

Sustaining New Heights



EMBRACING THE ENVIRONMENT EMPOWERING PEOPLE

As a global hospitality group operating in diverse locations, Banyan Tree's concept of sustainability seeks to create long-term value for multiple stakeholders and destinations. The company's triple bottom line of economic, social and environmental success helps direct sustainable development by aiming to inspire associates, guests, and partners to take a wider consideration encompassing a long-term view when making business decisions.

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Cover Picture: Lijiang, China

SUSTAINABLE DEVELOPMENT IN BANYAN TREE

Banyan Tree Holdings Limited ("Banyan Tree") is a leading manager and developer of premium resorts, hotels and spas. Our primary business is the management, development and ownership of resorts and hotels, centred on the two award-winning brands of Banyan Tree and Angsana. We also operate the leading integrated resort in Thailand, Laguna Phuket, through our Laguna Resorts & Hotels Public Company Limited subsidiary.

Headquartered in Singapore, we have a global presence including ownership or management interest in:

30

Resorts and Hotels

65

Spas

82

Gallery Outlets

2

Golf Courses

Presence in:

6

Continents

26

Countries

9,000+

Associates

For more details regarding corporate structure, please see page 133 to 142 of the accompanying Banyan Tree Annual Report 2011 (also available online at <http://investor.banyantree.com>)

OUR CORE VALUE

Banyan Tree defines success not just financially, but also socially and environmentally. Sustainable development as a socially responsible business is a core value of the Group. This involves:



Our sustainability-oriented business decisions and conduct maximise the value created for stakeholders, including our shareholders and the communities in which we operate. With a strong presence in developing areas, we recognise and embrace our ability to enable social and economic development, and understand we all share a common responsibility to safeguard and enhance our human and physical environment for present and future generations.

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

Providing our associates with fair and dignified employment that enhances each associate's ability in the long term to contribute to the company's growth, as well as elevate their job prospects with Banyan Tree and beyond;

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

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

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

Generating sustained, long-term returns on investment for our shareholders.

These sustainability values have been embedded as core values since our founding and have enabled us to be agents of social and economic development in areas where we have a presence. With our triple bottom line concept of success as a backdrop, we seek to minimise our impacts while also maximising our positive contributions to our surroundings.

2011 AT A GLANCE

As part of our founding commitment to sustainability, Banyan Tree has sought continual progress in Embracing the Environment and Empowering People.



In 2007, a then 14-year-old Ms Li Ai Chun (above right) joined Banyan Tree Lijiang's Seedlings initiative upon strong community recommendations. She was paired with a volunteer Banyan Tree Lijiang associate to mentor her, serve as a confidante, a guide in life matters, and an instructor in English and basic computer skills. Continuing to excel at her studies since then, Ms Li embarked upon her tertiary education in late 2011 at Yunnan University of Nationalities, under a full scholarship provided by Banyan Tree.

In 2011, we were encouraged by the results of strategies prioritised and emphasised as we empowered our associates to achieve our founding value of sustainability. Highlights of these values in action during included:

Resource Conservation – Two more properties achieved EarthCheck Bronze Benchmarked status; Banyan Tree Lijiang also successfully maintained its Silver Certified status for the fourth consecutive year; and Laguna Phuket launched its pursuit of benchmarked status as an EarthCheck precinct. Resorts in the Maldives also reduced use of plastic water bottles by as much as 33% from 2010.

Greening Communities – We planted 50,438 trees across 18 resorts, bringing our five-year total to 147,111 trees, exceeding our cumulative target by over 11,000 trees. The bulk of trees planted were either mangrove trees that help to protect vulnerable coastlines in Asia, or various fruit trees donated to local communities to provide additional sources of nutrition and income.

Seedlings – Spread across 13 participating resorts, 55 young people are now under mentorship and scholarship, receiving an average of five hours of one-to-one guidance per month with our volunteer mentors. One of our Seedlings participants has also exited the programme in order to enter university, fully funded by Banyan Tree.

Emergency Support – In addition to raising over US\$30,000 to support the recovery from the March 11 Tohoku earthquake and tsunami, Banyan Tree associates also raised over US\$70,000 to aid recovery for floods in Thailand. In both cases, Banyan Tree matched or exceeded the contributions by associates.

International Recognition

Acclaim for our sustainability efforts in 2011 included:

- Condé Nast Traveler World Savers Awards 2011 – Winner for Preservation – Environmental and/or Cultural.
- Tourism Authority of Thailand UK Green Awards – Overall Winner and Winner, Large Hotel Category for Banyan Tree Phuket
- Travel + Leisure Global Vision Awards 2011 – Leadership: Education Initiative for Seedlings

EXECUTIVE CHAIRMAN'S STATEMENT

“What excites me is how our resorts can really be an impetus for social, cultural, and economic change.”



In this Asian century with tremendous growth in the region, Banyan Tree strives to be among the sustainable Asian brands expanding across the world.

While we are excited by the architecture and interiors of all the hotels we design, it is our people that make the destination and experience complete. I am inspired when I visit our hotels and see young people, just starting out with their lives and embracing new challenges.

Our journey is just beginning: Banyan Tree as a vehicle to stimulate development and provide livelihood for people.

We have always had a strong commitment to sustainability, even before the term was popularised. My background was not originally in business; I was a journalist and developmental economist and my main interest in resort development was because it is a vehicle through which to carry out wide-ranging socio-economic development. Although we are in the luxury resort industry, I'm not particularly fascinated by things like crystal chandeliers or the thread count of our bed sheets. What excites me is how our resorts can really be an impetus for social, cultural, and economic change.

As I've often contended, the purpose of business is to build a better society for all. In order to realise that core mission, we as business leaders need to think beyond maximising shareholder returns and focus

on transforming the lives of the people we touch. The same needs to be said about enterprises – that only by transforming the lives of stakeholders can an enterprise be a leader within its industry segment.

As a signatory to the United Nations Global Compact, Banyan Tree is one of the nearly 7,000 global business participants who agree that business must be an integral part of solutions to the challenges of our global populace. If those 7,000 business participants are indeed leaders and thus able to transform lives, we are well on our way to a very much brighter future.

Yours sincerely,

Ho KwonPing
Executive Chairman
Banyan Tree Holdings

BANYAN TREE GLOBAL FOUNDATION CHAIRPERSON'S STATEMENT

“Enterprises who can examine how they interact with various stakeholders are better positioned to be able to create increased value, thus inevitably taking steps up in performance.”



While the global economy is emerging from the depths of the global financial crisis which started in late 2008, it unfortunately remains unclear if an underlying shift has enabled capitalism to transform from an individual focused practice to the wider communitarian concept.

Has the mindset of chasing short-term profits been replaced with a longer-term pursuit of creating value for multiple stakeholders? Have thought and business leaders been successful in empowering our respective capacities for compassion, moderation, and shared benefit?

While there has been progress, it is unfortunate that sustainability is still somewhat of an iconoclastic endeavour. While some have started to more widely embrace concepts of strategic philanthropy, industry still seems relatively mired in the dogma of single-minded profit maximisation.

In the current information age, companies are still slow to recognise the reputational risks of not being aligned with the more progressive ideals of what is increasingly expected of business. While risk management is a major issue for driving sustainability, the more significant concept of sustainability as a driver of innovation remains largely under-recognised. Peter Drucker defined innovation as “change that creates a new dimension of performance”. Enterprises who can examine how they interact with various stakeholders are better positioned to be able to create increased value, thus inevitably taking steps up in performance.

Another concept of vital importance for sustainability is innovativeness, the spirit of always resisting old dogmas

and seeking new solutions in a never-ending journey and cycle of improvement.

With that in mind, I invite you to review this 2011 Sustainability Report to help you become familiar with Banyan Tree's commitment. You can then track our progress via this current edition of our sustainability report as well as our past editions, which are all available in soft copy via www.banyantree.com/csrrpublications. This will allow you to become a part of our continual cycle of improvement via setting targets, measuring achievements, reporting progress, and reaching higher-level commitments to create broader impact on the environment and society.

Yours sincerely,

Claire Chiang
Chairperson
Banyan Tree Global Foundation

BANYAN TREE: A HISTORY OF SUSTAINABILITY



2010



- Banyan Tree is named Overall Winner for Large Hotel Chains in the 2011 Condé Nast Traveler World Savers Awards
- Banyan Tree selects EarthCheck as a strategic partner for benchmarking and certifying sustainable operations
- Greening Communities plants almost 47,000 trees to exceed the cumulative target for tree plantings

2009



- Banyan Tree Global Foundation is launched as a separate entity to enhance governance and institutional safeguards for funding
- Banyan Tree Mayakoba heralds the group's first presence in North America within a carefully maintained ecosystem of dunes, mangroves, and freshwater lagoons
- Banyan Tree Ungasan opens atop the southern cliffs of Bali overlooking the Indian Ocean
- Banyan Tree Al Wadi opens with a dedicated nature reserve taking up over 60% of the resort grounds
- Banyan Tree Hangzhou opens within China's Xixi National Wetland Park to highlight wetland ecosystems and their cultural significance

2008



- Banyan Tree Sanya opens on Hainan Island's Luhuitou Bay in the tropical lagoon landscape
- The Sichuan Recovery Fund is launched to support long-term recovery for communities affected by the May 2008 earthquake in Wenchuan County
- Banyan Tree Lijiang becomes the first Banyan Tree resort to achieve EarthCheck Silver Certified status as a reflection of commitment to sustainable hospitality operations

2007

- Banyan Tree launches group-wide efforts: Seedlings to harness core competencies for societal benefits, Greening Communities to raise awareness for climate change, and natural resource conservation efforts that target internal reductions of energy, water and waste

- The Banyan Tree Bintan Conservation Lab opens as the Group's first research and education facility in Southeast Asia
- Banyan Tree Madivaru opens as the first tented pool villas in the Maldives, with all trees within the villa footprints transplanted around the island to prevent the loss of any trees



- Angsana Riads Collection Morocco opens with eight carefully restored Riads (traditional Moroccan houses), highlighting authentic cultural experiences

