathrooms.
- not to offer plastic straws, not to use single-use plastic stirrers, cutlery, cups, bowls and plates (unless guests specifically ask for them) at the restaurant, bar and rooms.

b. The rise in waste will reach 3.4 billion tons by 2050 from around 2 billion tons in 2016, with more than a third of waste globally ending up in landfill. A booming waste burden could also contribute to climate change impact, with the treatment and disposal of current waste levels generating around 5 percent of carbon emissions.

We have committed to the following as part of our continuous journey to undertake sustainable practices to manage waste to reduce total waste-to-landfill:

- having recycling bins in common and/or public areas
- sort waste into recyclables and non-recyclables

CUSTOMER PRIVACY

We respect our guests' privacy and are committed to treat our guests' personal information safely, respectfully and fairly based on the following principles:

Guiding Principles:

Transparent collection and choice

- We will try to explain what personal information is to be collected and give a choice when appropriate.

Don't collect more than we need

- We only collect personal information that is essential for us to serve the guest and if the laws require us to do so.

Use of data

- We will try to explain what we use the personal information for.

Limited sharing of data

- We only share personal information with authorized third parties, we provide them with only the necessary information for them to complete their functions so that we may deliver or fulfil a service to the guest; except for cases where we are required or authorised by law.
- We do not sell personal information to third parties.

Security

- We take reasonable precautions to protect the security of the data collected. These include the security of the information stored on computers or in offices or archives and to prevent unauthorised access, modification, use or disclosure, and back-up systems to prevent accidental or malicious loss of data or information.

How to address concerns

We provide an avenue where the guest can write to us to address concerns over personal information collected. All concerns shall be dealt with promptly and in a fair and impartial manner.

** Target:

- No data breaches.

GUEST EXPERIENCE

We aspire to create a memorable experience for our guests as it will enhance our brand loyalty and with positive guest experience, it will resonate far beyond the duration of their stay.

Guiding Principles:

Friendly and Courteous

- Friendly and courteous service assures guests that they can relax and enjoy their stay, and makes guests feel appreciated and encouraged to return.

Knowledgeable

- Guests often request information about specific items, hotel staff who are knowledgeable can provide the help they need.

Knowing your Guest

- Guest experience improves when you know your guest. Knowing the needs of the guest, and to deliver consistently and efficiently on those needs can create overwhelming guest experience and loyalty.

Consistent and Efficient

- Consistent and efficient service will make guest feels at ease and assure a positive experience.

Communication

- The art of communication consists of providing just the right amount of information exactly when it is needed.

Trust

- A state of trust must be established between the hotel staff and the guest. A bond of trust is central to return business.

Exceed Expectation

- A returning guest expect the same or better level of service each time they visit. The best service is constantly improving service.

Address Guest Complaints Promptly

- Service recovery is the last line of defence to the service to the guest. By addressing complaints promptly, fairly and impartially, it could make the difference between a positive and negative guest experience.

To ensure continuous improvement in providing excellent service to our guests, we make it a point to connect with our guests on a personal level and pay close attention to our guest feedback and guest satisfaction data. We obtain feedback and satisfaction data from guests in numerous ways:

- feedback and satisfaction questionnaires
- email
- verbal communication

We are committed to treat all feedback as important to us and we shall analyse feedback, guest satisfaction data and other relevant data to guide future decisions at our property and consider the improvements we could make in the future based on these data; this is to enable us to make the best decisions and use our resources productively so as to show our guests that we genuinely value their inputs.

** Target

- To achieve an average guest satisfaction score of 70% or higher.

HUMAN RIGHTS

At the Group, we strive to respect human rights in accordance to the UN Guiding Principles on Business and Human Rights (UNGPR). We treat and interact with all persons with respect, fairness, dignity and equality. By upholding human rights, we work to ensure fair jobs, promote and embrace inclusion and diversity within its business operations.

Guiding Principles:

- Equality and Respect

Treat and interact with all persons with respect, fairness, dignity and equality.

- Diversity

Embrace our employees' race, religion, gender, age, disability and other characteristics. The diversity of individual differences, life experiences, knowledge and capabilities help improve the quality of decision-making and thus enhance our capacity to create value.

