

SUSTAINABILITY REPORT

BOARD STATEMENT

Dear Stakeholders,

The Board is pleased to present Far East Hospitality Trust's ("Far East H-Trust" or the "Trust") sixth Sustainability Report, which outlines our sustainability practices and performance for the year.

Far East H-Trust strives to pursue sustainable growth by balancing economic growth with environmental protection and social inclusion. This helps to ensure that the Trust creates lasting value for all stakeholders. Building upon earlier efforts to review, validate and update Far East H-Trust's ESG strategy, framework and roadmap, the Audit, Sustainability and Risk Committee ("ASRC"), with the help of an external consultant BDO Advisory Pte Ltd, embarked on a comprehensive review of Far East H-Trust's Enterprise Risk Management framework, taking into consideration ESG impacts, risks and opportunities and integrating all relevant risk factors and mitigating strategies. As a result of the review, ESG and climate-related considerations are now included in all strategic planning exercises where relevant – including risk management, policy setting, annual budgets, capital expenditure planning, as well as acquisition and divestment deliberations.

The implications of climate risks on the hospitality and building industry are far-reaching. These include physical risks such as extreme weather events (e.g. increased frequency and intensity of flash floods and heat waves) which disrupt operations, to transition risks towards a low carbon economy (e.g.

higher energy prices resulting from higher carbon taxes), changing investors' expectations towards green investments, and changing consumer demand for more sustainable products and services.

On Far East H-Trust's environmental pillar of Securing our Future, efforts have been made to build climate resilience and to address climate-related risks and opportunities. In 2022, Far East H-Trust published its inaugural Taskforce on Climate-related Financial Disclosures ("TCFD") report for FY 2021 and further expanded the scope in FY 2022 to include a preliminary assessment on climate-related scenarios on properties within the Trust.

As part of a national and global collective effort to tackle climate change, Far East H-Trust has committed to raising its ambition to achieve net zero emissions by 2050. With professional advice from one of the big four international accounting firms, the REIT Manager is currently evaluating and determining an appropriate intermediate emissions reduction target for 2030, given the disruption to the operations in the last 2 years from the COVID-19 pandemic. Concurrently, a decarbonisation roadmap is being developed to guide Far East H-Trust in prioritising its initiatives for the years ahead.

The REIT Manager works closely with our operator, Far East Hospitality Management (S) Pte. Ltd. ("FEHMS" or "Operator"). Meetings are held on a bi-monthly basis, developing strategies and working towards our common goal of improving ESG outcomes. Far East H-Trust and the Operator are committed

to support, where applicable, the Hotel Sustainability Roadmap championed by the Singapore Tourism Board and the Singapore Hotel Association.

On Far East H-Trust's social pillar of Impacting Lives, the REIT Manager launched an Education Assistance Scheme ("EAS") in FY 2022, with the beneficiaries being the children of employees of Far East H-Trust's tenants. The objective is to improve the future of these youths from lower-income families through education support. In total, 4 bursaries were awarded during the year.

In the area of sustainable financing, the REIT Manager is in the process of negotiating a S\$100 million sustainability-linked term loan which is expected to complete in the first half of 2023. Upon completion, the Trust would have S\$225 million of sustainability-linked term loans as well as a sustainability-linked interest rate swap with a notional amount of S\$85 million.

The journey towards sustainability entails the participation of all stakeholders to create an ecosystem that will deliver sustainable value and inspire better lives. As stewards of the Trust, we will continue to engage our stakeholders on an ongoing process to monitor material ESG factors and developments that are imperative in delivering value to all stakeholders and the community at large.

Board of Directors
REIT Manager Board
Trustee-Manager Board

ABOUT THE REPORT

Reporting Scope

This report covers Far East H-Trust's ESG strategies, policies and performance for the financial year from 1 January 2022 to 31 December 2022 ("FY 2022"). The scope of this report includes all hotels and serviced residences owned by Far East H-Trust as illustrated below. This report should be read in conjunction with the other sections of the Annual Report for a comprehensive overview of our operations.

Hotels
Village Hotel Albert Court
Village Hotel Bugis
Village Hotel Changi
The Vibe Hotel Singapore Orchard (formerly The Elizabeth Hotel)
The Quincy Hotel
Orchard Rendezvous Hotel
Rendezvous Hotel Singapore
Oasia Hotel Novena
Oasia Hotel Downtown

Serviced Residences
Village Residence Robertson Quay
Village Residence Hougang
Adina Serviced Apartments Singapore Orchard (formerly Regency House)

Sustainability Reporting Framework

This report has been prepared in reference with the Global Reporting Initiative Standards 2021 ("GRI"), the Task Force for Climate-related Financial Disclosures ("TCFD"), the SGX-ST Listing Rules (711A and 711B),

the SGX Sustainability Reporting Guide, and the Environmental Risk Management measures for Asset Managers as guided by the Monetary Authority of Singapore ("MAS"). The GRI standard has been chosen as it reflects the global standards for sustainability reporting in our industry and focuses on topics that impact stakeholders and our business operations. To ensure the quality of the report, the GRI Reporting Principles of accuracy, balance, clarity, comparability, reliability and timeliness have been applied in the drafting of the Sustainability report. TCFD-aligned topics have also been disclosed in various sections of both the Annual and Sustainability report. For more information, please refer to the end of the sustainability report for the GRI and TCFD index summary.

As part of our efforts to bolster stakeholders' confidence over the accuracy and reliability of information disclosed, our subsequent Sustainability Report will be reviewed as part of our internal audit plan, in accordance with the risk-based planning and audit process. We will also consider commissioning an external independent assurance for our annual sustainability report in line with relevant regulations.

Accessibility

This report, published as a part of our Annual Report, is available in PDF format for download on our website: <https://feht.listedcompany.com/ar.html>. In line with our Environmental Policy to conserve resources and minimise impact on the environment, Far East H-Trust will only print a limited number of this report.

Feedback

We welcome feedback from all stakeholders in our efforts to continuously improve our sustainability performance and practices. All feedback may be directed to Mr James Tan, Manager, Investor Relations and Sustainability Management at jamestan@fareast.com.sg.

SUSTAINABILITY REPORT

SUSTAINABILITY STRATEGY



What Sustainability Means to Far East H-Trust

Our approach to sustainability centres around the management of ESG impacts material to our business operations and their potential effect on stakeholders. We are committed to managing our risks and opportunities and addressing the concerns of stakeholders to ensure business resilience and creating a positive change in the community we operate in.

As such, Far East H-Trust's sustainability framework focuses on the following key areas to meet the needs and expectations of stakeholders:

Creating Lasting Value (Economic)

We focus on long-term growth of our hospitality portfolio to unlock value for all stakeholders.

Securing Our Future (Environment)

We collaborate with stakeholders to adopt energy-efficient initiatives and manage our resources responsibly to achieve climate resilience.

Impacting Lives (Social)

We proactively engage staff, tenants, customers, and the community to generate positive impacts.

Good Governance

We strive to maintain stakeholders' trust through continuous strengthening of our governance policies (aligned to global best practices), which underpin all of our sustainability efforts.

Sustainability Governance

Board Oversight

The Board and ASRC are responsible for ESG strategies and climate risk management across Far East H-Trust. The Board takes into consideration ESG and climate-related issues in all strategic planning exercises – including risk management, policy setting, annual budgets, capital expenditure planning, as well as acquisition and divestment deliberations.

The Board also ensures conformance with applicable regulations related to sustainability such as SGX-ST Listing Rules 711A and 711B, SGX Sustainability Reporting Guide and Environmental Risk Management measures for Asset Managers as set out by MAS.

Management's Roles

Far East H-Trust's sustainability management is overseen by Mr Gerald Lee, Chief Executive Officer ("CEO") of the REIT Manager. He provides the overall sustainability direction and approves key sustainability practices and is supported by the Sustainability Working Committee ("SWC") comprising representatives from Finance, Asset Management and Investor Relations. The SWC drives and monitors sustainability initiatives of the Trust. The SWC works closely with and gathers inputs from our Operator, the master lessees, and the property manager of the commercial premises.



Governance Overview

Governing Body	Responsibilities
Audit, Sustainability and Risk Committee	Oversees environmental, social and governance strategy <ul style="list-style-type: none"> Oversees the process used to identify, evaluate and manage material ESG-related issues (including risks related to Far East H-Trust's business) Makes recommendations to the Board on Far East H-Trust's strategies, targets, policies, and roadmap pertaining to sustainability Monitors the compliance with applicable regulations and policies as well as the adequacy of resources allocation and overall stakeholder engagement and outcomes Reviews the effectiveness of strategies, targets, policies, and roadmaps pertaining to sustainability Reviews the status updates on the implementation and progress against sustainability targets
Sustainability Working Committee	<ul style="list-style-type: none"> Reports to the CEO Identifies and examines ESG and climate-related risks and opportunities and provides relevant recommendations Drives and monitors ESG and climate-related initiatives

SUSTAINABILITY REPORT



Stakeholder Engagement

Far East H-Trust integrates sustainability across all business operations and is committed to creating positive value for stakeholders. Our stakeholders have a vested interest in our business and influence our operations, products and services, business approach and

strategies. Thus, understanding their interests and concerns is important to us.

