



SUN

Hotels | Properties | Services

SUSTAINABILITY **20**
REPORT **20**



OVERVIEW

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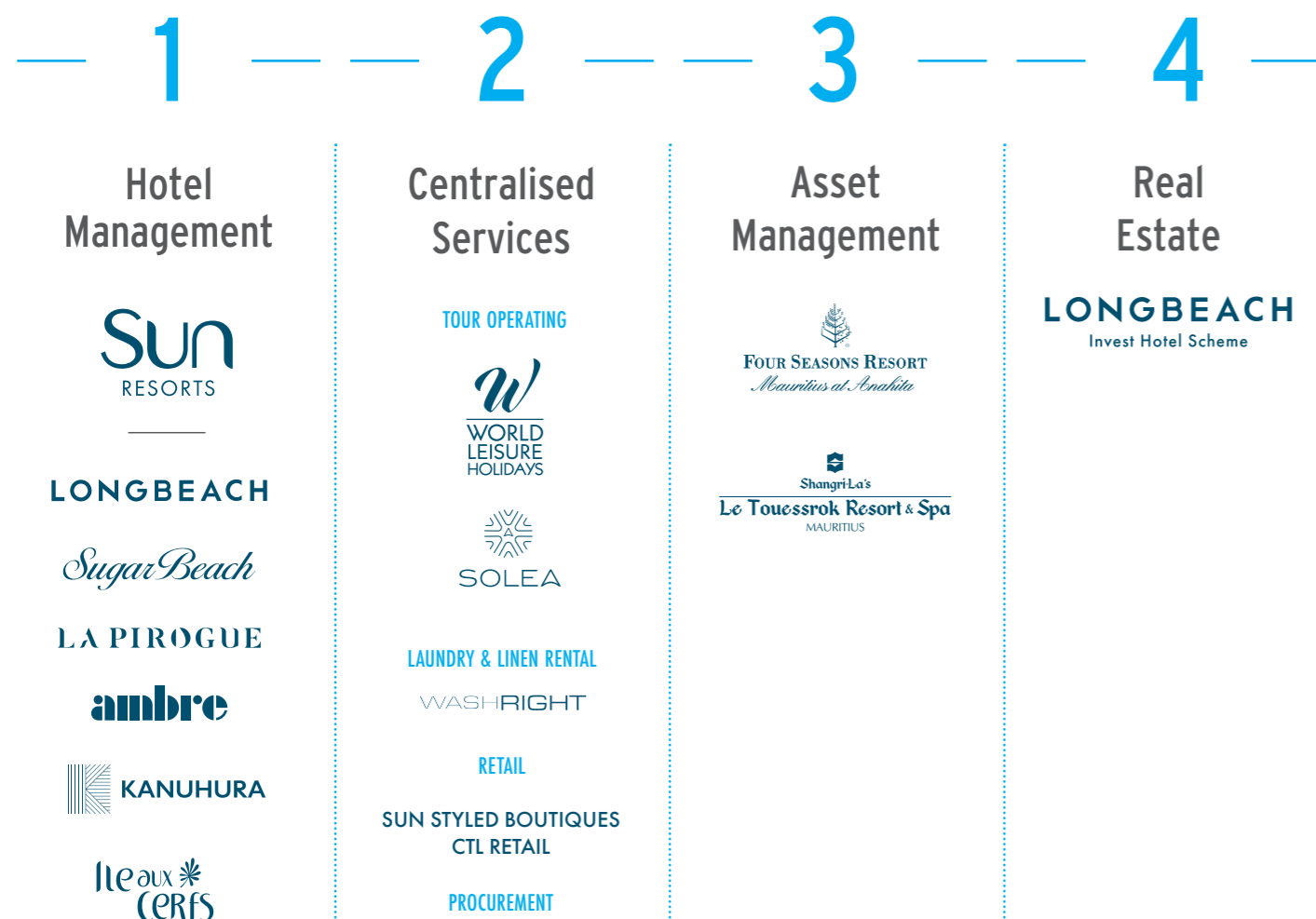
ABOUT SUN

WHO WE ARE

Sun Limited is the owner of seven resorts in Mauritius and Maldives. Five are managed by Sun Resorts and two by recognised international brands: Shangri-La and Four Seasons.



Sun Limited is organised in 4 clusters:



WE ARE SUN

OUR VISION

To be the leading hospitality group that inspires

Timeless Memories

OUR MISSION

- We **delight** our guests
- We **nurture** a passion for excellence
- We **act as role model** in our communities
- We **build** trustful partner relations
- We **reward** our owners

OUR VALUES



INTEGRITY



TEAMWORK



TRUST



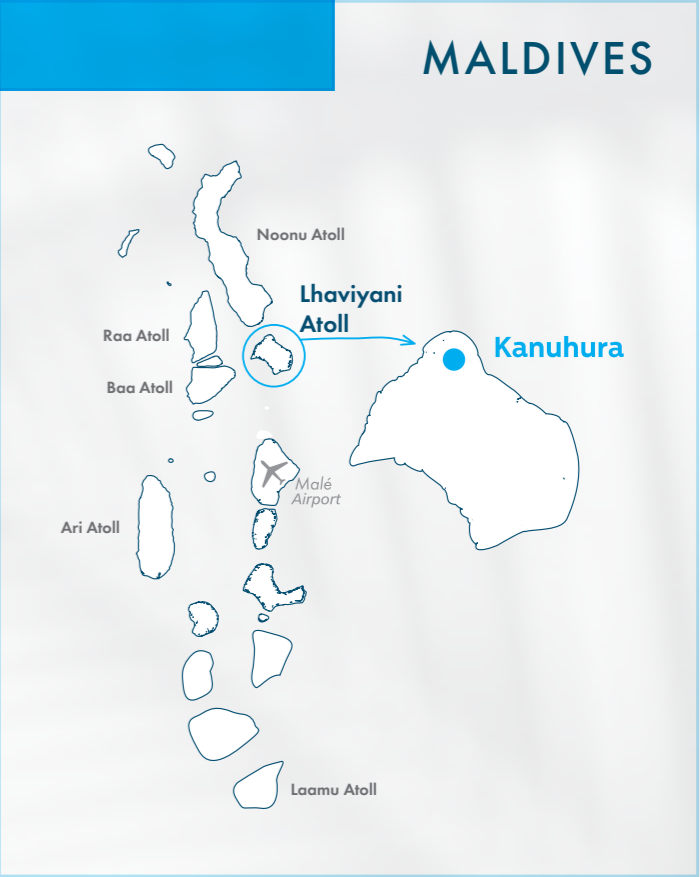
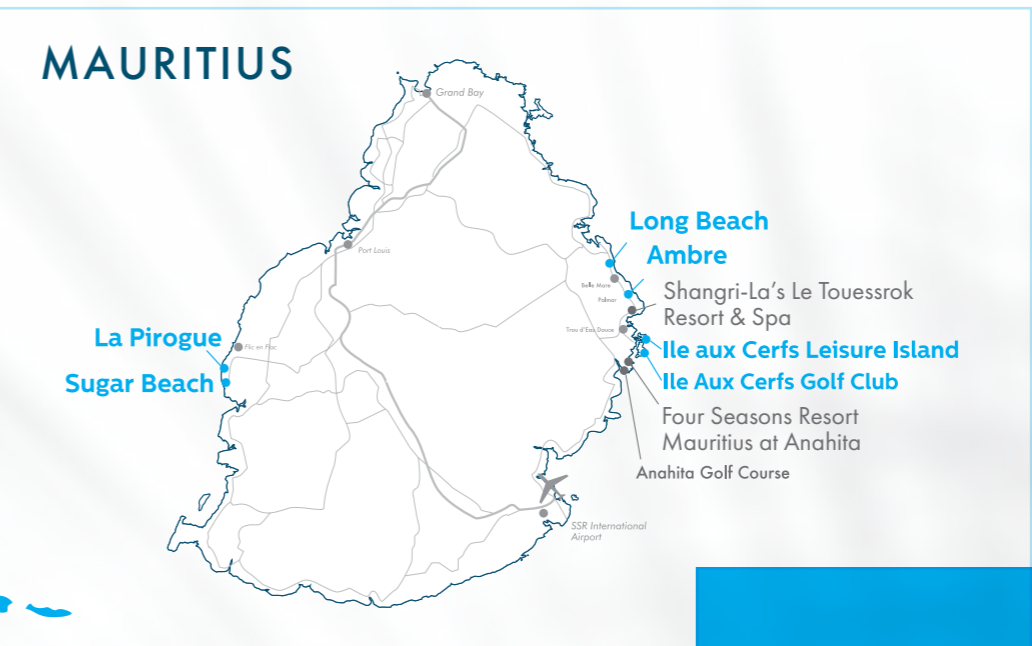
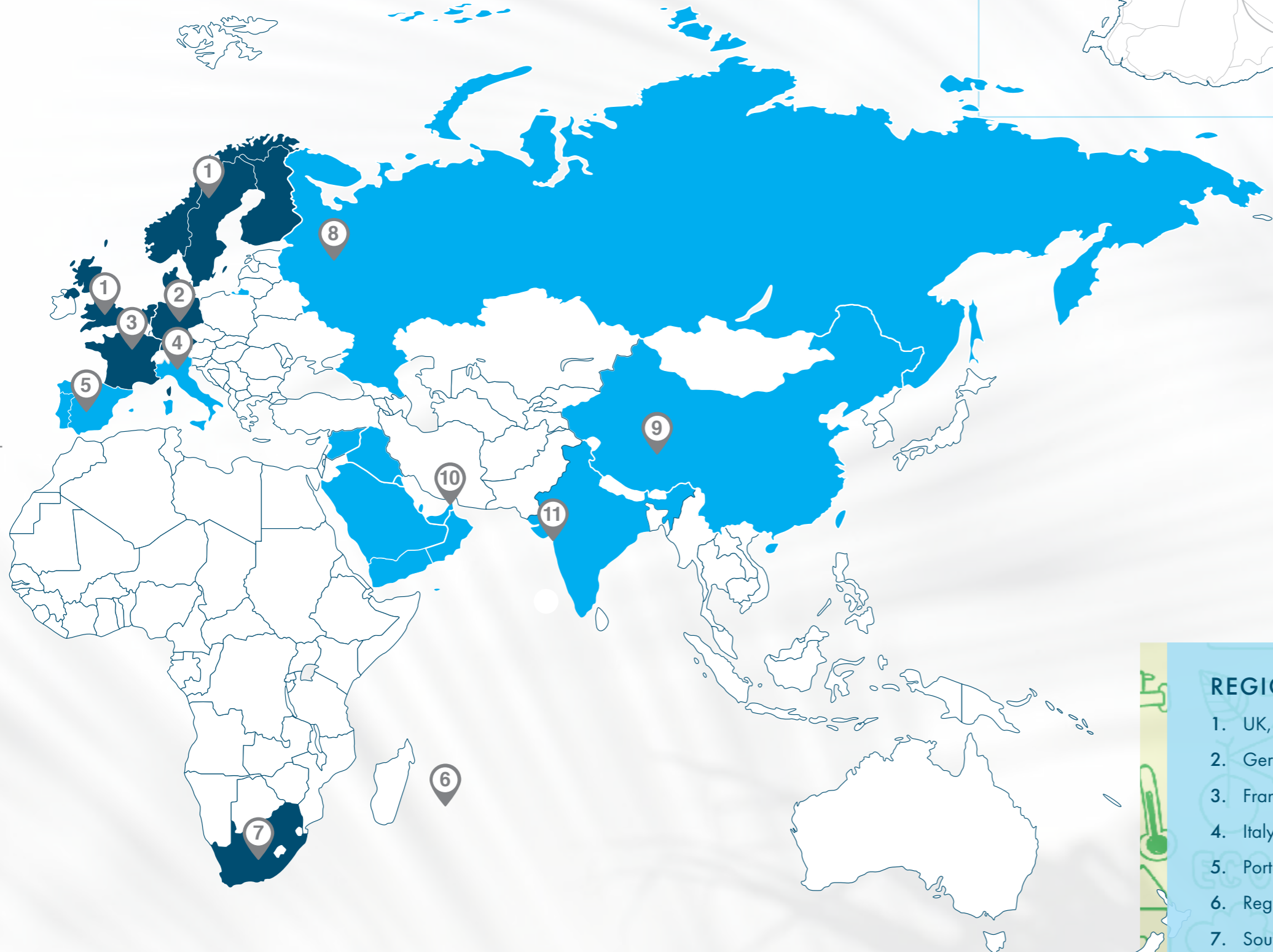
PASSION