- **Discrimination or Other Unreasonable Treatment**

Non-tolerance of any abuse, violence and discrimination. These include threats, bullying, ridicules, treat others in an unreasonable manner on the basis of race, religion, gender, age, disability or any other characteristics protected by applicable laws and regulations.

- **Harassment**

Non-tolerance of any actions related to physical or mental distress or harm, such as unwanted sexual advances, sexual innuendoes and antagonistic behaviours.

- **Forced Labour and Child Labour**

Non-tolerance of any forced labour or child labour, including slavery and human trafficking.

- **Privacy and Personal Data**

Respect the privacy of all persons and take reasonable precautions to protect the security of the personal data according to the applicable laws and regulations.

- **Fair Jobs**

Ensure fair jobs, compensation and benefits in compliance with applicable labour laws and regulations, and free from discrimination, where everyone has the right to freedom of association and equal opportunities to develop.

- **Safe and Healthy Environment**

Provide a safe and healthy environment and comply with applicable health and safety laws and regulations for all who stay, visit and work at our property.

- Reporting of Concerns, Grievances and Violations

Provide avenues to report or feedback concerns, grievances and any observed or suspected violations of policies or the laws and regulations. All reports shall be dealt with promptly and investigated in a fair and impartial manner; and non-tolerance of any retaliations toward individuals who have raised such concerns, grievances or violations in good faith.

**** Target**

- No breaches of applicable laws and regulations related to forced labour or child labour, slavery and human trafficking (collectively herein referred to as “Exploited-Labour”).

CODE OF CONDUCT

At the Group, our values and principles define who we are and how we do business. We believe that acting responsibly and ethically, with integrity, honesty and fairness are important elements in conducting our business. The Code of Conduct sets out the guiding principles for business conduct expected from all our employees.

Guiding Principles:

Employees Responsibility

- All employees shall comply with the Group’s Code of Conduct, policies and processes; abide with applicable laws and regulations.

Bribery, Illegal Commissions and Gifts

- It is an offence for any employee to solicit money, loan, fee, reward, gift and any favour (collectively referred to as “Personal Advantage”) from guests, partners, suppliers or any person in connection with the Group’s business.

Loans

- An employee or his/her immediate family should not accept, offer or be a guarantor for a loan to, or accept a loan from any person or company having business dealings with the Group, except for normal loans from banks or financial institutions made at the prevailing interest rates and terms.

Use of Proprietary Information

- Employees are not allowed at any time to disclose any proprietary information to a third party without permission. Such information may relate to the Group's operations including strategies, sales and marketing plans, new products/services, financial information, clientele database, copyrighted materials, etc. It is the responsibility of each employee who has access to or is in control of such proprietary information to provide adequate safeguards to prevent its abuse or misuse. Examples of misuse include use or disclosure of information in return for monetary rewards, for personal interest and/or to act against the Group's interest.

Insider Trading

- It is illegal, unethical and strictly prohibited for employees to make use of insider information, which has not been made public, to secure Personal Advantage at the expense of the Group.

Misuse of Company Assets and Resources

- The appropriation of the Group's properties, including finished/unfinished goods, by employees for personal use or gain is a crime of theft; the culprit liable for dismissal and prosecution.

Handling Conflict of Interest Situations

- 'Conflict of interest' situations arise when the employees' personal interests compete or conflict with the Group's interests. Employees should take it as his/her personal responsibility to avoid engaging in situations that may lead to or involve conflict of interest when dealing with customers, suppliers, contractors and colleagues, etc.

Workplace Harassment, Abuse, Violence & Discrimination

- The Group will not tolerate workplace harassment, abuse, violence and discrimination of any kind. These include unwanted sexual advances, sexual innuendoes, threats, bullying, ridicules, treat others in an unreasonable manner on the basis of race, religion, gender, age, disability or any other characteristics protected by applicable laws and regulations. Any behaviour, communication or actions that may create an environment that is offensive, intimidating or hostile; or interferes with any employee's ability to perform his or her tasks, is not acceptable.