To build relationships and trust with our stakeholders, the REIT Manager strives to maintain open communication with stakeholders by proactively

engaging them throughout the year via various channels. The engagements enable us to understand their key concerns and guides us in making informed management decisions to advance our sustainability strategies and objectives.

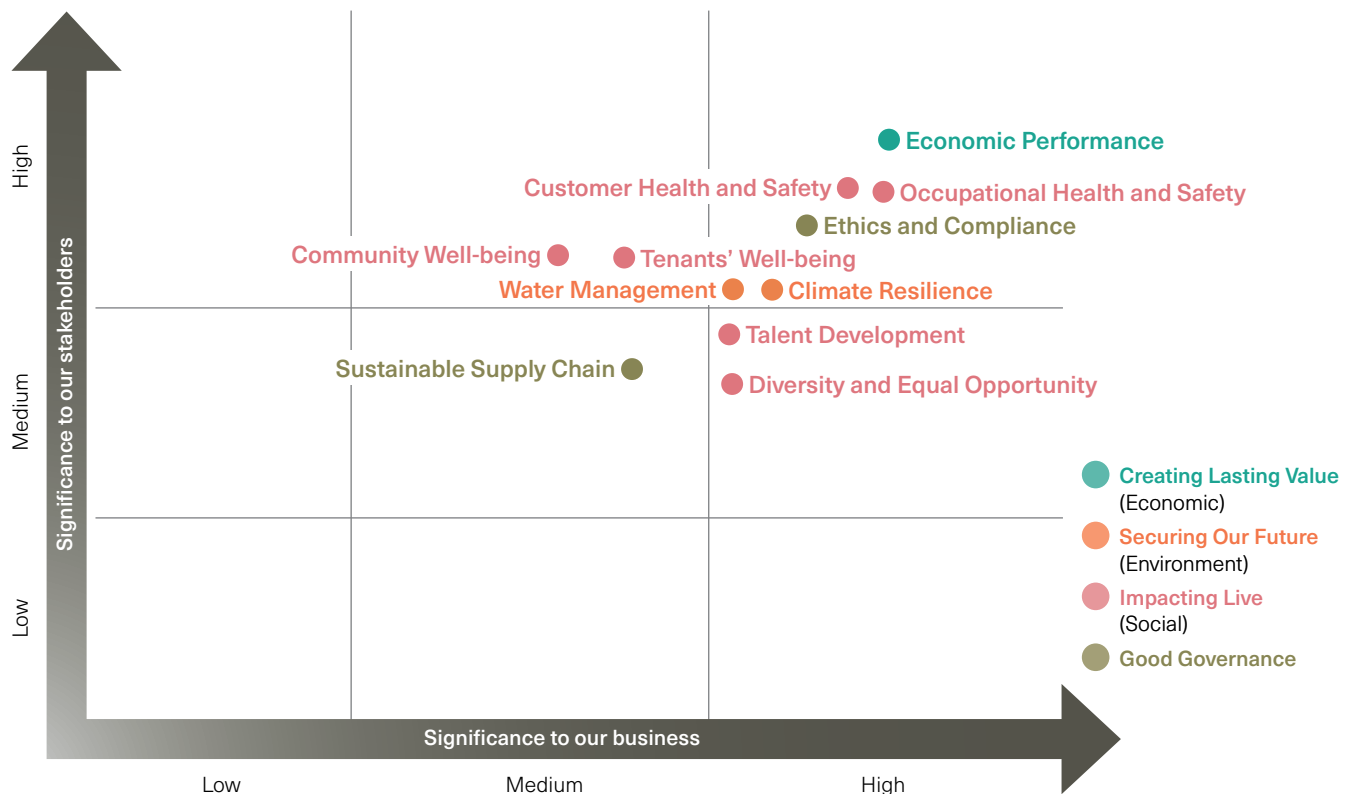
Key Stakeholders	Key Areas of Interests	Mode of Engagement
Board of Directors	<ul style="list-style-type: none"> Financial and operational performance Business strategy and outlook ESG strategy and performance Governance controls 	<ul style="list-style-type: none"> Board meetings Annual General Meeting Induction and orientation programmes for new Board members
Employees	<ul style="list-style-type: none"> Training and development Employee well-being Employee satisfaction Job security Occupational health and safety Diversity and equal opportunity 	<ul style="list-style-type: none"> Training and induction programmes Annual employee engagement survey Quarterly performance appraisals Career development Team building activities (Recreational, social, and community events)
Sponsor/ Master Lessees	<ul style="list-style-type: none"> Financial and operational performance 	<ul style="list-style-type: none"> Bilateral communication through meetings and site visits
Trustee	<ul style="list-style-type: none"> Good governance by Management and Board Safeguarding of stakeholder interests 	<ul style="list-style-type: none"> Monthly reporting and updates Ongoing dialogues and regular feedback
Investment Community (Institutional and retail investors, analysts)	<ul style="list-style-type: none"> Financial and operational performance Business strategy and outlook Corporate governance ESG strategy and performance 	<ul style="list-style-type: none"> Annual General Meeting Annual report Results and business updates briefing Press Releases Corporate website and SGXNET announcements Investor meetings (One-on-one/ conferences/roadshows)
Operator/Property Manager	<ul style="list-style-type: none"> Optimal operational performance Property maintenance and enhancement Implementation of ESG strategy and best practices 	<ul style="list-style-type: none"> Monthly performance reviews and meetings Site inspections of properties and discussions on areas for improvement Reviews of asset enhancement and capital expenditure Bi-monthly sustainability meeting with the Operator
Customers (Guests/Residents/ Tenants)	<ul style="list-style-type: none"> Well-being, health and safety Quality of service and facilities Customer experience and satisfaction 	<ul style="list-style-type: none"> Customer satisfaction surveys Feedback on the improvement of spaces Discussions on tenant assistance
Government/Regulators and Industry/Business associations	<ul style="list-style-type: none"> Regulatory compliance Regulatory and industry trends Corporate governance 	<ul style="list-style-type: none"> Regulatory filings Briefings, dialogues and consultations
Local Community	<ul style="list-style-type: none"> Environmental and Social Impact 	<ul style="list-style-type: none"> Social outreach programmes

For more details on our engagement with Stapled Securityholders, Investment Community and the Media, please refer to page 46 on Investor Relations.

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MATERIALITY ASSESSMENT

Far East H-Trust ESG Material Topics



Far East H-Trust had identified our material ESG topics in FY 2021 after a thorough validation and review exercise with assistance from our sustainability consultant, being one of the big four accounting firms. For FY 2022, the ASRC has reviewed the material ESG topics which remain

accurate and relevant. Based on the last materiality assessment conducted, a greater emphasis was placed on climate-related topics, in line with regulatory and market expectations. Diversity issues were also prioritised to better reflect our commitment to creating a fair and inclusive work

environment. To ensure strong accountability of our sustainable practices across our value chain, sustainable supply chain continues to be a material ESG topic. The material ESG topics and their respective performance data are reviewed by Far East H-Trust annually.

UN SDGS

Recognising that the creation of a sustainable future requires action from both government leaders and businesses, Far East H-Trust supports the United Nations' Sustainable Development Goals ("UN SDGs") and is committed to contributing towards the advancement of sustainable development. We have identified 8 SDGs where we believe our business can create the most significant impact.

UN SDG Goals	Importance to Far East H-Trust	Chapter Reference
 3 Good Health and Well-being Ensure healthy lives and promote well-being for all	We take active steps to create a healthy and safe working environment as well as to promote the well-being of our employees and stakeholders.	<ul style="list-style-type: none"> Occupational health and safety Customer health and safety Tenants' well-being Community well-being
 4 Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities	We believe in the importance of upskilling our employees to ensure they remain relevant in the changing business landscape and have the necessary skillset to perform their duties to the best of their abilities.	<ul style="list-style-type: none"> Talent development
 7 Affordable and Clean Energy Increase substantially the share of renewable energy in the global energy mix	We constantly seek new opportunities to optimise our energy efficiency.	<ul style="list-style-type: none"> Climate resilience
 8 Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	We are committed to create lasting value for our stakeholders and ensure continual business growth.	<ul style="list-style-type: none"> Economic performance
 10 Reduced Inequality Reduce inequality within and among countries	We treat all employees and stakeholders with respect and is committed to provide equal opportunities for all regardless of their background.	<ul style="list-style-type: none"> Diversity and equal opportunity
 12 Responsible Consumption and Production Ensure sustainable consumption and production patterns	We strive to be a responsible steward and sustainable consumption of resources.	<ul style="list-style-type: none"> Climate resilience Water management Sustainable supply chain
 13 Climate Action Take urgent action to combat climate change and its impacts	We seek to manage and minimise our carbon footprint and reduce our impact on the environment.	<ul style="list-style-type: none"> Climate resilience
 16 Peace, Justice and Strong Institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	We strive to maintain stakeholders' trust through continuous strengthening of our governance policies (aligned to global best practices)	<ul style="list-style-type: none"> Good governance

