

ACROPHYTE

HOSPITALITY

Sustainability Report

TRUST

2024

NEW

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GLOSSARY

ACRO-HT	- Acrophyte Hospitality Trust
ACRO-BT	- Acrophyte Hospitality Management Trust
ACRO-REIT	- Acrophyte Hospitality Property Trust
Acrophyte AM	- Acrophyte Asset Management Pte. Ltd.
Acrophyte	- Acrophyte Pte. Ltd.
AEIs	- Asset Enhancement Initiatives
AHLA	- American Health Law Association
ARC	- Audit and Risk Committee
BI	- Business Intelligence
COSO	- Committee of Sponsoring Organizations of the Treadway Commission
ERM	- Enterprise Risk Management
ESG	- Environmental, Social, and Governance
EnRM	- Environmental Risk Management for Asset Managers
GBAC	- Global Biorisk Advisory Council
GFA	- Gross Floor Area
GHG	- Greenhouse Gas
GRESB	- Global Real Estate Sustainability Benchmark - GRESB
GRI	- Global Reporting Initiative
HVAC	- Heating, Ventilation, and Air Conditioning
ILO	- International Labour Organisation's
LED	- Light Emitting Diode
MAS	- Monetary Authority of Singapore's
OHS	- Occupational Health and Safety
OSHA	- Occupational Safety and Health Administration
PPE	- Pathogens, Personal Protective Equipment
RMC	- Risk Management Committee
SGX	- Singapore Exchange
SGX-ST	- Singapore Exchange Securities Trading Limited's
SOPs	- Standard Operating Procedures
TCFD	- The Task Force on Climate-related Financial Disclosures
U.S	- United States
UN SDGs	- United Nations Sustainable Development Goals
KWh	- Kilowatt-hour
Sq ft	- Square feet

ABOUT THIS REPORT

CORPORATE PROFILE

Acrophyte Hospitality Trust

Listed on the Singapore Exchange (“**SGX**”) on 9 May 2019, Acrophyte Hospitality Trust (formerly known as ARA US Hospitality Trust) (“**ACRO-HT**”) is hospitality stapled group comprising Acrophyte Hospitality Property Trust (formerly known as ARA US Hospitality Property Trust) (“**ACRO-REIT**”) and Acrophyte Hospitality Management Trust (formerly known as ARA US Hospitality Management Trust) (“**ACRO-BT**”). ACRO-HT has a market capitalisation of US\$116 million as at 31 December 2024.

ACRO-HT was established with the principal investment strategy of investing in a portfolio of income-producing real estate primarily for hospitality and/or hospitality-related purposes located in the United States (“**U.S.**”). Its portfolio currently comprises 33 upscale select-service hotels with a total of 4,315 rooms across 17 states in the U.S.

ACRO-HT is managed by Acrophyte Hospitality Trust Management Pte. Ltd. (formerly known as ARA Trust Management (USH) Pte. Ltd.) (“**REIT-Manager**”) and Acrophyte Hospitality Business Trust Management Pte. Ltd. (formerly known as ARA Business Trust Management (USH) Pte. Ltd.) (“**Trustee-Manager**”), collectively known as the (“**Managers**”). The Managers are wholly-owned subsidiaries of Acrophyte Asset Management Pte. Ltd. (“**Acrophyte AM**”).

Relationship with Hotel Manager, Third-Party Hotel Operators and Hotel Brand Partners

ACRO-HT has engaged ARA US Hospitality Management, Inc (the “**Hotel Manager**”) to oversee the operations and management of the portfolio in the capacity of asset managers. The Hotel Manager has engaged four professional, well recognized hotel operators (the “**Hotel Operators**”) to manage the day-to-day operations. In 2024, Aimbridge Hospitality was the third-party Hotel Operator for 24 of our Hyatt-branded hotels; Avion Hospitality managed 4 of our Hyatt-branded hotels; Concord Hospitality managed our portfolio of 3 Marriott-branded hotels; and Chartwell Hospitality managed our Hilton-branded hotel.

From an ESG perspective, ACRO-HT collaborates with the Hotel Manager to define and implement ESG initiatives across the portfolio. While the Hotel Operators have control and influence over daily energy and water consumption, adaptation to guest/consumer preferences, behavioural changes, and maintenance activities that could influence consumption and efficiencies, these operators prioritize the promotion of ESG initiatives at the hotels they manage. In addition, the hotel brand partners also provide ESG-related support, such as software, training, design guidelines, manuals, and more. Brand-level support complements the property-level operations and ESG-related efforts.

Committed Sponsor

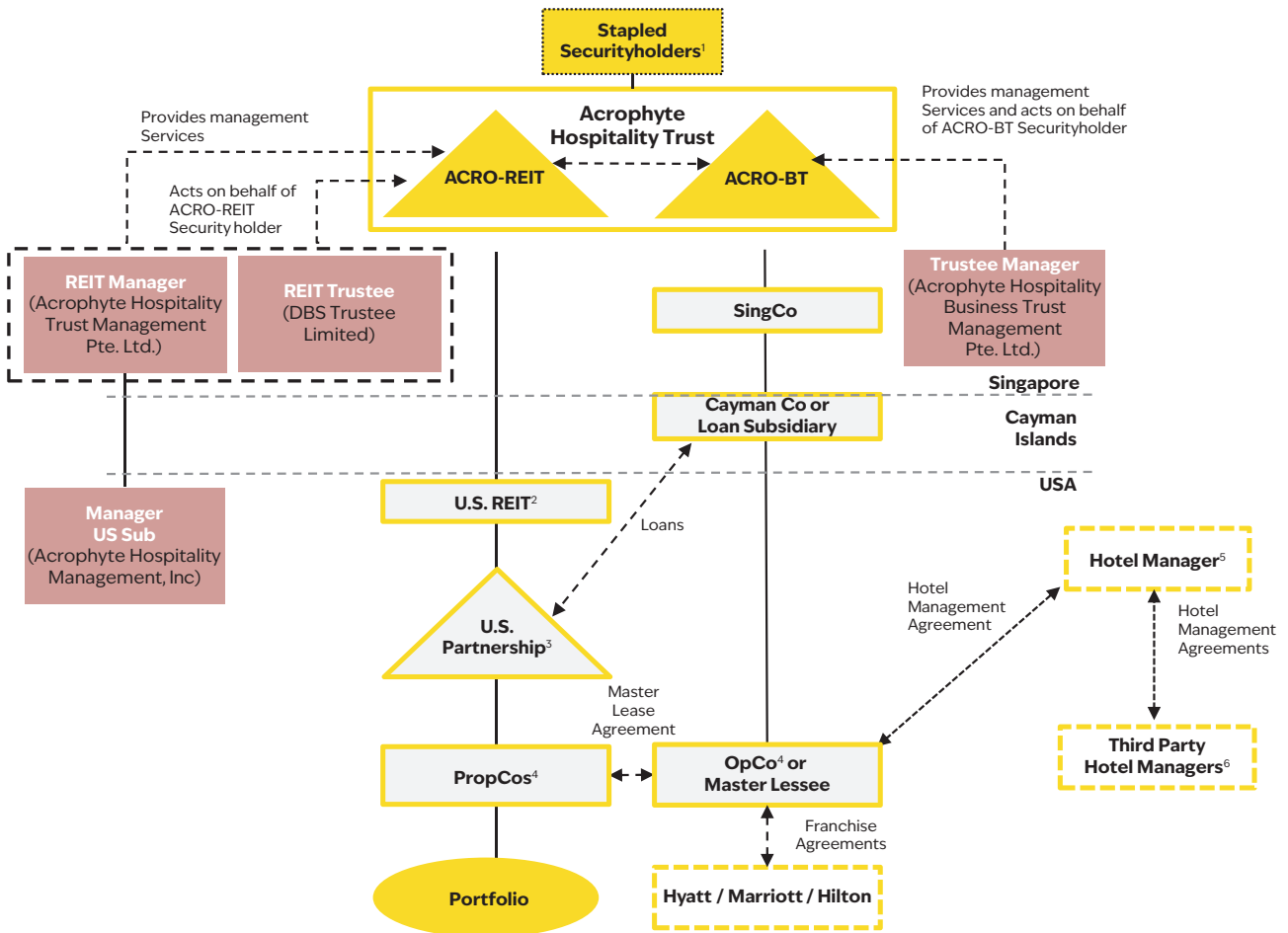
Acrophyte AM is a wholly-owned subsidiary of Acrophyte Pte. Ltd. (“**Acrophyte**”), the sponsor of ACRO-HT.

Acrophyte (formerly known as Chip Eng Seng Corporation Ltd.) is a multinational conglomerate company with businesses in property development and investment, construction (building construction, civil infrastructure, environmental and sustainability, prefabrication technology and procurement), hospitality, as well as education.

Acrophyte established itself as a prominent real estate player in the 1990s and has since grown into a multinational conglomerate that includes capabilities (i) across the real estate value chain, comprising real estate construction, real estate development, property investment and asset management, and (ii) in the hospitality industry. As an established player in the hospitality industry, Acrophyte is an owner of hotels in Singapore, Maldives, and Australia, as well as a hotel and serviced residence operator in Singapore.

For more information, please visit www.acrophyte.com.

The following is the Trust Structure of ACRO-HT:







1. Please refer to the section “Important Notice Regarding the Ownership of Stapled Securities” in the Prospectus.
2. It qualified as a real estate investment trust for U.S. federal income tax purposes (“**U.S. REIT**”) for the year 2024. A U.S. REIT is not subject to U.S. federal income tax on its net income distributed as dividends.
3. “U.S. Partnership” is an investment holding entity which holds 100% of interest in the portfolio via the PropCos.
4. “**PropCos**” refers to U.S. entities established to hold the properties in the portfolio, while “Opco” refers to U.S. entities established to own the operational assets of the properties in the portfolio.
5. ACRO-HT has engaged ARA US Hospitality Management, Inc (“**Hotel Manager**”) to oversee the operations and management of the portfolio in the capacity of an asset manager. The Hotel Manager uses third party hotel operators for direct, day-to-day operations of the hotels.
6. The Hotel Manager manages the hotel operators (i.e., Aimbridge Hospitality, Avion Hospitality, Concord Hospitality and Chartwell Hospitality) on behalf of ACRO-HT.

- Institutional and retail investors
- Stapled Acrophyte Hospitality Trust's companies
- The Managers of ACRO-HT
- 3rd party service providers

REPORTING SCOPE

The annual sustainability report (“**report**”) covers information from 1 January 2024 to 31 December 2024, as aligned to ACRO-HT’s financial reporting period. Relevant data from the prior years are included for comparison whenever applicable. The report focuses on the Environmental, Social, and Governance (“**ESG**”) factors, climate-related disclosures, policies, practices, performance and targets considered most material to ACRO-HT’s operations. The boundaries of the disclosed ESG data are as defined below:

Sustainability Pillar	Reporting Boundary
ECONOMIC 	Economic performance data covers the operations of ACRO-HT as a hospitality stapled group comprising ACRO-REIT and ACRO-BT. It reflects the financial performance of the 33 upscale select-service hotels in ACRO-HT’s portfolio.
ENVIRONMENTAL 	Environmental data in FY2024 relates to the 33 properties (FY2023: 36) which ACRO-HT has operational control over ¹ .
SOCIAL 	Employee and training covers the employees of the Managers. Community engagement data, occupational and customer health and safety performance data covers the data of our Hotel Operators and the employees of the Managers.
GOVERNANCE 	Socioeconomic and governance performance data covers employees of the Managers.

REPORTING STANDARDS AND FRAMEWORKS

The Board has approved the information disclosed in this report and it has been prepared in accordance with the following standards, frameworks, guidelines and regulations:

- Singapore Exchange Securities Trading Limited’s (“**SGX-ST**”) Listing Rules 711A and 711B
- Monetary Authority of Singapore’s (“**MAS**”) Guidelines on Environmental Risk Management for Asset Managers (“**EnRM**”)
- Global Reporting Initiative (“**GRI**”) Universal Standards 2021
- The Task Force on Climate-related Financial Disclosures (“**TCFD**”) recommendations
- United Nations Sustainable Development Goals (“**UN SDGs**”)

This report complies with the six primary components of sustainability reporting contents as outlined in Practice Note 7.6 Sustainability Reporting Guide of SGX-ST Listing Rules as it provides guidance on the expected structure and contents and the preparation of the sustainability report. Furthermore, this report utilises GRI Standards 2021 as it is an internationally recognised framework encompassing a wide range of sustainability disclosures relevant to the hospitality industry and the company’s business model. This report aims to align with the TCFD recommendations and MAS EnRM guidelines, which guide the assessment, management, and reporting of climate and environmental risks and opportunities. These standards and frameworks were selected due to its focus on climate-related financial outcomes, which aligns with stakeholders’ interest.

¹ For the assets disposed during FY2024, namely Hyatt Place Pittsburgh Airport, Hyatt House Philadelphia Plymouth Meeting and Hyatt House Shelton, their material data is included from 1 January 2024, up to their disposed dates.

RESTATEMENTS

ACRO-HT's portfolio of upscale, select-service hotels is branded under three of the world's largest hotel chains, Hyatt Hotels Corporation, Marriott International and Hilton Worldwide ("**Brand Partners**"). The various brands include Hyatt House, Hyatt Place, AC Hotel by Marriott, Courtyard by Marriott, Residence Inn by Marriott and Home2 Suites by Hilton. More details regarding the hotels can be found in the FY2024 Annual Report, pages 12 to 15 and 18 to 23, and our website under "Portfolio".

The following assets were disposed during FY2024, with their material data included from 1 January 2024, until the disposition date:

- Hyatt Place Pittsburgh Airport (disposed on 25 March 2024 (U.S. Time))
- Hyatt House Philadelphia Plymouth Meeting (disposed on 16 July 2024 (U.S. Time))
- Hyatt House Shelton (disposed on 7 October 2024 (U.S. Time))

ASSURANCE

The information presented in this report is provided in good faith and to the best of our knowledge. While it has been verified through internal monitoring and checks, this report has not undergone external assurance, which we plan to seek in the future. We have also conducted an internal review of our sustainability management process.

RELEVANT LINKS

ACRO-HT's Sustainability Report FY2024, which should be read in conjunction with the Annual Report FY2024 to form a complete picture of our ESG performance based on the selected reporting standards and frameworks, is available on our website at www.acrophytetrust.com/investor-relations/publications. ACRO-HT's past sustainability reports can also be accessed on the same website.

FEEDBACK

The Managers value all feedback from stakeholders for continuous improvement in the company's sustainability reporting process. Please send any comments and suggestions to ir-enquiry@acrophyte.com.

BOARD STATEMENT

The Board of Directors of the Manager (“**the Board**”) is pleased to present the sustainability report for the financial year ended 31 December 2024 (“**FY2024**”). This report summarizes the ESG performance in FY2024 and outlines its progress in managing the identified material ESG factors and topics of interest across its real estate portfolio.

The Board recognizes the significant resources required to operate hotels and, therefore, places great emphasis on incorporating sustainable practices into the management of ACRO-HT portfolio. Sustainable practices not only enable ACRO-HT to create lasting value for our stakeholders but also make a positive contribution to the environment and society.

In pursuit of this objective, the Board takes the lead in overseeing the management of identified material ESG factors. The Board has delegated the operational responsibility for sustainability initiatives and has provided guidance to the Manager in implementing robust risk management, policies and procedures to address potential ESG-related risks, ensuring the long-term sustainability of ACRO-HT.

The Board has reviewed and approved the material ESG factors and sustainability information outlined in this report, actively promotes and integrates sustainability initiatives that align with ACRO-HT’s priorities, and comply with relevant regulations. The Board extends its gratitude to our various stakeholders for being an integral part of our sustainability journey.

Approach to sustainability

To enhance sustainable value creation for all stakeholders, the Board determines the appropriate approach for managing both financial and non-financial impacts that may arise and affect business operations. This approach is reflected in ACRO-HT’s sustainability disclosures, where we discuss the performance of material topics against the targets we have set. The Board is involved in the annual review of sustainability performance carried out by the Manager and approves relevant initiatives to manage these impacts, while considering inputs from the ACRO-HT’s stakeholders.

In FY2023, the Managers mapped the identified material topics to five UN SDGs to guide the sustainability actions, as well as to show the commitment of stakeholders’ collaborations in achieving the common goals. The alignment of the sustainability approach with UN SDGs will continue to be actively managed, with their progress closely monitored by the Manager, under the Board’s supervision.

As part of ongoing commitment to sustainability, the Manager has conducted a second consecutive year of climate risk assessment in FY2024, covering 17 strategically significant locations across the U.S. This initiative underscores our proactive stance on climate risk, reinforcing our dedication to generating long-term value as it will help the company to mitigate potential disruptions, comply with regulations, and enhance business resilience. Additionally, the Manager is in the process of developing a Group ESG policy with the support of a consultant, aimed at institutionalizing sustainability management and processes to create lasting value for all stakeholders.

The Board remains steadfast in its commitment to sustainability by integrating sustainable practices into the management of its hotel portfolio. This dedication is reflected in the communication of sustainability strategies and expectations through engagements with all stakeholders, including employees, suppliers, and Hotel Manager. The Board has considered stakeholders’ feedback in the review of sustainability approach and initiatives, and it intends to re-engage stakeholders in the next materiality assessment.

Key achievements

The Board is aware of the growing severity of climate-related disasters and rising temperatures, which are becoming increasing global concerns. Considering this, the Group will continue to strengthen resilience in its operations and throughout its value chain. By harnessing data, the Managers proactively manage resource consumption across properties by working closely with hotels to introduce energy, water, and waste reduction initiatives. In FY2024, the Managers launched a pilot program at six of its Hyatt Houses, installing the Symmons Evolution Water Management System to monitor pipe water temperature and detect leaks. Successful pilot projects, such as the waste reduction program to extend the life of well-maintained furniture and the use of on-demand water heaters to lower energy consumption, have now been expanded to additional hotels within the portfolio.