EXCELLENCE

ABOUT SUN

OUR GLOBAL PRESENCE



REGIONAL SALES OFFICE

- 1. UK, Scandinavia & Netherlands
- 2. Germany, Austria & Switzerland
- 3. France & Belgium
- 4. Italy
- 5. Portugal & Spain
- 6. Regional Markets
- 7. South Africa

GLOBAL SALES AGENCY

- 8. Russia & CIS
- 9. China
- 10. GCC
- 11. India

IN-HOUSE TOUR OPERATORS

- 3. SOLEA, France
- 7. World Leisure Holidays, South Africa

ABOUT SUN

A LEADING HOSPITALITY GROUP
IN THE INDIAN OCEAN

1,463
KEYS



8

OWNED & MANAGED
PROPERTIES IN
THE INDIAN OCEAN



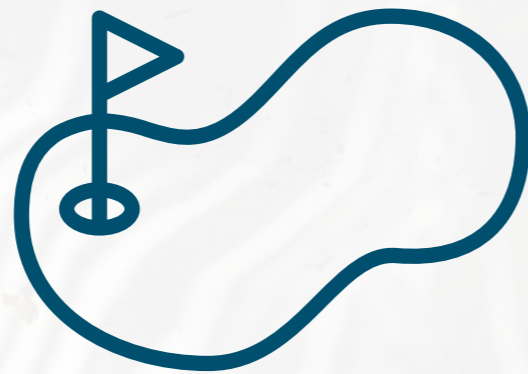
3,900
ASSOCIATES



2
TOUR OPERATORS
IN FRANCE
& SOUTH AFRICA

2

WORLD CLASS
CHAMPIONSHIP
GOLF COURSES



2

INTERNATIONAL OPERATORS:
SHANGRI-LA'S LE TOUESSROK RESORT & SPA
AND FOUR SEASONS RESORT MAURITIUS AT ANAHITA

OUR RESORTS



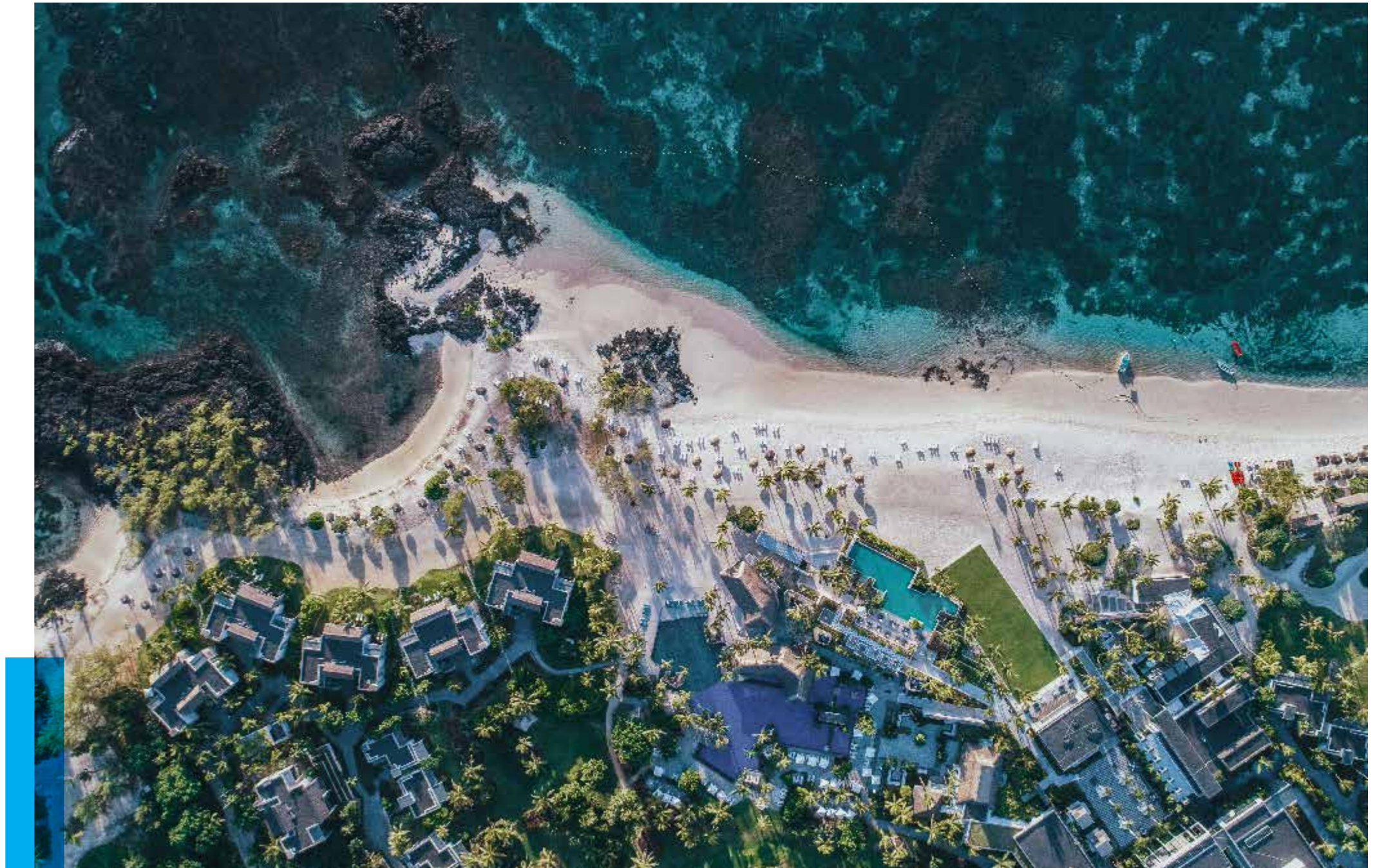
LONG BEACH

A SUN RESORT · MAURITIUS

FEEL THE ENERGY

Long Beach calls out to high-spirited families and couples seeking energetic times or simple relaxation. A brand new state of the art mid-century styled lobby complete with a Rum Academy, mixologist and cool DJ tunes, welcomes guests and transports them into a vibrant world of bold island chic. A sleek new departure lounge now offers comfort when it is time to go home...

The resort is located along the famous Belle Mare beach on the natural eastern coast and offers a wealth of facilities and activities strewn across the property, allowing guests a real sense of exploration.



OUR RESORTS

Sugar Beach

A SUN RESORT · MAURITIUS

ELEGANCE & STYLE

Sugar Beach reopens in 2020 fully refurbished with a stunning new décor. The new design showcasing soft colours and natural materials, combined with tropical flora and stylish pieces, enhance the timeless elegance of this celebrated property on the west coast.

The newly designed rooms and suites in both the iconic “Manor House” and the luxurious Creole-styled “Villa houses” are located throughout the lush landscaped gardens and along the beach, offering guests stylish modern comfort. An array of chic restaurants give the opportunity to enjoy the very best of both Mauritian and international cuisine in fresh new surroundings, as well as discover the new wine cellar, tea lounge, coffee counter and craft beer Brewbar. With the guest experience at heart, Sugar Beach offers a memorable stay at one of the most desirable locations in Mauritius.



OUR RESORTS



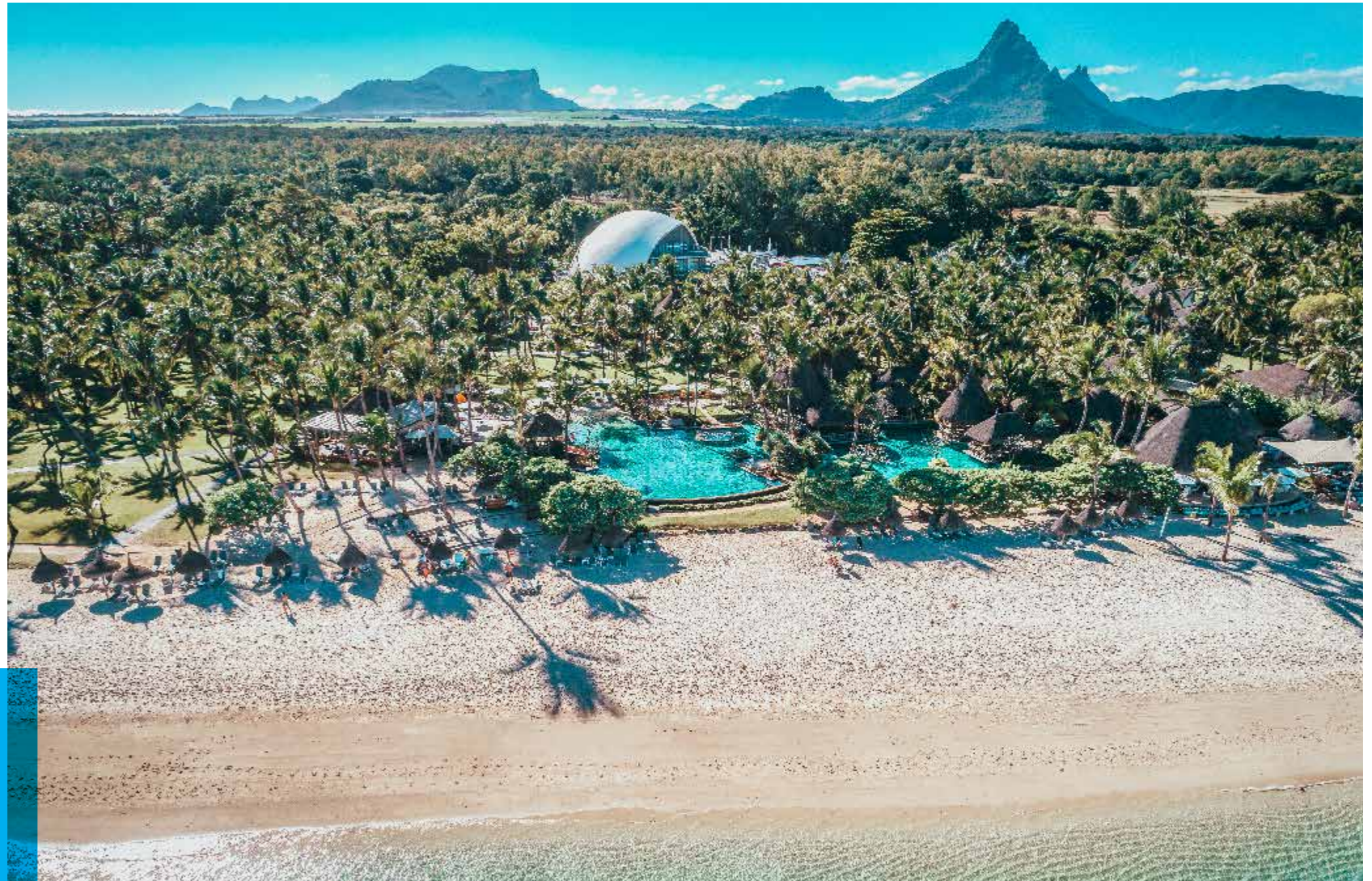
LA PIROGUE

A SUN RESORT · MAURITIUS

MAURITIAN GENUINE SPIRIT

La Pirogue offers sheer luxury of space for all. Couples, families and friends will enjoy the perfect location on the west coast of Mauritius with one of the longest beaches in the Indian Ocean and breath-taking views of world heritage mountain, Le Morne. Combining organic, colourful, detailed folk-inspired pieces with modern design using a large degree of sustainable materials, La Pirogue showcases 'boho chic' in a relaxing environment.