2006



- Banyan Tree launches Earth Day appreciation events at all resorts and features special environment-related guest packages
- Banyan Tree Holdings debuts trading on the Singapore Exchange
- Banyan Tree Lijiang opens with villas constructed from traditional local materials, upgrading facilities for Lijiang Ethnic Orphanage during resort construction
- Angsana Velavaru opens to highlight beautiful dive sites and an exquisite marine environment in the Maldives

2005



- Banyan Tree Co-Founder Ms Claire Chiang begins her four-year term as the inaugural president for Singapore Compact for CSR
- Banyan Tree joins the United Nations Global Compact in Singapore as a founding member
- Banyan Tree Ringha opens as the Group's first high-altitude resort in Yunnan with authentic farm houses from the local communities converted into guest villas
- Maison Souvannaphoum Hotel opens in the historic residence of Prince Souvannaphouma within the UNESCO World Heritage Site of Luang Prabang, Laos

2004

- The Asian Tsunami Recovery Fund (ATRF) and Phuket Tsunami Recovery Fund (PTRF) fund long-term recovery efforts for communities impacted by the Indian Ocean tsunamis of 26 December 2004



- Banyan Tree's Corporate Social Responsibility Committee is formalised to direct socially responsible practices and synergise sustainability efforts across the group by including senior management from each resort

2003



- The Banyan Tree Maldives Marine Lab is launched, opening in early 2004 to promote marine conservation as the first resort-based research and educational facility in the Maldives
- Gyalthang Dzong Hotel opens in a mountain valley reflecting the region's bountiful heritage in "Tibetan lamasery" style and highlighting the rich offerings of the cultural Tibetan region

2002

- Banyan Tree Bangkok opens as the Group's first urban hotel, with previously cemented areas transformed to create an urban oasis of vegetation, aquatic and avian life
- Banyan Tree Seychelles opens with a wetlands management plan to minimise the impacts of construction and tourism

2001

- The Green Imperative Fund (GIF) is established as a fund-raising mechanism, where an opt-out guest contribution and hotel matching contribution combine to Embrace the Environment and Empower People

2000

- Banyan Tree Gallery is launched as a subsidiary working closely with village co-operatives and not-for-profit craft and marketing agents, to provide employment for

- local artisans and raise awareness for local crafts and issues
- Angsana Great Barrier Reef opens to provide guests with access to longstanding natural havens including the nearby Diantree Rainforest and Great Barrier Reef

1996

- Banyan Tree Gallery opens its first outlet in Phuket as a retail outlet showcasing indigenous craft, a concept dating back to 1989 when two "maun" triangular cushions from Yasathorn, Thailand inspired Ms Claire Chiang, Co-Founder of Banyan Tree, to launch Banyan Tree Gallery

1995

- Banyan Tree Vabbinfaru opens after a carefully considered construction process including specially requisitioned light boats to carry prefabricated villa elements ashore during construction to protect fragile coral reefs
- Banyan Tree Bintan opens with hillside villas built on stilts and around existing landscaping in order to preserve the coastal rainforest setting

1994

- Backed by the experience of remediating a toxic site into a veritable haven, Co-Founder Ho KwonPing launches the Banyan Tree brand, opening its flagship resort in Laguna Phuket

1992

- Laguna Phuket wins the American Express and International Hotel Association Environmental Award for rehabilitating a site previously written off as "toxic" by the United Nations Development Programme and Tourism Authority of Thailand

In 2007, Banyan Tree launched Greening Communities as a challenge for properties to raise awareness for climate change by planting 2,000 trees per year. While the trees will absorb some atmospheric carbon, the main goal is engagement of communities, associates, and guests to share the causes of climate change and the actions that can reduce our collective footprint.

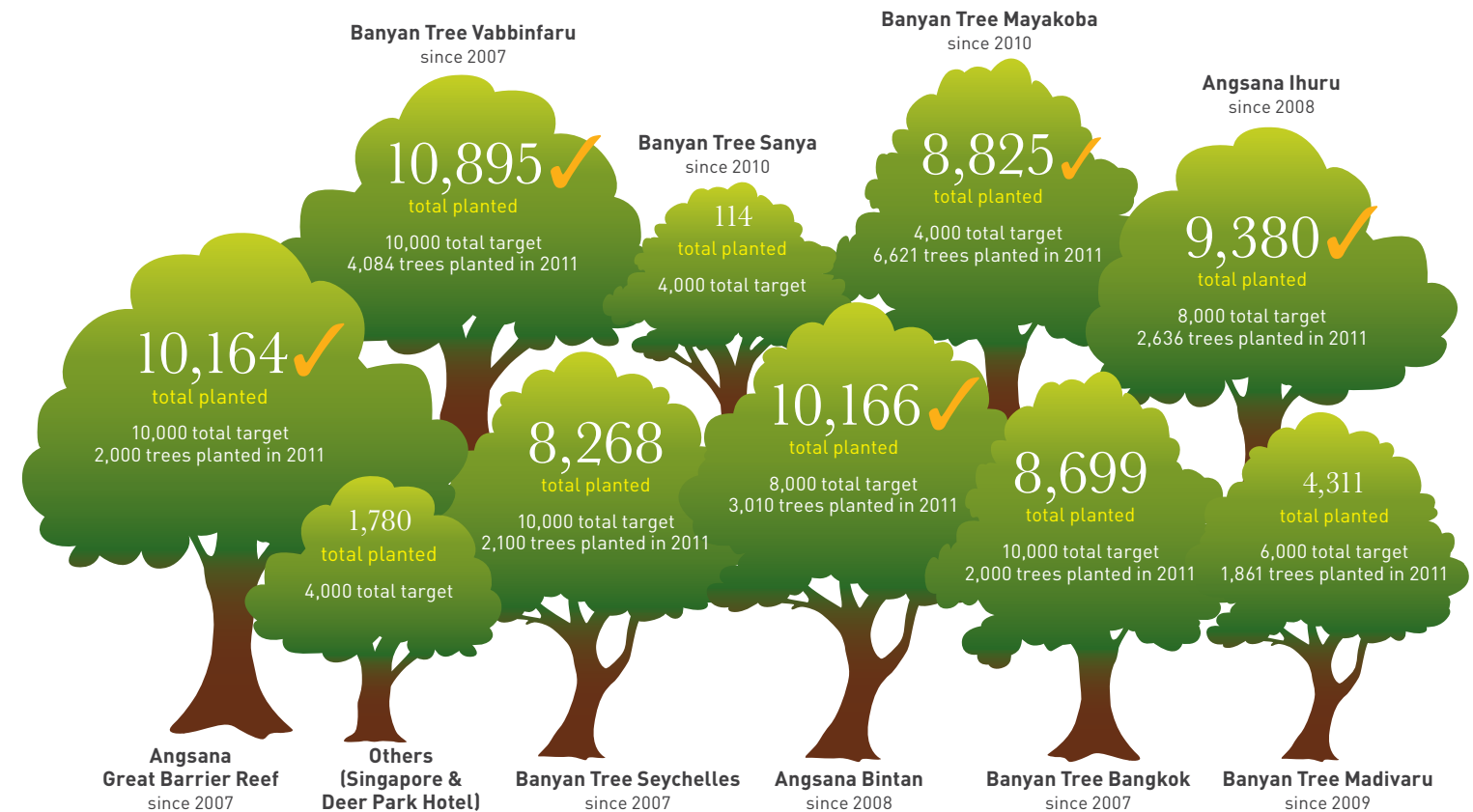
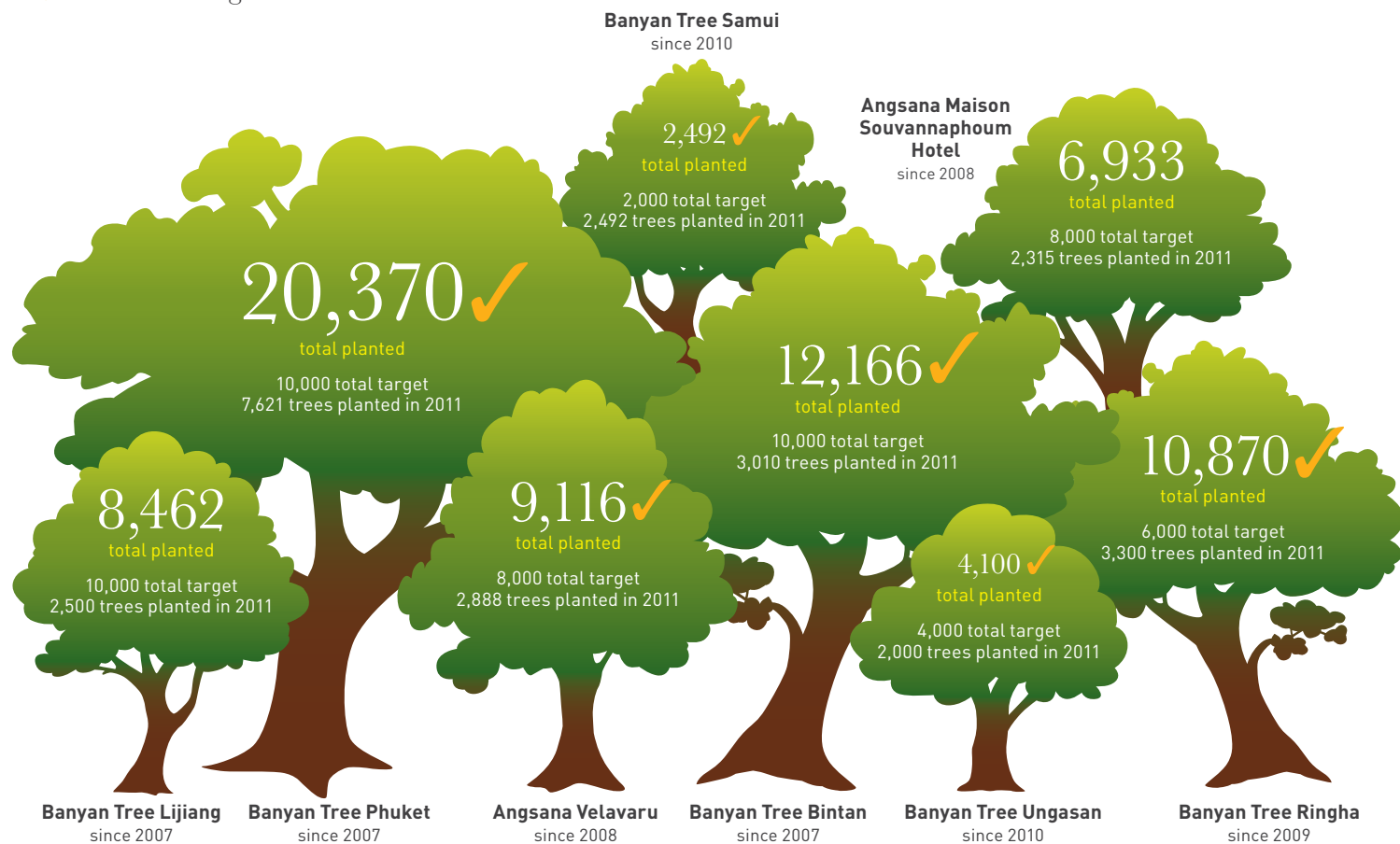
Trees are recognised as one of nature's key land-based means to absorb, store, and process atmospheric carbon dioxide, which has been identified as one of the main contributors to climate change.