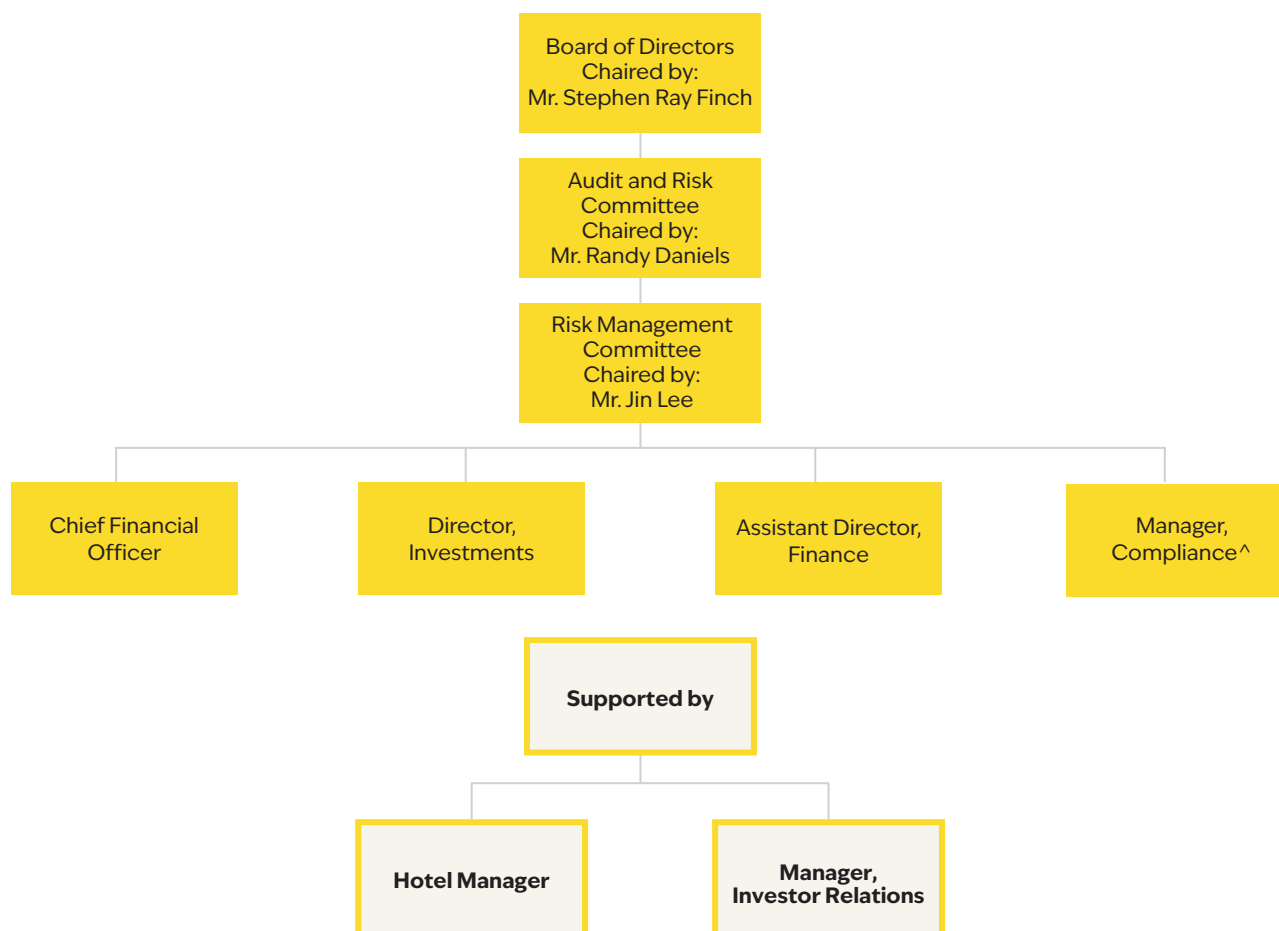
With the support of the Board, ACRO-HT has participated in the Global Real Estate Sustainability Benchmark (“**GRESB**”) rating submission in 2024 and has achieved a 3-star rating with a score of 81, which is an increase of 3 points. This accomplishment reflects ACRO HT’s commitment to comprehensive data collection and disclosures, which it will continue to strengthen across its operations in coming years².

Looking forward

The Board will continue to increase its ESG competencies to effectively perform its role in sustainability governance and management, as guided by SGX-ST and MAS. Sustainability remains a pivotal factor in the Group’s operations, and both the Board and the Managers will continue to seek more efficient methods to enhance its ESG practices to create a sustainable future.

2 Following the change of sponsor to Acrophyte in July 2024, the Managers reviewed the Trust’s investor base, strategic priorities, and GRESB resource requirements. While GRESB provides valuable sustainability insights, the Managers determined that focusing resources on other key priorities such as developing a strong ESG framework (an essential component of GRESB) and strengthening internal ESG policies would be more beneficial at this time.

SUSTAINABILITY GOVERNANCE



[^] The compliance manager develops and implements risk management framework, policies, tools and processes. She also examines the usefulness of risk controls and advice on risk matters.

The Board is responsible for overseeing ACRO-HT’s sustainability initiatives and has delegated the management of risk and internal controls to the Audit and Risk Committee (“**ARC**”), led by Mr. Randy Daniels. To support the ARC in evaluating the effectiveness of internal controls, a separate Risk Management Committee (“**RMC**”) was established.

The RMC is headed by the Chief Executive Officer (“**CEO**”), Mr. Lee Jin Yong, and includes the Chief Financial Officer (“**CFO**”), Director of Investments, Assistant Director of Finance, and Compliance Manager. The RMC plays a crucial role in assisting the Board in identifying the key risks ACRO-HT faces, including strategic, operational, financial, compliance, technology and climate-related risks. It also outlines appropriate mitigation strategies and monitoring processes to address these risks and adapt to changes in the external business landscape. Additionally, the RMC ensures the achievement of ESG performance goals, enhances the quality of sustainability report disclosures, and oversees the development and progress of ESG policies.

The RMC is supported by the Hotel Manager, who is responsible for implementing sustainability initiatives and tracking progress toward set goals, with regular reporting to the CEO. The Investor Relations Manager assists in preparing the sustainability report alongside the Hotel Manager.

More information on the composition and responsibilities of the Board, ARC and the RMC can be found in the Annual Report, page to 71.

SUSTAINABILITY YEAR IN REVIEW

Economic (as of 31 December 2024)



Gross revenue:
US\$168.8 Million



Market capitalisation:
US\$116 Million

Environment



Energy Intensity of
18.35 kWh/sq ft or
48.60 kWh/
occupied room



Emissions intensity of
5.19 kgCO₂e/sq ft or
13.75 kgCO₂e
per occupied room

Social



Zero fatalities for both ACRO-HT's employees and Hotel Operators' Associates



Zero serious incidents concerning customer health and safety

Governance



Zero incidents of corruption



Zero incidents of fraud or non-compliance with socioeconomic or environmental laws

Sustainability Performance

ACRO-HT's ESG performance against targets in FY2024 for identified material factors is summarized in the table below.

Legend:


Met targets Targets not met




Material Factor	Targets for 2024 and beyond	Time horizon	2024 Performance
Corporate Governance	To maintain zero reported cases of corruption or fraud	Annual	Zero reported cases of corruption or fraud in 2024
Economic Performance	Achieving sustainable economic growth and delivering long-term value for ACRO-HT's stakeholders	Annual	Refer to Statement of Financial Position (AR page 101), Statement of Comprehensive Income (AR page 102) and Statement of Distributable Income (AR page 103)
Energy	To achieve 3% reduction in energy intensity per occupied room values over 5 years from 2022 baseline.	Medium term	Average energy intensity per occupied room: 48.60 kWh per occupied room This is an 0.10% increase from FY2023
	To implement energy saving initiatives across all hotels	Short term	Implemented four energy saving initiatives across the portfolio
	To continue monitoring and tracking natural gas and electricity consumption across all hotels	Annual	Total energy consumption (natural gas and electricity): 55,116,434 kWh
Employment	To maintain zero validated cases of noncompliance with employment regulations or acts concerning employee rights	Annual	Zero validated cases of non-compliance with employment regulations or acts concerning employee rights
Occupational Health and Safety	To maintain achieving zero fatalities for all the staff	Annual	Zero fatalities for all staff
Training and Education	To maintain an average of 26 training hours per employee	Annual	An average of 5.4 training hours per employee
Customer Health and Safety	To maintain achieving zero serious incidents concerning customer health and safety	Annual	No known serious incidents concerning customer health and safety
Socioeconomic Compliance	To maintain achieving zero reported cases of non-compliance with relevant laws, regulations and governance policies	Annual	Zero reported cases of non-compliance with relevant laws, regulations and governance policies
	To maintain zero significant fines, non-monetary sanctions, zero penalties or letters issued by relevant authorities on breaches of environmental and socioeconomic compliance	Annual	No significant fines and non-monetary sanctions, no penalties or letters issued by relevant authorities on breaches of environmental and socioeconomic compliance



STAKEHOLDER ENGAGEMENT

The Managers engage and consult the stakeholders at multiple touchpoints throughout the year to build trust, collaborate, manage risks and guide improvements in the operation of the hotel portfolio. Tapping on engaged stakeholders can amplify the impact of sustainability initiatives through their actions and influence.

In FY2024, The Managers engaged the following stakeholder groups who are key to their operations to understand their ESG focus areas.

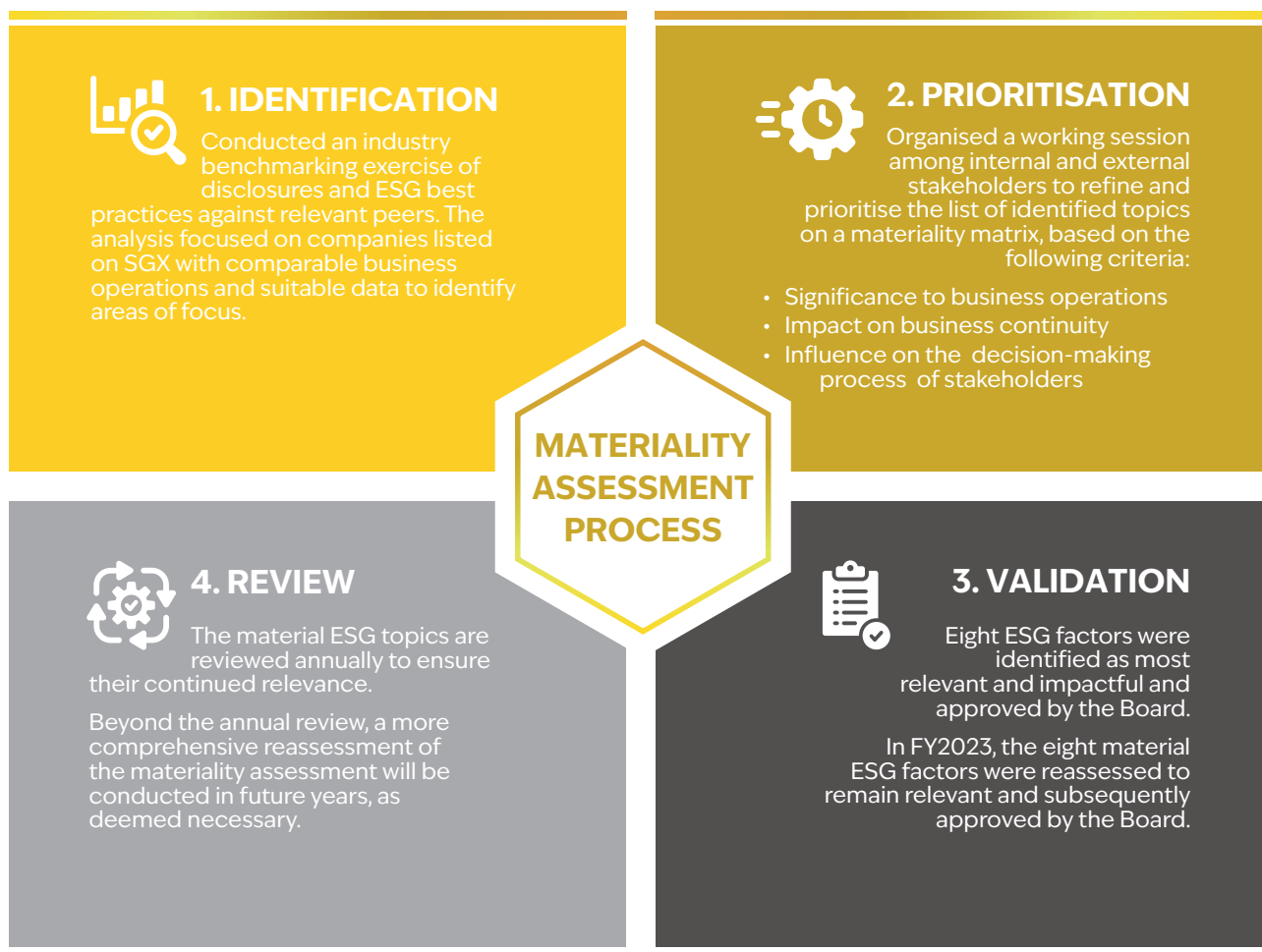
Stakeholder Group	Engagement methods and frequency	Key topics raised	ACRO HT's responses in FY2024
Legend for engagement frequency:			
 Throughout the year Monthly Quarterly Annually Ad hoc			
 <p>Customers and Guests</p>	<ul style="list-style-type: none"> Bilateral communications Tenant Engagement and Satisfaction 	<ul style="list-style-type: none"> Customer satisfaction Quality of facilities and services Customer health and safety 	<p>The hotels conduct regular guest feedback and satisfaction surveys to ensure open communication with customers.</p> <p>ACRO-HT places a high emphasis on guest satisfaction and tracks each hotels' performance using a monthly scorecard dashboard, where guest satisfaction scores are a key metric. The hotel brands issue surveys covering areas such as cleanliness, maintenance and guest services. If a hotel falls below the brand's average score, a service recovery plan is promptly implemented to address the concerns and improve overall guest experience.</p> <p>The hotels also strictly adhere to their brand's safety and cleanliness protocols, obtaining relevant certifications like the Global Biorisk Advisory Council (GBAC) STAR to uphold the highest standards. These certifications help ensure that guests can always expect a safe and clean environment during their stay, reflecting a commitment to consistent quality across all properties.</p>

Stakeholder Group	Engagement methods and frequency	Key topics raised	ACRO HT's responses in FY2024
 Employees	<ul style="list-style-type: none"> Training, including courses, seminars, webinars and orientation for new employees 	<p>Good employee welfare and working environment</p> <p>Skills development and training</p>	<p>Employees are supported in career development through regular performance appraisals, training programmes and ready access to resources in encouraging best practices. Employees are also required to attend annual mandatory training in anti-corruption, conflict of interest, code of conduct and business ethics.</p> <p>The Managers remain committed to good governance and fair employment practices and communicate these efforts through internal newsletters.</p>
	<ul style="list-style-type: none"> Employee feedback and employee satisfaction survey 	<p>Good corporate governance</p> <p>Opportunities for career development and progression</p>	
	<ul style="list-style-type: none"> Team bonding activities 		
	<ul style="list-style-type: none"> Internal communications via emails, intranet, newsletters and townhall meetings 	<p>Workplace health and safety</p>	
	<ul style="list-style-type: none"> Performance appraisals 		
 Government Agencies and Industry Organisations	<ul style="list-style-type: none"> Briefings, discussions and consultations with relevant authorities 	<p>Compliance with rules and regulations</p> <p>Effective corporate governance</p>	<p>The Managers hold discussions with regulators and authorities such as the MAS and the SGX-ST to comply with and stay abreast of regulations.</p> <p>The Managers review the sustainability reporting recommendations and received from SGX-ST and plan to incorporate them into existing sustainability management practices.</p>
	<ul style="list-style-type: none"> Regulatory filings 		
	<ul style="list-style-type: none"> Participation in relevant industry associations, forums and dialogues. ACRO-HT is a member of American Hotels & Lodgings Association ("AHLA"), Aimbridge Owners Advisory Board, Hyatt's Owners Advisory Council and the Hotel Asset Managers Association 	<p>Keeping abreast with regulatory and industry updates and trends</p>	
 Hotel Managers	<ul style="list-style-type: none"> Performance reporting and dashboards 	<p>Track KPI's including occupancy, ADR, RevPAR, RevPAR index, GOP, NOI, Segmentation and Operating Efficiency Ratios</p>	<p>Strong KPI accountability and oversight using BI platforms and centralized dashboards for asset level decision-making.</p>
	<ul style="list-style-type: none"> Monthly/ quarterly owner reviews 		
	<ul style="list-style-type: none"> Site visits and operational audits 	<p>Review market performance and segmentation benchmarking and deep dives in operating metrics. Identify property level and portfolio initiatives to improve GOP flow</p>	<p>Quarterly, portfolio initiatives like revenue management, labor management, guest reviews and preventive maintenance are conducted to track progress against benchmarks.</p>
	<ul style="list-style-type: none"> Stakeholder communication 	<p>Regular property visits to ensure operational consistency, brand standard compliance, capex assessments and condition reports</p>	<p>Management of capital investment improvements to ensure hotels are in good condition and working order. Oversight and recommendations on AEI and sustainability investments.</p>
		<p>Monthly brand partners scorecard review</p>	<p>Brand compliance and optimization</p>
		<p>Quarterly meetings with Hotel Operator senior leadership to discuss challenges and opportunities</p> <p>Weekly meetings with manager</p>	<p>Hotel operator accountability</p> <p>Budget preparation and monthly performance benchmark reporting to Manager</p>

Stakeholder Group	Engagement methods and frequency	Key topics raised	ACRO HT's responses in FY2024
 Investors	<ul style="list-style-type: none"> ■ Half-yearly financial reporting and interim business updates 	Performance of hotels	<p>ACRO-HT publishes quarterly business and operational updates, half-yearly financial announcements, year-end audited financial statements and annual reports to communicate the business performance to investors and stakeholders.</p> <p>These reports and announcements can be found on ACRO-HT's corporate website at www.acrophytetrust.com.</p>
	<ul style="list-style-type: none"> ■ Post-results analyst and investor briefings 	Business strategy and outlook	
	<ul style="list-style-type: none"> ■ Annual general meetings 	Net asset value growth	
	<ul style="list-style-type: none"> ■ Publications, including Annual Report and Sustainability Report 	Sustainable returns	
	<ul style="list-style-type: none"> ■ Direct email and phone correspondences through a dedicated investor relations contact 	Timely and transparent reporting	
	<ul style="list-style-type: none"> ■ Corporate website 	Good corporate governance	
	<ul style="list-style-type: none"> ■ Investor conferences and roadshows 		
 Partnered Brands	<ul style="list-style-type: none"> ■ Owner orientation and brand standards training 	Maintaining brand and service standards	<p>The Managers hold regular meetings with the corporate management team from the hotel brands to discuss updates to the brand standards and performance.</p> <p>The Managers also participated in the following Brand Partners' sustainability programs:</p> <p>29 Hyatt Hotels (World of Care Hyatt Hotels Corporate Responsibility)</p> <p>3 Marriott Hotels (Sustain Responsible Operations Marriott International Serve360)</p> <p>1 Hilton Hotel (Travel with purpose Corporate Responsibility at Hilton Worldwide)</p>
	<ul style="list-style-type: none"> ■ Owner dialogues and Forums 	Optimising hotel performance and revenue	
	<ul style="list-style-type: none"> ■ Brand audits 	Leverage brand business intelligence ("BI") tools and resources for enhanced service deliveries	
	<ul style="list-style-type: none"> ■ Key Metrics Utilisation and Benchmark Reporting 		

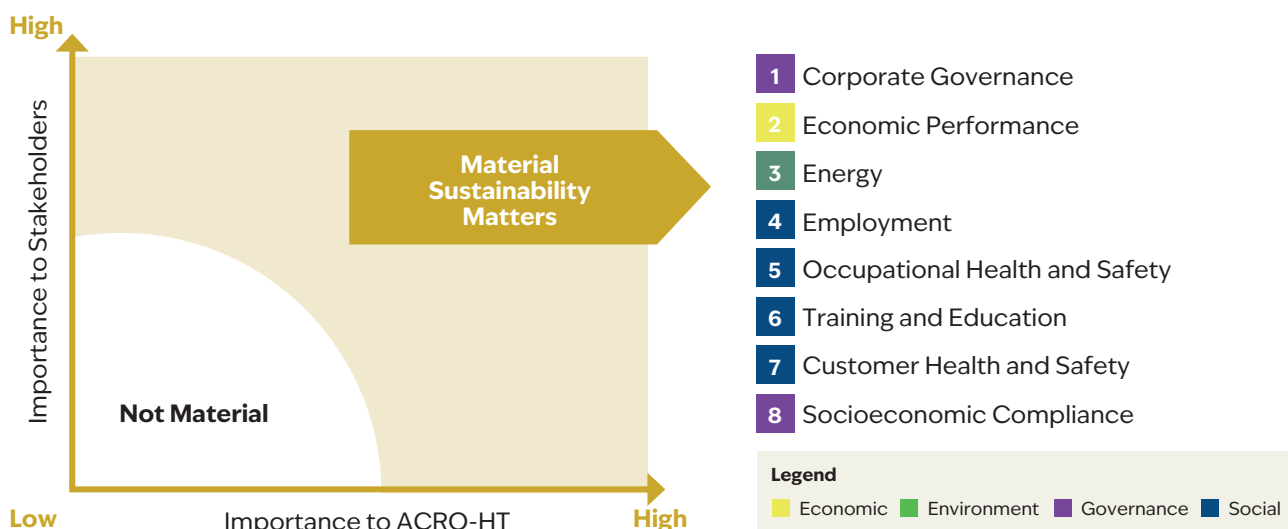
MATERIALITY ASSESSMENT

The Manager has conducted its first materiality assessment in FY2021 to assess the relevance of its material topics to the business activities and importance to key stakeholders. The materiality assessment process is implemented using both external and internal perspectives. The Manager considered potential and relevant ESG-related risks, broader economic trends impacting the hospitality industry and stakeholder expectations through the stakeholder engagements conducted. The Manager has implemented a four-step Materiality Assessment, as shown below.