After more than 40 years of Genuine Spirit, La Pirogue continues to delight with its charming thatched rooms and suites, exciting culinary experiences, superb wine cellar and coconut groves, all just a step from the beach.



OUR RESORTS

ambre

A SUN RESORT · MAURITIUS

THE LIGHT SIDE OF LIFE

This all-inclusive adult only resort is set along a tranquil beach between Belle-Mare and Trou d'Eau Douce on the untamed east coast of the island. It faces the widest lagoon, catching sunrise and instantly warming guests to its light and rhythmic atmosphere. Cool and cheerful, Ambre is the perfect young at-heart getaway for carefree holidays. This is the place to refresh, mix and mingle; enjoy good company, connect and reconnect.



OUR RESORTS



BAREFOOT CHIC LIFESTYLE

Nestled in the idyllic Maldives, Kanuhura is a place removed from time. A place untouched where every moment is a renaissance of the senses, with infinite ocean tones and lush tropical flora. An island so perfectly preserved it is an invitation to find yourself, among the palm trees, exploring every hidden cove, each secret beach. Luxurious suites and villas offer ultimate comfort in a place of refined sophistication, with your toes in the sand.



OUR RESORTS



A "CHIC AND WILD" ISLAND

Ile aux Cerfs is a picturesque island spread over 87 hectares of untouched land off the east coast of Mauritius. It is famous for its white sandy beaches, its turquoise lagoons and for the wide range of restaurants, water sports and land activities on offer.

The newly introduced Bubble Lodges are the first and only accommodation options available on the Ile aux Cerfs Golf Island. Staying in one of these exclusive Bubble Lodges is truly a unique and romantic experience for both golfers and non-golfers alike.


It is also home to one of the most beautiful golf courses in the world, the Ile aux Cerfs Golf Club, an 18-hole championship golf course designed by two-time Masters champion Bernhard Langer.



CEO'S MESSAGE

We are publishing this report during unprecedented times. If 2020 has reminded us of anything, it is that change and uncertainty are constant, and with change, opportunities for reflection, renewal and transformation emerge.

The COVID-19 pandemic along with the call for systemic change on social injustice and inequality underscores the importance of strong ESG practices. We have been engaged on this journey for a while with our SUNCARE programme and are very proud to share all our efforts and achievements in this very first sustainability report. Our commitment to sustainable business practices is stronger than ever. We must drive positive environmental and social impacts while enhancing the value and profitability of our portfolio.



"We believe that now is the time to make our actions speak louder than our words. The COVID-19 pandemic has been an electroshock for our industry and has tested our resilience, solidarity as well as our capacity to adapt."

ENSURING THE SAFETY AND WELLBEING OF OUR EMPLOYEES

Sun has focused on ensuring that our employees are safe, supported and connected during and after our transition to remote working. We offered increased flexibility and expanded our benefits to support employees as they navigated through the pandemic; provided training sessions, information and resources focused on mental, financial and physical well-being. We also began to conduct regular virtual all employee meetings with senior management while department heads began hosting their own department virtual meetings and social activities.

To continue to monitor employee sentiment, we distributed employee surveys to obtain formal feedback on our response, programs and policies and employee needs as well as to inform Sun's return to office strategy.

SAFEGUARDING OUR BUSINESS

Sun responded swiftly to the rapid decline in travelling demand by significantly reducing expenses and further strengthening our liquidity position which remain essential to weather the crisis. Following the initial outbreak, we temporarily suspended all operations at our hotels. Hotels eventually reopened at reduced capacity so long as they generated revenue greater than the incremental costs associated with staying open.

We also suspended or deferred non-essential capital projects and implemented portfolio-wide cost reductions across our company.

SUPPORTING OUR COMMUNITIES

In 2020 our colleagues found new ways to stay engaged by performing "small acts of goodness." Indeed, we are stronger and made more of a difference when we act as one. Hundreds of our colleagues across the group supported their local communities in a variety of ways such as providing meals for those in need where our hotels operate. Our colleagues also supported their local school with school materials. Our industrial laundry service, Washright, donated its end-of-life towels and bed linen to animal shelter.

BUILDING THE INDUSTRY OF THE FUTURE

I know that Covid 19 has caused stress for all SUN Group employees, guests and partners and we are doing everything we can, focusing on forward-looking efforts and initiatives to restart our operations smoothly, safely and effectively as soon as possible. We have been deeply inspired by our employees' and partners' resilience, creativity and spirit. Let us continue to work together to create a meaningful travel and sales experiences for our future guests and to adapt to the markets evolutions.

I am confident this challenging period will come to an end soon; the tourism industry will recover and collectively we will emerge stronger than ever with Sun leading the way in terms of sustainable and impactdriven travel experiences.

FRANCOIS EYNAUD
Chief Executive Officer



SUSTAINABILITY

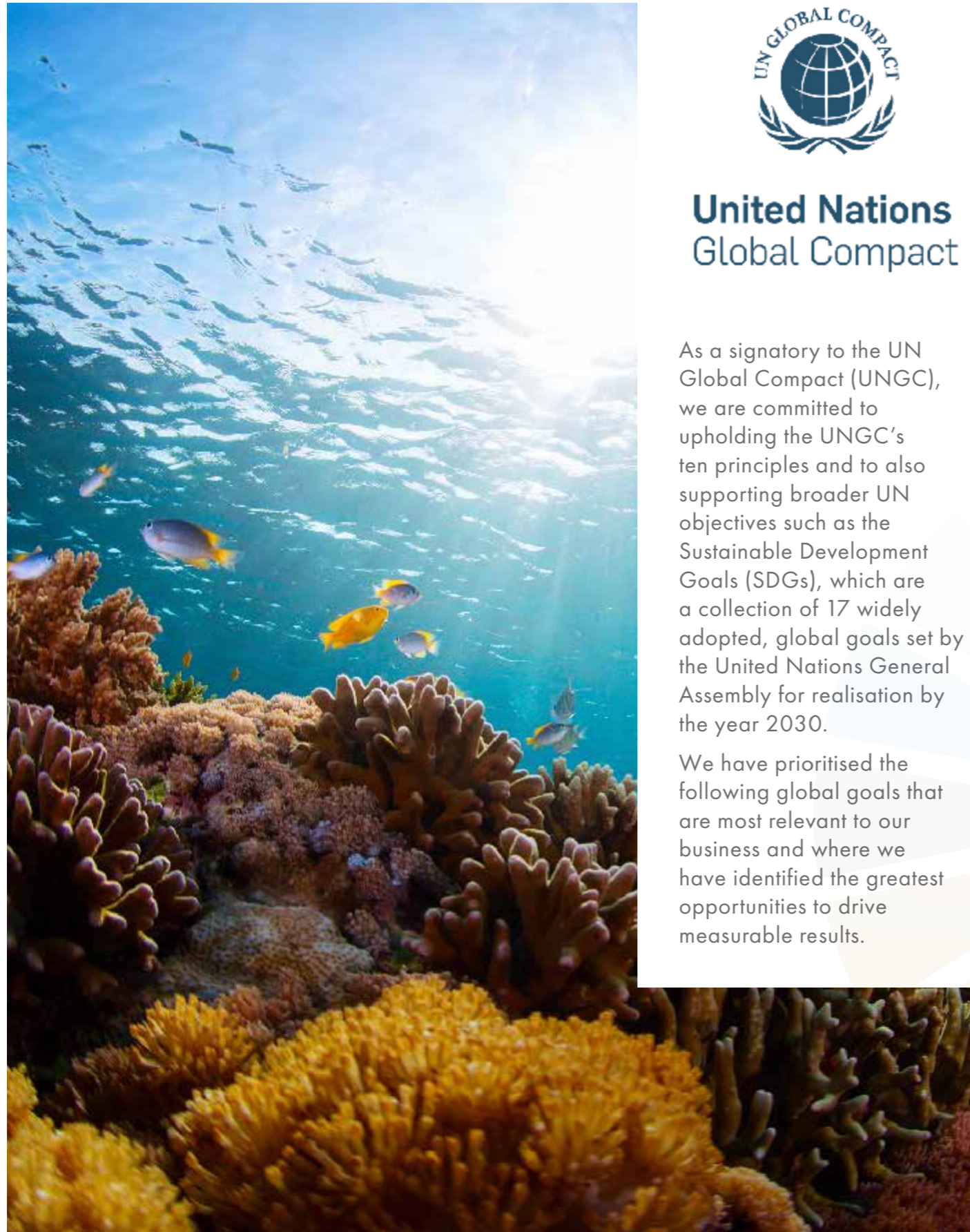
ALIGNING WITH GLOBAL GOALS



United Nations Global Compact

As a signatory to the UN Global Compact (UNGC), we are committed to upholding the UNGC's ten principles and to also supporting broader UN objectives such as the Sustainable Development Goals (SDGs), which are a collection of 17 widely adopted, global goals set by the United Nations General Assembly for realisation by the year 2030.

We have prioritised the following global goals that are most relevant to our business and where we have identified the greatest opportunities to drive measurable results.



SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals (SDGs) are a set of 17 actionable goals that seek to address global challenges and achieve a better and more sustainable future for all. We recognize that all goals are interconnected, and therefore aspire to contribute to all 17 SDGs.

As such, we are working toward incorporating the SDGs into our approach to sustainability. The opportunities that we intend to pursue in our strategy are aimed at making a collective impact and positive contribution toward global goals. We will use the SDGs to help inspire and frame our programs so we can play our role in contributing to the global development agenda

LIFE BELOW WATER

Prevent and significantly reduce marine pollution, sustainably manage and protect marine and coastal ecosystems and minimize and address the impacts of ocean acidification.

BEYOND ZERO WASTE

A hotel where nothing is wasted; every resource is recirculated and reused. That's the vision we have for Sun Resorts. We're a leader in waste reduction, and we want to use our expertise to tackle not only plastic, but all waste.

WELLBEING & BIODIVERSITY

Sun Resorts is a place where physical and psychological wellbeing of every individual is enhanced. Wellbeing is key to how we engage with our guests, employees, visitors and the local community. Our wellbeing programme includes clear targets for increasing biodiversity, improving air quality and wellbeing of our guest.

RESPONSIBLE BUSINESS

Sun have a 40-year history of positive impact within our community, through support of local business and charities, volunteering in local schools, and delivering projects that create real value for all our stakeholders.