Social Media

- Employees must not make use of social media to harass or discriminate against guests or co-workers. When posting about the Group, you must be transparent and disclose your relationship to the Group. You must not post on behalf of the Group concerning the Group's official position on any topic unless you are authorized to do so.

Outside Employment

- Employees should not take up concurrent employment, either part-time/regularly or on a consulting basis, without the prior written approval from the Human Resources department.

Protecting the Environment

- Protection of the environment is a top priority for the Group. Responsible environmental activities are good for both our business and the communities we serve. The Group is committed to complying with all applicable environmental laws and regulations where we do business. All employees are to properly handle, store and dispose of all materials and wastes in accordance to applicable environmental laws and regulations.

Reporting of Violations

- Employees are responsible to promptly report, any observed or suspected violations of the Code of Conduct, policies or the laws and regulations, to the Manager of the Human Resources department. All reports shall be dealt with promptly and investigated in a fair and impartial manner.

We are committed to ensure all employees act responsibly and ethically, with integrity, honesty and fairness at all times as these are important elements in the way we conduct our business.

** Target

- Zero cases of employee soliciting Personal Advantage

OCCUPATIONAL HEALTH AND SAFETY

As a Group and as a caring host, it is our nature to care for the health and safety of our guests, business associates and employees. The Occupational Health and Safety sets out the guiding principles to ensure the health and safety for all who stay, visit and work at our properties.

Guiding Principles:

Safe Environment

- Provide and maintain a working environment that is safe and free of risks to health, so far as is reasonably practicable, for employees, in accordance to applicable health and safety laws and regulations.
- Conduct cardiopulmonary resuscitation (CPR) and first aid training for designated employees; e.g.: on how to respond to cardiac and breathing emergencies in adults and common first aid emergencies in the workplace.

Responsible Conduct

- Ensure that the conduct of the business does not endanger those who visit or work at our properties.

Training and Supervision

- Provide training to and supervision of all employees to enhance their competence and awareness on workplace health and safety.

Employees Responsibility

- Each employee is responsible for understanding and complying with all applicable safety and health laws and guidelines. Employees are also responsible for identifying and responding to health and safety hazards and security concerns. Any lapses are to be reported immediately. All reports shall be dealt with promptly and investigated in a fair and impartial manner.

Consult and Identify

- Involving and consulting with employees in identifying and controlling health and safety related issues to make it a safer workplace for all.

Maintenance of tools and equipment

- Provide employees with safe and well-maintained tools and equipment to operate with or on.

Drills

- Conduct drills for potential emergency situations, including, but not limited to medical emergencies, hurricanes, fires and lift breakdowns.

Review

- Regular review of workplace policies and work processes to ensure they stay relevant, effective and meeting objectives.

We are committed to the health and safety of our guests, employees and those who visit our properties. Providing a healthy and safe environment supports our vision to deliver memorable experiences for our guests and to protect our employees from harm; including non-tolerance of violent conduct or threats of violence among our employees.

**** Targets:**

- Zero cases of workplace fatality.
- Minimising the number of workplace injuries.
- Minimising the number of lost days related to workplace injuries.

Our COVID-19 Response

The lingering impact of the COVID-19 pandemic continues to affect the way we live and work; and life has yet to return to normal.

We continue to take actions to prioritise the health and safety of our guests, business associates and employees; and we take proactive stringent measures to maintain high standards of health, safety and hygiene at all times, in line with the Health Ministry's protocols and guidelines on cleanliness, hygiene and safety.

The following are some of the measures undertaken:

- Health and Travel Declaration Forms for all check-in guests and business associates
- Temperature check for all guests, business associates and employees
- Hand sanitisers in the hotel's public areas

- More robust cleaning and disinfection standards
- Increase in frequency of cleaning and disinfection of high-contact points
- Social distancing
- Capacity restriction
- Wearing of masks
- Disinfection kits and masks are available for guests and employees
- Remind all to practice good personal hygiene
- Employees are provided with adequate training and re-training to adhere to protocols and guidelines

We remain committed to providing our guests, business associates and employees with a clean and safe environment for them to stay, visit and work in.