On an annual basis, the Board reviews the identified material topics with inputs from the Managers and stakeholders to confirm their relevance. In FY2024, the Board reaffirmed the significance of the eight material topics, recognizing their continued relevance within the operating context of ACRO-HT.

The following materiality matrix outlines the key sustainability matters:



Material Topics

The Manager has mapped the identified material topics to the relevant GRI Standards and UN SDGs:

Category	Material topics	Related GRI standards and topics	Priority UN SDGs
Economic	Economic Performance	GRI 201 Economic Performance	
Environmental	Energy	GRI 302 Energy GRI 305 Emissions	
Social	Employment	GRI 401 Employment GRI 405 Diversity and Equal Opportunity	
	Occupational Health and Safety	GRI 403 Occupational Health & Safety	
	Training and Education	GRI 404 Training and Education	
	Customer Health and Safety	GRI 416 Customer Health and Safety	
Corporate Governance	Corporate Governance	GRI 205 Anti-Corruption	
	Socioeconomic Compliance	GRI 2-27 Compliance with laws and regulations	

Aside from the eight identified material topics, this report has included information on four other topics of interest to showcase the company's efforts in managing and advancing these areas. These four topics are Climate Change Resilience, Water, Waste, Supply Chain Management and Delivering Exceptional Value.

ENVIRONMENTAL STEWARDSHIP

CLIMATE CHANGE RESILIENCE

Impact of climate change

As financial implications of climate change become an increasingly real threat, both global and local financial authorities have recognised the importance of preparing economies for a spectrum of climate scenarios. In Singapore, given the uncertainty surrounding the impact of climate change on businesses, the MAS established the EnRM Guidelines to guide all fund management companies and real estate investment trust managers to factor climate risks and opportunities into their portfolio planning.

The management approach

Recognising the importance of establishing a comprehensive framework to identify, assess and manage climate-related risks, since FY2022, the Managers have adopted the TCFD Recommendations as aligned with the MAS EnRM Guidelines, seen in the following table. By integrating climate risks and ESG performance at the onset of decision-making processes regarding the existing hotel portfolio and new hotel acquisitions, ACRO-HT can better assess and mitigate the climate risks the company is exposed to.

Taskforce on Climate-related Financial Disclosures

TCFD Recommended Disclosures	MAS EnRM Guidelines	Response
<u>Governance</u>		
<i>ACRO-HT's governance around environmental and climate-related risks and opportunities</i>		
a) The Board's oversight of climate-related risks and opportunities	The Board to be involved in identifying environmental risks and opportunities and evaluating their impact on the Manager's strategies, business plans and products	<ul style="list-style-type: none"> The Board oversees sustainability and climate-related strategies and initiatives and monitors sustainability-related performance against targets. The Board maintains regular meeting cadence once every quarter to review the Manager's activities and evaluate sustainability and climate-related impacts and the Managers' strategies. Where necessary, additional meetings would be held to address significant requiring the Board Committee and the Board's attention. The Board is also responsible for reviewing and approving climate-scenario analysis and the relevant risks and opportunities identified across ACRO-HT's portfolio by attending climate risk validation meetings to discuss risk scenarios and approve subsequent risk mitigation strategies. In carrying out these duties, the Board has delegated the management of risk and internal controls responsibilities to the ARC. Additionally, the RMC, chaired by the CEO, is also established.

TCFD Recommended Disclosures	MAS EnRM Guidelines	Response
		<ul style="list-style-type: none"> The Board ensures that the Managers establish risk management policies and procedures to safeguard assets and address strategic enterprise, financial, operational, environmental, and compliance risks. The Managers of ACRO-HT are committed to sound corporate governance policies and practices, observing high standards of conduct in line with the recommendations of the Code of Corporate Governance 2018 (the “CG Code”), the Listing Manual of the SGX-ST (the “Listing Manual”), and other applicable rules and regulations.
<p>b) Management’s role in assessing and managing climate-related risks and opportunities</p>	<p>Senior management responsible for development, implementation, and reviewing the effectiveness of the environmental risk management framework and policies</p>	<ul style="list-style-type: none"> The RMC is headed by the CEO, Mr. Lee Jin Yong, and comprises the CFO, the Director of Investments, the Assistant Director of Finance, and the Compliance Manager. The RMC is supported by Hotel Manager. Together, they are responsible for assessing and managing climate-related risks and opportunities and effectiveness of environmental risk management. The RMC plays a crucial role in assisting the Board in identifying the key risks ACRO-HT faces, including strategic, operational, financial, compliance, and climate-related risks. It also outlines appropriate mitigation strategies to the Board and monitoring processes to address these risks and adapt to changes in the external business landscape. Additionally, the RMC ensures the achievement of ESG performance goals, enhances the quality of sustainability report disclosures, and oversees the development and progress of ESG policies.

Strategy

The actual and potential impacts of climate-related risks and opportunities on ACRO-HT’s businesses, strategy, and financial planning where such information is material

<p>a) The climate-related risks and opportunities ACRO-HT has identified over the short, medium, and long term</p> <p>b) The resilience of ACRO-HT’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</p>	<p>In assessing environmental risk, to consider both transition and physical risks on an individual asset and/or portfolio level</p>	<ul style="list-style-type: none"> Conducted a climate scenario assessment covering both physical and transition risks for 33 hotels (including three disposed hotels in FY2024). Considered the likely impact across short, medium, and long term timeframes for both a less than 2°C and business-as-usual 4°C warming scenario. The climate scenario analysis yielded meaningful results on the identified climate risks and its associated potential impacts to the business, as well as potential opportunities. Refer to pages 23 to 27 for the physical and transition risks and opportunities identified for the ACRO-HT portfolio.
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TCFD Recommended Disclosures	MAS EnRM Guidelines	Response
<p>c) The impact of climate-related risks and opportunities on ACRO-HT's businesses, strategy, and financial planning</p>	<p>To embed relevant environmental risk considerations in this process and evaluate the potential impact of relevant environmental risk on return potential</p>	<ul style="list-style-type: none"> In collaboration with an external consultant, ACRO-HT is in the process of developing a comprehensive new ESG policy. In the interim, ACRO-HT continues to integrate environmental and climate-related risks into its investment strategy, ensuring these factors are considered within the governance framework of the Trust.
	<p>Engage and work with third-party sustainability and energy consultants to identify low-cost, high-return sustainability investments and rebate offerings from local jurisdictions or energy companies</p>	<ul style="list-style-type: none"> Collaboration takes place through partnerships with hospitality-related associations, involving hotel owners, advisors, and asset managers, rather than directly with the Trust's constituents.
	<p>Continue implementing AElS to improve efficiency of resource use</p>	<ul style="list-style-type: none"> Specific templates for key environmental metrics such as energy consumption, Greenhouse Gas ("GHG") emissions, water consumption, and waste generation are used by the third-party Hotel Operators to record monthly data for each asset. Refer to the "<i>Environmental Stewardship</i>" section for green initiatives applied to the ACRO-HT hotel portfolio.
<p><u>Risk management</u></p> <p><i>How ACRO-HT identifies, assesses, and manages climate-related risks</i></p>		
<p>a) The processes for identifying and assessing climate-related risks</p> <p>b) The processes for managing climate-related risks</p>	<p>Put in place policies and processes to assess, monitor, and manage environmental risk</p>	<p>The company has an Enterprise Risk Management ("ERM") Framework, Climate risk has been identified as a parameter, and the integration process has been established to ensure the effectiveness of climate and environmental-related risk are managed in the ERM systems all other risk.</p> <ul style="list-style-type: none"> The RMC employs the ERM Framework as a structured process to identify, assess, and manage the material risks faced by ACRO-HT. These risks encompass strategic, operational, financial, compliance, information, technology, and climate-related risks and opportunities, with environmental considerations. The RMC formulates appropriate strategies to address these risks and implements mitigating actions to respond to them and adapt to changes in the external business environment. We are in the process of establishing Group ESG Policies that align with ACRO-HT's priorities and objectives. These policies will guide and inform ACRO-HT on climate and environmental aspects related to the business, as well as the management of climate-related and environmental risks.

TCFD Recommended Disclosures	MAS EnRM Guidelines	Response
<p>c) How the processes for identifying, assessing, and managing climate-related risks are integrated into risk management</p>	<p>Integrate environment risk into the Manager's overall investment risk management framework to identify, address and monitor the risks</p>	<ul style="list-style-type: none"> • Our ERM framework exemplifies our commitment to systematic, integrated, and proactive risk oversight. • ERM processes are established to identify, assess, manage, and monitor climate-related risks that could impact hotel operations, forming an integral part of ACRO-HT's investment risk management strategy. • As part of integrating environmental risks into the overall Manager's investment risk management, ACRO-HT circulates an Investment Management ESG Checklist during any potential acquisitions as part of the due diligence process. • We are committed to regularly reviewing our investment risk management approach on an annual basis to ensure continued alignment with best practices and evolving environmental considerations.
	<p>Where environmental risk is material, develop capabilities in scenario analysis to evaluate impact on portfolio and portfolio resilience to financial losses</p>	<ul style="list-style-type: none"> • ACRO-HT, with the support of Hotel Managers and external consultant, conducted a comprehensive review of climate-related risks, encompassing 33 portfolios in FY2024. This initiative is part of our ongoing efforts to remain vigilant regarding climate-related and environmental risks affecting the REIT portfolio and to develop capabilities for climate impact evaluation and ensuring portfolio resilience. • The RMC and Hotel Managers, along with the consultant, assessed the risks factors, inherent and residual risk levels (impact and likelihood) of identified climate-related physical and transitional risks for each 4.5 and 8.5 Representative Concentration Pathways ("RCPs") scenarios across different time horizons. • This approach enables ACRO-HT to highlight material climate-related risks and pinpoint key states that would be most affected across various scenarios. • Refer to pages 23 to 27 for the impacts of physical and transition risks and ACRO-HT mitigation actions.

TCFD Recommended Disclosures	MAS EnRM Guidelines	Response						
Metrics and targets								
<i>The metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</i>								
a) The metrics used by to assess climate-related risks and opportunities in line with its strategy and risk management process	Make regular and meaningful disclosure of environmental risks and exposure, with clear metrics and targets	<p>ACRO-HT regularly tracks, monitors, and discloses the following metrics across our portfolio to assess and manage relevant environmental and climate-related risks and opportunities:</p> <ul style="list-style-type: none"> • Purchased grid electricity consumption (kWh) • Natural gas consumption (kWh) • Energy intensity (kWh per occupied room; kWh/sq ft) • Carbon emission (kgCO₂e) • Carbon emission intensity (kgCO₂e/sq ft) <p>Our disclosures regarding environmental and climate-related risks are prepared in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the guidelines stipulated by the Monetary Authority of Singapore (MAS) as of December 2020. Additionally, we incorporate other international reporting standards and frameworks to ensure comprehensive and transparent reporting, such as GRI and GHG Protocol.</p> <p>To manage environmental and climate-related risks, ACRO-HT also maintains a risk register that includes general asset-level information such as state, location details, green certification status, mitigation measures, and environmental resources consumption. This information is crucial for assessing the exposure of climate-related risks across our portfolio.</p>						
b) Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks	NIL	<table border="1"> <tr> <td colspan="2" data-bbox="847 1476 1437 1525">FY2024</td> </tr> <tr> <td data-bbox="847 1525 1038 1574">Scope 1</td> <td data-bbox="1038 1525 1437 1574">3,967,417 kgCO₂e</td> </tr> <tr> <td data-bbox="847 1574 1038 1659">Scope 2</td> <td data-bbox="1038 1574 1437 1659">11,628,917 kgCO₂e</td> </tr> </table>	FY2024		Scope 1	3,967,417 kgCO ₂ e	Scope 2	11,628,917 kgCO ₂ e
FY2024								
Scope 1	3,967,417 kgCO ₂ e							
Scope 2	11,628,917 kgCO ₂ e							
c) The targets used to manage climate-related risks and opportunities and the performance against targets	NIL	Refer to page 11 on “Performance Sustainability Targets”						
NIL	Disclosure should be in accordance with international reporting frameworks, such as TCFD	<ul style="list-style-type: none"> • This table was prepared in accordance with the TCFD recommendations and MAS guidelines stipulated as of December 2020. 						

Climate scenario analysis

The world is increasingly aware of the tangible impacts caused by climate change, from increased frequency of natural disasters and extreme weather events to mitigatory measures by economies to meet global targets like Net Zero 2050. In FY2024, the climate analysis has seen significant enhancements compared to previous year. We have conducted a more detailed and refined qualitative assessment by analysing exposure to climate-related risks on state-by-state basis, rather than relying on broader geographic regions across the United States. This approach has allowed us to gain more accurate and actionable climate-related information and make informed decisions to ensure long term resilience.

Scenario analysis helps companies formulate strategic and risk management decisions under complex and uncertain circumstances such as those posed by climate change. It enables companies to contextualise projected climatic futures to their individual performance, allowing them to understand potential risks and uncertainties which accompany these hypothetical scenarios.

Risk types

Climate risk is typically divided into two categories:

- Physical risks encompass potential impacts of changing weather patterns, such as rise in mean temperature, heatwaves, severe storms, wildfires, water stress and droughts, change in precipitation pattern and flooding events.
- Transition risks arise from the transition towards a low-carbon economy and may encompass regulatory changes, technological advancements, and evolving market dynamics.

Portfolio coverage

The qualitative scenario analysis looked at all hotels in the ACRO-HT portfolio in FY2024 and examined their exposure to physical and transition risks under the two climate scenarios. While the geographical scope of the scenario analysis is limited to the states which the hotels are operating in, topographic diversity across the country is likely to lead to different degrees of risk exposure across the portfolio.

Climate scenarios

To analyse the potential impacts of climate change on the business, ACRO-HT selected two climate scenarios from the group of Representative Concentration Pathways (“RCP”) derived by the Intergovernmental Panel on Climate Change.

- RCP 2.6 (< 2°C) - the stringent scenario that stress-tests assets under conditions with high transition risks
- RCP 8.5 (4°C) - the worst-case/business-as-usual scenario that stress-tests assets under conditions with high physical risk



Time horizons




The scenario analysis acknowledges that the impacts of climate change manifests in different degrees over a range of time scales. We have updated the time horizon considering the company’s business strategy ensuring the climate analysis incorporates long-term objectives. Short term is defined as the next 1-5 years (i.e. by 2030), medium term to be next 6-10 years (i.e. by 2035) and long term to be next 11-15 years (i.e. by 2040).

ACRO-HT recognises its climate responsibilities and has proactively implemented various mitigation measures. These measures are integrated into the company’s strategy, portfolio construction, and risk management policies and processes. The following tables provide a detailed overview of the risk categories, potential impacts, time frames, and key mitigation measures that ACRO-HT has undertaken and proposed initiatives. The company remains committed to continuing its efforts and taking necessary steps to enhance the climate resilience of its operations.

The table below outlines key transition risks, prominent under optimistic RCP 2.6 climate scenario, and associated mitigation measures relevant to ACRO-HT portfolio.




■ Low Impact ■ Medium Impact ■ High Impact

Transition risks			
Risk Type	Description	Time Horizon and Impact	Existing/Planned Mitigation Measures
 <p>Enhanced regulation related to climate disclosures and building mandates (Policy and regulation)</p>	<p>Mandatory climate-related disclosures are gaining traction in both Singapore and the U.S Starting FY2023 in Singapore, selected industries are required under the SGX-ST to disclose their climate-related data as consistent with TCFD recommendations.</p> <p>Such mandatory disclosures could lead to increased costs as investment in infrastructure is needed for effective monitoring processes, and reporting and verification may require additional resources. Disclosures which fail to meet stakeholder expectations could also impact investor confidence and hence company valuations.</p>	<p>Short ■ Medium ■</p>	<p>Participated in the 2023 GRESB Assessment.</p> <p>Review and revise existing reporting framework to align with best practices and voluntary frameworks such as TCFD, GRI and GRESB.</p>
 <p>Rise in carbon tax (Policy and regulation)</p>	<p>Currently, the United States does not have a federal carbon tax, but various states like California have implemented carbon pricing policies. Due to increasing climate actions and commitments, there is potential for a federal carbon tax to be introduced, which could raise operational costs for hotel companies.</p> <p>This increase in costs would primarily come from higher energy prices impacting profitability.</p>	<p>Medium ■ Long ■</p>	<p>Regularly track and report carbon emissions to ensure transparency and accountability.</p>
 <p>Technology Costs to transition to low carbon technologies (Technology)</p>	<p>Green technologies will be increasingly important in accelerating efforts to reduce GHG emissions and improve business efficiency amidst uncertain climatic futures.</p> <p>This might lead to increased construction and maintenance cost of properties, which may be potentially passed down to hotel guests.</p>	<p>Medium ■ Long ■</p>	<p>Boost equipment efficiency and lifespan through cloud-based maintenance software, to enable real-time monitoring of meter readings to proactively detect leaks and optimise energy use.</p>


Risk Type	Description	Time Horizon and Impact	Existing/Planned Mitigation Measures
 <p>Rising energy costs from climate action (Market)</p>	<p>As climate action intensifies, the United States is expected to see a rise in energy costs. The shift away from fossil fuels, driven by policies to reduce carbon emissions, will increase reliance on green energy sources. However, the limited scalability of green technologies could result in higher energy prices.</p> <p>This might lead to increased operational expenses, thereby impacting profitability.</p>	<p>Medium ■ Long ■</p>	<p>Ensure regular energy audits, enhance efficiency of appliances and implementation of energy management systems.</p>
 <p>Shift in consumer preference - demand for green buildings (Market)</p>	<p>Despite recent setbacks in climate policy and actions in the United States, under 2 degrees scenario, significant shifts towards green buildings are anticipated as part of broader climate action initiatives.</p> <p>As consumer awareness of environmental issues continues to rise, there is a growing preference for sustainable and eco-friendly accommodations.</p>	<p>Medium ■ Long ■</p>	<p>Continue to implement and promote eco-friendly practices such as energy-efficient lighting, and water conservation.</p>
 <p>Exposure to litigation (Reputation)</p>	<p>As regulatory frameworks become more stringent, companies are expected to adhere to higher standards of environmental performance. Non-compliance can lead to lawsuits, penalties, and reputational damage, significantly impacting financial stability.</p>	<p>Short ■ Medium ■ Long ■</p>	<p>Continue to uphold and improve sustainability practices to maintain green certifications.</p> <p>Perform periodic compliance audits to identify and rectify any potential legal vulnerabilities.</p>






The table below outlines the key physical risks, prominent under business-as-usual RCP 8.5 climate scenario, and associated mitigation measures relevant to ACRO-HT portfolio.