SUSTAINABILITY REPORT

OUR JOURNEY



KEY HIGHLIGHTS FOR FY 2022

Creating Lasting Value	Securing Our Future	Impacting Lives
<ol style="list-style-type: none"> 1 Gross revenue grew 0.4% year-on-year to S\$83.6 million despite the loss in revenue contribution from Central Square¹. Excluding the effects from the divestment, gross revenue would have grown 7% year-on-year. 2 Distribution to Stapled Securityholders grew 25.2% year-on-year. 	<ol style="list-style-type: none"> 1 Energy consumption reduced by 7.6% (or 4.0% excluding Central Square¹). 2 Water consumption reduced by 21.7% (or 19.0% excluding Central Square¹). 3 5 properties certified under the Green Mark scheme by the Building and Construction Authority ("BCA") of Singapore. 	<ol style="list-style-type: none"> 1 Education Assistance Scheme launched with 4 bursaries awarded to children of employees of Far East H-Trust's tenants. 2 Employee survey received a participation and engagement rate of 100%. 3 Zero fatalities and occupational diseases.
Good Governance		
<ol style="list-style-type: none"> 1 50% of female directors on the Board, exceeding the recommended target set by the Council for Board Diversity for listed companies. 2 Ranked 3rd in the Singapore Governance and Transparency Index ("SGTI") for REITs and Business Trust. 3 Ranked joint 7th in the Governance Index for Trusts ("GIFT") assessment. 4 Ranked 8th in the ASEAN Corporate Governance Scorecard ("ACGS") and awarded the ASEAN Asset Class category. 5 Runner-up for the Shareholder Communication Excellence Award and Singapore Corporate Governance Award (REITs & Business Trusts Category) in the SIAS Investors' Choice Awards. 6 Zero case of incidents relating to corruption, non-compliance and data leaks, theft or breaches. 		

¹ The divestment of Central Square was completed on 24 March 2022.



Creating Lasting Value

Economic Performance

Far East H-Trust is committed to achieving sustainable business growth and creating value for our stakeholders. We drive shareholder value and grow distributions through three key strategies – value-adding acquisitions, active asset management and enhancement, and prudent capital and risk management.

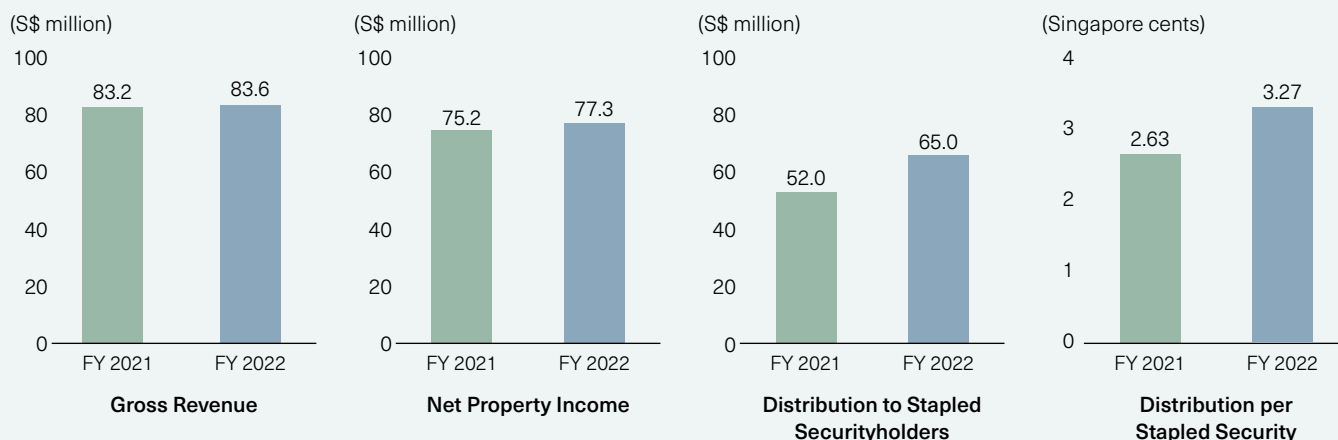
Gross revenue for FY 2022 grew 0.4% YoY to S\$83.6 million with growth from both the hotel and serviced residence portfolio offsetting the loss in revenue from Central Square following its divestment on 24 March 2022. Distribution to Stapled Securityholders grew 25.2% to S\$65.0 million on the back of higher net property income, lower finance expenses, and sharing of gains from the divestment of Central Square, resulting in a higher distribution per Stapled Security of

3.27 cents compared to 2.63 cents in the previous year.

For a detailed breakdown of Far East H-Trust's FY 2022 financial performance, please refer to the following sections of the Annual Report:

- Financial Highlights, page 4
- Growth Strategies, page 5
- Chairman Statement, page 8
- Our Portfolio, page 24

Financial Highlights and Performance



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Securing Our Future

Energy and GHG Performance

As a custodian of hospitality, retail and office assets, we recognise the unique position we are in to contribute towards the transition to a low carbon

economy. We are committed to reducing our environmental footprint within our operations and across our value chain. The REIT Manager periodically reviews our climate-related initiatives

and engages key partners to explore ways to reduce emissions and mitigate climate risks.

FY 2022 Target	Performance
To reduce the average energy consumption of Far East H-Trust properties by 2%	Energy consumption reduced by 7.6% (or 4.0% excluding Central Square).
Ensure that all newly acquired Far East H-Trust buildings in Singapore meet the Building Control (Environmental Sustainability) Regulations 2008 or Building Control (Environmental Sustainability) Regulations 2013 to qualify for Green Mark certification.	While there were no new property acquisitions in FY 2022, 5 out of 9 hotels in Far East H-Trust's portfolio are Green Mark certified.

In FY 2022, Far East H-Trust's electricity consumption decreased 7.6% to 31.5 million kWh. This was predominantly due to the divestment of Central Square and the closure of The Elizabeth Hotel for renovation for six months in 2022. Energy saving initiatives such as the use of timers and moderation of air-conditioning operating temperatures during off-peak hours also contributed to the reduction. Correspondingly, electricity intensity decreased 1.4% to 153.0 kWh/m²

Recognising that our operations contribute a significant amount of energy, Far East H-Trust is committed to reduce our carbon footprint by implementing both strategic and operational initiatives.

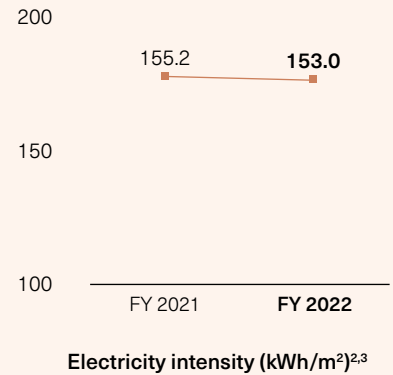
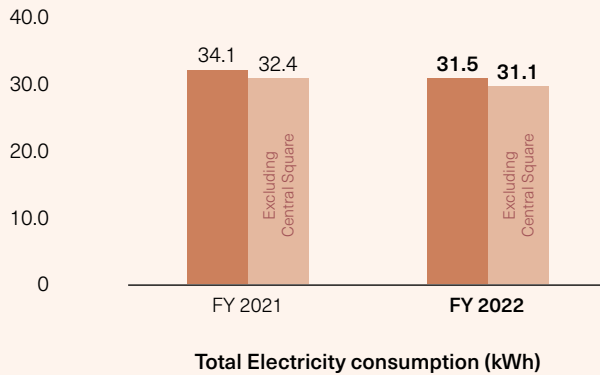
Moving forward and keeping in line with the Singapore Government's Green Plan, as well as various global initiatives and commitment towards decarbonisation, the Trust has set the target of achieving net zero emissions by 2050. In the interim,

with professional advice from one of the big four accounting firm, the REIT Manager is evaluating standards and an appropriate intermediate emissions reduction target for 2030.

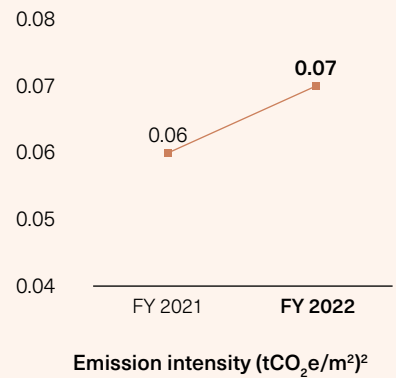
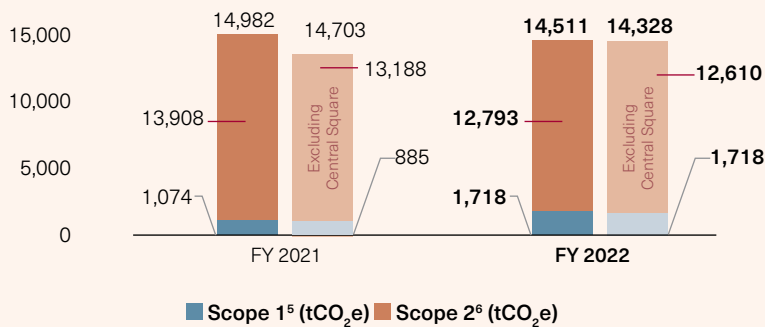
To achieve our emissions target, we have identified several decarbonisation opportunities, beginning with the review of existing aging cooling systems in our properties as well as undertaking a feasibility study on the optimal manner to upgrade them to achieve our objectives in the long-term.