OUR PEOPLE

At the Group, we believe in employing and retaining talented people; and providing them with quality training so as to be able to deliver top-notch quality service to and create a memorable experience for our guests; with positive guest experience, it will enhance our brand loyalty.

We engage our employees in a number of ways, including meetings, surveys, reviews and feedback. We are aware of the issues that concern them such as fairness and equality, inclusion, well-being, training and development. The Training and Education sets out the guiding principles in the areas of training for our employees:

Guiding Principles:

- Orientation

Training begins with orientation. An orientation session introduces new hires to our vision, mission culture, values, policies, practices, guidelines, duties, responsibilities and performance standards.

- Skills Proficiency

Strive for high proficiency by developing competency in all areas of our work through personal and professional training.

- Customer Service

Provide remarkable service that is welcoming, friendly, courteous, knowledgeable, efficient, well-timed, flexible, consistent, communicates effectively, instil trust and exceeds expectations.

- Corporate citizen

Conduct our business in a socially responsible and ethical manner, respect the laws and regulations, respect others, protect the environment, and benefit the communities where we work.

- Professional Ethics

Instil professional conduct in all aspects of our business: respect, integrity, honesty and fairness.

- Leadership

Recognizing a leader's job is a vehicle for maximizing their team members' effectiveness; and shall:

- Be giving of ourselves as leaders.
- Make all managerial decisions by going through proper consideration (e.g. ethics, feasibility, legality, impact).

- Be consistent in our decision-making process.
- Maximize our resources, both human and capital.
- Hold employees responsible for their actions.
- Recognize employees on the basis of their performance.

- Teamwork

Maintain an environment that promotes constructive and effective communication throughout the organization, sharing of opinions, respect for diversity of opinions, participation and cooperation.

- Shadowing

Arranging for new hires to shadow more experienced colleagues as part of a low-pressure environment for their on-the-job training process.

Health and Safety

- Maintain an environment that minimises danger, risk, or injury; and trainings are conducted to ensure high standards of health, safety and hygiene at all times, in line with the Health Ministry's protocols and guidelines on cleanliness, hygiene and safety.

A well-trained and professional workforce is key to ensure our business continuity. We are committed to the training and education of our employees and provide them with opportunities to develop personally and professionally.

** Target:

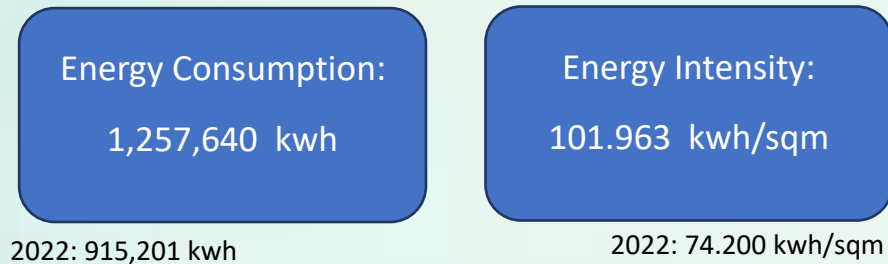
- To achieve a minimum 30 hours of training per employee per year.

PERFORMANCE

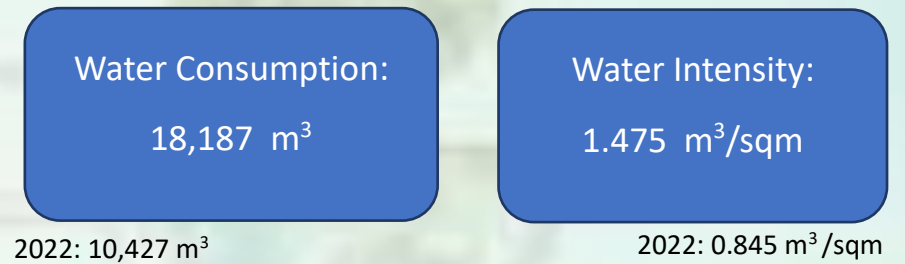
In 2023:

A. Environment

- **Electricity:** The absolute energy consumption for the hotel operations totalled 1,257,640 kWh; and the Energy intensity is a normalised measure of energy intensity per sqm was 101.963 kWh.