■ Low Impact ■ Medium Impact ■ High Impact

Physical risks			
Risk Type	Description	Time Horizon and Impact	Existing/Planned Mitigation Measures
 <p>Exposure to severe storms (Acute)</p>	<p>Severe storms, including hurricanes, tornadoes, and winter storms, present significant risks to hotel operations across different states. These extreme weather events can cause structural damage, disrupt business continuity, and threaten the safety of guests and employees.</p> <p>While our hotels have recently undergone renovations and have faced no significant damages in the past due to severe storms, operations in storm-prone states (Florida, Nebraska, North Carolina, Texas etc.) may experience operational disruptions due to these more frequent and intense weather events.</p>	<p>Short ■ Medium ■ Long ■</p>	<p>Conduct quantitative assessment to understand the financial impacts of physical risks better.</p> <p>Insurance coverage – ensure assets are adequately insured against storm damage, including property damage, business interruption and liability coverage.</p> <p>Physical and operational resilience efforts include flood protection measures, building infrastructure upgrades, and the implementation of disaster preparation and business continuity planning by the Hotel Operators.</p>
 <p>Exposure to heat waves (Acute)</p>	<p>As climate change intensifies, the frequency, duration, and severity of heat waves are expected to increase, creating challenges for guest comfort, employee safety, and operational efficiency.</p> <p>While heat waves spells are expected to be frequent in California, Nebraska, Idaho, New Mexico, Tennessee, Michigan during over medium to long term, our operations are expected to have a low impact.</p>	<p>Medium ■ Long ■</p>	<p>Implement heatwave response protocols, including real-time monitoring of local weather conditions and communicating proactive measures to guests and employees.</p>
 <p>Exposure to wildfires (Acute)</p>	<p>Climate change is expected to increase the frequency, intensity, and size of wildfires. Wildfires can cause direct damage to hotel infrastructure, leading to costly repairs and renovations.</p> <p>Our operations are assessed to have low exposure to wildfire risk, however as a result of climate change, operation in California might be exposed to medium risk in longer term.</p>	<p>Long ■</p>	<p>Continuously update the wildfire mitigation plan to reflect the latest best practices and regulatory requirements.</p> <p>Regularly review insurance policies to ensure they meet the hotel's needs and cover potential risks.</p>

Risk Type	Description	Time Horizon and Impact	Existing/Planned Mitigation Measures
 <p>Exposure to flooding (Acute)</p>	<p>Increase in the frequency and intensity of flooding events is expected in certain regions due to increase in precipitation and exposure to sea level rise. This could lead to temporary closures, increased maintenance costs, and potential damage to infrastructure.</p> <p>While none of the locations are exposed to high flood risk, there is potential for operational impact due urban flooding in some regions due to intensified precipitation in the long term.</p>	<p>Long ■</p>	<p>Conduct quantitative assessment to understand the financial impacts of physical risks better.</p> <p>Ensure scope of insurance coverage minimally encompasses property insurance, business interruption and environmental impairment.</p> <p>Elevate critical infrastructure, such as electrical systems and data centers, to protect them from flood damage.</p>
 <p>Rise in average temperature (Chronic)</p>	<p>Increase in global temperatures are expected to be exacerbated in urban environments where the heat island effect aggravates discomfort especially over summer months. This is likely to be more pronounced in properties within the Central United States. This could lead to overheating in buildings, as well as bodily stress and increased risk of heat exhaustion or heat stroke, reducing employee productivity and comfort of guests in hotels.</p> <p>Our operations are expected to have low impact face increase in energy consumption to counter the rise in temperature, however the impact is assessed to be low.</p>	<p>Medium ■ Long ■</p>	<p>Continue installation of energy management thermostat (smart controls) in the coming years.</p> <p>Progressive conversion of existing lighting to Light Emitting Diode (“LED”).</p> <p>Replacement of Heating, Ventilation, and Air Conditioning (“HVAC”) units with more energy efficiency models in select hotels.</p> <p>Replacing R-22 refrigerants with R-410A in select hotels.</p> <p>Continue use of Aquanomic Low Temperature Laundry Program across entire hotel portfolio.</p> <p>Improved insulation of windows, roofs and building exterior to prevent energy loss.</p>

Risk Type	Description	Time Horizon and Impact	Existing/Planned Mitigation Measures
 <p>Water stress and droughts (Chronic)</p>	<p>Drought conditions are increasingly common in the U.S, and poor management of water consumption will adversely impact the freshwater supply. This will result in disruptions to daily business operations, consequently reducing revenue.</p> <p>Our operations are assessed to have low business impact across the time horizons.</p>	<p>Medium ■</p> <p>Long ■</p>	<p>Progressive installation of low-flow regulators and aerators in guest rooms.</p> <p>Replacement of guest laundry washers with more energy efficient models.</p> <p>Beta testing for early detection toilet leaks and replacement.</p> <p>Alternate-day room cleaning and every fifth day linen change.</p>

Opportunity	Time Horizons	Potential Impact
<p>Energy efficiency retrofits and certifications</p> 	Short-Medium term	<ul style="list-style-type: none"> Improved ENERGY STAR scores Lower energy bills Compliance with strong energy standards in States like California, New York, Massachusetts and Colorado
<p>Ensure robust sustainability alignment</p> 	Short term	<ul style="list-style-type: none"> Increased transparency and enhanced reputation through proactive sustainability efforts. Appeal to investors and partners with a strong focus on sustainability.
<p>Leverage Regulatory Incentive</p> 	Long term	<ul style="list-style-type: none"> Financial rebates and support for green initiatives, reducing upfront costs and accelerating return on investment. Enhanced compliance with evolving regulations.
<p>Promotion of low emission solutions</p> 	Medium-term	<ul style="list-style-type: none"> Reduced carbon footprint Enhanced brand reputation Potential partnerships with green suppliers and service providers.
<p>Investment in resilience measures</p> 	Long term	<ul style="list-style-type: none"> Long-term viability and asset protection against climate risks Reduced insurance premiums, and enhanced property value. Reduced water usage, lower operational costs, and enhanced resilience to water scarcity

ENERGY AND GHG EMISSIONS

Targets	Time Horizon	Performance
To achieve 3% reduction in energy intensity per occupied room values over 5 years from 2022 baseline	Medium term	Energy Intensity ³ of 18.35 kWh/sq ft or 48.60 kWh per occupied room Emissions intensity ³ of 5.19 kgCO ₂ e/sq ft or 13.75 kgCO ₂ e per occupied room
To implement energy saving initiatives across all hotels	Short term	Implemented four energy saving initiatives across the portfolio
To continue monitoring and tracking natural gas and electricity consumption across all hotels	Annual	Total energy consumption (natural gas and electricity): 55,116,434 kWh

Impact of energy

The global hotel industry contributes around 1% of worldwide carbon emissions, a figure that is expected to rise in the coming years. By 2030, the industry will need to cut its carbon emissions per room by 66%, and by 2050, achieve a 90% reduction compared to 2010 levels. In the U.S., the energy cost for a single hotel guest room can be nearly double that of an entire residential household on an annual basis. This underscores the urgent need for sustainable hotel management practices that prioritize energy efficiency and reduction. The managers at ACRO-HT recognize the significant environmental and community impact of their operations and are committed to actively reducing energy consumption and enhancing the energy efficiency of their portfolio of properties.

The management approach

ACRO-HT is committed to a long-term vision of reducing its carbon footprint and utilizing resources in a responsible, sustainable way. ACRO-HT works with the Hotel Manager and Hotel Operators to pilot energy, water and waste initiatives, assessing their feasibility for broader implementation to other hotels in its portfolio. Additionally, ACRO-HT continuously benchmarks environmental performance against both historical and industry standards. The Hotel Manager and Hotel Operators bring specialised expertise in sustainable hotel management, considering diverse perspectives when developing and executing these initiatives. Past pilot projects include installing an irrigation water system in Hyatt Place Rancho Cordova, a waste reduction programme to extend the use of good-condition furniture and on-demand water heaters to reduce energy consumption. Key initiatives for FY2024 are highlighted in the following page. ACRO-HT also utilizes data-driven insights to identify areas for operational improvement, such as pinpointing high water usage areas and installing systems that detect equipment malfunctions and leaks, reducing utility consumption and water waste while optimizing energy usage across properties.

ACRO-HT is committed to maintaining strict standards across all properties and strive towards certifications like LEED and ENERGY STAR® to motivate the continued sustainable management of resources.

³ ACRO-HT uses two types of intensity metrics - intensity by occupancy and intensity by Gross Floor Area ("GFA") to measure Energy and GHG Emissions performance. Intensity by occupancy is calculated based on a total number of occupied rooms during FY2024, while intensity by GFA is calculated using the combined GFA of the 33 upscale select-service hotels in ACRO-HT's portfolio and the three hotels that were disposed of in FY2024.

Energy Stewardship Certifications

As the portfolio hotels are based in the U.S, the Managers look towards certifying the properties to ENERGY STAR®, a national energy efficiency programme by the U.S Environment Protection Agency. Certification for buildings is renewed and verified on an annual basis. In FY2024, ACRO-HT renewed 20 ENERGY STAR® certifications and attained three new certifications. However, compared to FY2023, some previously certified hotels did not meet the necessary analytical conditions to remain eligible for certification. Looking ahead, the Managers aim to maintain their current certification status while working to increase the number of certified properties across the portfolio.



Energy Star®

ENERGY STAR® certified properties in ACRO-HT's Portfolio in 2024

AC Hotel Raleigh	Hyatt Place Louisville East
Home2 Suites Colorado Springs	Hyatt Place Nashville Opryland
Hyatt Place Sacramento Rancho Cordova	Hyatt House Sterling/Dulles Airport-North
Hyatt Place Boise Towne Square	Hyatt House Raleigh Durham Airport
Hyatt Place Denver Airport	Hyatt House Fishkill/Poughkeepsie
Hyatt Place Richmond Arboretum	Hyatt House Richmond - Short Pump
Hyatt Place Secaucus Meadowlands	Hyatt House Parsippany - East
Hyatt Place Charlotte Airport	Hyatt House Parsippany/Whippany
Hyatt Place Memphis/Primacy Parkway	Hyatt House Morristown
Hyatt Place Mystic	Hyatt House Branchburg
Hyatt Place Lakeland Center	Hyatt House Boston/Burlington
Hyatt Place Tampa Busch Gardens	

Reducing energy consumption through Verdant smart thermostats

Given the portfolio's varied topographies and seasonal temperature fluctuations, ACRO-HT managers have implemented several measures to reduce energy consumption while maintaining guest comfort. In regions with greater temperature variation, hotel managers have continued the roll-out of Verdant Smart Thermostats, which adjust temperature and energy use based on real-time occupancy patterns. This reduces HVAC energy consumption in unoccupied rooms while ensuring optimal comfort in occupied ones.

In 2024, four additional hotels - Hyatt Place Albuquerque Airport, Hyatt Place Nashville Brentwood, Hyatt Place Nashville Opryland, and Hyatt Place Omaha - were equipped with Verdant thermostats, bringing the total to 26 hotels (79% of the portfolio). These four properties are expected to save 690,000 kWh of energy annually, resulting in approximately \$66,000 in energy cost savings.

Reducing energy consumption through upgrading to LED lights

To date, eight hotels in the portfolio have completed LED lighting conversion at their premises. This transition is expected to significantly reduce annual energy consumption by 1,290,000 kWh and generate an additional \$178,000 in energy savings each year. In 2024, six more hotels followed suit by upgrading to LED lighting: Hyatt Place Auburn Hills, Hyatt House Richmond Short Pump, Hyatt House Boston Burlington, Courtyard San Antonio Six Flags at the RIM, Residence Inn San Antonio Six Flags at the RIM, and Hyatt Place Nashville Opryland. These upgrades not only contribute to energy efficiency but also support sustainability efforts across the portfolio.

Reducing energy consumption through improved building insulation

Maintaining the internal temperature of hotels is essential for balancing guest comfort with optimized energy consumption in heating and cooling. In 2024, the Hotel Manager enhanced energy efficiency by installing window, roof, and exterior building sealants at three properties: Hyatt House Raleigh Durham Airport, Hyatt Place Mystic, and Hyatt Place Memphis Primacy. This brings the total number of hotels with sealants installed to 28, representing 85% of the portfolio. These upgrades help regulate air leakage and minimize energy loss, further advancing sustainability goals while ensuring a comfortable environment for guests.

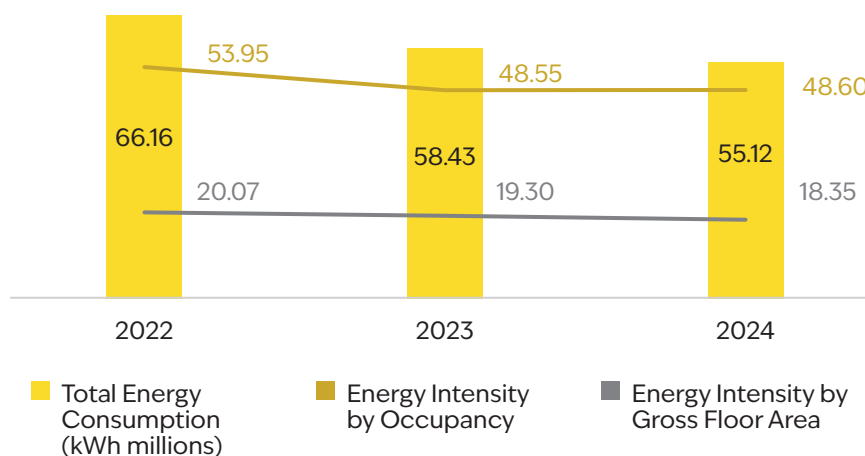
2024 Performance: Energy consumption and energy intensity⁴



In FY2024, the portfolio hotels consumed a total of 55,116,434 kWh of energy, translating to an average energy intensity of 48.60 kWh per occupied room⁵ or 18.35 kWh/sq ft⁶.

	FY2022	FY2023	FY2024
Natural Gas (kWh)	25,257,626	23,128,555	21,891,104
Electricity (kWh)	40,903,668	35,303,320	33,225,330
Total (kWh)	66,161,294	58,431,875	55,116,434
Energy Intensity by Occupancy (kWh/occupied room)	53.95	48.55	48.60
Energy Intensity by Gross Floor Area ("GFA") (kWh/sq ft)	20.07	19.30	18.35

Energy Consumption and Energy Intensity



Comparing year-on-year, the total energy consumption across the hotel portfolio decreased from 58,431,875 kWh in FY2023 to 55,116,434 kWh in FY2024. In terms of energy intensity, energy consumption per occupied room increased 0.10% from 48.55 kWh in FY2023 to 48.60 kWh in FY2024. Energy consumption per square foot also decreased 5.0% from 19.30 kWh/sq ft in FY2023 to 18.35 kWh/sq ft in FY2024.

⁴ Our 2022 and 2023 energy performance figures cover 36 hotels, while 2024 includes 33 hotels and 3 up to their disposition.

⁵ Average energy intensity per occupied room is calculated based on total energy consumption over the total of 1,134,024 occupied rooms during the reporting period.

⁶ Average energy intensity per square foot is calculated based on total energy consumption over the total of 3,002,876 square foot during the reporting period.

In FY2024, the occupancy rate stood at 68.7%, a slight decrease from 69.3% in FY2023. The overall energy consumption declined, largely due to a reduction in the number of occupied rooms. This was a result of fewer rooms available for sale, attributed to disruptions from asset enhancement initiatives at six hotels and a reduced property square footage following the disposition of three hotels during the year. While energy intensity per occupied room rose marginally by 0.10%, energy intensity per gross floor area (GFA) fell by 5.0%, reflecting the success of energy-efficient measures in optimizing energy use across the properties.

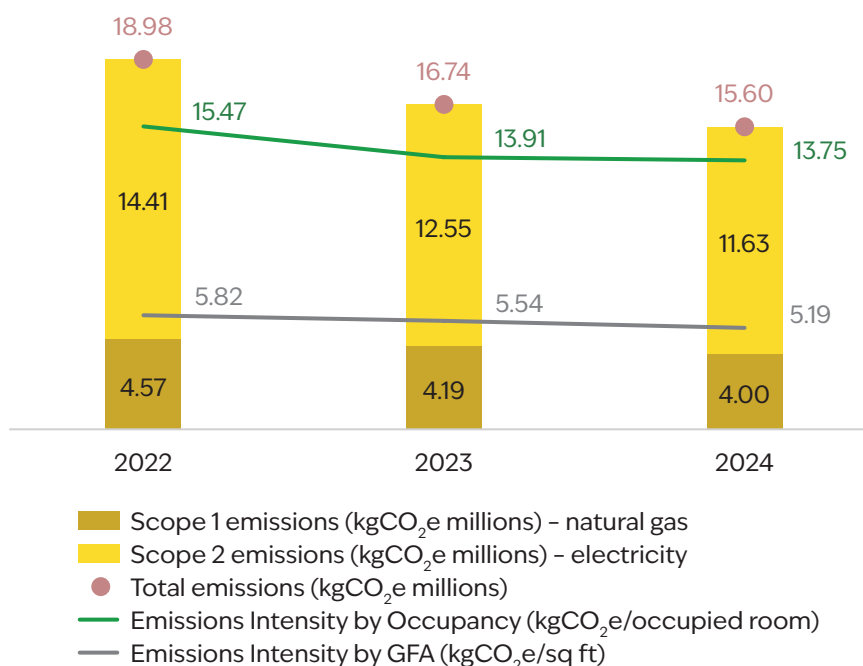
For transparency, the FY2024 data above includes the energy consumption of three disposed hotels up until their divestment in FY2024.

2024 Performance: GHG Emissions and Emissions Intensity⁷



In FY2024, the portfolio hotels' activities generated a total of 15,596,334 kgCO₂e of Scope 1 and Scope 2 emissions, translating to an emission intensity of 13.75 kgCO₂e per occupied room or 5.19 kgCO₂e/sq ft by GFA.

	FY2022	FY2023	FY2024
Scope 1 emissions (kgCO ₂ e) - natural gas	4,568,725	4,191,739	3,967,417
Scope 2 emissions (kgCO ₂ e) - electricity	14,406,449	12,546,335	11,628,917
Total emissions (kgCO₂e)	18,975,174	16,738,074	15,596,334
Emissions Intensity by Occupancy (kgCO ₂ e/occupied room)	15.47	13.91	13.75
Emissions Intensity by GFA (kgCO ₂ e/sq ft)	5.82	5.54	5.19



⁷ Our 2022 and 2023 emissions figures cover 36 hotels, while 2024 includes 33 hotels and 3 disposed hotels calculated based on emission factors from US EPA Emission Factors Hub, version January 2025.

WATER

Impact of water

As the impacts of climate change continue to intensify, the frequency and severity of extreme weather events are escalating, making the protection and management of water reserves a critical concern for hotel management. In the United States, for example, both the duration and intensity of droughts have significantly increased in recent years. Given that the daily average water consumption of hotel guests often surpasses that of local populations, it is essential for hotels to implement effective strategies to reduce water usage. This is particularly important in areas already facing water scarcity, where the pressures on local water supplies are exacerbated. By adopting water conservation measures, hotels can play a crucial role in mitigating their environmental impact while ensuring the sustainability of water resources for surrounding communities.