SUSTAINABILITY

OUR SUSTAINABILITY MEMBERSHIPS

THIRD-PARTY CERTIFICATION

In order to ensure SUN “walks the talk” our sustainability commitments extend to overall hotel operations through the partnership with EarthCheck, Travel Life Gold and The Stock Exchange of Mauritius Sustainability Index. Each of the certification provides the best sustainability management system to be used by the industry with key performance areas in good governance, greenhouse gas emission, energy efficiency, waste management, social and cultural issues.

By embracing EarthCheck and Travel life Certification which are widely used by the travel and tourism industry for benchmarking and certification in our hotel operations, an environmental risk assessment is being conducted by the hotel to investigate and assess all know/ potential risk that may cause ecological and social harm. Monitoring of performance against policy, benchmarking indicators against baseline and best practice performance is made.



EARTHCHECK

EarthCheck is the world’s leading scientific benchmarking, certification and advisory group for travel and tourism.

Sun started its benchmarking in 2015 and in 2018 Sun was the first hotel group in Mauritius to be silver certified.



Travelife is an internationally recognised accommodation sustainability programme.

In over 50 countries with around 1,500 members who use its practical tools and resources to improve their business’s environmental, financial and social impact.



THE STOCK EXCHANGE OF MAURITIUS SUSTAINABILITY INDEX (SEMSI INDEX)

Sun Limited joined the SEM Sustainability Index (SEMSI) in July 2018. Its aim is to promote sustainability, good governance and transparent business practices.



We protect children in travel and tourism

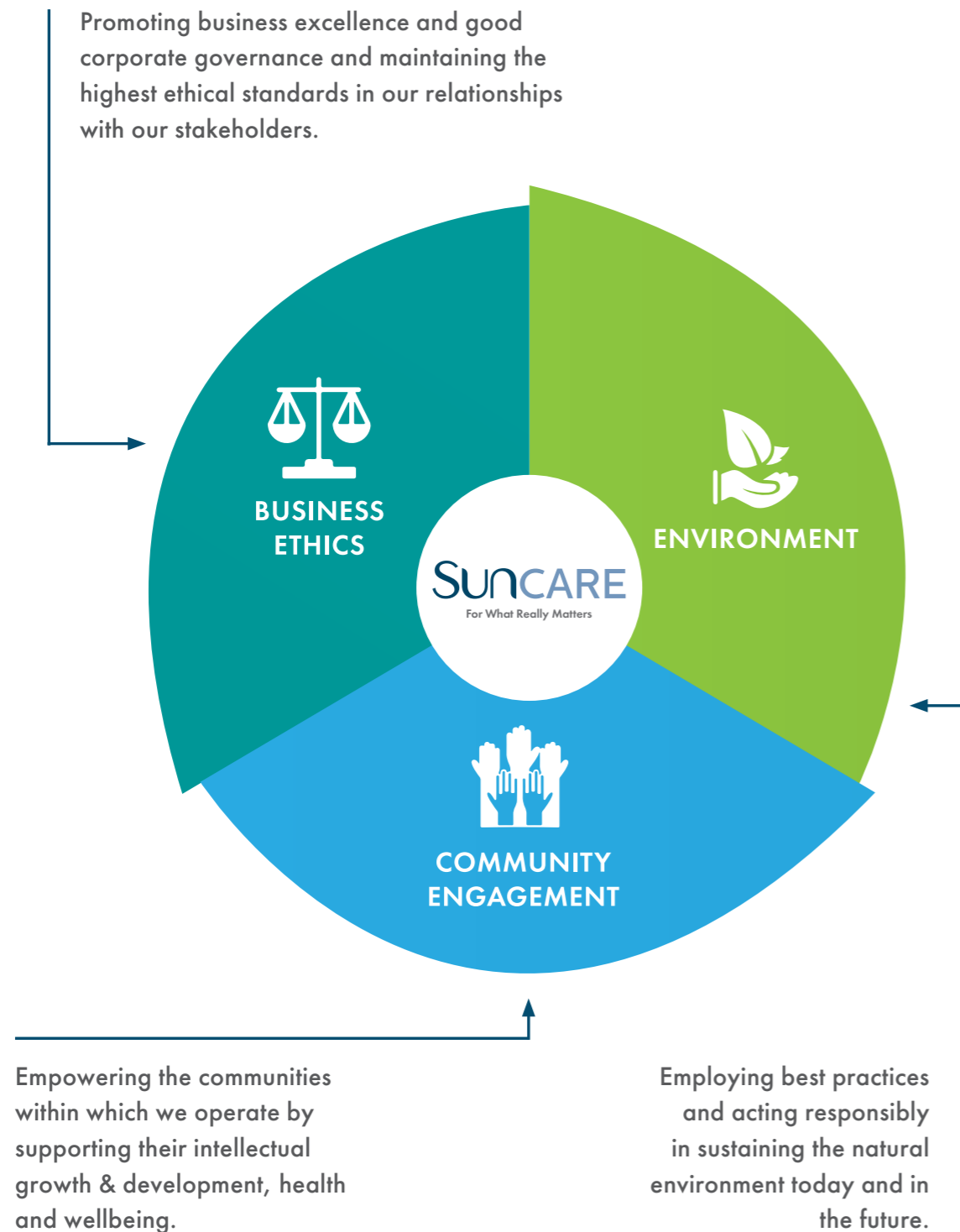
THE CODE

In 2016, in line with the requirements for our membership with the UN Global Compact, SUN Group signed and joined ‘The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism industry.’

SUSTAINABILITY

SUNCARE AS A STRATEGY

OUR STRATEGIC JOURNEY FROM 2015 TO 2020



Over the past five years, we have focused on establishing a sustainability framework to help us structure and plan how we manage our corporate responsibilities. We have brought into being a corporate sustainability programme named "SUNCARE". Our strategy is grounded in key environmental, social and governance (ESG) topics and reflects our efforts to contribute to healthy communities and lead a responsible business. This year, we published our first sustainability report to highlight our efforts in these areas and share our performance and stories with our stakeholders, including our employees, investors and the community.

Suncare

Programme is committed to:

Conserve natural resources and enhancing resources for future generations

Protect ecosystem biodiversity

Drive sustainable development

Minimise pollution, reduce waste and the consumption of Group resources

Report on key environmental, social and financial performance indicators through our Balance Scorecard.

Raise environmental awareness among our associates, suppliers, guests and communities

Review our performance and the effectiveness of Sun Group Environmental and Social Policy periodically to enable us to determine our next steps forward

(SUN Environmental Policy)

We are setting our sights on long-term goals; the targets we are developing are bold, ambitious, and far-reaching and in order to make sustainability for what really matters we all must pioneer, lead, evolve, optimise and measure.

SUSTAINABILITY

SUNCARE AS A STRATEGY

WE BELIEVED OUR ACTION AND RESULT MUST SUPPORT OUR WORDS AND COMMITMENTS FOR CREATING MEANINGFUL / SUSTAINABLE TIMELESS MEMORIES.

WE BELIEVED

- Stakeholders should be kept aware of our sustainability program and performance
- Suppliers and contractors should meet our standard on supplier code of conduct
- Promoting business excellence good corporate governance
- Healthy, motivating working conditions, job security, fair treatment of team member
- Reduce operating costs, increase efficiency through innovations



BUSINESS ETHICS

WE HAVE ACHIEVED

- Provide information through our annual report and communicate constantly with our stakeholders via press release
- First sustainability report 2019
- All our top suppliers have sign our supplier code of conduct
- Setting up a sustainability committee for all sustainability strategy
- Have health, safety and environmental policies and management systems at every hotel.
- Monitor injury rates across the group
- Offer management training programmes for talented team members
- Remunerate team members
- First Innovation Award 2019

WE ARE COMMITTED (2020-2021)

- Setting up a dedicated SUNCARE website and sustainability report
- Seek feedback on our SUNCARE programme via our guest satisfactory survey
- Implement a life cycle assessment with a minimum products
- Implement a supplier assessment score card for top 200
- Yearly innovation award
- More training hours

- Understanding our impact on the environment and improving our performance
- Compliance to environmental standard and law
- Sustainable use of resources



ENVIRONMENT

- Report a standard set of indicators from each Business Unit on a monthly and annual basis
- All business unit adhered to EarthCheck, Travel Life and SEMSI standard.
- Implementation of SUNCARE initiative in all business unit
- Member of UN Global Compact and CEO Water Mandate
- Reduced our paper, energy, waste and carbon footprints
- Banned plastic straws
- Protected terrestrial and marine biodiversity, and encouraged guest involvement in such activities

- Have all hotels re-certified to EarthCheck Certifications
- Set targets on energy & CO2
- Roll-out a SUNCARE guest experience programme to hotels
- Sustainable meeting facilities
- Establish a waste management framework
- Reduce plastic footprint in our room

- Giving back to the community is part of our culture and corporate responsibility.
- Partnering with companies and NGOs to catalyse share value initiatives in addressing social issues (Golf Event, Sun Children Cancer Fund)



COMMUNITY ENGAGEMENT

- Each of our business units has identified and 'adopted' a local community in the area of operation
- Encouraged guests to meet and share our community's culture
- Encouraged guests and team members to donate to social causes (launch of SUNCARE Voluntary contribution)
- Continued support to the Sun Children Cancer Fund
- Partnered with more than 100 companies for the SUNCARE Charity golf event

- Continue to support our local community and sun children cancer fund project over the coming years
- Creating share value for the community



SUSTAINABILITY

STAKEHOLDER MANAGEMENT

We define stakeholders as being entities or individuals who can reasonably be expected to be significantly affected by the Group's activities and services, and whose actions can reasonably be expected to affect SUN's ability to successfully implement its strategies and achieve its objectives.

Engaging and responding to our stakeholder's expectations is key to our good governance. In order to ensure that our management approach and Materiality Matters are aligned with their expectations, we maintain open lines of communication with various stakeholder groups. This allows us to better understand and navigate shifting concerns, and provides us with the direction to improve our business over the short and long term.

STAKEHOLDERS	EXPECTATIONS
Employees	<ul style="list-style-type: none"> • Regular and timely communication • Fair wages and labour practices • Training & development opportunities • Performance incentives
Guests	<ul style="list-style-type: none"> • Excellent customer service • Transparent communication regarding initiatives taken by the Group • Fair and ethical dealings • Sustainable practices and services • Eco-friendly activities
Shareholders	<ul style="list-style-type: none"> • Profitability and continuity • Accurate and transparent performance reports • Good governance • A clearly defined sustainability approach
Authorities	<ul style="list-style-type: none"> • Ethical business practices and compliance with the law • Fair labour practices • CSR contribution • A clearly defined sustainability approach • The upholding of the Mauritian Tourism standards
Communities	<ul style="list-style-type: none"> • Ongoing commitment to make a positive impact on the communities within which the Group operates • Transparency and participation in decisions made • Protection of the ecosystem services upon which they depend • A clearly defined sustainability approach • Funding and sponsorship
Suppliers	<ul style="list-style-type: none"> • Creating fair and mutually beneficial partnership to attain shared goals • Fair business practices
Environment	<ul style="list-style-type: none"> • Protection of our ecosystem and prevention of harmful behaviour • Respectful attitudes and promotion of good practices

This year, for instance, we conducted two focus groups at Ambre and Sugar Beach, where stakeholders gathered and engaged in discussions. At Ambre, topics explored included the community's needs and expectations of the hospitality industry, while at Sugar Beach, conversations were centred on raising awareness and sensitising fishermen on the importance of the Marine Park Project and the preservation of healthy corals. Further discussions with our business partners and suppliers are planned for 2020.