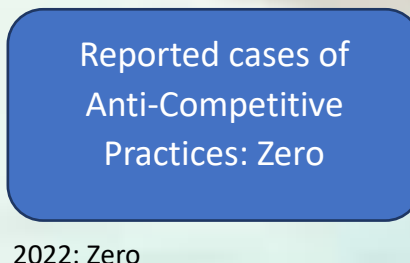
- **Water:** The absolute water consumption for the hotel operations totalled 18,187 cubic metres; and the Water intensity is a normalised measure of water consumption per sqm was 1.475 cubic metres.



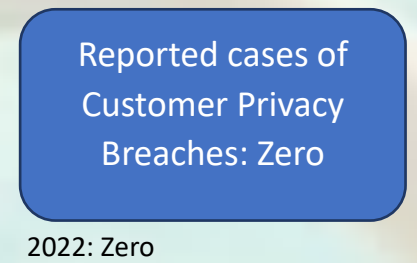
- **Waste:** The absolute waste generated was 51,679 Kg; and the absolute waste recycled was 382 Kg.



B. Responsible Business



C. Customer Privacy



** Increase in energy/water consumption and waste generation were due to higher hotel occupancy after China dropped all its domestic COVID-19 curbs and lockdowns; as well as fully reopened its borders to allow international travel and removed all quarantine requirements for overseas arrivals

**Target: Zero breaches related to Anti-Competition

**Target: Zero breaches related to Customer Data

D. Guest Satisfaction Score

Guest Satisfaction Score:
81.25 %

2022: 77.11%

**Target: Minimum of 70%

E. Human Rights

Reported cases of
Exploited-Labour
Practices: Zero

2022: Zero

**Target: Zero breaches related to
Exploited-Labour

F. Code of Conduct

Employee soliciting
Personal Advantage
cases: Zero

2022: Zero

**Target: Zero cases of employee
soliciting Personal Advantage

G. Occupational Health and Safety

Workplace
Injuries: Zero

2022: 1

Workplace
Fatalities: Zero

2022: Zero

H. Training and Education

Per Employee:
32.90 Hours

2022: 34.79 Hours

Number of Lost
Days: Zero

2022: 7

Per Female Employee:
34.15 Hours

2022: 37.58 Hours

Per Male Employee:
31.42 Hours

2022: 31.61 Hours

*Number of Lost Days due to work-related injury.

**Target: Zero cases of Workplace Fatality

* Average training hours per employee.

**Target: Minimum of 30 hours of training per employee/year

CONTACT US

We hope you find this report informative, and we welcome your questions, input and views:

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THANK
YOU!

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2-14	Role of the highest governance body in sustainability reporting	IPC Annual Report 2023: Page 11, 15 and 16 (Available for download from https://www.ipc.com.sg/Financial.php)
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*This topic is an additional topic to this reporting disclosure

APPENDIX A

Task Force on Climate-Related Financial Disclosures 2023

INTRODUCTION

The Group recognises that our planet is an invaluable asset with finite resources and critical to our long term growth. Building on our existing Responsible Business guiding principles, we prioritise to act responsibly to minimise our impact. This Task Force on Climate-Related Financial Disclosures (TCFD) 2023 report represents the next step of our journey on improving our sustainability and transparency as a business. We believe such disclosures are essential for our stakeholders to understand our activities and progress in managing climate-related risks and opportunities.