147,111 ✓
Total Planted (2007–2011)

136,000
Total Target (2007–2011)

✓ = Above Target

| 2011 | 2010 | 2009 | 2008 | 2007 |
|---|---|---|---|--|
| <ul style="list-style-type: none"> - Trees planted in 2011: 50,438 - 2011 target: 40,000 - Total planted since 2007: 147,111 - Total target since 2007: 136,000 | <ul style="list-style-type: none"> - Trees planted in 2010: 46,980 - 2010 target: 34,000 - Total planted since 2007: 96,673 - Total target since 2007: 96,000 | <ul style="list-style-type: none"> - Trees planted in 2009: 21,372 - 2009 target: 26,000 - Total planted since 2007: 49,693 - Total target since 2007: 62,000 | <ul style="list-style-type: none"> - Trees planted in 2008: 16,715 - 2008 target: 22,000 - Total planted since 2007: 28,321 - Total target since 2007: 36,000 | <ul style="list-style-type: none"> - Trees planted in 2007: 11,606 - 2007 target: 14,000 |
| <p>Banyan Tree Samui, Banyan Tree Hangzhou, and Banyan Tree Club & Spa Seoul join Greening Communities, bringing the total participation to 20 resorts.</p> | <p>Banyan Tree Mayakoba, Banyan Tree Ungasan, Banyan Tree Sanya, Deer Park Hotel plant their first trees to push the total Greening Communities participation to 17 resorts.</p> | <p>Banyan Tree Ringha and Banyan Tree Madivaru join Greening Communities, bringing the total participation to 13 resorts.</p> | <p>Angsana Ihuru, Angsana Velavaru, Angsana Bintan, and Maison Souvannaphoum Hotel join the tree planting effort, bringing participation to 11 resorts.</p> | <p>Greening Communities is launched with seven resorts participating: Banyan Tree Phuket, Banyan Tree Bangkok, Banyan Tree Bintan, Banyan Tree Vabbinfaru, Banyan Tree Seychelles, Banyan Tree Lijiang and Angsana Great Barrier Reef.</p> |



EMBRACING THE ENVIRONMENT PROJECTS BY LOCATION

As safeguarding the environment is central to Banyan Tree's goal of sharing the original beauty of any of our locations with our guests, we have implemented numerous site and region specific initiatives to support and instill environmental awareness among our associates, our guests and the local communities supporting our resorts.

Regular Volunteer Clean-Ups – Maldives, Sanya, and Phuket

In the ongoing effort to take an active role in protecting the habitat, Banyan Tree resorts invited their associates, community members and guests to participate in various clean-up days. This included monthly reef cleaning dives in Angsana Velavaru that, since 2007, have had 274 guests and 297 associates remove some 4,046 coral reef predators, such as the crown of thorns starfish, in order to better protect reefs still at risk of El Nino-caused bleaching events.

Beach clean-ups were regular events at Banyan Tree Sanya and Banyan Tree Phuket, which had separate sessions to clean Layan Beach and Bangtao Beach including some 44 associate volunteers and five secondary school students. A separate session was conducted in February 2011 to clean up roads in Bang Tao supported by 15 volunteer Banyan Tree associates along with 16 students and 20 community volunteers.

Free Conservation Presentations and Activities – Bintan, Maldives, Phuket, and Mayakoba

In 2011, the Banyan Tree Bintan Conservation Lab Bintan engaged some 956 guests with complimentary conservation themed activities with 412 participating in guided nature walks, 54 in free conservation presentations, 41 in guided tree trail walks, 14 in birdwatching sessions, 15 joined in tours of the neighbouring Kampung Baru village, and 320 participated in turtle briefings during hatching and releases on three separate days. While handling all this, the Lab also underwent an expansion renovation to further enable driving conservation awareness.

The Banyan Tree Maldives Marine Lab also continued its ongoing free marine conservation presentations, with Banyan Tree Vabbinfaru hosting 472 guests and Angsana Ihuru reaching 137 guests in 2011. On top of that, the Banyan Tree Phuket Rangers programme was launched to engage children below 10 years old. This daily programme revolves around the stimulation of the five senses – sight, sound, touch, smell and taste – to explore and appreciate the natural environment around them.

Elephants – Banyan Tree Gallery in Thailand

In 2011, Banyan Tree Gallery launched an exclusive Elephant collection to commemorate National Thai Elephant Day, which falls on 13 March annually. The initiative included photo exhibitions in Bangkok from April to May and Phuket in August, showcasing the Elephant Nature Foundation and its advocacy for the welfare of Asian elephants in Thailand. Net profits from photography sales and sales of limited edition elephant T-shirts, along with 5% of Banyan Tree Gallery's total revenues from 13 March to 13 June, were donated to the Elephant Nature Foundation.

Fish Diets Study – Maldives

In 2011, Banyan Tree Vabbinfaru and Angsana Velavaru continued a project launched in late 2010 to study the diets of fin fish. To enhance the understanding of the predator-prey and food chains within the fisheries in and around the Maldives, both resorts' Marine Labs collected samples for central analysis in an effort to safeguard the vital food chains supporting marine biodiversity and fisheries. By the end of 2011, the second year of this multi-year study,

the resorts had already gathered 150 samples, and will continue working towards their target of 500 samples for analysis.

Corals – Maldives and Bintan

The Banyan Tree Bintan Conservation Lab conducted coral planting with guests to celebrate Earth Day, and also connected with Reefcheck for training and dialogue in support of Indonesia's coral reefs. Angsana Velavaru continued with its Coral Tunnel Garden effort to transplant coral onto metal frames to create new reefs supporting marine biodiversity. Banyan Tree Vabbinfaru also continued its ongoing monitoring of coral bleaching to determine which species of coral are most resistant to higher temperatures, and thus the best candidates for transplanting in support of new reef creation even during El Nino events. Coral spawning was also closely monitored

between Angsana Velavaru and its northern counterparts, Banyan Tree Vabbinfaru and Angsana Ihuru, in order to better understand the precursors of spawning for different species of corals.

Turtles – Maldives and Bintan

Turtle efforts continued in Bintan and Vabbinfaru. The Bintan Conservation Lab managed three clutches of eggs, totalling 236 eggs, of which 120 hatched and 118 successfully enter the ocean, bring Bintan's cumulative total to 594 turtles released. Additionally, some 320 guests were part of the three release briefings and celebrations in April, May and August. Laguna Phuket's Annual Sea Turtle Release was cancelled in 2011 due to inclement weather. Banyan Tree Vabbinfaru upgraded the turtle facilities such that only two turtles were under the Head Start effort and released in October 2011.

Seafood – Ungasan, Bangkok and Maldives

The Banyan Tree Maldives Marine Lab in Vabbinfaru initiated studying distribution, abundance, and sizes of key species in support of a nationwide Maldives effort establishing a fishery management plan. Banyan Tree Bangkok continued its lead role in developing sustainable seafood guidelines across the group, and Banyan Tree Ungasan continued its participation and support of WWF Indonesia's Seafood Savers effort.

Ecosystem Mapping and Habitat Monitoring

The Banyan Tree Bintan Conservation Lab continued its efforts to map and monitor its coastal rainforest ecosystem. Species specific monitoring efforts included birds, snakes, coral, and sea turtles. Wider ongoing actions included leading advocacy for marine shipping pollution, supporting Earth Hour and Earth Day, collaborating with nearby universities on research, connecting with Wildlife Conservation Society to support a marine protected area in Bintan.

At Banyan Tree Mayakoba the effort to map and monitor the ecosystem has taken shape in a wildlife guide freely distributed to guests highlight the local ecosystem, including local species such as iguanas and sereques. A similar effort was done at Banyan Tree Vabbinfaru to map the house reef and its marine biodiversity to produce in-villa Reef Guides to help guests explore at their own leisure, in addition to the fully guided snorkelling and diving outings offered onsite.

Banyan Tree Phuket has developed an interactive experience where guests take part in birdwatching, paddling along waterway habitats, and learn how local populations used to live off the land in days past, including fishing net casting.

Global Awareness

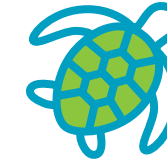
In support of raising awareness for both local communities in Sri Lanka and visiting guests in Maldives, Banyan Tree Global Foundation supported the publication of two books highlighting the vital need for conservation: *FootFalls in the Wild: Reflections & Writings of the late Deshabandu Lyn de Alwis*, and *Maldives: Underwater Kingdom*.

1,565



Number of People Attending
Free Conservation Presentations

594



Turtles Released



Banyan Tree Vabbinfaru



Banyan Tree Bintan

EMBRACING THE ENVIRONMENT

RESOURCE CONSERVATION

In 2007, Banyan Tree launched a group-wide effort to monitor and systematically reduce the energy consumption, water consumption, and waste production at each resort. The ongoing target is to conserve resources through more sustainable operations.