POLICY	HOW & WHEN WE COMMUNICATE
<ul style="list-style-type: none"> • We conduct regular trainings with employees on how to make conscious decisions in favour of environmental, ethical and social issues in their private and work lives 	<ul style="list-style-type: none"> • Regular meetings • Intranet • Quarterly meetings between Sustainability Champions
<ul style="list-style-type: none"> • We continuously communicate with our guests to update them on our events and encourage participation in 'Responsible Business' related activities at our hotels 	<ul style="list-style-type: none"> • Open face-to-face communication lines at all times • Communication via SUN's website • Analysis of customer feedback and implementation of corresponding corrective and preventative actions based on our online survey tool • Published Annual and Sustainability reports
<ul style="list-style-type: none"> • We provide timely, accurate and transparent information on 'Responsible Business' related risks and opportunities to shareholders and investors 	<ul style="list-style-type: none"> • Published an Annual Monitoring Report • Regrouped and outlined Sustainability initiatives in an Information Booklet • Releasing a corporate magazine quarterly • Communicating through SUN's website
<ul style="list-style-type: none"> • We adhere to local and international legislations, especially regarding labour laws, Health and Safety, human rights and the environment 	<ul style="list-style-type: none"> • Annual reports • Ad-hoc meetings, as and when necessary
<ul style="list-style-type: none"> • We sponsor local communities • We donate funds to specific initiatives • We established the Sun Children Cancer Trust Fund • We make social investments • We organise yearly community events 	<ul style="list-style-type: none"> • Constant communication through our partner NGOs • Employee volunteer programme
<ul style="list-style-type: none"> • We strive to purchase products that have a reduced environmental impact during their lifecycle, from suppliers who demonstrate environmental and social responsibility 	<ul style="list-style-type: none"> • Regular communication and meetings • Supplier code questionnaire and communication
<ul style="list-style-type: none"> • We aim to continuously improve our performance in the areas of energy, water, chemicals and resource consumption and waste generation in order to reduce our negative impact on the environment. 	

SUSTAINABILITY

MATERIAL MATTERS UP TO 2019

The identification of our Materiality Matters has largely been defined by the international standards and certification bodies we adhere to, or wish to adhere to. While we take into consideration our extensive understanding of our stakeholders, local context and risks, we have chosen to, first and foremost, meet the necessary conditions and KPIs established by our Sustainability auditors.

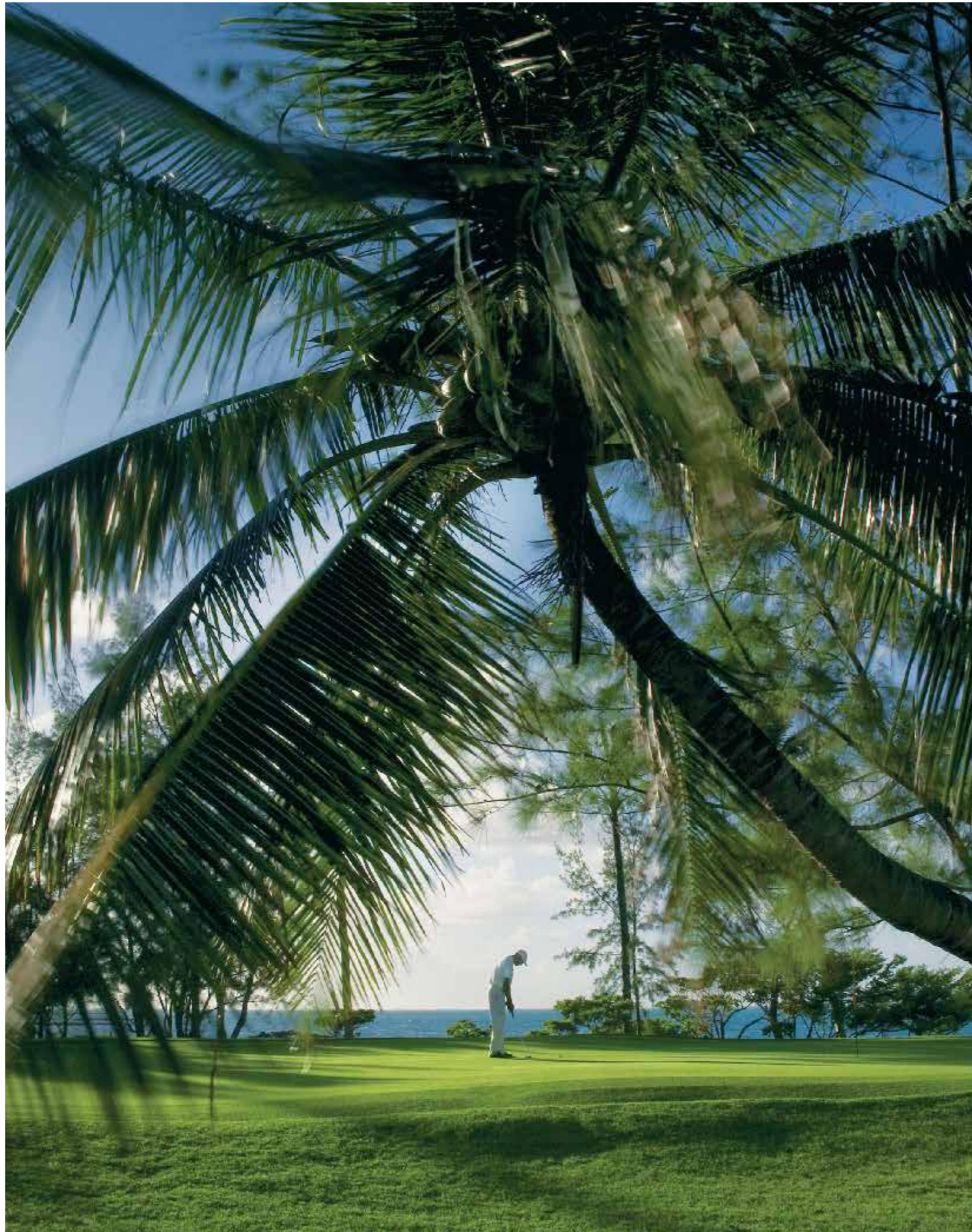
The table below demonstrates our priority areas over the last 4 years and their strategic importance for SUN.

In this section, we report on the matters deemed material to our strategy from 2015 to 2019.



KEY	INDICATOR
1	Sales and Economic performance
2	Certifications and operational excellence
3	Local Economic Impact
4	Transparency and good governance
5	Human capital and staff involvement
6	Labour conditions, health and safety
7	Human Rights Protection and Advocacy
8	Community inclusion and empowerment
9	Guest hotel experience
10	Eco-responsible supply chain
11	Energy Production and Consumption
12	GHG emissions and offsetting
13	Water resource and management
14	Waste and pollution management
15	Biodiversity and environmental impacts
16	Heritage experience and Guest involvement
17	Urbanisation and Landscape Erosion
18	Destination enhancement and promotion





BUSINESS ETHICS

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SUSTAINABILITY GOVERNANCE

Driven by a desire to fully embed sustainability into our strategy, SUN has established the Sun Resorts Sustainability Committee, which reports to the Board of Directors. The committee is led by SUN's CEO, Francois Eynaud, and is composed of executive committee members who meet at least three times a year. The SUNCARE Sustainability Committee's mission is to:

- (1) Ensure the integrity of our core values,
- (2) Set the direction of the Group's sustainability policy and strategy, and
- (3) Measure the impact of our sustainability initiatives on our business, people and planet .

Our hotels detain a certain amount of freedom and independence with regard to the themes they wish to explore and projects they wish to carry out, as long as they are aligned with the reporting lines and strategies established.

In order to coordinate these endeavours, each one of our business units has its own subcommittee, chaired by its General Manager (GM). Their role is to coordinate actions within their hotel, review how sustainable practices can be integrated into their day-to-day operations and monitor progress towards their commitments.

At the operational level, the SHEQ team is responsible for monitoring sustainability initiatives within the operations. It also organises forums with operatives to ensure that the personnel actively participate in sustainability initiatives and bring their ideas for improvement.



ETHICS AND VALUES

CODE OF BUSINESS CONDUCT AND ETHICS

Sun maintains a robust Code of Business Conduct and Ethics that covers a series of topics including confidentiality of information, conflicts of interest, discrimination, environmental stewardship and health and safety.

All Sun associates must complete annual compliance training and certification. Written acknowledgment from suppliers occurs when they sign our contracts which reference Sun's Code of Business Conduct and Ethics. We also maintain a Supplier Code of Conduct.

It is essential that our people have a voice and feel empowered to speak up. We have put in place a number of tools to encourage this. For instance, our Ethics Committee service is outsourced and managed by an independent company, which allows colleagues to anonymously and safely report any concerns, followed by a thorough investigation of those concerns.

ANTI-CORRUPTION SYSTEMS AND PROCEDURES

Sun is committed to conducting its business in compliance with all laws prohibiting bribery and other corrupt and unethical practices. All employees complete our Code of Business Conduct and Ethics training annually. The training focuses on Sun's stance on ethical business conduct and includes topics on anti-bribery and anti-corruption, such as prohibiting employees from giving and receiving gifts or bribes.

DATA PRIVACY AND DATA SECURITY

Sun continued its focus on embedding data privacy awareness and practice in line with regulation to ensure our businesses are compliant both in the European Union with GDPR regulation in force across the world. We have appointed a Data Protection Officer who specializes in global data privacy, so we have a finger on the pulse at all times. We did not experience any significant data privacy breaches in 2019. We shall reinforce our training on data security with a new online training module that shall be part of our basic training program for all Associates.

COMPLIANCE

Sun is committed to ethical, moral, and legal principles in every aspect of its business conduct. We do not conduct actions or behaviors that are inconsistent with our values or violate our code of conduct. Our Code of Business Conduct and Ethics provides guidance and resources to help us adhere to these ethical standards and protect our reputation.

All employees at Sun – from associates to executive officers and directors – must follow our code. It applies to everyone, regardless of their position or tenure at the company. All employees are required to complete training on our code annually.

LABOR AND DECENT WORK

Our commitment to operate safely is overseen by the Health and Safety Department. Regular health and safety programs and training are offered to our associates to cover a wide range of topics relating to workplace safety and wellbeing. To measure our health and safety performance, we rely on collecting the total recordable incident rate and lost time incident rate at our facilities.



RISK MANAGEMENT

We have an established governance structure that supports the early identification and mitigation of key business risks. Our Group risk register covers strategic, operational and environmental risks, and is updated on a regular basis. For more information on our Risk Management System and procedures, please refer to page 57 to 65 of our Annual Report, available online on our website: <https://www.sunresortshotels.com/en/financial-information>.



“Immediately upon joining the company, I made a high-level risk assessment, to familiarise myself with the key needs and opportunities, as I plan our workload for the coming year. I wanted to understand how the leadership views our risk planning and mitigation plans, and the potential risks in the environments we operate in. I conducted interviews with company leaders, and this will serve us well as we embark on a deeper risk assessment in the coming months.”

