

UN Global Compact

2013 Communication on Progress

Participant

The Frangipani Langkawi Resort & Spa

Reporting Period

03/2013-03/2014

To our stakeholders:

I am pleased to confirm that the Frangipani Langkawi Resort & Spa its support of the Ten Principle of the United Nations Global Compact with respect to labour, environment and anti-corruption.

In this annual Communication of Progress, we describe our actions to continually improve the integration of the Global Compact and its principle into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Yours Sincerely



Anthony Wong
Managing Director

1. Labour Principles

1.1 Assessment, Policy and Goals

The Frangipani Langkawi aims to provide as much employment opportunities as possible to local community.

1.2 Implementation

Almost 95% of the employees in the resort are local people and they comprise a mixture of all races. Discrimination and harassment are not tolerated. All employees regardless of race are given fair share of assessment in their performance and are treated equally.

Training is constantly given to the employees to improve their skills and product knowledge either by internal trainers or external trainers.

The resort works closely with the local and international hospitality and tourism/universities to provide internship for interns and this has been a practice for many years. The internship period ranges from 2 months to 6 months. The interns are housed in the resort's staff quarter and provided meals at the staff canteen. They are also given monthly allowance. For year 2012 we have 10 interns from Beifang University, China (who did their internship for 6 months) and 1 intern from Norway (4 months). The Malaysian interns are from local universities and colleges and they are trained in all departments according to their majors at their university.

1.3 Measurement of outcomes

With constant training and guidance given by the management, some of the employees had the chance of promotion and such promotion is a big achievement for the local community and as in certain hotels on the island, promotions are given to the non-local community.

Interns who are able to understand the culture and concept of the resort's green philosophy are offered permanent positions after their practical training and most of them are now working in the resort.

2.0 Environmental Principles

2.1 Assessment Policy and Goals

The Frangipani Langkawi is committed to bettering the environment in and around its company. The resort has an Environmental Policy statement that also includes guidance and policy goals relating to the prevention and management of environmental risks.

In the coming year we have planned to work with our significant supply chain partners to see if they are signatories to the Global Compact or other initiatives that promote environmental protection and accountability. If they are not currently members we will actively encourage them to become signatories and support the ten core United Nations Global Compact. Additionally, the Frangipani Langkawi also sets environmental targets for each reporting period. In the coming year the company aims to:

- 1.Reduce energy consumption across the business by 5%
- 2.Reduce water consumption across business by 10%
- 3.Zero waste on organic food leftovers and rubbish
- 4.Increase the number of Green initiatives implemented by the resort to over 200.
- 5.Increase awareness on " The River Project" and implement the project which will catalyst the condition of all rivers in Langkawi

2.2 Implementation

The Frangipani Langkawi employs two Environmental Officers who actively ensure that the resort complies with the Environmental Policy Statement and the broader environmental objectives of the United Nation Global Compact.

The resort supports a variety of initiatives and programmes to reduce waste material and consumption of resources. Staff members receive on-going training relating to reducing energy consumption, waste separation, composting and recycling. All proceeds generated from the recycled waste are channeled to the employees welfare scheme.

A natural wetland system has been developed to treat all wastewater produced by the resort to a level that meets the Malaysian Drinking Standard A. Once treated this water is used to water the resort gardens to reduce water costs.

Additionally, the resort uses harvested rainwater for all laundry, toilet flushing and gardening applications.

During the upgrading from standard to duplex room, shower water from first floor is channeled into the ground to water the plants around the area.

Furthermore, all the resort's hot water is produced using roof mounted solar panels on the guest villas.

In line with its commitment raising environmental awareness, the resort works with a number of local schools in Langkawi to help promote environmental stewardship and educate children about the negative effects of poor environmental practices by conducting eco-walks in the resort and conducting talks at the school. The Frangipani also work alongside with local agencies such as the City Council, Langkawi Authority Development, The Solid Waste Management and Cleanliness Corporation, Department of Environment, charity clubs and non-government agencies and others by giving talks to the public on water and plastic pollution and campaigning on No Plastic Bag on the island. The resort has been visited by the public, university students from national and international universities, overseas government leaders especially the developing Asian countries such as Laos, Cambodia, Myanmar and Nepal to learn and understand the 200 Green practices implemented in the resort.

2.3 Measurement of outcomes

The Frangipani Langkawi has not had any environmental incidents within the reporting period and has not been subject to any statutory notices or prosecutions.

The resort has a number of processes in place to ensure that environmental progress is carefully monitored for example all water passing through the resort's wetland system is tested bi-annually by an independent laboratory to ensure that it complies with the Malaysian Drinking Standard.

3.0 Anti-Corruption Principles

3.1 Assessment, Policy and Goals

The Frangipani Langkawi has always been practicing the principles of honesty and all the employees are fully aware of this.

3.2 Implementations

Standard operating procedures are created for each department to avoid any dishonesty to take place and independent checks are conducted regularly.

3.3 Measurement of outcomes

The Frangipani Langkawi has not had any incidents within the reporting period.