GOVERNANCE

Disclosure	Response
	<p>The Board is committed to its sustainability efforts in addressing Environmental, Social and Governance, including those related to climate change, (collectively herein referred to as “ESG”) factors that are material to its business. In line with our sustainability vision and mission, we shall consider ESG factors material to the Group and stakeholders in the formulation of the Group’s strategy and work towards building a strong and sustainable business that will create value for all.</p>
Board oversight of climate-related risks and opportunities	<p>The Board recognises the Group's duty to be a responsible business, the increasing stakeholders’ interest in environmental sustainability and our impact on the world around us is a key focus area. The Board has overall responsibility for climate-related matters, this reflects the importance of climate change in the Group’s corporate strategy.</p> <p>As we strive for a more sustainable future, the Board, together with the Sustainability Committee (herein referred to as “SC”), set the directions and have oversight of the climate-related objectives, policies, initiatives, evaluation of risks and opportunities, and formulation of the Group’s strategy.</p> <p>* Please refer to the Annual Report for information on the Board of Directors, Audit Committee, Nominating Committee, Remuneration Committee and Corporate Governance</p>

Management's role in assessing and managing climate-related risks and opportunities

The SC, comprising of an Executive Director and employees from various departments, has supervision over and works with the business divisions which are responsible for identifying, assessing and implementing these climate-related objectives, policies, initiatives, risks and opportunities, mitigation measures and strategy.

The SC is also responsible for providing ESG updates, including climate-related matters, evaluating sustainability-related operations improvement, review sustainability performance, and sustainability reporting.



STRATEGY

Disclosure	Response	Physical Climate Risk	Transitional Climate Risk	Opportunities
<p>At the Group, we understand that the way we do business can significantly impact the world around us. We also know that climate change can impact our business model and financial planning. Assessing these impacts and how we can mitigate them are and will continue to be areas of focus and in the formulation of the Group’s strategy and work towards building a strong and sustainable business to enable us to deliver long term value for all our stakeholders.</p>				
<p>Climate-related risks and opportunities identified over the short, medium, and long-term</p>	<p>The Group takes into consideration climate risks and opportunities up to 10 or more years into the future. We use the following time horizons to identify climate risks and opportunities: Short-term (<5 years), Medium-term (5-10 years) and Long-term (>10 years)</p>			
	<p>Short-Term and Medium-Term</p>	<p>Acute</p> <ul style="list-style-type: none"> • Extreme weather events such as hurricanes, floods, droughts and fires • Increased variability in weather patterns for additional heating and cooling days • Increased water stress areas 	<p>Policy & Legal</p> <ul style="list-style-type: none"> • Increased regulations mandating low carbon practices, energy efficiency, energy sources, equipment specifications and additional processes • Exposure to carbon pricing • Increased requirements for ESG disclosure and actions <p>Market</p> <ul style="list-style-type: none"> • Cost to manage shift in consumer preferences <p>Reputation</p> <ul style="list-style-type: none"> • Reputational perception impact if not seen to be doing enough 	<ul style="list-style-type: none"> • Increased building and operating efficiencies • Building resilience investment measures • Preference by and access to consumers prioritizing sustainable hotel operations

	Long Term or Unknown	<p>Chronic</p> <ul style="list-style-type: none"> • Higher temperatures and increase frequency of extreme temperatures • Sea level rise 	<p>Technology</p> <ul style="list-style-type: none"> • Increased costs and shifts to adapt to net-zero expectations and legislation • Increased capital investments and costs from systemic change in energy infrastructure, energy sources and building equipment 	<ul style="list-style-type: none"> • Low carbon products and services • Increased long term asset value from efficiency, resiliency, and low-carbon attributes
Disclosure	Response			
Impact on business, strategy and financial planning	Business Impacts	Short- and Medium- Term	<p>Risk management process identifies 2 highest priority risks to be extreme weather events and changing consumer preferences.</p> <ul style="list-style-type: none"> • Our hotel is located in an area that is prone to hurricanes. The design of the building took into account the impact of hurricanes. However, with more frequent and extreme weather events, we shall need to monitor and evaluate additional measures (such as protective and pre-cautionary systems, and operational protocols) and critical infrastructure upgrades if the impact become more severe over time. • We manage the impact of consumer preferences through engagement within the industry, and with our business partners and guests to guide the messaging of our hotel and to inform, create, and promote programs that improve sustainability practices 	