Electricity Consumption¹

(million)

**Carbon Emissions^{1,4}**

20,000



- 1 Consumption consisting of all properties owned by the Trust. The Trust has control over capital expenditures for infrastructure-related items (e.g. replacement of chiller plants) which can influence consumption. However, the Trust does not hold significant control over the day-to-day operations of the hotels and serviced residences which is managed by the Operator.
- 2 In FY 2021, we have consolidated our environmental data to enhance the clarity and completeness of our data going forward. We will use Gross Floor Area ("GFA"), which covers the floor area of both common areas, hotel rooms, serviced residence units, and commercial spaces, as the denominator for our emission intensity. The change in denominator is meant to align with industry best practices. This aims to provide a more accurate representation of Far East H-Trust's energy, emission, and water consumption.
- 3 Electricity intensity ('000 kWh) per occupied hotel room/serviced residence was 13,850kWh in FY 2022 and 13,719 kWh in FY 2021.
- 4 Far East H-Trust uses the operational control approach to calculate its GHG emissions (Scope 1 and 2) in accordance with the GHG Protocol. The emission factors used in this report were derived from the UK Department for Environment, Food and Rural Affairs ("DEFRA") environmental reporting guidelines, which is aligned to the Intergovernmental Panel on Climate Change's ("IPCC") approach to calculating GHG emissions and is one of the third-party databases recognised by the GHG Protocol.
- 5 Scope 1 emissions have been re-adjusted from FY 2021 onwards to include direct emissions from backup diesel generators, gas heaters and refrigerants.
- 6 Scope 2 emissions include indirect emissions from purchased electricity and the data in this report were calculated using the location-based method.

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Strategic and Operational Initiatives for Energy Conservation

Far East H-Trust has in place an Energy Conservation Policy, which articulates our commitment towards reducing our environmental footprint. We adopt a multi-level and holistic approach in reducing energy consumption and achieving energy efficiency. Guided by the policy, all key principles, strategies and action plans are monitored and evaluated periodically.

Together with the Operator, the REIT Manager will continue to review energy management strategies regularly and will map out key initiatives to meet the objectives of the policy. This includes reviewing the feasibility and ease of implementation of initiatives, relevance in terms of costs and benefits and their

impact on guests and staff. We will also review our plant and machinery regularly to identify maintenance regimes and equipment upgrades that can optimise energy consumption.

In FY 2022, the following initiatives were embarked on to improve energy efficiency and progress towards achieving our energy targets:

- Replacement of fan coil units ("FCU") that have sub-optimal operating performance phased out for newer energy-efficient technologies at Village Hotel Albert Court, Village Hotel Bugis, Village Hotel Changi and Vibe Hotel Singapore Orchard.
- Other works undertaken by the Operator includes the replacement of lights to Light Emitting Diodes

("LED") fittings for higher energy efficiency, installation of motion sensors and moderating of air-conditioning temperature during off-peak hours.

Moving forward, Far East H-Trust will continue to pursue energy-saving initiatives across our properties to reduce our overall carbon footprint, transform our properties into energy-efficient buildings and ensure our newly acquired properties meet minimum sustainability requirements. We also acknowledge the importance of accounting for carbon emissions that arise as a result of our supply chain and will work towards disclosing our Scope 3 carbon emissions, where applicable, in future reports.

Objective/ Key Principle of Energy Conservation Policy	Action Plans
Improve energy savings	<ul style="list-style-type: none"> • Frequent checks of equipment to maintain efficiency • Set targets to reduce building energy consumption year-on-year through improvement works and the addition of new energy-saving technologies • Partner with staff and the public on green education initiatives
New builds with environmentally preferred designs	<ul style="list-style-type: none"> • Buildings that Far East H-Trust acquires which are newly built in Singapore to meet the minimum Green Mark status by BCA

Green Buildings

Far East H-Trust continuously seeks to integrate new sustainability initiatives and adopt innovative practices to adhere to environmental standards and meet the standards set out by green building certification schemes.

Five of the REIT's properties have achieved the BCA's Green Mark certification, a benchmarking scheme that incorporates internationally recognised best practices in environmental design and performance.

Village Hotel Albert Court's Green Mark Platinum certificate expired in 2022 and is currently undergoing re-certification under BCA's new Green Mark 2021 standards which are more stringent than before. During this process, the Operator will review and assess possible gaps which may need to be bridged to meet BCA's new Green Mark 2021 standard.

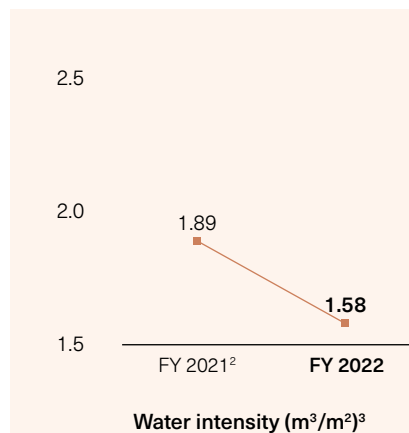
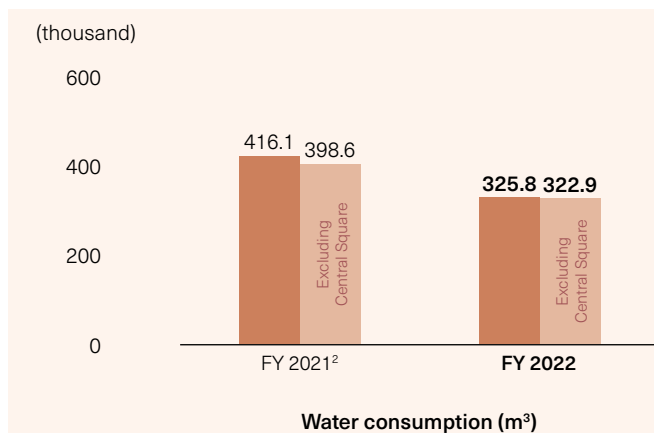
Certification	Property
BCA Green Mark Gold ^{Plus} Award	Village Hotel Bugis
BCA Green Mark Gold Award	Rendezvous Hotel Singapore
BCA Green Mark Gold Award	Orchard Rendezvous Hotel
BCA Green Mark Certified	Oasia Hotel Downtown
	Village Hotel Changi

Water Management

Water is essential to Far East H-Trust's operations and recognising that our hotels and serviced residences are located in water-scarce Singapore, we seek to work closely with our stakeholders to manage our water consumption and reduce our reliance on potable water.

Our total water consumption and water intensity decreased by 19.0% and 16.5% respectively in FY 2022 due to lower occupancies as well as water saving initiatives implemented across our properties.

Water Consumption¹



¹ Data includes all properties owned by the Trust.

² Data in FY 2021 has been restated to ensure the accuracy of values being reported.

³ In FY 2021, we have consolidated our environmental data to enhance the clarity and completeness of our data going forward. We will use Gross Floor Area ("GFA"), which covers the floor area of both common areas, hotel rooms, serviced residence units and commercial spaces, as the denominator for our emission intensity. The change in denominator is meant to align with industry best practices. This aims to provide a more accurate representation of Far East H-Trust's energy, emission, and water consumption.

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One such initiative was the progressive replacement of flush valves of water cisterns in all guest rooms at Village Hotel Bugis. This reflects the hotel's continual efforts at maintaining its Water Efficient Building (Basic) Certification.

Far East H-Trust will continue to take a holistic approach to water management and source for new water-saving opportunities to reduce our overall water consumption.

CLIMATE RESILIENCE

In 2022, a preliminary climate risk assessment was carried out on Far East H-Trust's 12 property assets based on RCP 2.6 and RCP 4.5 climate scenarios (commonly referred to as below 1.5°C and below 2.7°C scenarios) on Physical Risks (e.g. flooding) and Transition Risks (e.g. carbon pricing and technology), with a medium and long-term time horizon of 2030 and 2050. The assessment was done with guidance from our sustainability consultant being one of the big four accounting firms.

In assessing the Transition Risks, the Carbon Risk Real Estate Monitor ("CRREM") methodology, a real estate specific scenario-based assessment tool was employed. The result was an analysis and estimation of (i) the portfolio's emission against decarbonisation targets; (ii) the portfolio's excess emission cost; and (iii) the portfolio's stranding asset risk.

In assessing the Physical Risk from flooding for both "below 1.5°C" and "below 2.7°C" scenarios in 2030 and 2050, the Climate Central Coastal

Risk Screening Tool was employed to identify the potential flood risk to Far East H-Trust's properties and their surrounding areas.

Moving forward, we will continue to make progressive steps to refine our climate risk scenario assessment, as well as monitor climate risk developments. Where relevant, we will develop climate mitigation and adaptation plans to minimise impacts to our business.