The management approach

During the initial materiality assessment in FY2021, the Manager performed a peer comparison to identify the most commonly disclosed GRI indicators among ACRO-HT's industry counterparts. Based on this analysis, the Managers selected the relevant GRI indicators for the assessment. Subsequently, the Managers began collecting data on water consumption as part of their ongoing sustainability efforts. Recognizing the critical role of water in the hospitality industry, the Managers have implemented measures to reduce ACRO-HT's water usage and enhance the efficiency of its water distribution network. These initiatives focus on high-water-use areas such as guest toilets, kitchen and laundry operations, and landscaping. The initiatives are initially piloted at select hotels to evaluate their effectiveness before being rolled out across other hotels in the portfolio.

Reducing water wastage and utility consumption in hotels

Over the past four years, utility costs at U.S. hotels have been rising faster than total operating revenue, with total utility expenses growing at a compound annual growth rate (CAGR) of 3.6% from 2019 to 2023. The largest contributors to these rising costs are electricity and water, with electricity accounting for 60% of total utility expenses and water and sewer making up an average of 22%.⁸ Given this, it is increasingly important for hotels to optimize water usage and improve operational efficiency.



In 2024, the Hotel Manager launched a pilot program to implement the Symmons Evolution Water Management System (“**Symmons**”) at seven hotels. Symmons is a sensor-based leak detection system that provides real-time data, identifies leaks, and detects equipment malfunctions, sending instant alerts to minimize downtime, reduce utility consumption, and prevent water waste. For example, when a hot water tank failed at Hyatt Place Tampa Busch Gardens in January 2025, the hotel staff was able to detect the issue early using Symmons, allowing other tanks to take over and preventing any disruption to guest services. Additionally, the system ensures consistent hot water delivery without raising boiler temperatures, improving both energy efficiency and guest satisfaction.

Symmons is also highly regarded by insurance carriers as an effective preventive maintenance tool, helping mitigate potential loss risks. Due to its proven effectiveness, the Managers plan to expand the installation of Symmons to two additional hotels in 2025: Courtyard San Antonio at Six Flags at the Rim and Residence Inn San Antonio Six Flags at the Rim.

⁸ CBRE, gaining control of utility costs, <https://www.cbre.com/insights/briefs/gaining-control-of-utility-costs>.

Reducing water use from hotel operations

Kitchen, dishwashing, and laundry operations account for roughly 30% of water consumption in hotels and lodging facilities across the U.S. Recognizing the opportunity to reduce water usage, many properties have adopted a range of strategies to improve the efficiency of their appliances. These measures include replacing outdated, less efficient machines with high-efficiency washing machines and dishwashers. Additionally, the Aquanomic 2.0 Low-Temp Laundry Program has been implemented at 80% of the portfolio properties. This program reduces water consumption by 0.6 to 0.8 gallons per pound of laundry and can lower overall water use by as much as 40%. Specifically, Aimbridge Hospitality saved 6 million gallons of water, resulting in approximately \$37,000 in savings. To further decrease water usage, management is exploring options such as reducing the frequency of room cleaning to every other day and only changing bed linens every fifth consecutive night of a guest's stay.

Another significant contributor to water consumption is the irrigation of hotel landscapes. A smart irrigation management system was installed at Hyatt Place Sacramento Rancho Cordova in 2023. Following its success, the system was implemented in 2024 at two more hotels that recently underwent asset enhancements: Hyatt Place Lakeland Center and Hyatt Place Tampa Busch Gardens. Collectively, these three hotels save approximately 4,071 TGALs of water each year, translating to an annual cost savings of around US\$11,000.

Optimising water and resource used for pool and spa services

The Hotel Manager are tasked with delivered an excellent pool and spa experience for guests while also minimizing environmental footprint and controlling operational costs. To address these challenges, the Hotel Manager partnered with Ecolab, a global leader in water and hygiene solutions, to implement Ecolab's Aqua Balance program across the 20 Hyatt-branded Hotels managed by Aimbridge Hospitality. The program aims to reduce resource consumption while enhancing operational efficiency and guests' satisfaction.



Ecolab Aqua Balance

The Aqua Balance program integrates several key sustainable practices, including precise water management, optimized chemical use, and the automation of pool maintenance processes. Through an automated dispensing system, we are able to monitor and control pool operations in real time, reducing chemical waste, conserving water, and lowering energy consumption.

By leveraging this advanced technology, the program helps extend the lifespan of equipment, reduce labour costs, and improve maintenance efficiency. More importantly, it ensures that pools are maintained at the ideal conditions for guests, reducing common issues like skin and eye irritation while enhancing their experience.

Water consumption and intensity



In FY2024, properties within the ACRO-HT portfolio withdrew a total of 526,932m³ of water and has a water intensity of 0.18 m³/sq ft. Going forward, the Managers are considering setting targets for water consumption to better monitor and manage the hotels' use.

	FY2023	FY2024
Water consumption (m ³)	554,482	526,932
Water intensity (m ³ /sq ft)	0.18	0.18

WASTE

Impact of waste

Most of the waste generated by a hotel's operations and infrastructure upgrades ends up in landfills, which places a significant burden on the surrounding ecosystem and local communities as it decomposes or releases pollutants into the air⁹. Hotels are increasingly recognizing the importance of managing their waste production to minimize the negative impact on the local environment.

Hence apart from managing the consumption of resources, ACRO-HT regards "Waste" as a topic of interest and is committed to managing its production of waste to minimise the impact on the local environment.

The management approach

Following the materiality assessment in FY2021, ACRO-HT managers began collecting waste data, similar to water usage. Despite operational challenges, such as waste tracking not being part of contractual agreements with Hotel Operators, we are committed to estimating and tracking waste data as accurately as possible. Our efforts to estimate and quantify waste streams demonstrate our dedication to improving sustainability practices, even when faced with difficulties in the data collection process.

Despite these challenges, ACRO-HT is committed to implementing measures that can be replicated across its hotels and considers "Waste" as part of their environmental stewardship. In order to better understand the amount of waste generated across its properties for more targeted management, ACRO-HT is working to enhance and standardize its waste calculation methodology. Currently, the company uses the WWF Hotel Waste Measurement Methodology as part of its data collection process when weighting data from waste vendors is unavailable. Moving forward, ACRO-HT will refine its data collection processes by referring to industry guidance, such as the Cornell Hotel Sustainability Benchmarking, and aims to report waste data for its entire portfolio in the coming years.

Extending the lifespan of hotel furniture and decorations

In 2023, four hotels focused on extending the life of their furniture in good condition and reducing waste by diverting approximately 50% of their furniture, fixtures, and equipment waste. This was achieved through donations to local charities or by redistributing items to other hotels within the same portfolio. To further minimize waste, decorative millwork and other wooden case goods were refurbished rather than replaced. In 2024, Hyatt Place Tampa Busch Gardens and Hyatt Place Lakeland Center adopted the practice of recycling and reusing furniture to reduce landfill disposal.

Across the entire portfolio, about 420 tonnes of waste (i.e. 12% of the total waste) were diverted from landfills through incineration (waste-to-energy plants) and recycling.

Reducing plastic use through Smart Technology

Efforts to reduce environmental impact have led to the implementation of digital guest solutions aimed at minimizing plastic and paper waste in hotel operations. Guest rooms are progressively equipped with Bluetooth Low Energy Radio Frequency Identification ("**BLE RFID**") keyless entry systems. These systems reduce the need for traditional plastic key cards by enabling mobile access through Brand Partners' applications, streamlining the check-in and room entry process.

Initially introduced in 38 properties during FY2021, the technology was further expanded in FY2024, including its installation at Hyatt Place Detroit Auburn Hills. These initiatives contribute to waste reduction efforts and support long-term environmental and operational efficiencies.

⁹ Juvan et al., Waste production patterns in hotels and restaurants: An intra-sectoral segmentation approach, <https://doi.org/10.1016/j.annale.2023.100090>.

Waste consumption and intensity



To increase transparency of ACRO-HT’s environmental data, the Managers have been refining waste management monitoring and data collection and are disclosing waste consumption of the portfolio hotels for FY2024. In FY2024, the portfolio hotels disposed a total of 3,620 tonnes of waste and has a waste intensity of 0.0012 tonnes/sq ft. Going forward, the Managers are considering setting targets for waste consumption to better monitor and manage the hotels’ use.

	FY2024
Waste generated (tonnes)	3,620
Waste intensity (tonnes/sq ft)	0.0012



STAKEHOLDER AND COMMUNITY

EMPLOYMENT

Targets	Time Horizon	Performance
To maintain zero validated cases of non-compliance with employment regulations or acts concerning employee rights	Annual	Zero validated cases of non-compliance with employment regulations or acts concerning employee rights

Impact of employment

The Managers believe that the success of their business relies heavily on the expertise of its employees. Skilled professionals across management, analysis, and operations work together to optimize returns, identify new opportunities, and navigate market changes. This includes the Hotel Manager acting as asset managers who oversee hotel operations; the Director of Investments, who evaluates acquisition and disposition opportunities; and the Chief Financial Officer, who manages all financial activities, including treasury and capital management. By investing in employee development and fostering a diverse team, the company enhances its internal capabilities while also delivering socioeconomic benefits to other stakeholders in the value chain, including suppliers and local communities where the hotels operate.

The management approach

The company's people remain the greatest asset in business growth. At ACRO-HT, the Managers foster a sustainable and inclusive work environment where employees can develop holistically, through five main strategic focuses:

- Talent Strategy & Planning
- Talent Acquisition
- High Performance Culture
- Employee Connectivity and Engagement
- Business Driven

ACRO-HT is dedicated to fostering fair and equal access to opportunities for all, while acknowledging its responsibility to enhance inclusion for vulnerable groups experiencing persistent discrimination. At present, the Managers takes reference from the environmental and social responsibility policy¹⁰ of the hotels owned by Acrophyte, detailing commitment to ensure compliance with all applicable legislations and regulations including, among others, health, safety, labour as well as combating child labour and human trafficking.

At ACRO-HT, upholding employee rights and ensuring compliance with employment regulations are top priorities in workforce management. The Managers foster a diverse, team-oriented culture that embraces varying age groups, genders, and skill sets. They take pride in their effective workforce management practices, which support strategic hiring and incentivize performance, aligning talent development with business objectives. Throughout FY2024, the Managers maintained stable employment and met all employment regulations and diversity requirements across their U.S. and Singapore operations. The open-door policy encourages employees to share their opinions, enabling collaborative decision-making. As a result, ACRO-HT successfully achieved its goal of zero validated instances of non-compliance with employment regulations or employee rights acts.

¹⁰ For further details on the environmental and social responsibility policy, please refer to <https://www.momentushotels.com/esr-policy..>

Aside from policies that safeguard employment rights, the Managers support professional growth of employees, with training resources made accessible to all employees to upskill and keep abreast of the latest hospitality sector developments. Practices of enriching and supporting workers while adhering to employment regulations nurture an engaged workforce that fuels business growth.

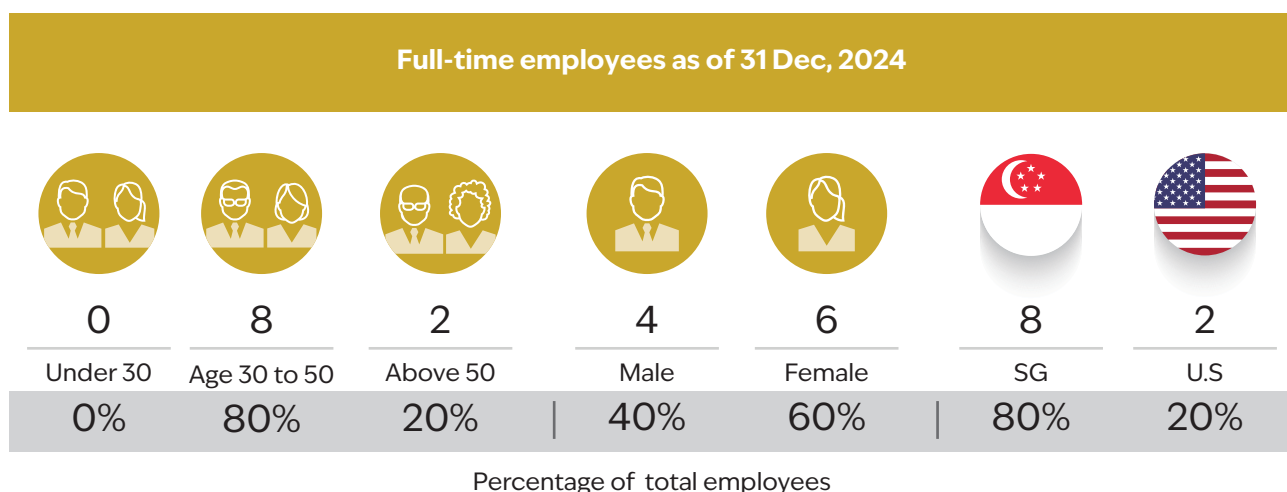
Furthermore, ACRO-HT, the Hotel Manager and Hotel Operators have implemented many social and community engagement initiatives to foster employee connectivity and positively impact the community. These initiatives include organizing food drives, toy donation, donating event space for charitable and social events, organizing park clean-ups, participating in fundraiser walks, enrolling in the Go Red for Women Activity by the American Heart Association, and organizing blood donation drives in collaboration with the American Red Cross. These events have helped to increase employee morale, strengthen team bonding, and enhance community relations. Additionally, the initiatives have raised awareness for important social causes, promoted health and wellness within the organization.

Please refer to the “Training and Education” section for more information on employee engagement and management approach.

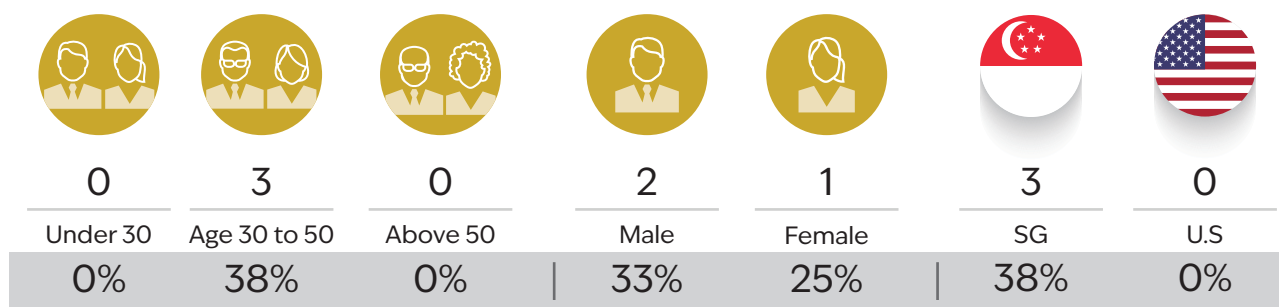
2024 human capital data

The Manager’s team comprise of ten (female: six; male four) full-time permanent employee headcounts as at 31 December 2024 and does not employ any part-time or temporary employees. ACRO-HT’s portfolio of hotels are managed and operated by the Hotel Manager and Hotel Operators who engage workers on hotel operations such as front desk, housekeeping and sales. Despite the competitive nature of the industry, the company maintained stable employment throughout FY2024, with no layoffs and prompt replacements addressing turnover. In fact, the team grew with the addition of two new employees.

The employee profile is as follows:



Employee turnover as of 31 Dec 2024



Rate of turnovers

Sustainability Partnership with Procure Impact

In FY2024, Concord Hospitality furthered its commitment to social responsibility by partnering with Procure Impact, a U.S.-based B2B marketplace that connects businesses with vendors focused on creating meaningful job opportunities for individuals facing barriers to employment. Through this partnership, Concord Hospitality sources high-quality products for the hotels they manage - including marketplace items, VIP amenities, and client gifts - from vendors whose missions are centered on empowering individuals from diverse and underserved communities.

With every purchase, Concord Hospitality helps provide job skills and employment opportunities for veterans, adults with disabilities, trafficking survivors, and other marginalized groups, all while enhancing the guest experience and fostering guest loyalty. The products are sold at market price and at standard profit margins, ensuring no negative impact on their profit and loss statement.

This initiative aligns with their support of the American Hotel & Lodging Association's ("AHLA") "Dignity of Work" campaign, which advocates for the value of work and its transformative potential. By sourcing from these vendors, Concord Hospitality contributes to stronger communities, a more inclusive economy, and reinforces their ongoing commitment to social impact.

Community and support initiatives by Aimbridge Hotel Operator.

In FY2024, the staff from Aimbridge Hospitality at Hyatt House Parsippany East and Hyatt House Parsippany Whippany actively participated in a range of meaningful community engagement initiatives. Both hotel teams took part in the Alzheimer's Awareness Fundraiser Walk, a heartfelt event aimed at raising awareness and crucial funds for Alzheimer's care, support, and research. In addition to their participation in this important cause, the teams made a generous contribution to the Mount Pleasant Animal Shelter by donating discarded linens and towels from their laundry operations to support the shelter's needs.

Furthermore, Victoria Maino-McDermott, the Director of Sales, made significant contributions to the local community by engaging with students at the Center School, an institution dedicated to students with special needs. She also visited Fairleigh Dickinson University, where she shared valuable insights about careers in the hospitality industry, inspiring the next generation of professionals. These efforts reflect the team's commitment to not only supporting local causes but also fostering education and community connections.

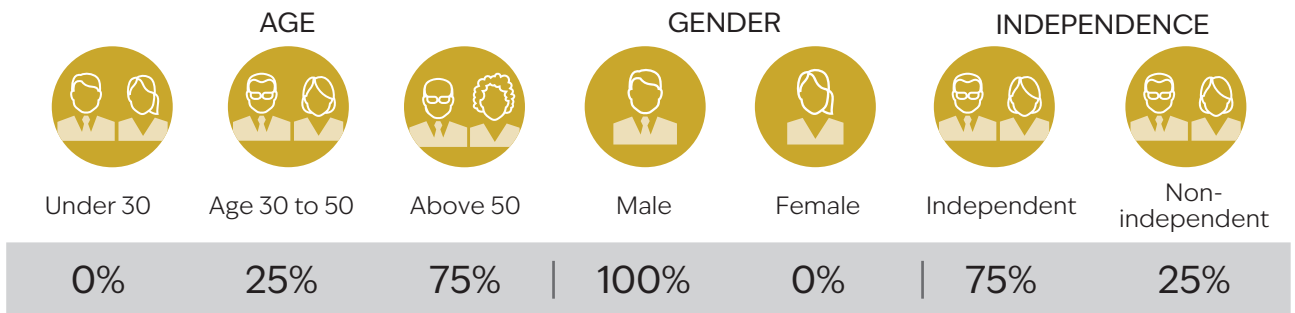
“Stuff a Book Bag” drive for pre-college students

Staff from Hyatt Place Charlotte participated in the “Stuff a Book Bag” program by Carolina Youth Company in FY2024 as part of the hotel’s community engagement efforts. This initiative supports high school students who are first-generation college-bound individuals, reflecting the team’s commitment of empowering future generations.