Energy

Electric Motor Boats – Banyan Tree's GPS Development Services (GPS) subsidiary conducted a three-month study to replace the four-stroke gasoline engines powering Laguna Phuket's pontoon ferries with electric motors for cleaner propulsion. Though conversion of existing ferries to electric motors was not a reliable or cost-effective solution, the study found that boats designed to optimise electric motors will reduce both costs and impacts, thus warranting new resorts and boats to feature electric motors.

Solar Buggies – GPS also conducted a three-month study in Bintan on solar panels roofing for guest buggies. The photovoltaic panels extended mileage between required charges, thus prolonging battery life by some 35%. While the return on investment for the panels was too long to justify retrofitting existing buggies, the results were favourable enough to recommend inclusion of new solar buggies when bringing in new buggies. Because of this, Banyan Tree Ungasan now features solar buggies among its fleet.

Efficient Lighting – The effort for effective lighting solutions continued with higher efficiency installations in Lijiang (3W LED lighting replaced 35W bulbs in landscape lighting), Vabbinfaru (garden lighting turned off during two clear full moon nights every month), Bangkok (savings of some 78,000kWh per year), Ihuru (reducing pathway wattage and villa wattage by some 617W per villa), Phuket (an estimated 8.9% reduction in electrical bills), and Maison Souvannaphoum Hotel (an estimated savings of 7,305kWh for the year).

Timers – Timers on public area air conditioning and car park lighting in Bangkok (saving some 1,100kWh per month) as well as on garden lighting in Vabbinfaru (saving some 977kWh per month) and Velavaru (saving some 750kWh per month) helped reduce energy consumption.

Biodiesel – Expanding beyond the 2009 Seychelles practice of converting used cooking oil into biodiesel, Banyan Tree Ungasan partnered with CARITAS Switzerland to

donate used cooking oil, which is converted to biofuel and purchased back for use in garden torch lighting.

HVAC Systems – Water heating increasingly relied on heat pumps to capture waste heat from air conditioners in Bintan, Ungasan, Sanya, Macau, Velavaru, and Fu Xian Lake, while Velavaru also began phasing out standard air conditioners for inverter systems.

Water

Landscape Irrigation – Alternate sources for landscape irrigation included water from draining hot tubs (Bintan and Macau), capturing rainwater and runoff (Seychelles, Phuket, Bintan, and Velavaru), and onsite wastewater treatment (Ungasan and Sanya).

Other Measures – Vabbinfaru and Ihuru introduced sealed 1.5L bags into the toilet cisterns to save 1.5L of water per flush, conserving an estimated 44m³ per month. Phuket installed waterless urinals in all male public restrooms, while Ihuru began testing saltwater for flushing in some toilets, and Bintan tested filling hot tubs only upon guest request.

Waste

Waste Separation – Waste separation practices helped reduce Ungasan's waste sent to landfill (2.6L per guest night compared with an EarthCheck regional best practice of 4.2L per guest night) while also helping resorts donate food waste to local community enterprises in Bintan (to local duck breeders), Mayakoba (to a local pig farm), and Bangkok (to nearby pig farms).

Glass Bottles – Resorts in the Maldives continue phasing out plastic water bottles. Vabbinfaru, Ihuru and Velavaru have all replaced plastic bottles for Associates with refillable glass bottles for drinking water, which is desalinated onsite. The water undergoes monthly testing by the Maldives Food & Drug Authority for safety, and is tested daily for chlorine by the resort. In-villa plastic water bottles are also being phased out via reusable glass bottles for complimentary in-villa bottled water.

Banyan Tree has selected EarthCheck, the leading benchmarking, certification and environmental management programme in the travel and tourism industry, to monitor sustainable operations performance.



Banyan Tree Lijiang

- Joined EarthCheck: 2007
- Status: Achieved EarthCheck Silver Certification in 2008, 2009, 2010, and 2011, working towards achieving Gold Certified status in 2012
- Highlight: In 2011, 8 of 11 assessed areas were found to be at or better than best practice levels



Banyan Tree Ringha

- Joined EarthCheck: 2010
- Status: Achieved Bronze Benchmark in 2009, 2010, and 2011
- Highlight: 2011 waste sent to landfill (2.4L per guest night) is over 45% better than best practice (4.4L per guest night)



Banyan Tree Ungasan

- Joined EarthCheck: 2010
- Status: Achieved Bronze Benchmark in 2010 and 2011
- Highlight: 2011 waste sent to landfill (2.6L per guest night) is over 42% better than best practice (4.2L per guest night)



Angsana Velavaru

- Joined EarthCheck: 2010
- Status: Achieved Bronze Benchmark in 2009, 2010, and 2011



Banyan Tree Vabbinfaru

- Joined EarthCheck: 2010
- Status: Achieved Bronze Benchmark in 2009, 2010 and 2011
- Highlight: 2011 water consumption (28.2 L per guest night) is over 99% better than best practice level (3,413L per guest night)



Angsana Ihuru

- Joined EarthCheck: 2010
- Status: Achieved Bronze Benchmark in 2009, 2010, and 2011
- Highlight: 2011 energy consumption (275.4MJ per guest night) is over 40% better than best practice (635.0MJ per guest night)



Banyan Tree Bintan, Angsana Bintan and Laguna Bintan Golf Club

- Joined EarthCheck: 2010, combined to multi sector in 2011
- Status: Working towards achieving multi-sector benchmarked status
- Highlight: First to commit to multi-sector benchmarking for Villa Hotel (Banyan Tree Bintan), Vacation Hotel (Angsana Bintan) and Golf Course (Laguna Bintan Golf Club)



Banyan Tree Phuket and Laguna Phuket

- Joined EarthCheck: 2010, converted to precinct benchmarking in 2011
- Status: Working towards achieving precinct benchmarked status
- Highlight: First community in Asia to commit to precinct benchmarking status with Banyan Tree Phuket, Angsana Laguna Phuket, Laguna Holiday Club Phuket Resort, Laguna Resorts & Hotels, Outrigger Laguna Phuket Resort & Villas, Laguna Phuket Golf Club, and Laguna Service Company Limited



Banyan Tree Mayakoba

- Joined EarthCheck: 2010
- Status: Working towards achieving benchmarked status
- Highlight: 2011 waste recycling rating (96.3 points) is over 20% better than best practice (80 points)



Banyan Tree Seychelles

- Joined EarthCheck: 2010
- Status: Working towards benchmarked status



Banyan Tree Madivaru

- Joined EarthCheck: 2010
- Status: Working towards benchmarked status



Angsana Great Barrier Reef

- Joined EarthCheck: 2010
- Status: Working towards benchmarked status

Banyan Tree Headquarters:

- Joined EarthCheck: 2011
- Status: Working towards Admin Office benchmarked status

EMBRACING THE ENVIRONMENT

RESOURCE CONSERVATION

Continuing an initiative launched in 2007 to conserve natural resources, Banyan Tree furthered this commitment in 2010 by starting to roll out the EarthCheck program across all resorts. EarthCheck is the leading benchmarking, certification and environmental management program used by the travel and tourism industry. For more details about the EarthCheck methodology and approach, please visit www.earthcheck.org.

In 2011, Banyan Tree Lijiang successfully achieved EarthCheck Silver Certification for the fourth consecutive year, completing its second onsite verification audit. Banyan Tree Ungasan, Banyan Tree Ringha and Angsana Velavaru successfully maintained Bronze Benchmark status for the second consecutive year. And Banyan Tree Vabbinfaru and Angsana Ihuru achieved EarthCheck Bronze Benchmark status for the first time.

Additionally, in Bintan, Banyan Tree and Angsana joined together with Laguna Bintan Golf to pursue combined multi-sector benchmarking and eventual certification with EarthCheck. Banyan Tree Phuket joined forces with Laguna Phuket to pursue EarthCheck precinct benchmarking.

Energy Consumption

| 1,000 | 800 | 600 | 400 | 200 | 0 | | |
|-------|-----|-----|-----|-----|---|---------|------|
| | | | | | | ★ 466.7 | 2011 |
| | | | | | | ★ 497.8 | 2010 |
| | | | | | | ★ 625.6 | 2009 |
| | | | | | | ★ 574.2 | 2011 |
| | | | | | | ★ 553.4 | 2010 |
| | | | | | | ★ 567.9 | 2009 |
| | | | | | | ▼ 956.0 | 2008 |
| | | | | | | ▲ 905.0 | 2007 |
| | | | | | | 382.5 ★ | 2011 |
| | | | | | | 329.7 ★ | 2010 |
| | | | | | | 488.7 ★ | 2009 |
| | | | | | | 275.4 ★ | 2011 |
| | | | | | | 341.6 ★ | 2010 |
| | | | | | | 336.7 ★ | 2009 |
| | | | | | | 379.0 ★ | 2010 |
| | | | | | | 326.0 ★ | 2009 |

Green House Gas Emissions

| 160 | 140 | 120 | 100 | 80 | 60 | 40 | 20 | 0 | | |
|-----|-----|-----|-----|----|----|----|----|---|--------|------|
| | | | | | | | | | 86.3 ★ | 2011 |
| | | | | | | | | | 77.9 ▼ | 2010 |
| | | | | | | | | | 97.9 ▼ | 2009 |
| | | | | | | | | | 8.3 ★ | 2011 |
| | | | | | | | | | 7.4 ★ | 2010 |
| | | | | | | | | | 7.2 ★ | 2009 |
| | | | | | | | | | 11.0 ★ | 2008 |
| | | | | | | | | | 10.0 | 2007 |
| | | | | | | | | | 28.2 ★ | 2011 |
| | | | | | | | | | 24.7 ★ | 2010 |
| | | | | | | | | | 36.7 ★ | 2009 |
| | | | | | | | | | 20.7 ★ | 2011 |
| | | | | | | | | | 25.0 ★ | 2010 |
| | | | | | | | | | 30.2 ★ | 2009 |
| | | | | | | | | | 28.1 ★ | 2010 |
| | | | | | | | | | 24.2 ★ | 2009 |