Climate Risk and Opportunity

This section provides an overview of how Far East H-Trust incorporates climate-related risks and opportunities into our strategic decision-making processes.

Identification

The SWC conducts an annual exercise to screen and monitor potential climate-related drivers or trends that could impact the building and hospitality sectors in the markets where Far East H-Trust is operating. The types of risks and opportunities considered include physical and transition trends. The scope of risks and opportunities considered is based on their relevance to Far East H-Trust's hospitality assets and value chain (see column 1 in Tables 1 and 2).

Assessment

The SWC will gather data from external and internal sources to assess the extent of financial impacts of the risks and opportunities identified. The committee will take into consideration the following criteria in its assessment:

- The degree of exposure to risks due to the locations of Far East H-Trust's physical assets and supply chain

- The extent of vulnerability due to the lack of existing capabilities or structure to mitigate risks
- Existing capabilities and resources that Far East H-Trust can tap on to capture opportunities

Prioritisation

The SWC further reviews the risks and opportunities and conducts a prioritisation exercise to ensure an organised and structured approach towards managing climate-related impacts. The SWC takes into consideration the likelihood of occurrence, the magnitude of impact and our capabilities to mitigate risks or leverage opportunities across different time horizons.

The time horizons are defined as follow (see column 3 in Table 1 and column 2 in Table 2)

- Short term (<= 5 years)
- Medium term (6-10 years)
- Long term (>= 11 years)

Strategies

The SWC recommends strategies to mitigate risks and capture opportunities based on the identification, assessment and prioritisation exercises conducted. The recommendations are developed in conjunction with ASRC and subsequently presented to the Board for approval. Far East H-Trust's responses to climate-related impacts are reviewed periodically and we will continue to enhance our climate disclosures.

Potential financial impact level: ● Low ● Medium ● High

Table 1: Climate-Related Risks
Transition Risks

Climate-related Risks	Potential Impact on Far East H-Trust	Time Horizon & Potential Financial Impact Level	Far East H-Trust's Strategies to Manage Risks
Regulatory risks (e.g. Building and Construction Authority of Singapore, Monetary Authority of Singapore and Singapore Exchange)	<ul style="list-style-type: none"> Far East H-Trust may be affected by changing regulatory requirements, leading to increase costs due to rapid and urgent investments in retrofitting existing buildings to comply with new regulations. 	<p>● Short</p> <p>○ Medium</p> <p>○ Long</p>	Far East H-Trust regularly keeps abreast of emerging and future regulations to better develop business and sustainability-related strategies, as well as to ensure regulatory compliance, and manage the associated legal, compliance and financial risks.
Changing market expectations for green technology	<ul style="list-style-type: none"> Current technology may become obsolete or no longer be approved for use over time. Far East H-Trust may need to adopt alternative technology and implement new processes to meet market expectations and regulatory requirements (e.g. upgrading of chillers, backup generators and lights) 	<p>○ Short</p> <p>● Medium</p> <p>○ Long</p>	Far East H-Trust weighs the costs, benefits and overall value over the long run when considering the adoption of new technologies. Far East H-Trust will work with the Operator, and master lessees in exploring the adoption of other energy-efficient solutions.
Consumer demand for green hospitality	<ul style="list-style-type: none"> Far East H-Trust may face market risk due to a shift in consumer behavior, including an increased preference for green hospitality (especially for corporate clients). 	<p>○ Short</p> <p>● Medium</p> <p>○ Long</p>	Far East H-Trust key strategies in this area include working with our Operator to: <ol style="list-style-type: none"> Monitor the consumer and market expectations Enhance our communication to customers and other stakeholders on our green hospitality strategy and efforts

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Climate-related Risks	Potential Impact on Far East H-Trust	Time Horizon & Potential Financial Impact Level	Far East H-Trust 's Strategies to Manage Risks
Increased stakeholder concern or negative stakeholder feedback	<ul style="list-style-type: none"> More institutional investors may have the mandate to invest in entities that meet their ESG criteria which may result in a reduction of capital availability from investors if Far East H-Trust's assets do not meet regulatory sustainability standards. Due to the pressure to be greener and to reduce carbon emissions in the hospitality and building industry, Far East H-Trust may face reputation risk if it is unable to meet industry standards or match the performance of peers. 	<input type="radio"/> Short <input checked="" type="radio"/> Medium <input type="radio"/> Long	Far East H-Trust's key strategies in this area includes: a) Monitoring investors' and other stakeholders' expectations. b) Enhancing our communication to these stakeholders on our ESG strategies and efforts. c) Improving our rating on the relevant ESG ratings.
Physical Risks			
Increase in frequency and intensity of flooding	<ul style="list-style-type: none"> Far East H-Trust may face financial implications from direct damage to our properties. This may lead to reduced revenue from decreased production capacity. Increased occurrences of flooding may require investments in flood prevention measures for Far East H-Trust's properties, resulting in higher costs. 	<input type="radio"/> Short <input type="radio"/> Medium <input checked="" type="radio"/> Long	Far East H-Trust has in place an insurance cover over property damage and business interruption. In addition, Far East H-Trust fully supports mitigation strategies by the government (e.g. coastal protection solutions and drainage projects) and will continue to monitor and implement relevant recommendations proposed by the authorities for our respective properties.
Increase in global temperature	<ul style="list-style-type: none"> Increased temperature which leads to increased cooling demands will increase energy consumption and maintenance costs. 	<input type="radio"/> Short <input type="radio"/> Medium <input checked="" type="radio"/> Long	Far East H-Trust is exploring green sources of energy and other energy-efficient solutions as part of our decarbonation strategy and roadmap.

Table 2: Climate-Related Opportunities

Climate-related Opportunities	Time Horizon & Potential Financial Impact Level	Far East H-Trust's Strategies to Capture Opportunities
Greater resource efficiency and cost savings Initiatives to meet BCA's Green Mark 2021 standards will lead to the adoption of green technologies (e.g. newer chiller systems, usage of renewable energy, rainwater harvesting, switching to lower emission refrigerants).	<input type="radio"/> Short <input checked="" type="radio"/> Medium <input type="radio"/> Long	Far East H-Trust will progressively replace older equipment with more efficient technology and will work with the Operator to explore energy-efficient and water management solutions that are materially impactful and economically sustainable. Where possible, we will apply for the appropriate government grants.
Access to new opportunities (e.g. Investment community and financing) Far East H-Trust's efforts at mitigating climate risk will open up more opportunities for partnership and collaboration (e.g. ESG Funds and Sustainable financing), and greater recognition by the investment community	<input type="radio"/> Short <input checked="" type="radio"/> Medium <input type="radio"/> Long	<p>Far East H-Trust will progressively improve its sustainability initiatives and keep abreast of emerging and future regulations.</p> <p>In the area of sustainable financing, Far East H-Trust has obtained S\$125 million of sustainability-linked term loans as well as a sustainability-linked interest rate swap with a notional amount of S\$85 million.</p> <p>The REIT Manager is also in the process of negotiating a S\$100 million sustainability-linked term loan which is expected to complete in the first half of 2023.</p>
Cultivating a talent pool of skilled ESG professionals Training and enrichment of knowledge in the area of ESG.	<input checked="" type="radio"/> Short <input type="radio"/> Medium <input type="radio"/> Long	The REIT Manager will send relevant employees for applicable sustainability trainings, including those organised by SGX and other relevant training providers.
Building a sustainable portfolio Greater awareness over the importance of having greener assets and a focus to buy green assets to meet our long-term net zero carbon reductions target.	<input checked="" type="radio"/> Short <input type="radio"/> Medium <input type="radio"/> Long	<p>The REIT Manager has an investment management policy that includes climate criteria for new acquisitions.</p> <p>Concurrently, a decarbonisation roadmap is being developed to guide Far East H-Trust in prioritising its initiatives for the years ahead.</p> <p>In line with SGX's sustainability reporting guidelines, Far East H-Trust has completed the review exercise to update the key risks under our ERM framework, including climate risk. Relevant changes will be incorporated into the new audit plan.</p>

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Impacting Lives

Occupational Health and Safety

Far East H-Trust is committed to creating a healthy and safe work environment for all employees and safeguarding their well-being is our top priority. Not only will this minimise the number of workplace incidents and safeguards the Trust against reputational risk and costly fines, but it will also boost employees' morale and productivity.

To foster a strong health and safety culture, the Operator tracks various health and safety indicators, and monitors "near-misses" incidents in addition to reportable ones as required under the Workplace Safety and Health ("WSH") (Incident Reporting) Regulations. All "near-misses" and reportable incidents are evaluated and lessons learnt are shared with employees to prevent recurrences.

In FY 2022, Far East H-Trust maintained and achieved our target of ensuring zero workplace fatalities and zero occupational disease across our properties. The number of workplace incidents recorded was 37, which includes "near-misses" and minor incidents involving employees and/or third parties which occur at the properties. As a preventive measure, periodic training will be arranged as a refresher on workplace safety and health in the affected employee's respective line of work.

Far East H-Trust will continue working with the Operator to safeguard the health and safety of our employees and minimise the number of workplace incidents.