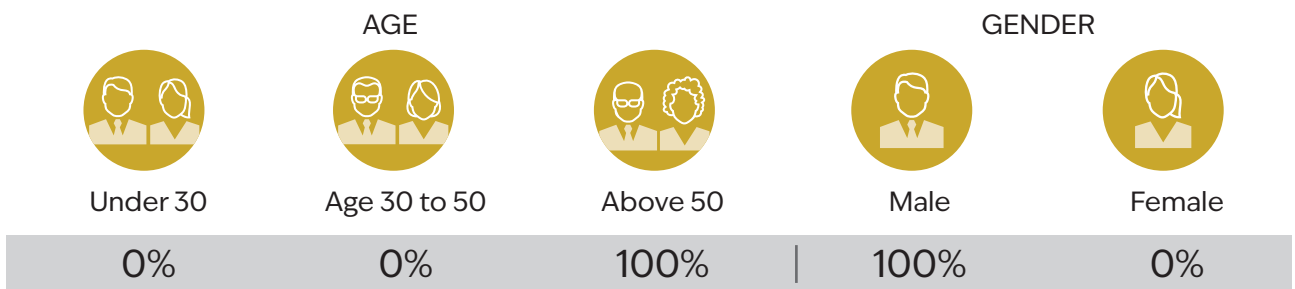
The Board profile is as follows:

Board members as of 31 Dec 2024



The senior management profile is as follows:

Senior management members as of 31 Dec 2024



OCCUPATIONAL HEALTH AND SAFETY

Targets	Time Horizon	Performance
To maintain achieving zero fatalities for all the staff	Annual	Zero fatalities for all staff

Impact of Occupational, Health and Safety (“OHS”)

The health, safety, and well-being of all employees, including the Manager, the Hotel Manager and the Hotel Operators’ associates¹¹ (referred to as “staff”), are paramount to ensuring the smooth operation of the organization. As travel returns to pre-pandemic levels, hotel staff may face a higher exposure to various occupational hazards. ACRO-HT remains committed to maintaining robust safety management systems and implementing strict protocols to mitigate risks across operations.

The management approach

The Managers take reference from the Health, Safety and Environmental (“HSE”) policy¹² of the hotels owned by the sponsor, Acrophyte. The policy covers commitments to ensuring the occupational, safety, well-being and environmental interest of all the employees, guests and visitors and to identify risks and ensure that appropriate controls and contingency plans are in place to address unforeseen events.

In the meantime, the Managers remain fully committed to safeguarding the well-being of the Hotel Operators’ associates and guests, in line with the AHLA’s 5-Star Promise. ACRO-HT diligently adheres to key Occupational Health and Safety-related legislation both in the United States and Singapore, ensuring compliance and vigilance across all operations. Regular meetings and calls with Hotel Manager, as well as quarterly portfolio initiatives, further drive accountability. These efforts help align strategies and track progress against safety benchmarks, strengthening overall safety standards.

Through a multilayered approach that integrates policy development, strategic partnerships, and performance tracking, ACRO-HT is building resilience throughout the business. This approach helps deliver safe, memorable hospitality experiences, with a continued focus on responsibly managing the business. ACRO-HT firmly believes that safety and guest services go hand-in-hand, and this commitment remains at the core of their operations.

Safety and cleanliness

ACRO-HT remains deeply committed to adhering to global best practices in sanitation and workplace safety. The Hotel Manager and Hotel Operators continue to demonstrate excellence in safeguarding the health and safety of customers, ensuring that every aspect of their stay is secure and hygienic. All hotels under ACRO-HT’s management have obtained certifications in health and safety, such as ISO 45001 and OHSAS 18001 Occupational Health and Safety Management Systems. These certifications serve as a testament to ACRO-HT’s unwavering commitment to upholding the highest standards of safety and hygiene.

In addition, the Brand Partners’ Global Care & Cleanliness Commitments, which are built upon rigorous safety and cleanliness protocols, guide the safety and cleanliness management practices for Hyatt Hotels and Marriott International. Drawing on trusted medical and industry expertise, Hyatt Hotels’ safety and cleanliness program includes defined cleaning protocols, disinfection techniques, and work practices that effectively safeguard against biohazards and infectious diseases. Each Hyatt hotel is GBAC STAR-certified, demonstrating their adherence to the highest cleanliness and safety standards.

Similarly, Marriott International enforces meticulously researched protocols that focus on food and water safety, infection prevention, and sanitation. These protocols are supported by guidance from both in-house experts and external professionals. Marriott’s “Commitment to Cleanliness” program designates trained Hygiene and Well-being Leaders to ensure adherence to operational protocols, with additional support from onsite teams who provide direct support. Moreover, mandatory management cleaning protocol and safety training are incorporated into the onboarding process for new hires, ensuring that all staff are fully equipped to uphold the safety standards set by the Brand Partners’ programs.

Through these dedicated efforts, ACRO-HT and its Brand Partners continue to prioritize the health, safety, and well-being of both guests and staff, ensuring that every hotel stay is a safe, clean, and comfortable experience.

11 The Hotel Operators’ associates are not directly employed by ACRO-HT. However, their work and workplace are directly linked to the occupational health and safety aspects of the business operations which are under the supervision of the Hotel Manager.

12 For further information on the Health, Safety and Environmental Policy, please refer to: <https://www.momentushotels.com/esr-policy>.

Training and awareness

Trainings on a range of safety and security topics, including the prevention of workplace harassment and violence, watching of an Occupational Safety and Health Administration (“**OSHA**”) video and completion of a written test are mandatory for the Hotel Operators’ associates. A three-tier safety and training curriculum is designed and implemented to ensure full comprehension of the safety processes.

The first stage focuses on the safety engagement process, where Hotel Managers directly evaluate the staff based on a safety related criterion through their completion of tasks. These observations will help identify areas that require further coaching.

The second stage requires each hotel to complete a monthly inspection assessment to identify hazards for review.

The third stage entails collection of feedback from the staff on reporting unsafe conditions or hazards through a form driven reporting process. These processes are discussed during the monthly Safety Committee Meetings held at each hotel to address and mitigate the identified hazards.

This integrated cycle of hands-on evaluation, inspections, hazard reporting and resolution ensures efficient and effective response to potential hazards.

Aimbridge AIMSafE Safety Programme (“AIMSafE”)

At Aimbridge Hospitality, the AIMSafE program is dedicated to identifying and addressing workplace hazards. Through this initiative, Aimbridge’s Corporate Risk Management and Corporate Engineering departments provide clear guidance for managing third-party vendors’ work within or around hotel premises. These guidelines include safety specifications outlined in contracts, mandatory certifications, and the prohibition of using certain hazardous equipment.

To ensure continuous safety, Aimbridge conducts weekly training sessions on safety protocols, alongside routine facility inspections and monthly safety committee meetings. This approach is designed to eliminate and mitigate hazards while ensuring the effectiveness of preventive and proactive measures.

All new hires are required to complete the “New Hire Associate Safety Training” via the Learning Management System, with monitoring and auditing of completion conducted by Aimbridge’s Corporate Human Resources team. Incomplete training is promptly addressed. Additionally, new hires are enrolled in weekly training courses during the first 12 months following onboarding, covering essential safety topics. Task-specific training modules are also available for new hires or for retraining, based on insights from Associate Safety Engagement observations or Injury Investigations.

Aimbridge Hospitality is committed to maintaining a safe work environment that complies with federal and state OSHA requirements. To reinforce this commitment, all Aimbridge hotels are mandated to implement a comprehensive safety program that focuses on “leading” indicators to prevent potential injuries before they occur.

Concord Hospitality Safety Committee

At Concord Hospitality, the safety committee holds monthly meetings to evaluate and ensure the continued effectiveness of preventive and proactive measures aimed at identifying and mitigating potential hazards. These regular sessions focus on reviewing safety protocols, addressing new risks, and ensuring compliance with best practices. As part of the company’s commitment to maintaining a safe work environment, all new employees are required to watch an OSHA (Occupational Safety and Health Administration) video, which provides essential safety information and guidelines. Following the video, new joiners must complete a written test that covers a wide range of important topics, including Bloodborne Pathogens, Personal Protective Equipment (PPE), Prevention of Slips, Falls, and Back Injuries, Fire Safety, Lockout Tagout procedures, and the Globally Harmonised System of Classification and Labelling of Chemicals (GHS). This comprehensive training ensures that every team member is well-prepared to contribute to a safe and secure workplace environment.

Prevention and mitigation

To ensure the health and safety of both guests and staff, the Hotel Operators take an active role in identifying, monitoring, and mitigating potential hazards throughout the hotel. Upon joining, Hotel Operators' Associates are required to acknowledge and sign two essential documents: the "Check-in, Before You Check-out" Policy and the "PPE Hazard Awareness Form." These forms ensure that all team members are fully aware of the safety protocols and their responsibilities. During their shifts, strict adherence to safety protocols is essential, which includes the mandatory use of appropriate safety gear and slip-resistant shoes to reduce the risk of accidents and injuries.

On a quarterly basis, the General Managers of hotels managed by Aimbridge Hospitality and Concord Hospitality conduct comprehensive risk review calls. These reviews involve completing detailed safety scorecards to assess the hotel's safety standards and identify areas for improvement. In addition to these evaluations, Hotel Operators have implemented a cutting-edge, fully integrated business intelligence tool known as the Energy Portal BI tool. This innovative system is designed to streamline hospitality operations and improve sanitation efforts, offering a real-time overview of the hotel's operations.

The Preventive Maintenance BI Tool effectively monitors and maintains health and safety standards across various areas, such as preventive maintenance for mechanical systems, daily meter readings, boiler set-points, swimming pool chemical levels, door key management, and the scheduling of guest room deep cleaning. By offering insights into these critical areas, the tool plays a key role in optimizing operational efficiency and maintaining high safety standards. Furthermore, it serves as a centralized platform for recording and tracking guest requests, enhancing the overall guest experience by ensuring quick and efficient responses to their needs. This combination of proactive safety measures and innovative technology ensures that the hotel remains a safe and enjoyable environment for both guests and staff.

The total number and rate of incidents by key health and safety indicators for FY2024 are as follows:

Indicator	Definition	Employees		Hotel Operators' Associates	
		Number of injuries	Rate of injuries	Number of injuries	Rate of injuries
Fatalities	Accidents which lead to death or causes permanent disability	0	0	0	0
High-Consequence Injuries	Work-related injuries which include incidences that resulted in insurance pay-outs to the personnel involved	0	0	0	0
Recordable Injuries	Recordable work-related injuries which include occupational health & safety incidences where compensation was provided to the personnel involved	0	0	28	5.89%
Recordable work-related ill health cases	Recordable work-related illnesses or health conditions arising from exposure to hazards at work	0	0	0	0

In FY2024, ACRO-HT successfully recorded zero fatalities and high-consequence injuries among all employees. However, 28 injuries were reported, including slips, trips, falls, strains, needle sticks, and minor hand cuts. In response, Hotel Managers and Hotel Operators strengthened safety programs, reinforced strict adherence to OSHA policies, implemented comprehensive onboarding, best practice training on proper lifting techniques and annual refresher training on safety. These initiatives ensure a continued commitment to safety and a secure work environment for all staff.

As part of their internal incident reporting protocols, Hotel Operators report all incidents into portals for monitoring and conduct research to identify the root cause and cure. Most of the incidents were linked to housekeeping and maintenance staff, with ergonomic injuries arising from repetitive tasks such as bending, lifting, and making beds. Slips and falls were also common due to wet floors and uneven surfaces.

To prevent slip and fall incidents, staff must comply with the approved workplace footwear policy. Aimbridge Hospitality supports this through its Shoes for Crews Program, providing an annual subsidy for staff to purchase anti-slip footwear. Furthermore, during onboarding, General Managers and department heads ensure that all new staff are equipped with the proper footwear to maintain safety standards. Moreover, by utilizing the Hierarchy of Controls Model, identified injury types often result in “near misses,” which create opportunities for training reinforcement and information dissemination. Hazard identification sheets are created for all hotel departments. These sheets identify high-risk items and the necessary personal protective equipment for each role. All associates sign these sheets upon hire.

Staff well-being and benefits

Promotion of employee well-being hinges on fostering a healthy working environment. At ACRO-HT, the holistic approach to employee welfare includes employee access to an extensive range of physical and mental health benefits, including healthcare, medical and insurance coverage, and various leave entitlements such as annual leave, medical leave, maternity and parental leave. We adhere to the retirement age regulated in accordance with Retirement and Re-employment Act (“**RRA**”). Both ACRO-HT and the employees make Central Provident Fund (“**CPF**”) in accordance with the Central Provident Fund Act. Benefits such as season parking and mobile phone allowances are also offered for employees to strike a healthy balance between work and life.

The Hotel Operators are committed to cultivating a supportive working environment by collaborating with the Brand Partners to enhance employee platforms and benefits. The Hotel Operators offer medical, pharmacy, dental, and vision health insurance options, coupled with life insurance, prescription discounts, Flexible Spending Account plans, short-term and long-term disability benefits and company managed 401(k) Retirement Savings Plans to all full-time U.S staff.

Empowering Frontline Workers for a Sustainable Future

Frontline workers are essential to the hotel industry, serving as the face of the business and directly influencing customer experiences. To create a sustainable and thriving workforce, it is essential not only to support but to empower these employees. By providing frontline workers with modern, user-friendly tools, Aimbridge Hospitality enhances their job satisfaction, making them feel valued and invested in their work.

In partnership with Workby UKG (“**UKG**”), a leader in HR, culture and workplace management solutions, Aimbridge Hospitality has introduced a suite of AI-powered tools to create a flexible, empowering work environment for its 45,000 U.S. hourly employees. UKG Pro’s advanced scheduling features have enabled Aimbridge to “gigify” its workforce, giving employees the ability to self-schedule, swap shifts, and pick up available shifts across multiple hotel properties via a user-friendly mobile app. This flexibility has improved work-life balance and boosted satisfaction, with over 12,000 employees (30% of Aimbridge’s hourly workforce) successfully trading shifts across 1,100 U.S.-managed hotels.

Aimbridge also introduced UKG Talk, a mobile communication platform that streamlines information sharing across the organization, fostering a culture of transparency and connectivity. These tools contribute to a more engaged and sustainable workforce.



Supporting Employee Financial Well-Being

Aimbridge Hospitality has also partnered with Payactiv, a leader in financial empowerment services, to offer Earned Wage Access (EWA) to their employees. This program allows hourly associates to access wages they've already earned before payday, offering greater financial flexibility and control.

Through the Payactiv app, associates can conveniently access a portion of their earned wages, helping them avoid high-cost fees and penalties often faced by low-wage workers. This initiative has the potential to save employees hundreds of dollars annually.

Beyond early wage access, the Payactiv app also provides valuable tools for financial wellness, including direct deposit, spending management, exclusive marketplace discounts, bill payment integration, and personalized savings and budgeting tools. By offering these resources, Aimbridge continues to invest in the financial health and empowerment of their workforce.



TRAINING AND EDUCATION

Targets	Time Horizon	Performance
To maintain an average of 26 training hours per employee	Annual	An average of 5.4 training hours per employee

Impact of training and education

The Managers sees talent development and succession planning as vital for business resilience and continuity amidst rapid technological, industry, and regulatory changes. Regular employee training helps ACRO-HT stay competitive, adapt to shifts, and maintain operational efficiency, ensuring the company remains agile in a dynamic business environment.

The management approach

The Managers maintain a structured employment and grading system that supports career advancement, job rotation, and training opportunities to foster the overall development of employees. All employees are encouraged to engage in open discussions about employee engagement and the workplace during bi-annual performance review sessions. These conversations help managers align individual performance with organizational objectives and better identify employees' learning needs. In FY2024, all employees participated in performance reviews.

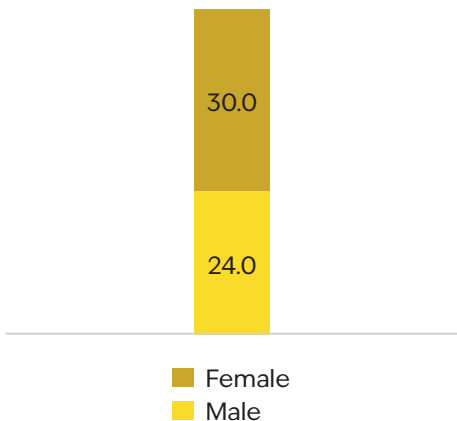
2024 training initiatives

In FY2024, the company's employees participated in an average of 5.4 training hours, falling short of the target of 26 hours. This variance is largely attributed to staffing changes within the team, including the departure of three staff members, the integration of the Hotel Manager into ARAvest, and the timing of various personnel transitions, which involved three replacements, three new hires, and staff transfers.

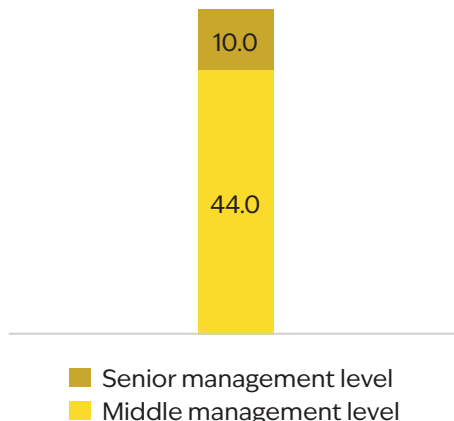
Additionally, the transition of the Managers to a new sponsor required significant focus on establishing a REIT-compliant environment to ensure uninterrupted operations. A Compliance Manager joined the team in August 2024 to help source suitable training opportunities. Despite these challenges, ACRO-HT remains committed to offering relevant training programs and will continue its efforts to meet the target of 26 training hours in FY2025.

The company's training initiatives are a combination of internal and external sessions, aimed at providing employees with a well-rounded perspective by offering both inside-out and outside-in insights. These training programs cover critical governance topics, such as anti-bribery, fraud prevention, anti-money laundering, conflicts of interest, and cybersecurity. These sessions are designed to enhance company-wide awareness of responsible business practices while helping employees stay informed about industry trends that are directly relevant to their roles.

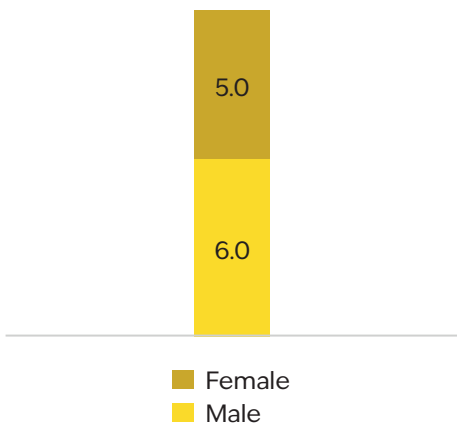
Total hours of training by gender



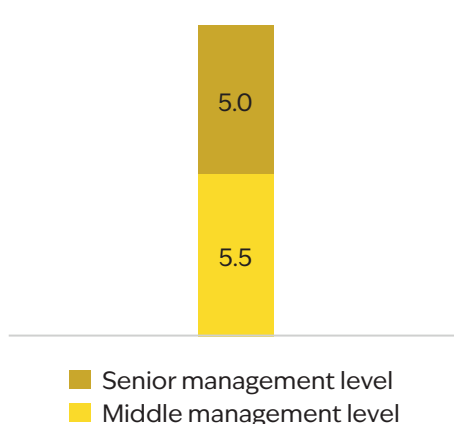
Total hours of training by employee category



Average hours of training by gender



Average hours of training by employee category



CUSTOMER HEALTH AND SAFETY

Targets	Time Horizon	Performance
To maintain achieving zero serious incidents concerning customer health and safety	Annual	No known serious incidents concerning customer health and safety

Impact of customer health and safety

Given the large number of guests across our properties, ensuring the health, safety, and security of all guests is of utmost importance to ACRO-HT. This commitment is a key aspect of ACRO-HT's social responsibility within the communities it operates in. Any adverse incidents could harm the hotel's reputation, resulting in lost business and negative reviews. Such events may also have a broader impact, including unfavourable publicity for the surrounding area and heightened scrutiny of local businesses. Prioritizing customer health and safety helps build brand loyalty, improve brand image, and strengthen connections with the wider community.