Disclosure	Response		
		Long-Term	<p>Risk management process identifies 2 highest priority risks to be sea level rise and transition to net-zero.</p> <ul style="list-style-type: none"> • Our hotel is located in ZhuHai Tangjia Bay, China, facing the sea. We shall work with the local authorities to understand the potential impact on the location, its infrastructure upgrades plan and potential mitigation plan if sea level rise becomes extreme. • We shall monitor and evaluate alternative renewable energy sources to reduce our GHG emissions and improvement in building and operating efficiency in our transition towards a net-zero entity.
	Strategic and Financial Planning Impacts	<p>The Group incorporates mitigation for climate-related risks in our long term strategy and financial planning, and embed climate-related considerations within the Group.</p> <p>The Group faces challenges and risks that can manifest in a variety of ways. Some of the risks include the impact of our environmental footprint, health and safety concerns for our employees and guests, and the Group’s reputation. Additionally, these risks involve and affect our various stakeholder groups. The Group recognises the impact of these risks can have on our stakeholder groups, the Group strives to manage and mitigate such risks and negative impact on our hotel operations.</p> <p>Environmental factors impact our hotel operations; the Group assesses climate risks and opportunities, including regulatory and socioeconomic trends, that meet the interests of our stakeholders. Our hotel is located in an area that is prone to hurricanes and sea level rise. Furthermore, extreme weather events such as hurricanes and sea level rise are forecasted to become more frequent and more severe as the effects of climate change accelerate. Any such extreme weather events that result in a temporary halt in the operation of the hotel to conduct its normal course of business will have financial impact. The Group understands that minimizing our environmental footprint and mitigating the potential negative impact of climate-related events are critical in helping ensure the long-lasting success of our Group and satisfying the interests of our stakeholders.</p>	

Disclosure	Response
	<p>Energy efficiency is a key component to our strategy, not only for the capital expenditure and operating costs it represents, but also as the Group's primary source of GHG emissions. As such, we collect and monitor energy consumption data in pursuit of maintaining and improving efficiencies and performance within the hotel operations; and shall evaluate alternative renewable energy sources, when it becomes available at our location and economically viable to adopt, to reduce our GHG emissions; and evaluate upgrades in critical infrastructure and building equipment to ensure optimal efficiency. Any of such systemic change in energy infrastructure, energy sources and building equipment will require additional capital investment, etc.</p>
<p>Organizational resilience and Impact of different scenarios, including 2 degrees or lower</p>	<p>We recognise, besides our own ESG efforts, the efforts across local and national governments and the industry as a whole to decarbonize will have a significant influence on our transitional risks and opportunities. Our transition towards net-zero requires a systemic change in energy infrastructure, energy sources and building equipment.</p> <p>We anticipate consumer preferences, and its rapid movement towards net-zero, will influence how businesses align their own strategies and move towards decarbonization for their operations and supply chains. Corporate group and business travel represent a significant segment of the travel industry and will have an impact on decision-making for implementing and driving innovation for low-carbon solutions. We remain focus on evaluating options towards transitioning to net zero, while considering the best interests of our stakeholders.</p> <p>Our strategy towards achieving a long term 2 degrees or lower scenario:</p> <ol style="list-style-type: none"> 1. The impact of climate change is expected to increase over time and may alter key markets and travel destinations. This may result in the Group needing to continually monitor risks and opportunities, and identify investments and initiatives that may accelerate over time, incorporate higher costs in hotel operations and adapt to shifts in travel preferences affected by extreme weather. 2. As the world works to decarbonize by 2050, there could be significant implications from such decarbonization efforts for our business. In particular, our planning for pursuing net-zero requires systemic changes in energy infrastructure, energy sources and building equipment, and acceptance of altered expectations from both business and leisure guests regarding the sustainability practices and performance of our hotel. The Group still in the process of evaluating pathways toward transitioning our hotel operations to net-zero, while considering the Group's financial resources and the best interests of our stakeholders.