Achieved **ZERO**
workplace fatality
across all its properties in
FY 2022

Integrating Health and Safety in all Operations

Far East H-Trust complies with all statutory regulations such as the WSH Act and Fire Safety Act and takes a proactive approach towards inculcating a strong safety culture at the workplace to minimise the number of workplace injuries. To that end, we have implemented several key initiatives.

Workplace Injury Compensation Insurance

All employees across the REIT's properties are covered under the Workmen's Compensation Insurance Scheme which provides monetary compensation for injuries suffered or sustained during the course of work. The amount of compensation depends on the extent of the injury, in accordance with the Work Injury Compensation Act 2019.

Health and Safety	FY 2020	FY 2021	FY 2022
Number of Workplace Fatalities	0	0	0
Number of Occupational Disease Cases	0	0	0
Number of Workplace Incidents (including "near-misses")	33	42	37

Initiatives	Our Commitment to Health and Safety
Workplace safety and health risk assessments	The Operator carries out a WSH risk assessment once every 3 years or in the event of an incident at any of the Trust's properties and for all operational activities. These include identifying hazardous activities and/or workspaces and putting in place mitigation measures where necessary to prevent harm, injuries or accidents. Additionally, periodic equipment testing and maintenance, and regular monitoring of safety performance are carried out.
Company emergency response teams ("CERT")	<p>The Operator's employee handbook outlines our commitment to health and safety at the workplace, and all employees must acknowledge the safety pledge, which outlines five key principles as follows:</p> <ul style="list-style-type: none"> • All accidents can be prevented • Safety is everyone's responsibility • Safety is part of our work culture • Investigations by supervisors • Prompt reporting of potential hazards <p>The Operator has also established CERT, where employees undergo necessary health and safety training to perform emergency response roles. This also ensures employees are equipped with safety equipment to prepare for potentially hazardous situations such as power failures, medical emergencies, fires and lift entrapments.</p>
Certified fire safety managers ("FSM") and situational emergency drills	Certified FSM are engaged to evaluate the fire safety measures at all properties. Periodic emergency drills are also conducted by the Operator and FSM to assess the level of preparedness in response to emergencies.

Diversity and Equal Opportunity

At Far East H-Trust, we value our employees¹ and believe they are the driving force behind the success of our organisation. We aim to attract and retain the best talent who share our values and business objectives. Additionally, we also seek to foster a diverse workplace that provides equal opportunities to all.

Employee Profile

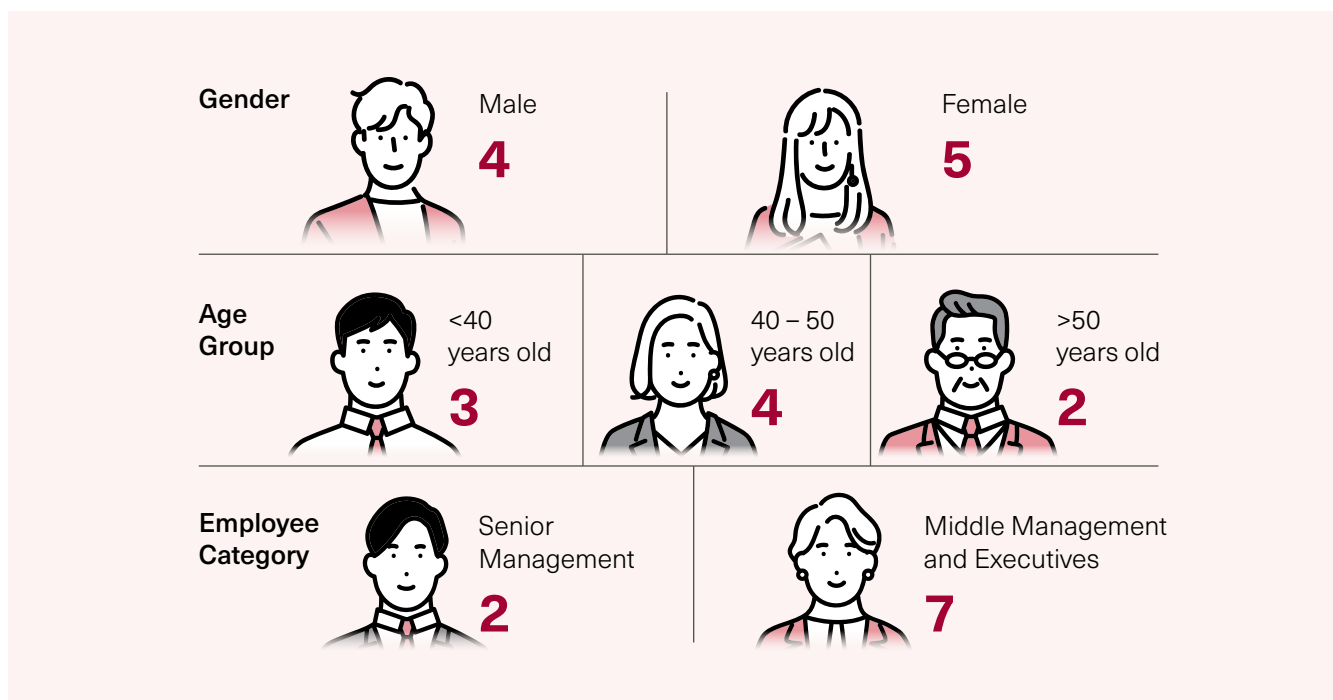
Far East H-Trust adopts fair hiring practices and promotes a culture of diversity in terms of age, gender and skillsets. To that end, we follow and subscribe to the Tripartite Alliance for Fair and Progressive Employment Practices. We believe that employees with different backgrounds and experiences are essential in fostering

a culture of innovation and creating sustained value for the business.

As of 31 December 2022, the REIT Manager had nine permanent, full-time employees. The following table shows the breakdown of employees by gender, age and employee category.

¹ Far East H-Trust does not have any employees and data relating to employees in this report is in relation to the REIT Manager.

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During the year, we also recorded 2 new hires² and 1 turnover³, resulting in a new hire and turnover rate of 22.2% and 11.1% respectively.

Far East H-Trust has zero tolerance toward any form of discrimination and adheres to fair employment practices. We are pleased to report zero incidents of discrimination in FY 2022. Far East H-Trust values our employees' feedback and concerns and believes that keeping them motivated is important to drive the long-term success of our business. We conduct an annual Colleague Engagement Survey to assess our

employees' level of engagement and to identify their strengths and areas for improvement.

In FY 2022, we garnered a participation rate of 100% for the survey and achieved an engagement score of 100%.

Employee benefits

Recognising that human resource is our most valuable asset, we prioritise and focus on the well-being of our employees. All our employees are covered by the Employment Act 1968 which outlines the employment terms and working conditions including contract requirements, remuneration,

hours of work, overtime, rest days and annual leave entitlement.

We also provide all employees with competitive remuneration and financial rewards. Each year, we engage external consultants to conduct salary benchmarking to better understand and reward our employees in line with industry peers.

Our full-time employees also receive benefits to incentivise them to develop progressive, long-term careers. These includes:

² There were two new hires recorded during the year, where both were male and less than 50 years old.

³ The employee who left was a male and less than 50 years old.

Benefits	Key Inclusions
Life Insurance/ Disability and Invalidity Coverage	<ul style="list-style-type: none"> Group Term Life Insurance Group Personal Accident Insurance
Healthcare	<ul style="list-style-type: none"> Group Hospitalisation & Surgical Insurance
Leave	<ul style="list-style-type: none"> Maternity Leave Paternity Leave Childcare Leave Infant Care Leave (Unpaid) Government Paid Adoption Leave (GPAL)
Retirement Provision	<ul style="list-style-type: none"> Conditional Re-employment (Beyond 62 years)
Employee Health and Wellness	<ul style="list-style-type: none"> Dental Care, Optical & Vision Care Expenses Preventive Care (e.g. Health Screenings) Maternity/Fertility treatments Personal Insurance Premiums Childcare costs
Wellness and Self-Development	<ul style="list-style-type: none"> Musculo-skeletal treatments (e.g. Chiropractor) Social & Health Club Membership (e.g. Gym) Fitness Courses (e.g. Personal fitness training) Sports & Physical Fitness Courses (e.g. Tennis, dance) Weight Management Programmes Fees for personal development courses including training offerings from the Skills Future Credit Course Directory and purchase of books/ periodicals for self-development

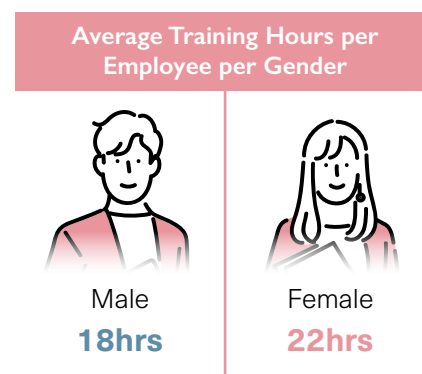
Talent Development

Far East H-Trust places a high emphasis on upskilling our employees and invests in learning and development programmes to equip employees with the right skill sets. We believe career development and employee training is a crucial part of human resource management, and this will contribute towards developing a more agile workforce and ensure long-term business growth. To that end, we place a high emphasis on:

- Including individual development and career goals in the performance appraisal forms
- Conducting career development workshops for employees
- Investing in learning and training opportunities

Learning and Development

In FY 2022, employees of the REIT Manager clocked an average of 20 training hours, with the breakdown of training hours by gender as follows:



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We develop our employees according to their abilities and job specifications, and during the year, various training courses were provided for employees. Additionally, all Directors have undergone training by the Singapore Institute of Directors on "ESG Essentials" meeting SGX's enhanced sustainability reporting requirement.