The management approach

This commitment is rooted in a strong adherence to health and safety standards, alongside the established Standard Operating Procedures ("**SOPs**") that govern the maintenance and management of our properties. The Hotel Manager and Operators conduct regular on-site inspections to assess cleanliness, sanitization, and overall guest satisfaction. These assessments provide valuable feedback on the effectiveness of our policies and highlight areas for continuous improvement. SOPs are consistently reviewed to ensure they remain relevant and effective. By following these procedures, the Hotel Operators are fully equipped to respond promptly to potential disruptions, emergencies, and operational challenges.

In addition, ACRO-HT actively collaborates with suppliers, transparently communicating both short-term and long-term Environmental, Social, and Governance (ESG) objectives. This collaboration fosters improved ESG performance throughout our supply chain. As a result of these proactive efforts, there were zero serious incidents related to customer health and safety across the ACRO-HT hotel portfolio in FY2024.

Continued Initiatives on Hotel Operational Safety for FY2024

Building on FY2023 efforts, our hotel operational safety initiatives are further enhanced in FY2024. Automated preventive maintenance systems remain in place across all hotels, ensuring equipment safety and regular checks. Property Maintenance SOPs guide the inspection of critical infrastructure, including electrical wiring, escalators, and safety tests, safeguarding guest wellness.

In FY2024, we continue to upgrade fire safety systems, emergency drills, fire equipment inspections, and safety certifications, all overseen by relevant authorities. The Hotel Manager and Hotel Operators ensure annual servicing of surveillance systems and regularly review security breach protocols to maintain secure environments.

Seasonal safety measures, such as the Winterising Preparedness Checklist, remain vital during winter, with contingency staff scheduling and property reviews in place to mitigate weather risks. These measures contribute to year-round guest safety.

We utilize Guest Satisfaction Surveys to gather feedback, helping us refine our services and safety protocols to better meet guest expectations for comfort, care, and security. These initiatives are integral to our ongoing sustainability and commitment to a safe, responsible guest experience in FY2024 and beyond.

SUPPLY CHAIN MANAGEMENT

Impact of supply chain management

Having a responsible supply chain is beneficial for economic, environmental and social aspects in the value chain. By sourcing responsibly, hotels can significantly reduce their resource consumption and carbon emissions. Additionally, ethical sourcing practices ensure respect for human rights and fair labour standards which align with consumer values and benefit the surrounding community. Financially, sustainable supply chain management may translate to cost savings, diversify suppliers and enhanced brand reputation.

The management approach

ACRO-HT partners with its Brand Partners and Hotel Operators to promote sustainable procurement practices throughout its supply chain. This includes sourcing responsibly to address climate change, prevent deforestation, conserve natural resources, and safeguard human rights and animal welfare.

Reducing environmental impact from laundry

The Hotel Manager partnered with Ecolab, a water and hygiene service provider, on their Aquanomic™ Low Temp Laundry Program to provide consistent fresh white linens for guests while reducing energy and water consumption and waste generation from laundry. Ecolab's laundry products allowed for annual energy and water savings up to 50% and 40% respectively due to the lower temperature and less water required in the wash. The laundry products also come in lightweight capsules that incur 74% less packaging waste compared to conventional liquid detergent laundry programmes, while the chemicals extend the life of the linens, reducing linen replacement by 20%. Specifically for Aimbridge Hospitality, this programme managed to reduce energy use by around 1,046,300 kWh, water use by 6 million gallons, GHG emissions by 237 tCO₂e and waste by 14,610 pounds.

In light of the transition to a new sponsor, the Managers of ACRO-HT is considering the development of a Supplier Code of Conduct Policy. Until then, suppliers are expected to adhere to all applicable national and local laws and regulations, which encompass labor rights, health and safety, and environmental protection. This includes compliance with legislation such as the Fair Labor Standards Act, the Occupational Safety and Health Act, the Equal Pay Act, and the Family and Medical Leave Act in the United States. By leveraging the procurement, logistics, and supply chain frameworks established by Marriott and Hyatt, suppliers are thoroughly assessed for their environmental and social performance when sourcing materials for hotel supplies and renovations. Regular evaluations are conducted to measure the effectiveness of their management systems and existing safeguards.

Suppliers are also expected to uphold human rights, treating workers with dignity and respect, in line with standards such as the Universal Declaration of Human Rights and Social Accountability International. The Code further reflects the guiding principles of the ILO Standards. Continuous performance tracking ensures that suppliers requiring improvements can take corrective action. Any material violations may result in penalties, termination, or long-term disqualification. Going forward, Hotel Manager will continue to strengthen their commitment to sustainable procurement by incorporating social and environmental criteria into the supplier pre-qualification process. By maintaining these robust practices, ACRO-HT ensures that both its own operations and those of its suppliers align with global best practices in environmental, social, ethical, and governance standards.

STRONG GOVERNANCE

CORPORATE GOVERNANCE

Targets	Time Horizon	Performance
To maintain zero reported cases of corruption or fraud	Annual	Zero reported cases of corruption or fraud in 2024

Impact of strong governance

A strong and effective corporate governance structure is essential for safeguarding the interests of stapled securityholders and is integral to the Manager's overall performance and success. It serves as a protective measure against risks like fraud, mismanagement, and regulatory non-compliance, ensuring efficient operations and the preservation of ACRO-HT's assets. By fostering transparency and accountability, strong governance helps build trust with stakeholders, attracting capital and encouraging long-term investment. This trust forms the bedrock of sustained value creation, supporting the long-term sustainability and success of the organization.

The management approach

ACRO-HT is committed to maintaining business integrity, ethics, and fairness throughout its operations, ensuring the continued trust and confidence of its valued stakeholders. The Managers have a fiduciary responsibility to act in good faith, with due care and diligence, prioritizing the interests of stapled security holders.

The Board recognizes that a strong corporate governance framework is essential for effectively managing ACRO-HT's economic, environmental, and social risks. In alignment with this, ACRO-HT's compliance manual outlines clear guidelines on anti-bribery and anti-corruption practices, as well as the management of gifts, travel, and entertainment. The management team is currently reviewing and updating the company's corporate policies to ensure robust oversight of daily operations, reinforce checks and balances, and uphold core values during the transition to the new sponsor.

In the interim, ACRO-HT adheres to the Anti-Bribery and Corruption Policy of its sponsor, Acrophyte. The policies were communicated to all new employees during onboarding, ensuring continued alignment with ethical business practices. In addition, 6 members of the Manager's team attended the updated Online Rules & Ethics Courses by REITAS in 2024, which covered topics such as REIT regulations, code of conduct, anti-corruption and anti-money laundering. In FY2023, there were no confirmed incidents of corruption.

Regarding sustainability, the Managers have participated in a one-time sustainability training by REITAS in 2024 and will continue to stay informed about sustainability developments in the hospitality industry through relevant training and workshops.

ACRO-HT also adheres to all applicable legislations and regulations such as the Code of Corporate Governance 2018, the Code on Collective Investment Schemes, the Trust Deed, and the listing rules and regulations set out by SGX.

Risk management

Effective risk management is a cornerstone of ACRO-HT's business strategy, playing a crucial role in protecting the interests of Stapled Securityholders and safeguarding ACRO-HT's properties. Identifying and managing risks is integral to the company's operations, and the process is guided by the overall framework and specific parameters set by the Board.

Following the change of sponsor, ACRO-HT developed its own Enterprise Risk Management Framework (“**ERM Framework**”) in consultation with an external consultant. This framework, which was approved by the Board in February 2025, outlines the governing policies and procedures that ensure the effectiveness of the risk management and internal control systems. It provides reasonable assurance regarding the safeguarding of assets, the maintenance of reliable accounting records, compliance with relevant legislation, and the prevention of material misstatements and losses.

As part of the ERM framework, Management continuously identifies, assesses, and monitors key risks, risk factors, process owners, mitigating actions, and risk indicators. Climate-related risks, including both physical and transition risks, were notably identified and incorporated into the risk profile. This profile is documented in a report maintained by the Managers and reviewed quarterly by the Audit and Risk Committee, as well as the Board.

The RMC meets regularly to assess ACRO-HT’s risk profile and reports to the Audit and Risk Committee during quarterly meetings. The RMC identifies other key risks, including strategic, operational, financial, compliance, and IT, and implements mitigation actions and monitoring mechanisms. The risk profile reflects changes in risk assessments, factors influencing inherent risks, and the effectiveness of controls in managing residual risks within the Board-approved risk appetite.

The CEO and management team are responsible for internal controls and risk management systems. Risks are proactively identified and managed by department heads, with Board oversight. For material risks, the Managers allocate resources and report their assessment, response, and management efforts to the Board, including progress toward environmental targets.

In FY2024, no critical environmental risks were reported to the Board. The RMC works closely with the Internal Auditors of the Managers to review ACRO-HT’s risk profile and provide independent assurance, ensuring the continued effectiveness of the existing framework and controls.

Whistle-blowing policy

The Manager has a “zero tolerance” stance towards fraud, bribery, corruption, and other unethical behaviour or conduct. Therefore, the Manager has a whistle-blowing policy in place to facilitate the responsible and effective reporting of misconduct, ensuring proper conduct and closure of investigations, including handling of possible improprieties, prohibition of obstructive or retaliatory actions, confidentiality, disciplinary and civil or criminal actions.

A feedback channel on ACRO-HT’s website allows any complainant to raise in strict confidence possible improprieties or concerns directly to the Audit and Risk Committee, with such complaints copied to the Compliance Manager of the REIT Manager and helps to facilitate an independent investigation of any matter raised and allow appropriate follow-up action as required.

Through such feedback channel on ACRO-HT’s website, the identity of the whistle-blower is kept confidential to ensure protection of the whistleblower against detrimental or unfair treatment, except for circumstances where it is required by law for such identity to be revealed. The outcome of each investigation is reported to the Audit and Risk Committee. All such investigations are undertaken by the Internal Auditors based on instructions from the Audit and Risk Committee. An official written record will be kept of each step of the above procedures and for future reference.

The Whistle-blowing Policy is transparently communicated to all relevant stakeholders through ACRO-HT’s website and circulated to all staff.

There were no whistle-blowing cases reported for FY2024.

Sustainability-related policies

On 9 July 2024, ACRO-HT was acquired by Acrophyte AM, a subsidiary of Acrophyte, ultimately owned by Mr. Gordon Tang and Mrs. Celine Tang. Following the acquisition, Acrophyte is the new sponsor of ACRO-HT. With these changes, ACRO-HT plans to establish ESG-related policies that are specifically tailored to its business operations and objective, to ensure effective management and monitoring of key ESG areas.

This update, prompted by a change in the sponsorship, represents a shift from last year’s sustainability report. Nonetheless, we remain dedicated to transparency and will ensure all sustainability-related policies are accessible on our website.

The following is a list of our existing sustainability-related policies:

Environment
<i>The Manager is in the process of developing overarching ESG-related policies that resonate with ACRO-HT priorities and operational needs.</i>

Social
<ul style="list-style-type: none"> • Group Human Resources • Employee handbook • Environmental and social responsibility policy • Health, Safety and Environmental Policy

Governance
<ul style="list-style-type: none"> • Anti-bribery & corruption and the handling of gifts, travel & entertainment policy • Anti-money laundering & counter terrorist • Conflict of interest policy • Code of conduct & business ethics • Whistle-blowing policy

ECONOMIC PERFORMANCE

Targets	Time Horizon	Performance
Achieving sustainable economic growth and delivering long-term value for ACRO-HT's stakeholders	Annual	Refer to Statement of Financial Position (AR Pg 101), Statement of Comprehensive Income (AR Pg. 102), Statement of Distributable Income (AR Pg. 103)

Impact of economic performance

ACRO-HT is committed to provide sustainable and stable returns to our stapled securityholders. Recognizing the growing importance of ESG performance in driving investment returns, ACRO-HT proactively integrates ESG considerations into business operations. This approach helps manage risks, enhance financial performance, and maintain accountability, all while creating long-term value for stakeholders.

The management approach

ACRO-HT's sustainability approach, policies and performance refine its financial strategies through the consideration of ESG impact in its investment strategies:

1. Focus on geographically diversified upscale select-service hotels
2. Hands-on asset management to improve NPI and enhance portfolio value
3. Portfolio optimization and rebalancing to build a stronger and more resilient portfolio
4. Pursue acquisition opportunities in the world's largest lodging market
5. Prudent capital and risk management to drive distributions and returns for stapled securityholders

Together with the Hotel Manager, the managers of ACRO-HT carefully strategise and execute essential Asset Enhancement Initiatives (“**AEIs**”) throughout their portfolio to enhance the overall guest experience and operational efficiencies, thereby ensuring ACRO-HT properties remain competitive. Refer to the “Environmental Stewardship” section to see examples of green initiatives implemented across the ACRO-HT’s hotel portfolio.

LEED Certification in ACRO-HT’s Portfolio

Property	Year of Award & Certification Status
AC by Marriott Raleigh North Hills	2017, LEED/Building Design and Construction (BD+C) Certified

2024 Performance: Economic Value Generation

ACRO-HT’s portfolio optimization and rebalancing strategy continues to strengthen the resilience of our portfolio. During FY2024, the Managers successfully completed the disposition of three non-core assets: Hyatt Place Pittsburgh Airport on March 26, 2024, Hyatt House Philadelphia Plymouth Meeting on July 16, 2024, and Hyatt House Shelton on October 7, 2024. The proceeds from the sales of Hyatt Place Pittsburgh Airport and Hyatt House Philadelphia Plymouth Meeting were utilized to reduce bank borrowings, while the proceeds from Hyatt House Shelton will be used to further reduce debt, fund future acquisitions, and support accretive AEIs at other hotels within the portfolio.

These strategic disposals resulted in an 8.3% reduction in the total number of hotels and an 8.2% reduction in room count, bringing the portfolio to 33 hotels and 4,315 rooms as of December 31, 2024. Despite this reduction, the portfolio recorded total revenue of US\$168.8 million for FY2024, reflecting a modest decline of 3.8% compared to FY2023. The impact on operational performance was further influenced by ongoing AEI projects at six hotels across the portfolio.

ACRO-HT reported a distributable income of US\$4.9 million for 2H 2024 and US\$9.3 million for FY2024. This decrease from the previous year is primarily attributable to the ongoing portfolio optimization, AEI activities, and higher financing costs incurred during the year. As part of prudent financial management, US\$1.03 million (representing 10% of the total distributable amount) was retained for general corporate purposes and working capital. Distribution per stapled security for FY2024 is 1.595 US Cents.

Looking ahead, ACRO-HT remains focused on delivering sustainable and stable returns to its stapled securityholders, through attractive distributions and long-term capital appreciation. We continue to manage our portfolio with a commitment to ESG principles, ensuring that the impact on the environment and risk exposure are effectively mitigated.

For more information on the financial summary for FY2024, please refer to pages 24 and 25 of the Annual Report.

SOCIOECONOMIC COMPLIANCE

Targets	Time Horizon	Performance
To maintain achieving zero reported cases of non-compliance with relevant laws, regulations and governance policies	Annual	Zero reported cases of non-compliance with relevant laws, regulations and governance policies
To maintain zero significant fines, non-monetary sanctions, zero penalties or letters issued by relevant authorities on breaches of environmental and socioeconomic compliance	Annual	No significant fines and non-monetary sanctions, no penalties or letters issued by relevant authorities on breaches of environmental and socioeconomic compliance

Impact of socioeconomic compliance

Ensuring socioeconomic compliance is crucial for the long-term sustainability and success of a business. By adhering to relevant regulations and industry standards, organizations can mitigate legal risks, safeguard their reputation, and demonstrate a commitment to ethical practices. This attracts responsible investors, builds trust with stakeholders, and creates a solid foundation for future growth. Moreover, a strong focus on compliance helps cultivate a stable workforce, strengthens community relationships, and reinforces ACRO-HT's ethical responsibility to society. This commitment not only benefits business operations but also supports broader societal well-being.

The management approach

The Managers are committed to upholding the highest ethical and professional standards in performing their roles and responsibilities. ACRO-HT's compliance manual sets out (i) the regulatory obligations which shall be met by the Managers and its compliance support function; (ii) the procedures put in place to comply with these regulations and to mitigate compliance risks arising from the operation of the REIT; (iii) the monitoring process put in place to ensure compliance with the procedures; and (iv) the manager in which various levels of operation within the REIT should be conducted.

In line with the company's standards, ACRO-HT's employees who are MAS-licensed holders have submitted their annual fit and proper declarations for FY2024, in accordance with the MAS guideline No: FSG-G01. The entire Management team is also aware of the sponsor's anti-corruption and anti-bribery policy. ACRO-HT adopts a zero-tolerance approach to violations of this policy, with non-compliance leading to disciplinary actions, including potential immediate dismissal.

Regulatory compliance

ACRO-HT recognizes that compliance risks, such as corruption, fraud, and regulatory breaches, can severely undermine the trust of the public and stakeholders. As such, the company has developed a robust compliance manual, which serves as a key document outlining the requirements set forth by the SGX-ST Mainboard Listing Rules, the Code on Collective Investment Schemes, and the Securities and Futures Act 2001, along with associated regulations, notices, guidelines, and circulars relevant to the REIT management industry.

This compliance manual is reviewed and updated annually to ensure ongoing compliance with all applicable laws and regulations, and to effectively manage any emerging compliance risks. Additionally, ACRO-HT relies on external legal expertise and cross-functional collaboration with the Acrophyte legal department to address legal and regulatory matters. Together, these teams regularly consult with authorities such as SGX-ST and MAS to stay informed about evolving regulations and provide feedback on regulatory changes.

ACRO-HT ensures that any significant changes in the operating environment, legislation, and regulations are promptly communicated to stakeholders. This integrated approach to compliance aligns with ACRO-HT's integrity-focused culture, where stakeholder interests are always prioritized.

In FY2024, ACRO-HT successfully maintained its strong compliance record, with zero instances of corruption, fraud, or non-compliance with relevant laws, regulations and corporate governance policies. However, ACRO-HT reported three minor incidents of fines relevant to OSHA with very minimal financial impact, and have taken immediate action to strengthen relevant health and safety measures including training and communication programs, set up treatment stations, and documentation procedures.

The company's robust compliance manual and its proactive approach to regulatory compliance underscore its ability to deliver sustained, long-term value while maintaining stakeholder trust.

METHODOLOGICAL REVIEW

This section explains the key definitions and methodologies applied to the ACRO-HT's FY2024 Sustainability Report. These are adapted in the context of the GRI Standards Glossary, and the Reporting Requirements, Recommendations and Guidance set out in the respective disclosures and various authoritative intergovernmental instruments.

Environment

Consolidation approach

The operational control approach, as outlined in the GHG Protocol Corporate Standard, is used to determine organisational boundaries for ACRO-HT environmental reporting. Operational control reflects the full authority to introduce and implement operating policies at the operation of its properties and is accountable for 100% of its emissions. ACRO-HT has 100% ownership of 33 hotels. During the reporting year, three hotels were disposed in FY2024. The data for the hotels up to the point of disposition by ACRO-HT have been included in the environmental data.