RISK MANAGEMENT

Disclosure	Response
	<p>The Group considers risk management as a key to our success as a business and is integrated into the strategy of each corporate function within the business. The Group has identified climate change and the transition to a low carbon economy as an emerging risk, with some associated opportunities. We shall continue to re-evaluate the risks and look ahead to identify new threats that could emerge as climate change accelerates over time.</p>
<p>Process for identifying and assessing climate-related risks</p>	<p>The Group recognises the critical need for identifying, managing, and mitigating potential risks as part of our overall strategy of doing business and balancing the best interests of the environment and our stakeholders.</p> <p>The SC works with the business divisions to identify, assess, plan and respond to climate-related risks and opportunities that may impact the Group’s performance, asset preservation, and health and safety of our guests, business associates and employees. Additionally, we engage with energy and building consultants, regulatory experts and local authorities to identify, assess and mitigate risks. This process of assessment help to provide guidance on asset and risks prioritization and identify areas of opportunity for specific asset initiatives. Topics examined include:</p> <ul style="list-style-type: none"> • Building and Equipment Conditions • Energy: Supply and Efficiency • Climate Change and Natural Hazards • Water: Supply and Efficiency • Regulatory • Waste Management • Health and Safety

Disclosure	Response	
Processes for managing climate-related risks	Physical Risk Management Strategies	<ul style="list-style-type: none"> • Plan and prepare for emergencies and natural disasters via our emergency preparedness programs • Plan and evaluate building resilience measures including removable flood barriers, storm rated fittings, and back-up generators in the event of more extreme hurricanes, floodings and level rise
	Transitional Risk Management Strategies	<ul style="list-style-type: none"> • Governmental regulations, increased ESG disclosure and consumer preferences are managed through engagement, open and communicative relationships • Regulatory risks are identified and evaluated through government and industry engagement and general policy scanning. Proposed or approved regulations are communicated to the relevant departments for continued discussion and prioritization • Consumer preferences management approaches rely on engagement within the industry, and with our business partners and guests to guide the messaging of the hotel and to inform, create, and promote programs that improve sustainability practices • Provide our stakeholders with reliable and transparent disclosures regarding climate change management and performance • Evaluate alternative renewable energy sources to reduce our GHG emissions; and evaluate upgrades in critical infrastructure and building equipment to ensure optimal efficiency
Integration into overall risk management	<p>As part of its risk management, the Group incorporates reviews of identified top risks, the likelihood of such risks and the impact of such perceived risks. To facilitate well-informed decision making, the Group reviews potential risks and impacts of climate change on the hotel property and hotel operations. The assessment process incorporates review of the extreme weather effects such as hurricanes, floods and droughts, along with sea level rise that are forecasted to increase in frequency and severity over time.</p>	

METRICS AND TARGETS

Metrics used by the organization to assess climate-related risks and opportunities

The Group is committed to achieving environmental sustainability by:

- Explore reduction of our environmental footprint through efficiency projects and implementing sustainability best practices at the operational level
- Reducing energy and water consumption, and carbon emissions
- Reducing waste generation and increasing waste recycling
- Minimizing impact on local environments when conducting development, redevelopment or renovation projects
- Evaluating opportunities for alternative renewable energy sources
- Evaluate upgrades in critical infrastructure and building equipment to ensure optimal efficiency

The Group collects and discloses annual performance data for the following key metrics, which can be found in our annual Sustainability Reporting:

Category	Metric
Energy	<ul style="list-style-type: none">• Total Energy Consumption• Energy Intensity
Water	<ul style="list-style-type: none">• Total Water Consumption• Water Intensity
Waste	<ul style="list-style-type: none">• Total Waste Generated• Total Waste Recycled

Scope 1, 2 and 3 Greenhouse Gas Emissions

Greenhouse Gas Emissions	Total Greenhouse Gas Emissions (KGCO2E)	Greenhouse Gas Emissions Intensity (KGCO2E/SQM)
Scope 1	219,050 (2022: 157,260)	17.76 (2022: 12.75)
Scope 2	469,978 (2022: 315,529)	38.10 (2022: 25.58)
Total (Scope 1 + Scope 2)	689,028 (2022: 472,799)	55.86 (2022: 38.33)
Scope 3	N/A	N/A

*Increase in GHG emissions were due to higher hotel occupancy after China dropped all its domestic COVID-19 curbs and lockdowns; as well as fully reopened its borders to allow international travel and removed all quarantine requirements for overseas arrivals

Targets

The Group continues to evaluate more empirical evidence in the setting of targets.



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