FRANCOIS EYNAUD
Chief Executive Officer

For the purpose of this Sustainability report, we highlight the risks that arise from environmental and social challenges :

TYPE OF RISK	DESCRIPTION OF RISK	MITIGATION MEASURES
Climate change	Beach Erosion	<ul style="list-style-type: none"> Sand replacement within the legal means and norms, restoration of coastal natural habitats such as corals and mangrove planting
	Impact on the health of the marine ecosystem	<ul style="list-style-type: none"> Planting of corals and marine park
	Increase of likelihood and impact of natural disasters and floods	<ul style="list-style-type: none"> Conducting regular drills to ensure all staff are ready for such an occurrence Ensuring all infrastructures are safe and secure
	Impact on local food security	<ul style="list-style-type: none"> Working with local institutions and farmers on resilient agriculture Securing foreign supplies when and if needed
Lack of local environmental stewardship	Lack of protection and proper management of coastal zones and fish stocks	<ul style="list-style-type: none"> Purchasing ethical marine products Management of the coastal zones near our hotels
	Inadequate waste management system and wild littering	<ul style="list-style-type: none"> Waste management programme implemented in all our hotels Daily beach clean-ups Upcycle projects
	Overuse and under-regulated use of chemicals and fertilisers	<ul style="list-style-type: none"> Working with local institutions and farmers on healthy and resilient agricultural practices Building our own vegetable and herb garden
Global social movements	An increasing number of people have pledged to reduce or eliminate travelling by plane	<ul style="list-style-type: none"> National policies required Ensuring the sustainability and cost-effectiveness of our operations
	The sharing economy (Airbnb) and guests are increasingly choosing hotels that promote eco-tourism and cultural activities	<ul style="list-style-type: none"> Increasing our efforts and ambitions for sustainability Providing ways for our guests to participate in our initiatives Curating local events, with day trips across the island Communicating on cultural events taking place on the island
Local socio-economic issues	Skills gap and mismatch on the local job market	<ul style="list-style-type: none"> Investing in the education of our surrounding communities Investing in the training of our current employees
	An increase in civic society complaints and citizen movements against the exploitation of public beaches for commercial use by certain entities, creating pressure on our industry	<ul style="list-style-type: none"> Constant communication with our stakeholders The respect of local laws in the areas of beach and environmental management

EMPLOYEE DEVELOPMENT AND ENGAGEMENT

At Sun, we aim at maintaining a working environment that is ethical, inclusive and supportive of constant learning and development in line with our core values

EXCELLENCE | INTEGRITY | TRUST | PASSION | TEAMWORK

Believing in and being committed to these values is what differentiates us as we strive to be an inspiring employer

2020 has been a challenging year for our Associates and our Company with business uncertainties compounded by the impacts of the global COVID-19 pandemic. Under these circumstances, we had four main priorities:

1. Health and Safety of our people
2. Employee proximity and support
3. Employee engagement
4. Sustainability of the Company while protecting employment

1. Health and Safety of our People

SUN has implemented all the sanitary protocols in line with the latest advisory and control measures introduced by the Government and the World Health Organization for the well-being of all its stakeholders, ensuring personal safety.

All associates scheduled on duty have been trained on the new protocols and associates considered at risk are not being rostered.

2. Employee proximity and support

Amidst the uncertainties and challenges, regular communication with our associates was crucial. In addition to official communication from the Chief Executive Officer, we stay connected with all associates through Online Skype/ Teams Meetings, departmental WhatsApp Group and regular calls effected by the Head of Departments and Head of Human Resources.

3. Employee Engagement

- (i). E-learning was encouraged and facilitated by the Learning and Development team and Head of Departments.
- (ii). 'SUN Got Talent' challenge was organized for all employees of the Group, based in Mauritius. The main objectives being:
 - To keep associates engaged with the company and fellow associates
 - To keep the spirits high in this difficult time by focusing on something fun
 - To encourage an intra-preneurial mindset that would eventually create value for the Group

There were five award categories, namely: culinary, arts and crafts, gardening and landscaping, sustainability and entertainment. We had a participation rate of 10%.

4. Sustainability of the Company while protecting Employment

COVID-19 has had a disruptive effect, especially in the hospitality world and the impact is expected to last for the next two to three years. Alongside the challenges, there are also opportunities to review the business model.

In line with our quest to adopt a proactive approach in shaping the 'future of work', a project plan has been laid down to position the 'future SUN'. Our objective is to grow as a 'lean and agile' organisation to be efficient and, as an Employer, our aim is to provide a modern and flexible working environment to our associates. In this respect, SUN Employment Innovation Programme was launched to accompany our associates. The programme is based on our belief that that the 'future of work' will not be limited to an individual having only one contract of employment and is comprised of:

- a personal development plan, including career counselling, with an International HR Consulting firm
- opportunities to experience new roles in other sectors, including re-skilling options and mobility within CIEL Group.
- training and support for our associates who want to grow as an entrepreneur

Our HR purpose statement and commitment is "to touch the heart of our people and earn the recognition as Best Employer'. The COVID 19 challenges has strengthened this belief as we take a step further to protect our associates by offering them opportunities to earn a better living beyond SUN and we are confident that when business recovers, we shall be able to count on their support.

VARUNA RAMLAGUN
Chief Human Resource Officer

PROTECTING THE ENVIRONMENT

Our approach to protecting the environment includes both a focus on reducing Sun's environmental footprint and delivering products and services to reduce customer emissions. Consistent with our Sustainability policy statement, our general environmental management goals are to increase energy efficiency, reduce carbon emissions, conserve water and eliminate waste in our operations, while providing superior products and services that advance environmental improvement.

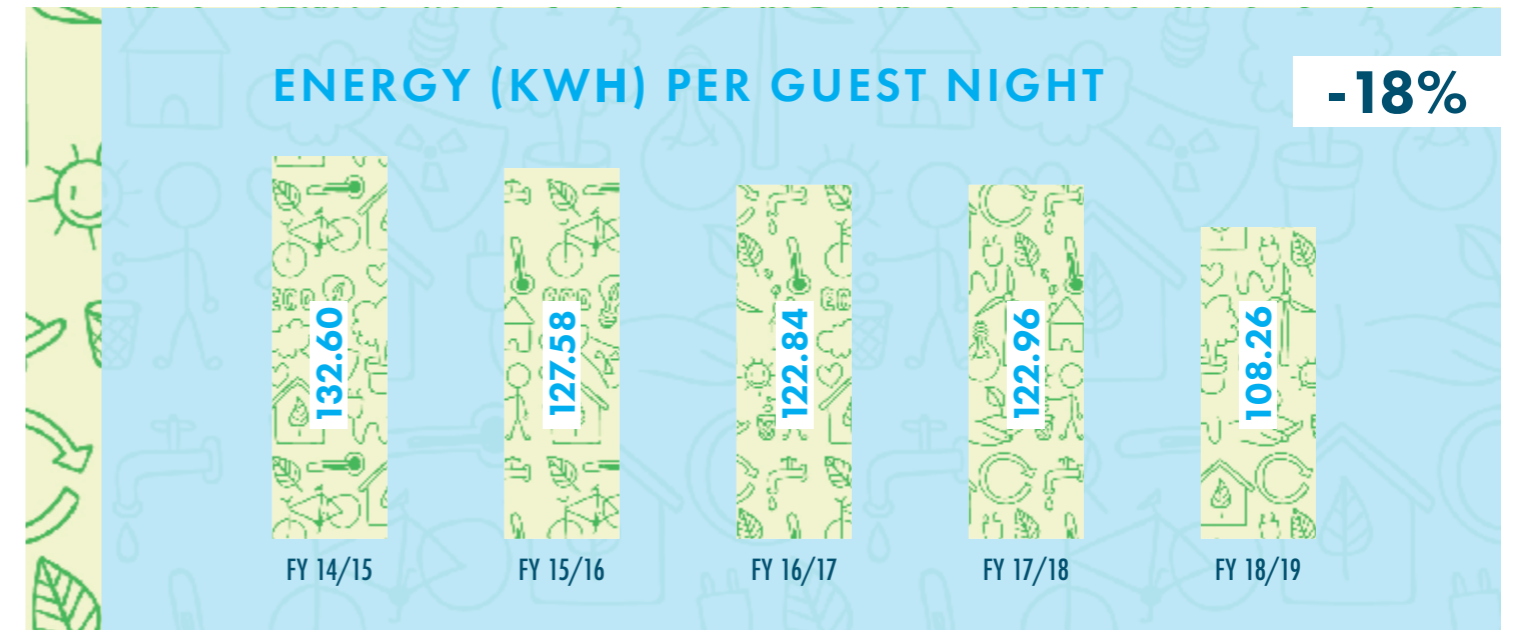
IMPROVING ENERGY EFFICIENCY

Energy consumption includes LPG gas, electricity, and diesel.

SUN Group purchases electricity from the national grid through the Central Electricity Board. At SUN, owing to the active engagement of our engineering and maintenance departments, we have been working on a number of 'quick wins' to improve our energysaving

performance. We have inter alia:

- Adhered to the Programme National d'Efficacité Energétique (PNEE) by partnering with Business Mauritius to participate in a hot & cold equipment audit;
- Set up a detailed process-level audit to calculate efficiency;
- Implemented energy efficiency measures, such as heat recovery
- Installed 1.5 MW of solar panels for water heating in all hotels (3000m⁴)
- Changed 90% of all lights to LED
- Changed air conditioning to new sustainable standards
- Improved the cold room
- Greatly decreased our consumption of diesel, as we no longer use it to heat water for guest use. Today, we only use diesel in times of power outages
- LPG is used for cooking, and when necessary, for water heating on rainy days for instance. Using gas for cooking is currently the better energy source, with the lower environmental impact. Overall gas consumption has decreased by 14% over the period of observation, mostly due to the use of solar-heated water.



PROTECTING THE ENVIRONMENT

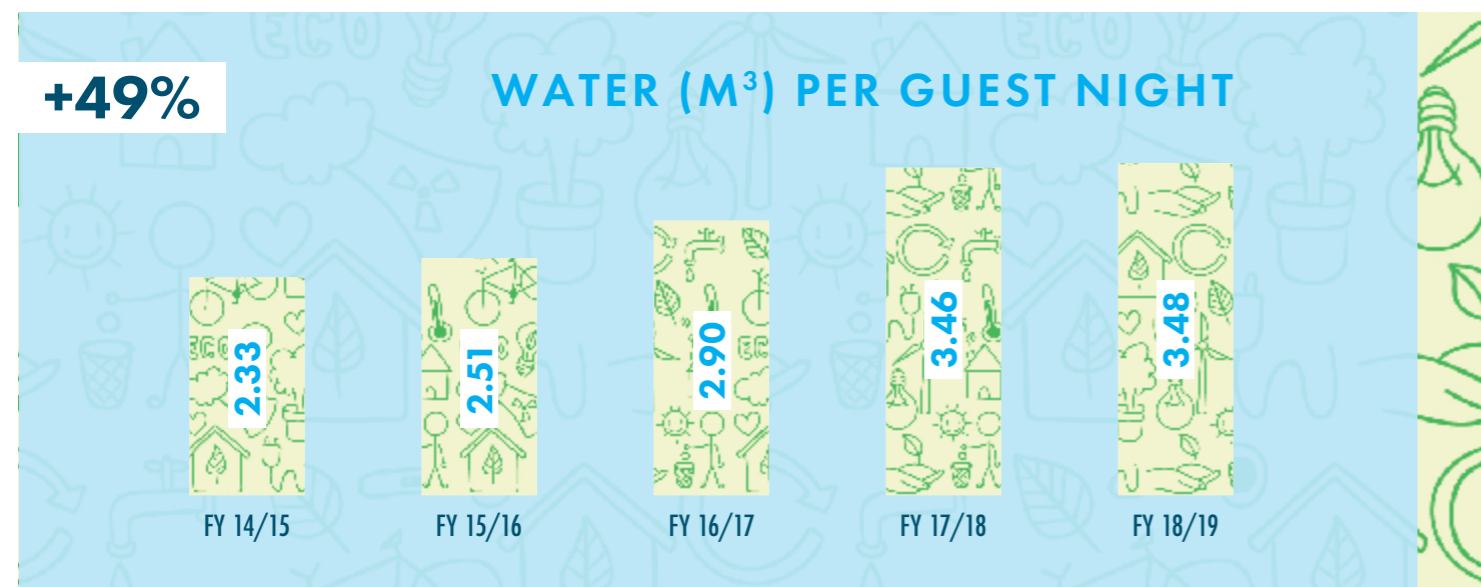
WATER CONSUMPTION

SUN is committed to conserving fresh water resources throughout our operations. This commitment involves various water conservation strategies:

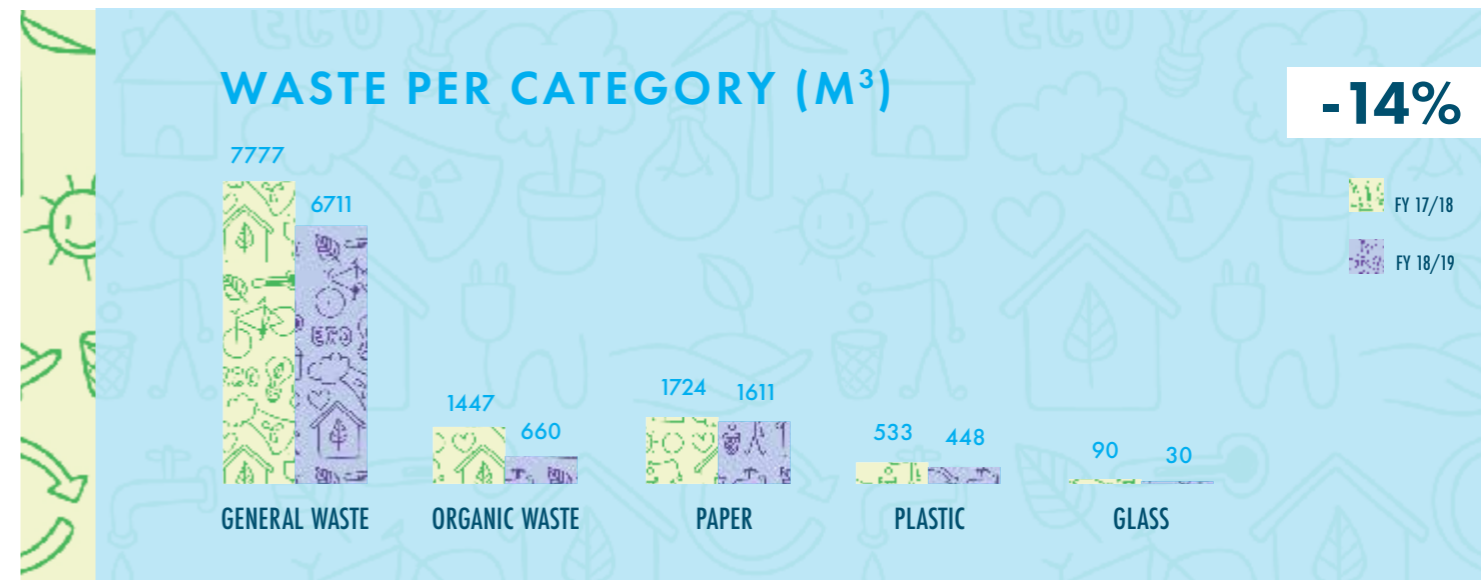
- Irrigation with greywater wherever possible
- Installed aerators to reduce the water flow of sink faucets
- Modified pipe systems to divert and treat greywater for cleaning and landscaping purposes
- Prioritise water efficiency when replacing end-of-life equipment
- Encourage guests to use less water through our guest SUNCARE programme
- WORLD WATER DAY – March 22. We built an awareness campaign with our employees and encouraged guest engagement.

Water consumption increased by 49% between 2015 and 2019, a trend we are aware we must improve upon.

To this end, in 2018 we installed our own water bottling system in one of our hotels, in an effort to avoid the use of plastic water bottle. On the downside, this has contributed to the overall increase in water consumption. Additionally, we encountered significant leakages in the piping system of one of our oldest hotels. We immediately took remedial action to replace the system, and we expect to see a decrease in water consumption after the reopening of our hotels. All hotels are required to set new water reduction targets and implement continuous improvements.



The detrimental impact of the COVID-19 pandemic has adversely affected our portfolio occupancy far more than the reduction we achieved in water usage 19/20



WASTE

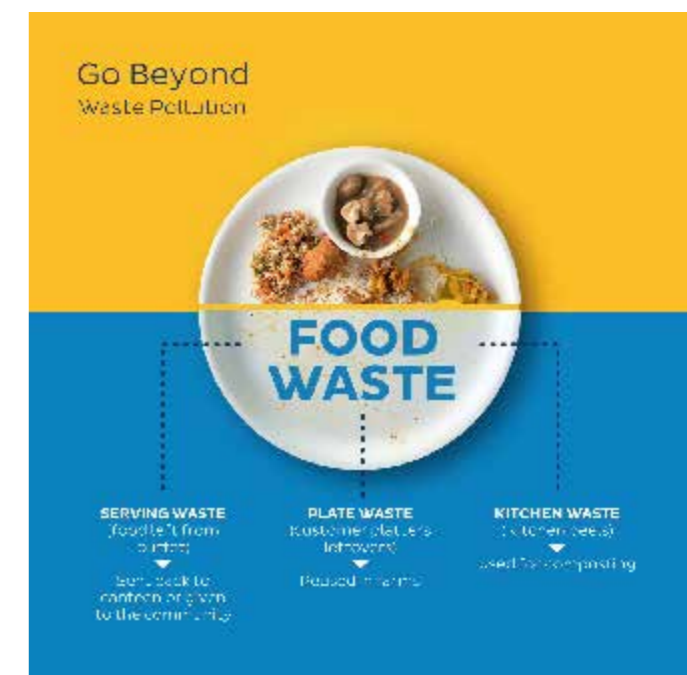
SUN has been highly successful in reducing waste volumes and we continue to investigate opportunities to limit waste.

In 2017, SUN implemented a Waste Management Program in all its properties in Mauritius. A designated room was made available to segregate waste, which recycling companies then collect. We also have several initiatives in place to upcycle waste - creating shared value by creatively reusing and transforming waste materials.

Where does our food waste go?

Steps to reduce/divert our food waste

Our hotels utilise innovative methods to divert food waste from landfills, which includes composting, donations to local pig farms and converting food waste into livestock feed. Long Beach Hotel participated on a food waste pilot project in collaboration with University of Mauritius and was awarded Travel Life Food Champions.



PROTECTING THE ENVIRONMENT



Single-Use Plastics

We continued in our ambition to eliminate single use plastics and transition to reusable bulk amenities—which not only reduce waste but also protect the health of land, oceans and waterways. In 2019, we began by asking our entire team to list every plastic item in their operations in housekeeping, kitchen and F&B. 54 items were identified and we are currently working with all players in our supply chain to find alternatives.

At Ambre Hotel, we offer guests convenient and unlimited filtered ice and water stations at the lobby and sanitised glassware in lieu of purchasing bottled water.

Kitchen Oil Recycling

Sun has partner with Bioil to recycle kitchen oil for conversion to fuel. This is an emerging best practice that Sun continues to expand. By partnering with Bioil we are assured of not only the conversion of the used cooking oil into an ecologically beneficial energy stream but also to the environment, which has become a priority to the business while being mindful towards the efficiency of our operations and stakeholders value.

Other Waste

Several initiatives have been implemented to upcycle waste. For instance, uniforms contribute largely to textile waste as they are replaced every year. Through a partnership with the Fashion and Design Institute, old uniforms are transformed into artwork in the form of wish trees. Future collaborations are planned for more projects involving the upcycling of textile waste. Only the waste that cannot be recycled or upcycled through third parties is sent to landfills.

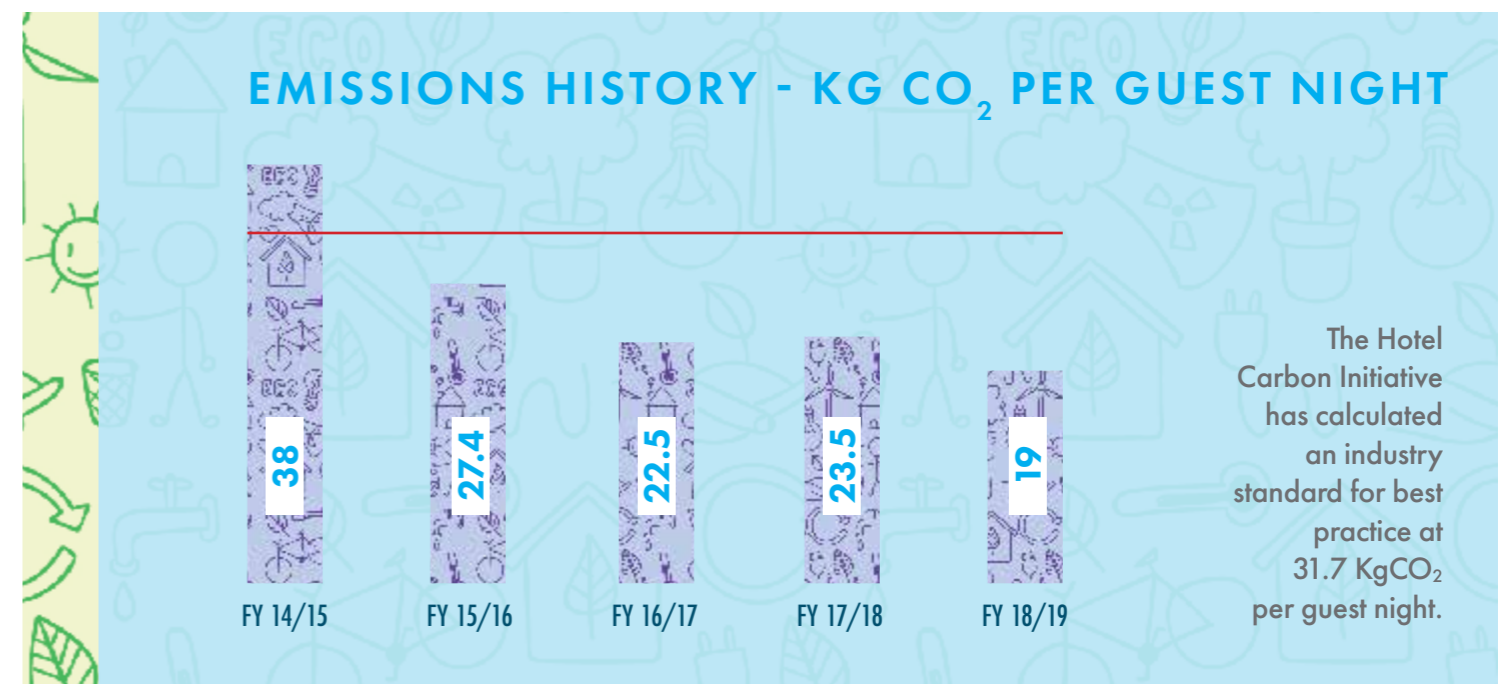
Our strategic partnership with the UN Environment Programme (UNEP), through the Switch Green Africa initiative, lays the foundation for an inclusive green economy. The first project involved the transformation of solid soap (used by guests) into liquid soap. The research carried out by the University of Mauritius proved to be a success.