Potable Water Consumption

| 5,000 | 4,000 | 3,000 | 2,000 | 1,000 | 0 | | |
|-------|-------|-------|-------|-------|---|-----------|------|
| | | | | | | ★ 920.2 | 2011 |
| | | | | | | ★ 2,084.0 | 2010 |
| | | | | | | ★ 1,574.8 | 2009 |
| | | | | | | ▲ 1,832.6 | 2011 |
| | | | | | | ★ 1,726.2 | 2010 |
| | | | | | | ★ 1,413.2 | 2009 |
| | | | | | | ★ 2,336.0 | 2008 |
| | | | | | | ★ 2,930.0 | 2007 |
| | | | | | | 432.8 ★ | 2011 |
| | | | | | | 306.4 ★ | 2010 |
| | | | | | | 379.1 ★ | 2009 |
| | | | | | | 401.9 ★ | 2011 |
| | | | | | | 410.0 ★ | 2010 |
| | | | | | | 428.6 ★ | 2009 |
| | | | | | | 637.9 ★ | 2010 |
| | | | | | | 465.3 ★ | 2009 |

Water Savings Rating

| 0 | 20 | 40 | 60 | 80 | 100 | | |
|---|----|----|----|----|-----|--------|------|
| | | | | | | 88.9 ★ | 2011 |
| | | | | | | 88.9 ★ | 2010 |
| | | | | | | 88.9 ★ | 2009 |
| | | | | | | 96.3 ★ | 2011 |
| | | | | | | 58.6 ▲ | 2010 |
| | | | | | | 82.8 ★ | 2011 |
| | | | | | | 71.6 ▲ | 2010 |
| | | | | | | 62.6 ▲ | 2009 |
| | | | | | | 82.8 ★ | 2011 |
| | | | | | | 76.0 ▲ | 2010 |
| | | | | | | 70.8 ▲ | 2009 |

Waste Sent to Landfill

| 10 | 8 | 6 | 4 | 2 | 0 | | |
|----|---|---|---|---|---|-------|------|
| | | | | | | 2.4 ★ | 2011 |
| | | | | | | 1.2 ★ | 2010 |
| | | | | | | 1.3 ★ | 2009 |
| | | | | | | 3.8 ★ | 2011 |
| | | | | | | 3.7 ★ | 2010 |
| | | | | | | 3.9 ★ | 2009 |
| | | | | | | 7.0 ▲ | 2008 |
| | | | | | | 7.0 ▲ | 2007 |
| | | | | | | 2.6 ★ | 2011 |
| | | | | | | 3.3 ★ | 2010 |

Waste Recycling Rating

| 0 | 20 | 40 | 60 | 80 | 100 | | |
|---|----|----|----|----|-----|---------|------|
| | | | | | | 92.6 ★ | 2011 |
| | | | | | | 92.6 ★ | 2010 |
| | | | | | | 92.6 ★ | 2009 |
| | | | | | | 88.4 ★ | 2011 |
| | | | | | | 86.2 ★ | 2010 |
| | | | | | | 86.8 ★ | 2009 |
| | | | | | | 86.2 ★ | 2008 |
| | | | | | | 65.9 ▲ | 2007 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 96.3 ★ | 2010 |
| | | | | | | 91.8 ★ | 2009 |

Community Commitment

| 0 | 30 | 60 | 90 | 120 | 150 | | |
|---|----|----|----|-----|-----|---------|------|
| | | | | | | ▲ 90.0 | 2011 |
| | | | | | | ▲ 80.0 | 2010 |
| | | | | | | ▲ 80.0 | 2009 |
| | | | | | | ★ 100.0 | 2011 |
| | | | | | | ★ 100.0 | 2010 |
| | | | | | | ★ 100.0 | 2009 |
| | | | | | | ★ 100.0 | 2008 |
| | | | | | | ★ 100.0 | 2007 |
| | | | | | | ▲ 95.0 | 2011 |
| | | | | | | ▲ 89.2 | 2010 |
| | | | | | | ★ 100.0 | 2011 |
| | | | | | | ★ 100.0 | 2010 |
| | | | | | | ★ 100.0 | 2009 |
| | | | | | | ★ 100.0 | 2011 |
| | | | | | | ★ 100.0 | 2010 |
| | | | | | | ★ 100.0 | 2009 |
| | | | | | | ★ 100.0 | 2010 |
| | | | | | | ★ 100.0 | 2009 |
| | | | | | | ★ 100.0 | 2010 |
| | | | | | | ★ 100.0 | 2009 |

Community Contribution Rating

| 0 | 20 | 40 | 60 | 80 | 100 | | |
|---|----|----|----|----|-----|--------|------|
| | | | | | | 90.7 ★ | 2011 |
| | | | | | | 90.7 ★ | 2010 |
| | | | | | | 90.7 ★ | 2009 |
| | | | | | | 85.7 ★ | 2011 |
| | | | | | | 74.2 ▲ | 2010 |
| | | | | | | 74.2 ▲ | 2011 |
| | | | | | | 71.5 ▲ | 2010 |
| | | | | | | 74.2 ▲ | 2009 |
| | | | | | | 72.4 ▲ | 2011 |
| | | | | | | 71.5 ▲ | 2010 |
| | | | | | | 52.0 ▲ | 2009 |
| | | | | | | 72.7 ▲ | 2010 |
| | | | | | | 71.5 ▲ | 2009 |

Cleaning Products Rating

| 0 | 20 | 40 | 60 | 80 | 100 | | |
|---|----|----|----|----|-----|---------|------|
| | | | | | | 88.9 ★ | 2011 |
| | | | | | | 90.5 ★ | 2010 |
| | | | | | | 88.9 ★ | 2009 |
| | | | | | | 98.4 ★ | 2011 |
| | | | | | | 88.9 ★ | 2010 |
| | | | | | | 78.2 ★ | 2009 |
| | | | | | | 88.3 ★ | 2008 |
| | | | | | | 50.0 ▲ | 2007 |
| | | | | | | 98.4 ★ | 2011 |
| | | | | | | 95.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2009 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2009 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2009 |

Paper Products Rating

| 0 | 20 | 40 | 60 | 80 | 100 | | |
|---|----|----|----|----|-----|---------|------|
| | | | | | | 88.9 ★ | 2011 |
| | | | | | | 85.9 ★ | 2010 |
| | | | | | | 88.9 ★ | 2009 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 88.9 ★ | 2010 |
| | | | | | | 88.9 ★ | 2009 |
| | | | | | | 60.4 ▲ | 2008 |
| | | | | | | 50.0 ▲ | 2007 |
| | | | | | | 95.6 ★ | 2011 |
| | | | | | | ▼ 17.8 | 2010 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2009 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2009 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2009 |
| | | | | | | 76.0 ▲ | 2010 |
| | | | | | | 76.0 ▲ | 2009 |

Pesticide Products Rating

| 0 | 20 | 40 | 60 | 80 | 100 | | |
|---|----|----|----|----|-----|---------|--------|
| | | | | | | 93.5 ★ | 2011 |
| | | | | | | 93.5 ★ | 2010 |
| | | | | | | 93.5 ★ | 2009 |
| | | | | | | 67.9 ▲ | 2011 |
| | | | | | | 75.5 ▲ | 2010 |
| | | | | | | 87.9 ★ | 2009 |
| | | | | | | 75.4 ▲ | 2008 |
| | | | | | | 50.0 ▲ | 2007 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2009 |
| | | | | | | 100.0 ★ | 2011 |
| | | | | | | 100.0 ★ | 2010 |
| | | | | | | 100.0 ★ | 2009</ |

Launched in 2007, Seedlings is a group-wide initiative to enhance the long-term prosperity of communities by building the capacities of young people.

A holistic approach for nurturing young people at risk of societal exclusion, Seedlings aims to provide young people with the motivation and means for completing their education, and to successfully enter the labour force as adults via three pillars:

- Mentorship** – The first phase of the programme, mobilises associates from Banyan Tree resorts to inspire young people between the age of 12 and 18 to achieve what previously might have been beyond their means. To effectively mentor youths, associates from Banyan Tree resorts undergo training conducted by the University of Wales, which has facilitated national mentoring schemes in over five countries.
- Scholarships** – For young people who cannot afford to continue their education.
- Internships** – Upon completion of school and after becoming a young adult, optional internships provide job training and valuable work experience in the participating resort's operational areas such as housekeeping, food and beverage, engineering, frontline customer service, marketing, reservations, procurement, security or landscape architecture.

A concerted effort to harness Banyan Tree's core competencies to support enhanced long-term prosperity within communities, Seedlings aims to guide young people at risk of societal exclusion to

achieve what may have otherwise remained beyond their means. This programme benefits the community at large as it provides the next generation with educational opportunities. This in turn allows communities to break the poverty cycle as education is a strong tool for empowerment.

Structured topics help guide mentor-mentee interactions to address and include discussion of relevant issues and topics while reinforcing communal values along four key areas: Social, Environmental, Academic Interests, and Health & Sports.

The Social aspect addresses local cultural issues such as celebrating local traditions and holidays while also sharing local arts and crafts to reinforce the importance and beauty of local heritage.

The Environmental portion includes field trips addressing the importance of natural conservation as well as activities supporting the environment such as tree planting.

Academic Interests taps into the resorts' onsite training facilities to provide additional language training (English) as well as basic information technology training sessions to familiarise students with computers.

Health & Sports focuses on promoting healthy lifestyles including both active recreation as well as practical sessions on cooking and nutrition from our in-house Food and Beverage department.

2007



Banyan Tree associates undergo an initial round of mentor training conducted by the University of Wales, while resorts work with local NGOs and schools to identify young people at risk of societal exclusion. Seedlings is then launched with 18 participating young people from Banyan Tree Phuket (three young people), Banyan Tree Bintan (three young people), Banyan Tree Vabbinfaru (three young people), Banyan Tree Seychelles (three young people), Banyan Tree Bangkok (four young people), and Banyan Tree Lijiang (two young people).