The 33 hotels in ACRO-HT's portfolio and disposed hotels are listed below in alphabetical order by brand:

Hotels in ACRO-HT portfolio

▶ Hyatt House	▶ Hyatt Place	▶ AC Hotel by Marriott	▶ Courtyard by Marriott	▶ Residence Inn by Marriott	▶ Home2 Suites by Hilton
▶ Hyatt House Boston Burlington	▶ Hyatt Place Charlotte Airport Tyvola Road			▶ Hyatt Place Sacramento Rancho Cordova	
▶ Hyatt House Branchburg	▶ Hyatt Place Cincinnati Airport Florence			▶ Hyatt Place Secaucus Meadowlands	
▶ Hyatt House Fishkill	▶ Hyatt Place Denver Airport			▶ Hyatt Place Tampa Busch Garden	
▶ Hyatt House Morristown	▶ Hyatt Place Detroit Auburn Hills			▶ AC by Marriott Raleigh North Hills	
▶ Hyatt House Parsippany-East	▶ Hyatt Place Detroit Livonia		▶ Courtyard San Antonio Six Flags® at The Rim		
▶ Hyatt House Parsippany Whippany	▶ Hyatt Place Lakeland Centre			▶ Residence Inn San Antonio Six Flags® at The Rim	
▶ Hyatt House Raleigh Durham Airport	▶ Hyatt Place Louisville East			▶ Home2 Suites @ Colorado Springs South	
▶ Hyatt House Richmond Short Pump	▶ Hyatt Place Memphis Primacy Parkway				
▶ Hyatt House Sterling Dulles Airport North	▶ Hyatt Place Mystic			Disposed hotels	
▶ Hyatt Place Albuquerque Airport	▶ Hyatt Place Nashville Brentwood			Hyatt Place Pittsburgh Airport	
▶ Hyatt Place Atlanta Alpharetta Windward Parkway	▶ Hyatt Place Nashville Opryland			Hyatt House Philadelphia Plymouth Meeting	
▶ Hyatt Place Atlanta Norcross Peachtree	▶ Hyatt Place Omaha Downtown Old Market			Hyatt House Shelton	
▶ Hyatt Place Boise Towne Square	▶ Hyatt Place Richmond Arboretum				

Energy consumption

Purchased natural gas and electricity are the two sources of energy consumed in respect of the ACRO-HT hotel portfolio. The total energy consumption is expressed in kilowatt hours (symbol: kWh).

Energy intensity

The metrics selected to calculate the respective energy intensity ratios are per occupied room and per square foot. Average energy intensity per occupied room is calculated by the energy consumed, relative to the total number of occupied rooms in the properties held under the ACRO-HT hotel portfolio. Average energy intensity per square foot is calculated by the energy consumed, relative to the total GFA of properties held under the ACRO-HT Hotel portfolio. When ACRO-HT acquires or divests any property within the year, the property's full-year energy consumption is included when computing intensity per square foot figures, for annualisation purposes.

Greenhouse gas emissions

This report includes the Scope 1 and Scope 2 GHG emissions for the ACRO-HT hotel portfolio and is reported in line with the guidance from the GHG Protocol Corporate Accounting and Reporting Standard.

Scope 1 GHG emissions are emissions from sources that are owned or controlled by the organisation. In the scope of reporting, this relates to natural gas consumed for cooking and water heating and it is expressed in kilograms of carbon dioxide equivalent ("**kgCO₂e**"). The Scope 1 GHG emissions are calculated using emission factors from the February 2024 U.S Environmental Protection Agency GHG Emission Factors Hub and Global Warming Potential values for 100-year time horizon from the IPCC Sixth Assessment Report ("**IPCC AR6**").

Scope 2 GHG emissions are emissions that result from the generation of purchased or acquired electricity, ventilation and cooling consumed by the organisation. In the scope of reporting, this only relates to purchasing electricity and is expressed in kgCO₂e. A location-based method is adopted, which reflects the average emissions intensity of grids on which energy consumption occurs. The Scope 2 GHG emissions are calculated using emission factors from the January 2025 U.S Environmental Protection Agency GHG Emission Factors Hub and Global Warming Potential values for 100-year time horizon from the IPCC AR6.

Greenhouse gas emissions intensity

The metrics selected to calculate the respective GHG intensity ratios are per occupied room and per square foot. Average GHG intensity per occupied room is calculated by the GHG emissions, relative to the total number of occupied rooms of properties held under the ACRO-HT hotel portfolio. Average GHG intensity per square foot is calculated by the GHG emissions, relative to the total GFA of properties held under the ACRO-HT hotel portfolio. Should there be any acquisition or disposition of hotels within a given year, the partial year data would be extrapolated for a full year when computing intensity per square foot.

Social

Employees

Employees are defined as full-time staff who are employed by the Managers. This does not include Hotel Operators' associates employed for the day-to-day operation of the hotels.

New hires and turnover

Employee movement within each financial year is recorded and presented as at year-end headcount. New hires are defined as new employees that have joined the Managers during the year. Turnover is defined as all employees that have left the Managers voluntarily, or due to dismissal, retirement, or death in service during the year. The new hire rate is defined as the ratio of total number of new hires in 2024 compared to the total number of employees as of 31 December 2024. The attrition rate is defined as the ratio of total number of resignations during FY2024 to total number of employees as of 31 December 2024.

Training hours

Average training hours per employee is the total number of training hours provided to employees, relative to the total number of employees, during the year. Average training hours per female/male employee is the total number of training hours provided to female/male employees, relative to the total number of female/male employees, during the year. Average training hours per employee category is the total number of training hours provided to each category of employees, relative to the total number of employees in the category, during the year.

Governance

Anti-corruption

Corruption is an abuse of entrusted power for private gain, which can be instigated by individuals or organisations. Corruption includes practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of business.

Socioeconomic Compliance

Socioeconomic compliance covers the overall compliance record of an organisation, as well as compliance with specific laws or regulations in the social and economic aspects. Compliance can relate to accounting and tax fraud, corruption, bribery, competition, the provision of products and services, or labour issues, such as workplace discrimination, among others.

GRI CONTENT INDEX

Statement of use	Acrophyte Hospitality Trust Management Pte. Ltd has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

Disclosure number	Disclosure title	Report section and page number	Omissions
GRI 2: General disclosures 2021			
The organisation and its reporting practices			
2-1	Organisational details	Sustainability Report: Corporate Profile, page 3	-
2-2	Entities included in the organisation's sustainability reporting	Sustainability Report: Corporate Profile, page 3	-
2-3	Reporting period, frequency and contact point	Sustainability Report: Reporting Scope and Period, page 5 Sustainability Report: Assurance and Feedback, page 6	-
2-4	Restatements of information	There has been no restatement of figures or information disclosed in previous reports	-
2-5	External assurance	Sustainability Report: Assurance and Feedback, page 6	-
Activities and workers			
2-6	Activities, value chain and other business relationships	Sustainability Report: Corporate Profile, page 3	-
2-7	Employees	Material topic: Employment, 2024 Human Capital Data, page 37	-
2-8	Workers who are not employees	Material topic: Employment, 2024 Human Capital Data, page 37	-

Disclosure number	Disclosure title	Report section and page number	Omissions
GRI 2: General disclosures 2021			
Governance			
2-9	Governance structure and composition	Sustainability Report: Board Statement, page 7 Sustainability Report: Sustainability Governance, page 9	-
2-10	Nomination and selection of the highest governance body	Annual Report: pages 54-57	-
2-11	Chair of the highest governance body	Sustainability Report: Sustainability Leadership in ACRO-HT, page 9	-
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report: Board Statement, pages 7-8 Sustainability Report: Material topic: Corporate Governance, Risk Management, pages 48-49	-
2-13	Delegation of responsibility for managing impacts	Sustainability Report: Board Statement, page 7 Sustainability Report: Material topic: Corporate Governance, Risk Management, pages 48-49	-
2-14	Role of the highest governance body in sustainability reporting	Sustainability Report: Board Statement, page 7	-
2-15	Conflicts of interest	Sustainability Report, page 50	-
2-16	Communication of critical concerns	Sustainability Report: Material topic: Corporate Governance, Risk Management, pages 48-49 Annual Report: page 74	-
2-17	Collective knowledge of the highest governance body	Annual Report: page 57	-
2-18	Evaluation of the performance of the highest governance body	Annual Report: page 63	-
2-19	Remuneration policies	Annual Report: pages 64-66	-
2-20	Process to determine remuneration	Annual Report: pages 64-66	-
2-21	Annual total compensation ratio	NIL	Not disclosed due to confidentiality constraints. For more details on our remuneration policy and structure, please refer to pages 64 – 66 of the annual report

Disclosure number	Disclosure title	Report section and page number	Omissions
GRI 2: General disclosures 2021			
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Sustainability Report: Board Statement, page 7	-
2-23	Policy commitments	Sustainability Report: Material topic: Corporate Governance, pages 49-50 Sustainability Report: Respective sections in the material topics	-
2-24	Embedding policy commitments	Sustainability Report: Material topic: Corporate Governance, pages 48-50 Sustainability Report: Respective sections in the material topics	-
2-25	Processes to remediate negative impacts	Sustainability Report: Respective sections in the material topics	-
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report: Material topic: Corporate Governance, Whistle-blowing Policy, page 49	-
2-27	Compliance with laws and regulations	Sustainability Report: Material topic: Socioeconomic Compliance, Regulatory Compliance, page 52	-
2-28	Membership associations	Not applicable	ACRO-HT does not have any memberships
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Sustainability Report: Stakeholder Engagement, pages 12-14	-
2-30	Collective bargaining agreements	Not applicable	All employees within the scope of this report are not covered by collective bargaining agreements as they are considered to be professionals.

Disclosure number	Disclosure title	Report section and page number	Omissions
GRI 3: Material topics 2021			
Disclosures on material topics			
3-1	Process to determine material topics	Sustainability Report: Materiality Assessment, pages 15-16	-
3-2	List of material topics	Sustainability Report: Materiality Assessment, page 16	-
Corporate governance			
3-3	Management of material topics	Sustainability Report: Material topic: Corporate Governance, page 48	-
205-1	Operations assessed for risks related to corruption	Sustainability report: Material topic: Corporate Governance, page 48	-
205-2	Communication and training about anti-corruption policies and procedures	Sustainability report: Material topic: Corporate Governance, page 48	-
205-3	Confirmed incidents of corruption and actions taken	Sustainability Report: Material topic: Corporate Governance, page 48	-
Economic performance			
3-3	Management of material topics	Sustainability Report: Material topic: Economic Performance, pages 50-51	-
201-1	Direct economic value generated and distributed	Sustainability Report: Material Topic: Economic Performance, 2024 Performance: Economic Value Generation, page 51	-
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Report: Topic of interest: Climate Change Resilience, pages 17-27	-
201-3	Defined benefit plan obligations and other retirement plans	Sustainability Report: Occupational Health and Safety, Staff well-being and benefits, page 48	-
201-4	Financial assistance received from government	Not applicable	ACRO-HT did not receive financial assistance from government in FY2024
Energy and GHG emissions			
3-3	Management of material topics	Sustainability Report: Material topic: Energy, page 28	-
302-1	Energy consumption within the organisation	Sustainability Report: Material topic: Energy, 2024 Performance: Energy consumption and energy intensity, page 30	-

Disclosure number	Disclosure title	Report section and page number	Omissions
GRI 3: Material topics 2021			
302-2	Energy consumption outside of the organisation	NIL	ACRO-HT currently does not collect energy consumption data outside its organisational boundary. In the future, ACRO-HT plans to engage a third-party to understand the energy consumption outside the organisational boundary.
302-3	Energy intensity	Sustainability Report: Material topic: Energy, 2024 Performance: Energy Consumption and Energy Intensity, page 30	-
302-4	Reduction of energy consumption	Sustainability Report: Material topic: Energy, 2024 Performance: Energy Consumption and Energy Intensity, pages 30-31	-
302-5	Reductions in energy requirements of products and services	NIL	Due to the management of a diversified portfolio with y-o-y fluctuations, the Managers are unable to provide specific numerical reductions in energy consumption that are directly tied to initiatives. This complexity makes it challenging to precisely isolate the impact of its reduction measures.
305-1	Direct (Scope 1) GHG emissions	Sustainability Report: Material topic: Energy, 2024 Performance: GHG emissions and emissions intensity, page 31	-
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report: Material topic: Energy, 2024 Performance: GHG Emissions and Emissions Intensity, page 31	-
305-3	Other indirect (Scope 3) GHG emissions	NIL	Information unavailable. We recognise the importance of assessing and disclosing our scope 3 emissions and are committed to actively work towards collecting this information
305-4	GHG emissions intensity	Sustainability Report: Material topic: Energy, 2024 Performance: GHG Emissions and Emissions Intensity, page 31	-
305-5	Reduction of GHG emissions	NIL	Information unavailable. We are committed to implementing initiatives to reduce GHG emissions
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable	ODS is not applicable to ACRO-HT's operations
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable	NOx and SOx are not applicable to ACRO-HT's operations

Disclosure number	Disclosure title	Report section and page number	Omissions
GRI 3: Material topics 2021			
Employment			
3-3	Management of material topics	Sustainability Report: Material topic: Employment, pages 36-37	-
401-1	New employee hires and employee turnover	Sustainability Report: Material topic: Employment, 2024 Human Capital Data, pages 37-38	-
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Not applicable	Not applicable as all employees of ACRO-HT are full-time employees
401-3	Parental leave	Not applicable	Not applicable to as ACRO-HT's full-time employment contract does not include any entitlement to parental leave, and it is not covered by ACRO-HT's HR policy.
405-1	Diversity of governance bodies and employees	Sustainability Report: Material topic: Employment, 2024 human capital data, page 39	-
405-2	Ratio of basic salary and remuneration of women to men	NIL	Confidentiality constraints. We are unable to disclose the ratio due to our highly competitive labour market.
Occupational health and safety			
3-3	Management of material topics	Sustainability Report: Material topic: Occupational Health and Safety ("OHS"), page 40	-
403-1	Occupational health and safety management system	Sustainability Report: Material topic: Occupational Health and Safety ("OHS"), page 40	-
403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report: Material topic: Occupational Health and Safety ("OHS"), Prevention and Mitigation, pages 42-43	-
403-3	Occupational health services	Sustainability Report: Material topic: Occupational Health and Safety ("OHS"), pages 40-44	-
403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Report: Material topic: Occupational Health and Safety ("OHS"), pages 40-41	-
403-5	Worker training on occupational health and safety	Sustainability Report: Material topic: Occupational Health and Safety ("OHS"), page 41	-
403-6	Promotion of worker health	Sustainability Report: Material topic: Occupational Health and Safety ("OHS"), Staff Well-being and Benefits, pages 43-44	-

Disclosure number	Disclosure title	Report section and page number	Omissions
GRI 3: Material topics 2021			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report: Material topic: Occupational Health and Safety (“OHS”), Prevention and Mitigation, pages 42-43	-
403-8	Workers covered by an occupational health and safety management system	Sustainability Report: Material Topic: Occupational Health and Safety (“OHS”), page 40	-
403-9	Work-related injuries	Sustainability Report: Material topic: Occupational Health and Safety (“OHS”), Prevention and Mitigation, pages 42-43	-
Training and education			
3-3	Management of material topics	Sustainability Report: Material topic: Training and Education, pages 44-45	-
404-1	Average hours of training per year per employee	Sustainability Report: Material topic: Training and Education, 2024 Training Initiatives, pages 44-45	-
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report: Material topic: Training and Education, 2024 Training Initiatives, pages 44-45	-
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report: Material topic: Training and Education, page 44	-
Customer health and safety			
3-3	Management of material topics	Sustainability Report: Material topic: Customer Health and Safety, page 46	-
416-1	Assessment of the health and safety impacts of product and service categories	NIL	ACRO-HT references the HSE (Health, Safety, and Environment) policy of its sponsor, Acrophyte, and is committed to ensuring the health, safety, and security of all hotel guests. ACRO-HT will work towards providing more detailed information on this in the future.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Report: Material topic: Customer Health and Safety, page 46	-
Socioeconomic Compliance			
3-3	Management of material topics	Sustainability Report: Socioeconomic Compliance, page 52	-
2-27	Compliance with laws and regulations	As described in GRI 2-27 above	-

SGX CORE ESG METRICS INDEX

Our sustainability report alignment to SGX's 27 core ESG metrics is summarised below:

Topic	Metric	Unit	Framework Alignment	Page number
1 Environmental				
Greenhouse Gas Emissions ("GHG")	Absolute emissions by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO ₂ e	GRI 305-1, GRI 305-2, GRI 305-3, TCFD, SASB 110, WEF core metrics	31 ¹³
	Emission intensities by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO ₂ e/ organisation-specific metrics	GRI 305-4, TCFD, SASB 110	31 ¹³
Energy Consumption	Total energy consumption	MWhs or GJ	GRI 302-1, TCFD, SASB 130	30 ¹⁴
	Energy intensity	MWhs GJ/ organisation-specific metrics	GRI 302-3, TCFD	30 ¹⁴
Water Consumption	Total water consumption	ML or m ³	GRI 303-5, SASB 140, TCFD, WEF core metrics	33
	Water intensity	ML or m ³ / organisation-specific metrics	TCFD, SASB IF-RE-140a.1	33
Waste Generation	Total waste generated	t	GRI 306-3, SASB 150, TCFD, WEF expanded metrics	33
2 Social				
Gender Diversity	Current employees by gender	Percentage (%)	GRI 405-1, SASB 330, WEF core metrics	37
	New hires and turnover by gender	Percentage (%)	GRI 401-1, WEF core metrics	37-38
Age-Based Diversity	Current employees by age groups	Percentage (%)	GRI 405-1, WEF core metrics	37
	New hires and turnover by age groups	Percentage (%)	GRI 401-1, WEF core metrics	37-38
Employment	Total turnover	Number and Percentage (%)	GRI 401-1, SASB 310, WEF core metrics	38
	Total number of employees	Number	Commonly reported metric by SGX issuers	37

13 In FY2024 and tCO₂e terms, ACRO-HT's portfolio hotels' activities generated a total of 15,596 tCO₂e of Scope 1 and Scope 2 emissions, translating to an emission intensity of 0.0138 tCO₂e per occupied room or 0.0052 tCO₂e/sq ft by GFA.

14 In FY2024 and MWhs terms, ACRO-HT's portfolio hotels consumed a total of 55,116 MWhs of energy, translating to an average energy intensity of 0.0486 MWhs per occupied room, or 0.0184 MWhs/sq ft by GFA.

Topic	Metric	Unit	Framework Alignment	Page number
Development & Training	Average training hours per employee	Hours/No. of employees	GRI 404-1, WEF core metrics	44
	Average training hours per employee by gender	Hours/No. of employees	GRI 404-1, WEF core metrics	45
Occupational Health & Safety	Fatalities	Number of cases	GRI 403-9, WEF core metrics, MOM (Singapore), SASB 320	42
	High-consequence injuries	Number of cases	GRI 403-9, WEF core metrics, MOM (Singapore)	42
	Recordable injuries	Number of cases	GRI 403-9, WEF core metrics, MOM (Singapore), SASB 320	42
	Recordable work-related ill health cases	Number of cases	GRI 403-10, WEF expanded metrics, MOM (Singapore)	42
3 Governance				
Board Composition	Board independence	Percentage (%)	GRI 102-22, WEF core metrics	39
	Women on the board	Percentage (%)	GRI 102-22, GRI 405-1, WEF core metrics	39
Management Diversity	Women in the management team	Percentage (%)	GRI 102-22, GRI 405-1, WEF core metrics, SASB 330	39
Ethical Behaviour	Anti-corruption disclosures	Discussion and number of standards	GRI 205-1, GRI 205-2 and GRI 205-3	48, 52
	Anti-corruption training for employees	Number and Percentage (%)	GRI 205-2, WEF core metrics	48
Certifications	List of relevant certifications	List	Commonly reported metric by SGX issuers	20, 51
Alignment with Frameworks	Alignment with frameworks and disclosure practices	GRI/TCFD/SASB/SDGs/others	SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	5
Assurance	Assurance of sustainability report	Internal/External/None	SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	6