To develop a culture of continuous learning within the organisation, employees are also encouraged to pursue development opportunities and to acquire new skills through industry seminars and conferences, skills certification training and professional qualifications courses.

Career Development

We take proactive steps to help our employees plan and work towards their career goals. New employees attend an orientation programme to understand Far East H-Trust's operations. Yearly performance appraisals are conducted

to encourage self-improvement and employees also engage in regular communication and feedback sessions with supervisors. In FY 2022, 100% of employees had undergone performance review sessions.

Customers' Health and Safety

With thousands of guests within our properties, the safety and health of guests at all Far East H-Trust properties are of utmost importance to us.

In response to the pandemic, Far East H-Trust worked closely with the Operator to implement safety measures at all hotels and service residences to ensure guests feel at ease at our properties.

As a testament to our commitment to delivering a clean and safe environment for all guests, all our hotels in Singapore have been certified with the SG Clean quality mark by Singapore's National Environment Agency, which reflects the stringent health and hygiene protocols which we abide by.

Well-being of Tenants and the Community

Tenants

Far East H-Trust also considers the well-being of our tenants as they spend a considerable amount of time on our properties. As part of our continued efforts for improvement, we regularly engage with tenants to understand their concerns and feedback.

Community

As a socially responsible organisation, Far East H-Trust is committed to contributing positively through volunteerism, financial contributions and in-kind donations. Over the years, we have partnered and fostered long-term relationships with beneficiaries and non-profit organisations for various causes. Far East H-Trust also actively participates in some of our Sponsor's community activities.



Viva Foundation – Art Connect

In June 2022 and October 2022, we partnered with Viva Foundation, a charity which focuses on children with cancer. Over the 2-part series, our staff connected with children recovering from cancer through an art programme, allowing kids to express themselves through drawing and painting.

Care Corner Singapore

In December 2022, we partnered with Care Corner Singapore on an outreach programme for low-income seniors for a night-out activity. In total, 20 seniors from their Active Aging Centre in Woodlands participated for dinner and craft activities.



Education Assistance Scheme

The Education Assistance Scheme ("EAS") was launched with the objective to improve the future of youths through education support. Beneficiaries of the EAS are children of employees of Far East H-Trust's tenants and a total of 4 bursaries were awarded. Through the EAS programme, this provided Far East H-Trust an opportunity to support and deepen the relationship with one of our important stakeholders.



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Good Governance

Board Diversity

Far East H-Trust believes that a balanced Board can provide the diversity of viewpoints and insights that will enhance decision-making and spur constructive debates. As such, the Board established a formal Board Diversity Policy, which provides a framework and ensures an appropriate level of diversity is present in the Board's composition, including the dimensions of skills, knowledge and industry experiences, gender, age and tenure.

As at end-2022, the REIT Manager Board and Trustee-Manager Board comprises 3 female directors (50%) out of 6 directors. The Board and its Board Committees comprise directors with an appropriate balance and diversity of skills, experience and knowledge. Our commitment to ensuring diversity among board members was acknowledged by the Council for Board Diversity as being one of two companies having reached gender parity on women's participation on the Board and exceeding its recommended target¹ set for listed companies.

Ethics and Compliance

Far East H-Trust is a firm believer that good corporate governance is imperative in achieving sustainable growth and business integrity. The REIT Manager and the Trustee-Manager are fully committed to upholding the highest standards of corporate governance, business integrity and

professionalism to ensure continual business growth and to protect stakeholders' interests.

Far East H-Trust complied with all applicable laws, rules and regulations, and in all material aspects of the principles laid out in the Code of Corporate Governance 2018. The REIT Manager regularly reviews the relevant policies and guidelines. In addition, the REIT Manager is a member of the Financial Industry Disputes Resolution Centre Ltd and the REIT Association of Singapore.

Compliance with Laws and Regulations

To foster a culture of responsible and ethical behaviour within the organisation, Far East H-Trust has put in place a comprehensive set of corporate policies and robust internal processes to ensure high standards of corporate governance. This includes:

- Investment Management Policy
- Personal Data Protection Policy
- Enterprise Risk Management Framework
- Roles and Responsibilities of Board of Directors
- Remuneration Policy
- Employee Code of Conduct
- Compliance with Competition Law

Investment Management Policy

Our Investment Management Policy

provides a set of guidelines for making investment and divestment decisions. Beyond financial parameters, the scope of the policy encompasses risks and opportunities related to ESG drivers. The policy is disseminated to all employees, which enables a common understanding, and reduces the likelihood of subjectivity or non-compliance when making investment or divestment decisions.

Personal Data Protection Policy

Far East H-Trust's Personal Data Protection Policy outlines how Far East H-Trust and the REIT Manager manage all personal data held, in compliance with the Personal Data Protection Act ("PDPA") in Singapore. We also comply with local data protection and privacy laws in all operations out of Singapore.

Employee Code of Conduct

Our Employee Code of Conduct, which is published on the intranet and accessible by all employees of the REIT Manager also sets out specific conduct and discipline that all employees will need to uphold. This includes:

- Workplace Conduct & Discipline
- Confidential Information
- Conflict of Interest
- Business Dealings
- Company Properties
- Reporting Misconduct/Irregularity and Suspected Misconduct/Irregularity

¹ The Council for Board Diversity has recommended for listed companies to have a 25% female representation on their boards by 2025 and 30% by 2030.

All employees of the REIT Manager are required to make a declaration on an annual basis where they pledge their compliance to the Code of Conduct. As for new employees, they are briefed on the Code of Conduct and are required to read and acknowledge the guidelines listed therein when they join the REIT Manager.

Compliance with Competition Law

Far East H-Trust is committed to ensuring compliance with the Competition Act in the conduct of its business and does not authorise or condone any conduct that could give rise to any infringements of the Competition Act or create the appearance of impropriety.

Ethics and Corruption

Far East H-Trust adopts a zero-tolerance stance against any form of corruption and is committed to conducting our business with the highest standards of integrity.

Corruption and Bribery Prevention Policy

We observe a Corruption and Bribery Prevention Policy with detailed guidelines and procedures in accordance to FEO's Code of Conduct for the giving and receiving of gifts (monetary or otherwise), kickbacks, concessionary offers, lavish entertainment, and business dealings that may place the employee under any real or apparent obligation or indebtedness to any party. To maintain the highest standards of integrity in our work and business dealings, this policy is communicated to all employees, business associates and suppliers. Additionally, employees also undergo annual refresher training on the Trust's anti-corruption policies and practices.

Whistle Blowing Policy and Loss Management Policy

Far East H-Trust's Whistle Blowing Policy is made available to all new employees when they join the REIT Manager, and they are briefed on this together with FEO's Code of Conduct. The Whistle Blowing Policy is also publicly disclosed on Far East H-Trust's website.

The Whistle Blowing Policy and Loss Management Policy is established for

employees and Directors of the REIT Manager and the Trustee-Manager as well as external parties. They may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters in good faith. For all concerns raised, it will be independently investigated, and appropriate follow-up actions will be taken.

Whistle-blowers are given the option to remain anonymous and may

Award	Description
Singapore Governance and Transparency Index ("SGTI")	Far East H-Trust ranked 3rd on SGTI. The SGTI is the leading index for assessing corporate governance practices of Singapore-listed companies.
Governance Index for Trusts ("GIFT") 	Far East H-Trust ranked joint 7th on GIFT. GIFT, an index supported by the Singapore Exchange Limited, assesses and recognises companies with high standards of corporate governance.
ASEAN Corporate Governance Scorecard ("ACGS") 	Far East H-Trust ranked 8th out of the top 100 publicly-listed entities in Singapore (By market capitalisation) Recipient of the ASEAN Asset Class Award
SIAS Investors' Choice Award ("SIAS") 	Far East H-Trust was the runner up for the Shareholder Communication Excellence Award and Singapore Corporate Governance Award (REITs & Business Trusts Category) in the SIAS Investors' Choice Award. This award recognises outstanding efforts in corporate governance efforts, transparent disclosure and excellent communication with shareholders.

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report via an external independent hotline or directly to FEO's Head of Internal Audit. Establishing these policies reflects the REIT Manager's commitment to conduct its business within a framework that fosters the highest ethical standards. This year, we received zero complaints via our whistleblowing channels.

Our commitment to uphold the highest standards of corporate governance has garnered us awards in this aspect.

In FY2022, Far East H-Trust is pleased to report zero incidents relating to corruption and non-compliance with laws and regulations.