2008

Seedlings completes its first full year. Expanding to 24 participating young people, the program also includes seven participating locations, welcoming Angsana Bintan with three young people brought under mentorship in addition to Banyan Tree Phuket (three young people),

Banyan Tree Bintan (six young people), Banyan Tree Vabbinfaru (three young people), Banyan Tree Seychelles (three young people), Banyan Tree Bangkok (four young people), and Banyan Tree Lijiang (two young people). A survey of participating parents, young people, teachers, and mentors leads to



implementation of four core curriculum areas of Social, Environmental, Academic Interests, and Health & Sports.

2009

By 2009, the seven resorts (Banyan Tree Phuket, Banyan Tree Bintan, Banyan Tree Vabbinfaru, Banyan Tree Seychelles, Banyan Tree Bangkok, Banyan Tree Lijiang, and Angsana Bintan)



participating in the initial pilot phase include 26 children receiving the programme's benefits for a period of two years. Due to the project's success, plans are made to expand the initiative in 2010 by bringing in more volunteer mentors, participating resorts, and internal mentor trainers.

2010

In 2010, additional mentor training is conducted by the same University of Wales team, ensuring the ability to train additional mentors for future expansion. Following this, four more resorts join (Banyan Tree Ungasan,



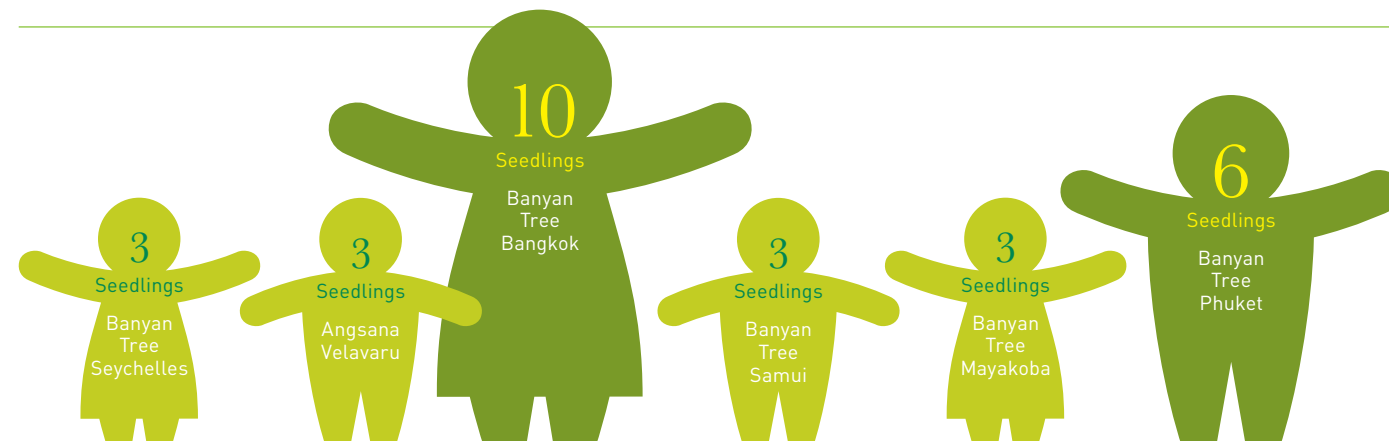
Banyan Tree Mayakoba, Angsana Ihuru, and Angsana Velavaru) with additional intakes bringing total participation to 46 young people: Banyan Tree Phuket (six young people), Banyan Tree Bintan (seven young people), Banyan Tree Vabbinfaru (three young people), Banyan Tree Seychelles (three young people), Banyan Tree Bangkok (three young people), Banyan Tree Lijiang (five young people),

Banyan Tree Ungasan (three young people), Banyan Tree Mayakoba (three young people), Angsana Bintan (seven young people), Angsana Ihuru (three young people), and Angsana Velavaru (three young people).

2011



In 2011, the effort expands to include Maison Souvannaphoum Hotel and Banyan tree Samui and 55 young people in total. Highlights include an average of 1.25 hours of mentorship per month per young person, with Banyan Tree Ungasan averaging over 1.6 hours per young person per month, Banyan Tree Samui averaging over 1.7 hours per young person per month, and Maison Souvannaphoum Hotel averaging over 4.7 hours per young person per month. Additionally, one young person from Banyan Tree Lijiang starts university under a separate Banyan Tree Scholarship.



EMPOWERING PEOPLE EDUCATION – PROJECTS BY LOCATION

Education is the key long-term enabler for an individual's societal contribution, career and earning potential, and overall empowerment. To support education at the primary, secondary, and tertiary levels, Banyan Tree has implemented various site and region specific efforts to support education in host communities.

2



Undergraduate University and Polytechnic Scholarships Launched

792



Rural Chinese Women Trained in Entrepreneurship

1,441



Children in China Benefitting from Rural Healthcare for Infants and Toddlers

University Scholarship for a Banyan Tree Seedling

In 2007, a then 14-year-old Ms Li Ai Chun joined Banyan Tree Lijiang's Seedlings initiative upon strong community recommendations. She was paired with a volunteer Banyan Tree Lijiang associate to mentor her, serve as a confidante, guide in life matters, and instructor in English and basic computer skills. Continuing to excel at her studies since then, Ms Li embarked upon her tertiary education in late 2011 at Yunnan University of Nationalities, under a full scholarship provided by Banyan Tree.

Internships – Singapore and Bintan

Banyan Tree Global Foundation partnered with Singapore's Temasek Polytechnic School of Business to provide the Banyan Tree Scholarship for the Diploma in Leisure & Resort Management course. This scholarship is provided to the most deserving second-year student who excels in the coursework, demonstrates leadership via extracurricular activities, but ultimately faces financial challenges. This pilot scholarship also allowed for the recipient to opt for an internship to provide hands-on work experience.

In 2011, the Banyan Tree Bintan Conservation Lab welcomed two students internships from Indonesian universities. An internship via the Department Biology of Padjadjaran University in West Java focused on biodiversity and the ecology of the Bintan area. The other internship, from Bintan the Agriculture department of Brawijaya University, in East Java focused on organic agriculture, and particularly Banyan Tree and Angsana Bintan's herb garden.

Student Field Trips – China, Maldives and Bintan

In August, Banyan Tree Hangzhou hosted a handful of Chi Heng Foundation students studying to enter the hospitality industry for a behind-the-scenes tour and interview to provide the students with an inside look at hospitality jobs.



Banyan Tree Bintan



Banyan Tree Vabbinfaru

128



Rural Chinese Women Trained to Provide Postpartum, Neonatal, and Elderly Care in Rural China

2



Doctors Up-skilled to Provide Health Care in Rural China

In addition to the regular Banyan Tree Marine Lab marine conservation field trips, Banyan Tree Vabbinfaru hosted groups of school children to showcase environmentally conscious efforts, especially those within the hospitality industry. A group from the neighbouring island of Villingili celebrated Maldives Tourism Week with a full-day session at Banyan Tree Vabbinfaru. To celebrate Earth Day, another 18 students and two teachers from Male Hiriya School were hosted to highlight and discuss environmental issues faced by children in the Maldives.

In celebration of Hari Kasih Sayang (Affection Day), Banyan Tree and Angsana Bintan welcomed students from across Bintan in March (elementary schools) and December (high schools). The 120 younger students took part in recreational

activities, a guided birdwatching session, an interactive conservation presentation, and a volunteer beach cleaning effort highlighting the impacts global consumption has upon the shores of Bintan. With the 43 older students in December, the main objective was providing an inside look into the hospitality industry as a potential career path for their future.

Practical Skills Training – China

Through the Practical Skills Training Centre for Women, Banyan Tree enabled 792 rural Chinese women to obtain entrepreneurship training, while another 128 were trained to provide postpartum, neonatal as well as elderly care for rural community members. An additional two rural doctors were provided with skills upgrading to better prepare them to care for the wide array of health issues facing rural care providers. This training helped implement a programme providing early healthcare for infants and toddlers, benefitting some 1,441 children in Hubei Province.

School Renovations – Phuket

In 2011, Banyan Tree's signature internal training modules, Talent Management Programme (TMP) and Management Development Programme (MDP) received a fresh injection of community empowerment via a new sustainability curriculum using community support as a team building activity to also reinforce Banyan Tree's founding value of sustainability. Banyan Tree Management Academy's inaugural sustainability fieldwork session focused on a four-phase renovation of the nearby Sithsoonthornbamroong School. Associates identified as high-potential future leaders were divided into groups to spend a full day to either landscaping the exterior surroundings of the school's canteen, painting and beautifying the interior of canteen, painting and decorating the interior of the canteen, or building a playground for the school. While this effort relied heavily upon the contributions of the TMP and MDP participants, Banyan Tree Management Academy partnered with a local contractor to monitor and ensure all projects were prepared as well as fully completed in order to safely deliver the intended benefit to the students.

Enabling long-term societal prosperity for communities is central to Banyan Tree’s ability to create value for stakeholders. Our resorts have implemented numerous site and region specific initiatives addressing issues identified by host communities in which we operate.

224



Children Who Learned Basic Water Survival Skills

Natural Disasters

Following the March 2011 Tohoku Quake and the ensuing tsunamis, Banyan Tree’s associates donated generously to combined with Banyan Tree’s matching donations raising over US\$30,000 in support of long-term recovery of impacted communities. Banyan Tree donated the funds to Ashinaga, one of the largest education focused non-profit organisations in Japan, in support of their Tohoku Rainbow House effort to create a facility providing psychosocial support for children who lost one or both parents in the quake and ensuing damage.

208



Children Who Learned Swimming and Floating Skills

In late 2011, flooding returned to Thailand, severely impacting Bangkok and other densely populated areas. In November, Banyan Tree’s associates again donated generously, and were again matched by Banyan Tree to help raise over US\$70,000 in support of recovery from the flooding. By the end of 2011, funding options were being reviewed to determine the best allocations of the funds contributed.

161



Community Members Receiving Free Medical Treatment in Bintan

Banyan Tree Samui, Banyan Tree Phuket, and Laguna Phuket also focused on flood recovery projects in Baan Klong Mai Deng School in the Chaiya District of Suratthani Province. In addition to providing enhanced equipment and facilities to replace those damaged by the early 2011 flooding in Thailand, the effort was designed to enhance the protection of the school from future raising waters.

CJ Foundation – Korea

In September, Banyan Tree Club & Spa Seoul partnered with CJ Foundation to hold a charity flea market selling pre-owned donated goods in the hotel’s Kids Club facilities. In addition to raising some KRW1 million, 21 Banyan Tree Club & Spa Seoul associates also raised some KRW800,000 and 37 gifts distributed to 35 children receiving government support. A festive Christmas light-up ceremony was held, including a silent auction that raised some KRW750,000 supporting the CJ Donors Camp.

Survival Swim – Phuket

As part of September’s Laguna Phuket Triathlon organized by Laguna Phuket, participants helped fund a community initiative aiming to teach some 2,600 children basic water survival skills under the banner of the Survival Swim Programme. By the end of December, 224 children had learned about the danger signs around water and the basics of first aid and cardiopulmonary resuscitation, another 211 children had learned how to use bodyboards, and 208 children had learned basic swimming and floating skills.

Island Community Clean-Up – Maldives

Banyan Tree Madivaru associates took part in the island of Ukulhas effort to clean up and beautify the island. The full day effort helped gather and all the trash around the island for keeping in the designated area for ease of disposal, resulting in a cleaner and safer environment for the children of Ukulhas to live and play.

Disability Sports

Banyan Tree continued the ongoing support of Paralympic Equestrian athlete Ms Laurentia Tan in her training and quest to represent Singapore in the London 2012 games. As of end-2011 and because of her training and competition results, Laurentia was well on track to qualify, while also having conducted multiple sharing sessions seeking to inspire young people with similar handicaps to work beyond their limitations to find happiness. Also in support of sending athletes to the London Paralympic Games, Banyan Tree continued its funding of the Singapore National Paralympic Council.

Organic Agriculture – Bintan

In August 2011, Banyan Tree Bintan organised organic agriculture awareness and basic instruction sessions for a group of local farmers in order to share with them alternative considerations and tools to enhance the overall productivity of the lands. Dr Karuniawan PW and Dr Eko Murniyanto from Malang’s Brawijaya University School of Agriculture addressed the group in Sebung Perh village to assist the 15 farmers who had previously made initial efforts in organic farming.

Mentawai Recovery with Ibu Foundation – Bintan

In early 2011, Banyan Tree and Angsana Bintan continued a partnership with the Ibu Foundation to support

communities in Mentawai who were impacted by the October 2010 Mount Merapi eruption and ensuing quakes and tsunamis. The effort in early 2011 focused on providing psychosocial support for impacted children, basic food aid and clean drinking water. Nearly 500 children have benefitted from the efforts, with the larger community benefitting from the provision of a clean water solution.

Blood Donation – Bintan

In end-September, Banyan Tree and Angsana Bintan organised an on-property blood drive in collaboration with the Indonesian Red Cross of Bintan. Some 26 associates donated blood during the three-hour blood drive. Before associates were permitted to donate blood, they attended a 60-minute awareness session to better understand the blood donation process and its impacts.

Free Medication and Health Awareness – Bintan

In end-November, Banyan Tree and Angsana Bintan once again conducted their annual free medication and health awareness seminar for local community members in Sebung Lagoi Village. With two general practitioners, one child specialist, one surgeon, and five nurses, the team was able to provide medical care for some 161 patients, including a minor operation done onsite. The session also included basic health awareness presentations including highlighting postpartum and neonatal health concerns and considerations.

Culture Celebrations – Bintan

On 19 August 2011, Banyan Tree and Angsana Bintan celebrated the breaking of fast with a special event for 150 orphans plus Bintan’s Seedlings young people and local civic leaders. During the celebration, the orphans were collectively given a US\$2,100 donation from Banyan Tree and Angsana Bintan’s associates, both those currently in Bintan as well as those who had moved to other Banyan Tree resorts, including as far away as the Middle East. This marked the 12th year for the annual tradition conducted by Banyan Tree and Angsana Bintan during every Ramadhan month. Another celebration for 65 orphans was organised 20 December, where Banyan Tree and Angsana Bintan were the backdrop to stage shows and other celebration performances.



NEW RESORTS BANYAN TREE MACAU



In the heart of Cotai City, just 15 minutes from Macau International Airport, Banyan Tree Macau is the only luxury hotel offering full-sized resort villas, where each villa has its own gardens and private swimming pool.



Banyan Tree Macau is a part of the Galaxy Macau development. In addition to its 10 resort pool villas, Banyan Tree Macau features a majestic Presidential Suite and 246 suites, with each suite offering its own private indoor Relaxation Pool, a first in Macau. The 10 resort villas range from the 450m² Pool Villa to the spacious 950m² Sanctuary Pool Villa, while the suites range from the 100m² Grand Cotai Suite, up to the 130m² Grand Macau and Spa Suites, to the 160m² Sky Suite, and the majestic 670m² split-level Presidential Suite.

Banyan Tree Macau's four dining outlets include the headlining Belon which is designed to evoke an aquatic environment, Banyan Tree's signature Saffron which specialises in creative Thai cuisine in a contemporary yet classically elegant setting, Cabana for casual poolside dining, and the relaxed Banyan Lounge for social gatherings.

Along with the dining highlights, another major attraction is Macau's first award-winning Banyan Tree Spa, a 3,400m² haven of indulgence offering sensory pampering and experiences steeped in holistic Asian healing traditions and set alongside two tropical pools. Along with Banyan Tree's signature Spa, the resort also includes a Banyan Tree Gallery which showcases indigenous art and crafts from community projects worldwide.

Also offering world-class facilities for corporate events and private functions, Banyan Tree Macau includes a Grand Ballroom accommodating up to 1,200 guests for cocktail session or 430 guests for banquets. Shortly after its grand opening, Banyan Tree Macau also launched truly unique wedding packages which combined the urban setting with Banyan Tree's resort pedigree. In addition to a host of wedding packages, the resort launched its unique floating stage to provide a memorable wedding on the water experience which can be witnessed by up to 200 guests around the Cabana Pool.

NEW RESORTS ANGSANA LAGUNA PHUKET



Angsana Laguna Phuket opened on 1 December 2011 as the flagship Angsana resort with a relaxed seaside ambience dating back to the genesis of the Banyan Tree and Angsana brands in Phuket's Bang Tao Bay.



Following an extensive US\$30-million renovation, Angsana Laguna Phuket occupies the site of the former Sheraton Grande Laguna Phuket. With 409 keys, this refreshed and stylish resort is the largest Angsana property in Southeast Asia and offers a plethora of accommodation options across 10 different room categories including Rooms, Lofts, Suites, and Residence offerings.

Dining highlights include the resort's all-day dining venue, Market Place which exudes the charm of a traditional Thai street market and features a range of international cuisines; while fresh local seafood such as Phuket lobster, tiger prawns and black crabs can be enjoyed at Baan Talay; and Loy Krathong offers sunset cocktails and creative Asian tapas complemented by live entertainment.

Angsana Laguna Phuket is contemporary in style with touches of traditional Thai architecture. Quintessential hallmarks such as steep arched roofs, free-flowing spaces, waterways and canals can be seen throughout the resort grounds.

The new Angsana Spa embraces a tropical garden spa concept and features a vibrant contemporary design. Treatments are based on aromatherapy and highlight a fusion of wellness techniques from East and West. Guests with children can enjoy the resort's Treehouse Kids' Club which is built over two stories and features a café along with activities such as arts and crafts classes and interactive story hour. Next to the Kid's Club is a Thai sala offering kids' spa treatments including hair braiding and basic manicures and pedicures.

NEW RESORTS ANGSANA HANGZHOU



A perfect blend of modernity and old-world charm, Angsana Hangzhou presents a unique experience for travellers with world-class tour and leisure facilities set amid Xixi National Wetland Park.

A short drive from the famed West Lake, a UNESCO World Heritage Site, Angsana Hangzhou sits next to Westbrook Complex, a shopping arcade with restaurants and lifestyle stores. The nearby Westbrook Resort, a world-class international tourist complex hidden in the southeast corner of Xixi National Wetland Park, offers a range of luxury lifestyle facilities, providing guests plenty of opportunities to enjoy the cultural offerings as well as to relax.

Surrounded by the pastoral and aquatic scenic sites unique to southern China, Angsana Hangzhou provides the perfect combination of trademark contemporary design and ancient southern charm to young travellers, couples and small groups. A combination of modern amenities infused with classic Chinese elements, each of the resort's 59 rooms is decorated with either a large wooden carving panel or a picture of the olden Hangzhou while the balcony is decorated with Chinese balustrade re-imagined for a stylish modern setting.

A rooftop outdoor swimming pool with hot tub and a poolside lounge offers relaxing swimming or sun-bathing set amid the wetlands beauty. Highlighting the wine and dine experiences available are: Rice Bar which offers a selection of freshly prepared rice-based favourites; Lunar Bar which offers a wide range of Shaoxing wines and cocktails in a lounge setting; and the poolside Breeze allows for either a post-swim beverage, or an ideal space to host special events and private functions.

With Angsana Hangzhou's proximity to Banyan Tree Hangzhou, guests can also very conveniently enjoy award-winning spa treatments at the renowned Banyan Tree Spa. Other recreational options include bicycle rentals for rides through the Xixi Wetland and around West Lake, visiting the National Wetland Museum to learn about the ecological and cultural significance of the wetlands, tours to local museums and tea gardens, as well as more modern options such as the Westbrook Complex, a neighbouring shopping and dining arcade.

NEW RESORTS ANGSANA BALACLAVA



Set in the northwestern coast of Mauritius and facing spectacular sunsets every evening, Angsana BalACLAVA is an oasis of relaxation and privacy designed ideally for couples and honeymooners.

Set directly on the white sand beach and calm lagoon of picturesque Baie aux Tortues, or Turtle Bay, Angsana BalACLAVA is just a 15-minute drive from the Mauritian capital of Port Louis, and a 55-minute drive from Plaisance International Airport. This charming and intimate retreat with hydrotherapy spa will appeal to those seeking a chic tropical holiday experience in a secluded and romantic setting.