To ensure that our practices remain relevant and effective, we will keep up with changes in policies and current trends through industry news and events and regularly monitor and evaluate our compliance level. For more information on Far East H-Trust's corporate governance practices, and risk management framework and processes, please refer to pages 81 to 119.

Sustainable Supply Chain

Far East H-Trust recognises the importance of mitigating both social and environmental risks along the supply chain and is committed to the responsible management of our supply chain across our operations. To that end, we ensure that all supplies purchased are recognised under the Singapore Green Label Scheme ("SGLS") which endorses industrial and consumer products that have fewer undesirable effects on the environment. Administered by the Singapore Environment Council

("SEC"), the SGLS is the region's most established eco-labelling scheme with over 3,000 unique products certified across 28 countries. We communicate this initiative to our REIT's suppliers which further strengthens and enhances our commitment to the environment.

Additionally, the Operator has put in place the following principles to monitor the safety and environmental performance of its suppliers, contractors and landscapers. This includes:

- Giving preference to suppliers, contractors and landscapers who are ISO 14001 and OHSAS 18001 certified
- Requiring all suppliers, contractors and landscapers to comply with local government and other legal requirements
- Reviewing, monitoring and appraising new and re-contracting suppliers, contractors and landscapers on their level of compliance with prevailing laws and regulations

Guided by our environmental policy, Far East H-Trust will seek to source for products that have minimal environmental impact and gain support from customers and suppliers and ensure that they are made aware of the policy. Far East H-Trust will remain committed to collaborating with its stakeholders to practise responsible sourcing along its supply chain.

GRI CONTENT INDEX

Statement of Use: Far East H-Trust has reported in reference with the GRI Standards for the period 1 January 2022 to 31 December 2022. Title of GRI Used: GRI 1: Foundation 2021 has been adopted within our Sustainability Report.

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and/or Remark
General Disclosures			
GRI 2: General Disclosures 2021	Organisation and its Reporting Process		
	2-1	Organisational details	About Us, Pg. 2
	2-2	Entities included in the organisation's sustainability reporting	About the Report, Pg. 51
	2-3	Reporting period, frequency and contact point	
	2-4	Restatements of information	Carbon Emissions, Pg. 61 Water Consumption, Pg. 63
	2-5	External assurance	External assurance will be considered in line with relevant regulations.
	Activities and Workers		
	2-6	Activities, value chain and other business relationships	Board Statement, Pg. 50 About the Report, Pg. 51 Supply Chain, Pg. 76
	2-7	Employees	Impacting Lives - Employee Profile, Pg. 69 - 70
	2-8	Workers who are not employees	N/A
	Governance		
	2-9	Governance structure and composition	Corporate Governance - Board Composition and Guidance, Pg. 89 - 92
	2-10	Nomination and selection of the highest governance body	Corporate Governance - Board Membership, Pg. 92 - 95
	2-11	Chair of the highest governance body	Board of Directors, Pg. 12 - 15
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance - Accountability and Audit, Pg. 100 - 112
	2-13	Delegation of responsibility for managing impacts	
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance - Pg. 52 - 53
	2-15	Conflicts of interest	Corporate Governance: Board Meetings and Activities - Pg. 86 - 87 Risk Management and Internal Controls, Pg. 102 - 107 Audit Committee, Pg. 108 - 110
	2-16	Communication of critical concerns	Corporate Governance: Chairman and CEO, Pg. 92 Whistle Blowing Policy, Pg. 110 Engagement with Shareholders, Pg. 115 - 116
	2-17	Collective knowledge of the highest governance body	Corporate Governance: Board Matters, Pg. 85 to 89 Board Composition and Diversity Policy, Pg. 90 - 91
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance - Board Performance, Pg. 95

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GRI Standards	Disclosure Number	Disclosure Title	Page Reference and/or Remark
General Disclosures (cont'd)			
	2-19	Remuneration policies	Corporate Governance - Remuneration Matters, Pg. 96 - 100
	2-20	Process to determine remuneration	
	2-21	Annual total compensation ratio	
	Strategy, Policy and Practices		
	2-22	Statement on sustainable development strategy	Board Statement, Pg. 50
	2-23	Policy commitments	Good Governance, Pg. 74
	2-24	Embedding policy commitment	
	2-25	Processes to remediate negative impacts	Stakeholder Engagement, Pg. 54 - 55
	2-26	Mechanisms for seeking advice and raising concerns	Good Governance, Pg. 75 - 76
	2-27	Compliance with laws and regulations	Good Governance, Pg. 74
	2-28	Membership associations	
	Stakeholder Engagement		
	2-29	Approach to stakeholder engagement	Stakeholder Engagement, Pg. 54 - 55
	2-30	Collective bargaining agreements	There are no collective bargaining agreements in place.
Disclosure of Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Stakeholder Engagement, Pg. 54 - 55
	3-2	List of material topics	Materiality Assessment, Pg. 56
Material Topic 1: Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Economic Performance, Pg. 59
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic Performance, Pg. 59 Financial Statements, Pg. 128 - 190
	201-2	Financial implications and other risks and opportunities due to climate change	Climate Resilience, Pg. 64 - 67
Material Topic 2: Resource Efficiency			
GRI 3: Material Topics 2021	3-3	Management of material topics	Securing Our Future, Pg. 60 - 67
GRI 302: Energy 2016	Energy		
	302-1	Energy consumption within the organisation	Energy and GHG Performance, Pg. 60 - 62
	302-2	Energy consumption out of the organisation	Strategic and Operational Initiatives for Energy Conservation, Pg. 62
	302-3	Energy intensity	Energy and GHG Performance, Pg. 60 - 62
	302-4	Reduction of energy consumption	Strategic and Operational Initiatives for Energy Conservation - Pg. 62
	302-5	Reduction in energy requirements of products and services	N/A
GRI 303: Water and Effluents 2018	Water		
	303-1	Interactions with water as a shared resource	Water Management, Pg. 63 - 64
	303-2	Management approach: Management of water discharge-related impacts	
	303-3	Water withdrawal	Water Management, Pg. 63 - 64 Water source from the Public Utilities Board.
	303-4	Water discharge	Not Tracking
	303-5	Water consumption	Water Management, Pg. 63 - 64

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and/or Remark
Disclosure of Material Topics (cont'd)			
Material Topic 3: Climate Change Mitigation, Adaptation and Resilience Building			
GRI 3: Material Topics 2021	3-3	Management of material topics	Energy and GHG Performance, Pg. 60 - 62
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Carbon Emissions, Pg. 61
	305-2	Energy indirect (Scope 2) GHG emissions	
	303-3	Other indirect (Scope 3) GHG emissions	Strategic and Operational Initiatives for Energy Conservation, Pg. 62
	305-4	GHG emissions intensity	Carbon Emissions, Pg. 61
Material Topic 4: Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Impacting Lives, Pg. 68 - 73
GRI 403: Occupational Health and Safety 2018	403-1	Work-related injuries	
	403-2	Hazard identification, risk assessment, and incident investigation	
	403-3	Occupational health services	
	403-4	Worker participation, consultation, and communication on occupational health and safety	
	403-5	Worker training on occupational health and safety	
	403-6	Promotion of worker health	Impacting Lives, Pg. 70 - 71
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Impacting Lives, Pg. 68 - 69
	403-8	Workers covered by an occupational health and safety management system	
	403-9	Work-related injuries	
	403-10	Work-related ill health	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Impacting lives, Pg. 72
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	
Material Topic 5: Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Impacting lives, Pg. 69 - 72
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Impacting lives, Pg. 69 - 70
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	
Material Topic 6: Talent Development			
GRI 3: Material Topics 2021	3-3	Management of material topics	Impacting lives, Pg. 71 - 72
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	
Material Topic 7: Local Communities			
GRI 3: Material Topics 2021	3-3	Management of material topics	Impacting lives, Pg. 72 - 73
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	

SUSTAINABILITY REPORT

GRI Standards	Disclosure Number	Disclosure Title	Page Reference and/or Remark
Disclosure of Material Topics (cont'd)			
Material Topic 8: Ethics and Compliance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Good governance, Pg. 74 - 76
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	
	205-2	Communication and training about anti-corruption policies and procedures	
	205-3	Confirmed incidents of corruption and actions taken	

TCFD INDEX

Core Element	Recommended Disclosure	Section and Page Reference
Governance: Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities	Sustainability Strategy, Pg. 52 - 53
	Describe management's role in assessing and managing climate-related risks and opportunities	Sustainability Strategy, Pg. 52 - 53 Climate Resilience, Pg. 65
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	Climate Resilience, Pg. 64 - 67
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	
Risk Management: Disclose how the organisation identifies, assesses, and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks	Climate Resilience, Pg. 64
	Describe the organisation's processes for managing climate-related risks	Climate Resilience, Pg. 65 - 66
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Enterprise Risk Management, Pg. 82 - 83
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Climate Resilience, Pg. 64 - 67
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks	Energy and GHG Performance, Pg. 61
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Energy and GHG Performance, Pg. 60 Climate Resilience, Pg. 64 - 67