Designed to reflect all that is uniquely Mauritian – the fusion of Oriental, Occidental and African cultural influences, the architecture and interior of the resort features thatched roofs, rattan wall coverings as well as stone flooring. Further emulating a traditional Mauritian village is the bespoke local artistry found throughout the resort, including the wrought iron entrance gates. Angsana BalACLAVA features 52 suites and villas offering views of the ocean and mountains, which light up the entire resort at sunset.

Facilities include on-site beauty salons; a gymnasium; a Water Sports and Recreation Centre; a signature Angsana Gallery outlet; an Angsana Spa with therapists trained at Banyan Tree's award-winning Banyan Tree Spa Academy; a host of dining options featuring local, international and seafood dishes; and a conservation team to highlight and protect the Mauritian ecosystem. Picture-perfect gardens adorned with tropical plants and palms create a haven for relaxation. The resort's main public area features three overlapping swimming pools separated by waterfalls, leading from an expansive seawater pool complete with sand to a lap pool and then wading pool below.

Other recreational activities highlighting the area include nature walks, full-day excursions featuring cultural highlights as Ganga Talao, Le Morne Mountain, and Chamarel, home to the magnificent Chamarel Falls and the amazing seven-coloured earth.

Banyan Tree Global Foundation provides greater assurance to contributing guests that funds will primarily create social and/or environmental benefits for local communities.

Green Imperative Fund Mechanism

In 2001, Banyan Tree set up the Green Imperative Fund (GIF) as a mechanism to continue formalising its corporate social responsibility efforts. The GIF mechanism aims to widen the reach and effectiveness of the company's efforts by providing critical financial support to worthy environmental action and community based projects where Banyan Tree has a presence.

At Banyan Tree branded properties, every guest is invited to be a supporting partner through a small contribution of US\$2 per room night, under an "opt-out" arrangement. At Angsana properties, the amount is US\$1 per room per night. Our hotels then match these guest contributions, dollar for dollar, under the GIF mechanism. To further link the performance of the resorts with contributions to the contributions to our Group CSR fund, each property must maintain a contribution level of at least 1% of its profit. Combined with the mechanisms to match each guest's US\$2/US\$1 per room per night, the level of the resort's contribution will at times exceed the amount of guest contribution for that year, but the amount the hotel contributes will never be lower than the guest contribution.

The contributions and disbursements in relation to all the funds tabled on the below are accounted for under Banyan Tree Global Foundation Limited, a company incorporated in 2009.

This entity is audited by Ernst & Young LLP, Singapore.

| | Through FY 2010 US\$ | FY 2011 US\$ | Cumulative US\$ |
|----------------------------|----------------------------|-----------------|--------------------|
| Contributions | | | |
| Hotel Guests | 1,989,847 | 343,522 | 2,333,369 |
| Hotel and Resorts | 2,214,470 | 362,020 | 2,576,490 |
| Others including Employees | 1,307,706 | 15,474 | 1,323,180 |
| Total Contribution | 5,512,023 | 721,016 | 6,233,039 |
| Other Income | | | |
| Bank Interest | 48,427 | 4,586 | 53,013 |
| Disbursements | | | |
| Project Related | 2,276,854 | 442,655 | 2,719,509 |
| General and Administration | 450,821 | 49,264 | 500,085 |
| Total Disbursements | 2,727,675 | 491,919 | 3,219,594 |
| Surplus | 2,832,775 | 233,683 | 3,066,458 |

In 2012, we look forward to ongoing internal streamlining of processes enabling our sustainability efforts in order to better Embrace the Environment and Empower People.



In 2011, Banyan Tree Phuket joined with Laguna Phuket to pursue EarthCheck benchmarking as an entire precinct rather than as a single resort. This is a significant step in benchmarking and certifying the entirety of our presence in Phuket as it will cover our sister resorts, our golf course, as well as the entity managing the common services for the Laguna Phuket integrated resort.

As part of our commitment to the journey of sustainability, the strategic priorities for sustainability are aligned with enhancing operational efficiency, protecting biodiversity and developing local capacity. Immediate targets for this include:

External Focus

Resource Conservation – We recognise that our locations provide us with the opportunity to share with local communities, especially those in more rural locations, the importance and impacts of conserving resources. This is an area of engagement we feel can be further developed to the benefits of the overall communities of which our resorts are a part.

Greening Communities – While we have planted 147,111 trees exceeding our five-year target of 136,000 trees, we look forward to planting even more trees while connecting with even more communities through the planting efforts.

Seedlings – Apart from the continued increase of participating resorts, we will also conduct additional internal training to enable resorts to have their own mentor trainers to ensure we can continue to support the young people who are a part of our Seedlings effort. This specifically targets to raise the number of qualified internal mentor trainers by some 15 to 20 people.

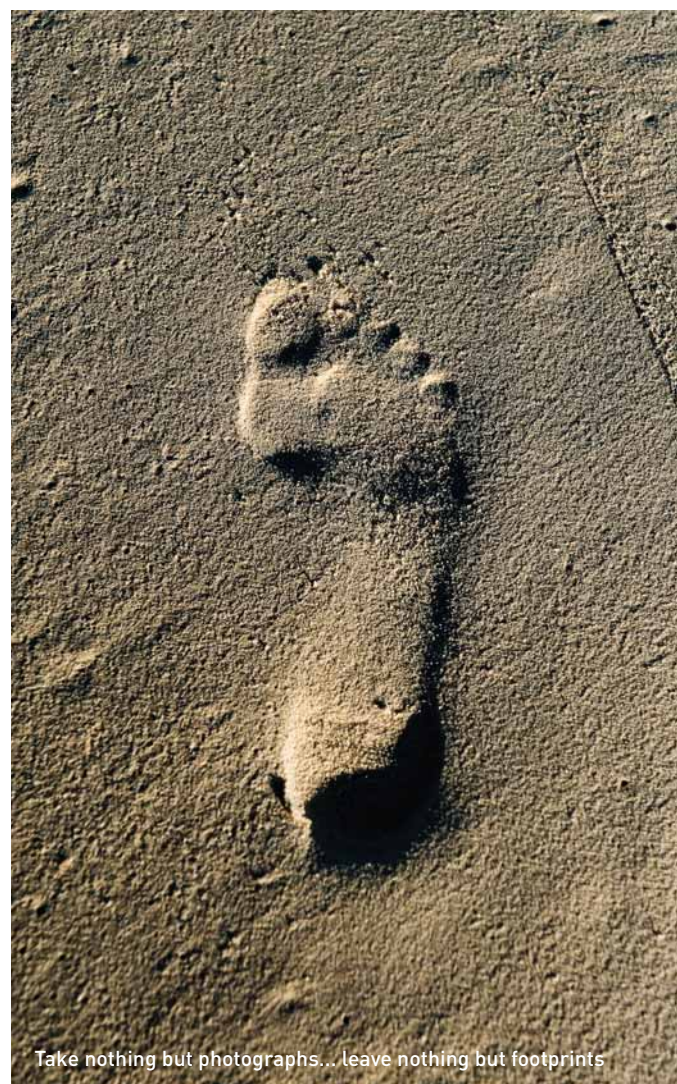
Internal Focus

Resource Conservation – We eagerly anticipate the results of our first precinct and multi-sector benchmarking efforts. Laguna Phuket has begun its efforts as an entire precinct benchmarking, including Banyan Tree Phuket, Angsana Laguna Phuket, Laguna Resorts & Hotels, Laguna Holiday Club Phuket Resort, Laguna Phuket Golf Club, Outrigger Laguna Phuket Resort & Villas, Laguna Service Company Limited. In Bintan, we look forward to Banyan Tree Bintan, Angsana Bintan and Laguna Bintan Golf Club becoming our first multi-sector to be benchmarked by EarthCheck.

Capacity Building – To help support the ongoing roll out of EarthCheck to all properties, we will target training and capacity building for resort teams to better engage in all sectors of the benchmarking and certification process. We aim to establish a similar train the trainer approach as taken with Seedlings mentor training.

Governance – As part of our commitment to sustainability, we will continue to target practices pushing transparency and overall governance of our efforts.

We strongly believe our actions and inactions today significantly impact the future of our children and grandchildren. We share a responsibility to not only safeguard but also to enhance both our human and natural environments. We believe good businesses are also businesses who do good, and we invite you to join us in the ongoing journey in pursuit of sustainability.



Banyan Tree Global Foundation Structure

With the formation of Banyan Tree Global Foundation in 2009, the governance of the Banyan Tree's Sustainability and CSR efforts was formalised under the Singapore-based Board of Directors for Banyan Tree Global Foundation including Chairperson Ms Claire Chiang, Co-Chairperson Mr Ariel Vera, and Chief Financial Officer Mr Eddy See, and managed by Coordinating Director Mr Michael Kwee.

Banyan Tree's two full-time Group CSR Directors then jointly oversee the Sustainability/CSR teams onsite at each property. While not all resorts have full-time positions addressing Sustainability and CSR, all resorts do have a CSR Champion onsite who is the key contact point for sustainability. In some cases the CSR Champion is the resort's General Manager, while in other cases it is either a full-time dedicated resource or it is a team member empowered by the resort's General Manager.

CSR General Committee

First established in 2004, the Banyan Tree CSR General Committee is made up of all General Managers from each resort and key management associates of each resort, including the resort's CSR Champion. In 2008, we formalised an onsite CSR Committee for each resort, coordinated by the respective CSR Champion in order to integrate all the departments at each property. This CSR General Committee functions as the network to share best practices and experiences while working towards fulfilling the CSR Strategy Committee's and Banyan Tree Global Foundation Board's directives.

We thank you for taking the time to review our efforts for 2011 and look forward to sharing more about our efforts in future reports. In the meantime, please visit us online at www.banyantreeglobalfoundation.com for more information or to contact us.

Note about Printing:

In line with Banyan Tree's continuing efforts to promote environmental sustainability, this report is printed on 9Lives paper (with 55% recycled content) and is a Forest Stewardship Council™ (FSC™) certified print job.

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