REDUCING CARBON EMISSIONS

Emissions were calculated by EarthCheck, drawing from all the energy sources that we use (electricity, diesel, LPG) and waste for our Mauritian-based hotels. The graph below demonstrates the emissions for all our hotels, including Kanuhura Resort in the Maldives, compared to best practices (red line).

We are happy to report that since our baseline year (2015), we have managed to cut down our emissions by 20%. We are today well below the recommended best practice.

It is important to note that for now, SUN has opted out of Carbon Offsetting through Voluntary Carbon Markets, as we believe there is still a lot to be done here in Mauritius, and in the communities surrounding our hotels.



PROTECTING OUR BIODIVERSITY

Mauritius has been designated by the IUCN as a biodiversity hot spot. 39% of plants, 80% of non-marine birds, 80% of reptiles, and 40% of bat species are endemic as a result of the island's location, age, isolation and varied topography. However, this unique biodiversity is at risk. Mauritius has one of the most threatened island floras in the world. Overall, 89% of endemic Mauritian flora is now considered threatened and 61 of the country's indigenous species are already classified as extinct. (Source: Convention on Biological Diversity).

ENDEMIC NURSERY

Long Beach boasts a nursery for endemic trees. For the past 3 years, we have been replacing exotic plants and trees in all our hotels with endemic ones.



PROTECTING BEES

Considering the quantity of fertilizers, pesticides, fungicides and other factory-produced agrichemicals used in Mauritius, we were looking for a solution within our supply chain to get the healthiest choice of ingredients for our guests. The overuse of these chemicals is not only detrimental to human health, but it is also dangerous for the biodiversity of our island, as they affect bees and other pollinators like bats and geckos, all of whom are vital to the health of all-natural habitats. To protect our guests and our biodiversity, we have partnered with MauriGAP, the Mauritian Standard for Good Agricultural Practices, in a national pilot project in view of sensitising farmers to reduce the use of chemicals in production.



CORAL FARMING

Mauritius' economy is dependent on fish stocks and tourism. However, as a low-lying island, the country is recognised as being highly vulnerable to climate change and the resulting negative impacts on ocean health. In addition to providing habitat to a variety of aquatic species, coral reefs also contribute to the quality of our lagoon.

In view of such problems, La Pirogue International Marine Research Centre, fully funded by the Tertiary Education Commission in collaboration with the University of Mauritius, University of Western Australia and SUN Resorts, was launched in January 2019 in order to assess the state of our reef, corals and lagoon ecosystem. We are also working on a programme to plant more corals.

UPCOMING ACTIVITIES

Weekly coral farming classes will soon be offered to guests. The activity will involve a very interactive presentation of our coral-farming project, offering insights into the project's background through pictures, short videos and demonstrations of the different farming techniques. SUNCARE is also working on an educational book on the local marine species and the simple actions that can be taken to protect our reefs, oceans, and the millions of species on which our livelihood depends.



SUPPLY CHAIN

Sun recognise that the relationships we have with our suppliers are instrumental in our ability to provide innovative solutions. That's why we partner with suppliers who deliver the best quality, value and service, while maintaining the same ethical and safety standards we practice.

SUN purchases through its Supply Chain Experts Ltd, a central procurement company whose aim is to consolidate and manage procurement and sourcing for every category of items across the Group's business units. This organisational model facilitates the implementation of our Sustainable procurement objectives from the onset.

SUPPLIER CODE OF BUSINESS CONDUCT

SUN has a zero-tolerance policy against unethical, unsafe and illegal conduct on the part of our supplier partners. The Supplier Code of Conduct communicates expectations for socially responsible operations in support of SUN's business and values.

COMPLIANCE MONITORING

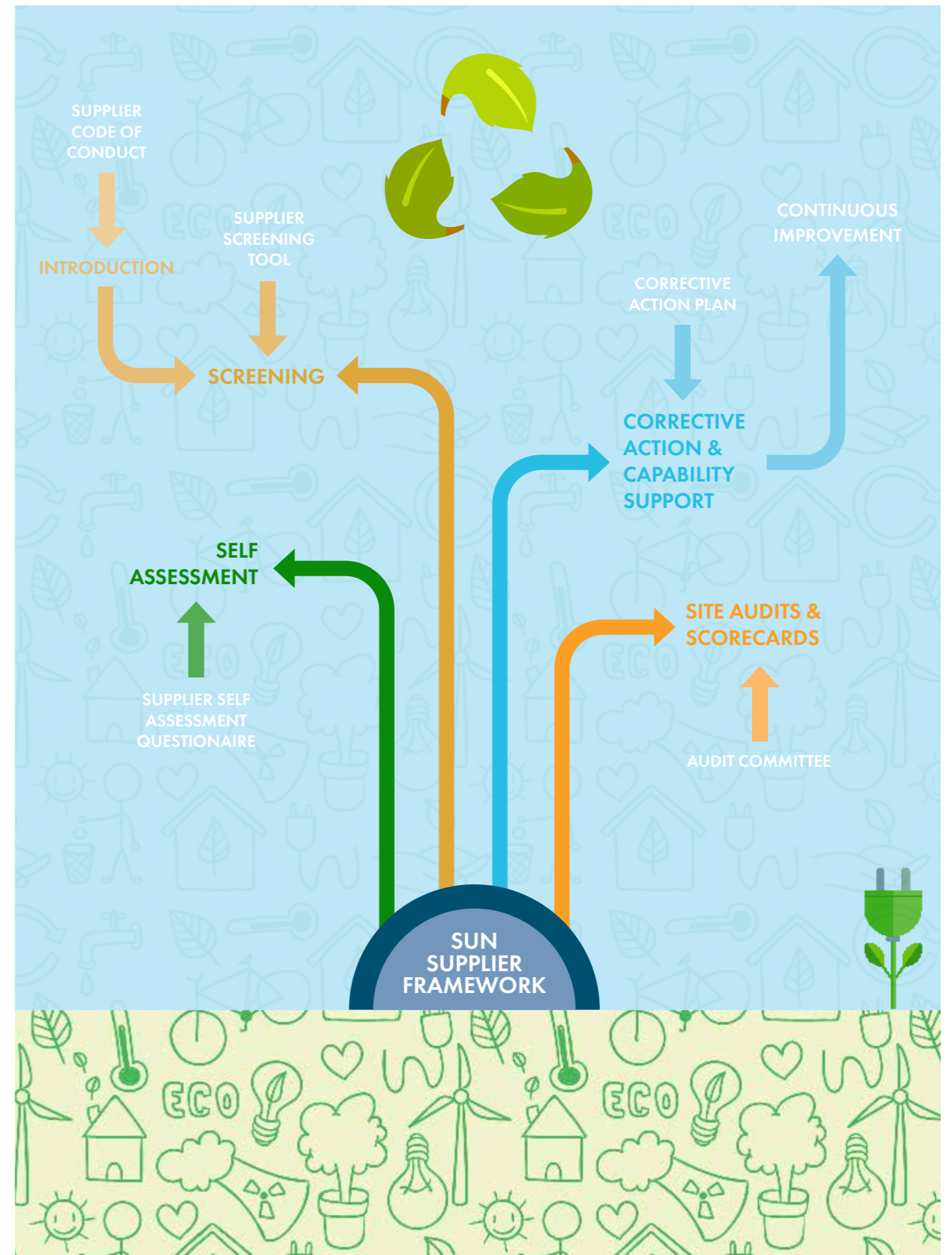
Our governance processes are highly focused on regulatory compliance. We operate under a the Mauritius and Maldives regulatory regimes covering many aspects of our business, including safety, environment, logistics, ethics and product specifications. SUN requires all associates and suppliers to comply with applicable laws and regulations and conducts regular compliance training so that associates maintain a current understanding of legal requirements.

SUPPLIER RISK MITIGATION

As part of our Supplier Risk Assessment process, suppliers are subject to ongoing risk audits and updates to their risk portfolio. When the supplier's risk position substantially changes (ownership change, financial viability, regulatory findings, etc.), Sun reviews the impact of the change on enterprise risk and develops a plan to mitigate the incremental risk, as appropriate. All suppliers must notify Sun in writing of the planned change and allow Sun to review the supplier's risk mitigation plan for protecting continuity of supply for Sun Resorts.

SUPPLIER PERFORMANCE MANAGEMENT

Sun evaluates supplier performance using a scorecard rating process, which evaluates product quality, delivery, compliance and other key sustainability factors. The data presented in the scorecards is a consolidation of individual site operations' reported performance. All data collected and utilized to generate supplier performance measures are coordinated and governed by our standardized approach to supplier compliance.



ENGAGING SOCIETY

SUN CARES

Throughout our history and across the organisation, Sun employees have donated their time, skills and efforts to charitable causes in their communities. Long before the creation of SUNCARE's purpose, values and behaviors, our people demonstrated a natural desire to help those who are at-risk, less fortunate and victims of situations beyond their control. Sun supports our communities through monetary donations and also by providing our people with time off to volunteer for local organizations and causes that they care about.



SUN CHILDREN CANCER TRUST

In 2008, one of SUN Resorts' employees' child was diagnosed with cancer and passed away at the tender age of 5. Profoundly touched by such a terrible event, our employees came together and raised Rs 8 million for the expansion and renovation of the Children's Cancer Ward at Victoria Hospital. This one positive impact became our North Star. We believe every child with cancer should have access to essential healthcare. Today, we currently support more than 100 children requiring treatment.

In order to continue to fund our star programme, we introduced the Voluntary 1 Euro per Guest Night at the beginning of the year. This programme allows our clients to contribute to the Trust. We are humbled and pleased to report that in just five months, our guests have contributed Rs 400,568.

Their contribution will directly support our future:

- To collaborate with neuropsychologists in addressing the unmet psychological needs of the children and their families.
- We have noticed that several patients struggle with the means to reach the facilities for their recurring treatments. The lack of transportation is a barrier to care. Several children are even made to travel to other countries to receive adequate treatment. We are working to identify the more complex cases and find adequate solutions.
- Several patients are unable to pursue their schooling due to ongoing treatments and lack of funds. We are working on a volunteer programme to assist them.

SUNCARE CHARITY GOLF COMPETITION

Swing for a good cause!

Harness your passion to help others... This is the challenge set to support sick children. By holding an annual charity competition at Ile aux Cerfs Golf Club, the hotel group raises public awareness and funds to support the children of Victoria Hospital in Candos, in their fight against illness. Insight into this wonderful initiative.

This tournament, held for the fourth consecutive year, aims to bring together golf enthusiasts around a good cause, namely to raise funds to help children suffering from cancer and to support their families. This charity competition is an 18-hole scramble tournament, featuring teams of four players. All funds raised will be donated to the Sun Children Cancer Fund, which covers the upkeep of the children's cancer unit at the Victoria Hospital in Candos. More than a hundred children are treated there every year.

VOLUNTEERING

SUN RESORTS

> 7,000 hours

> 10 projects



SUNCARE
RS 1M

invest in our community in kind and contribution

ENGAGING SOCIETY

CLOSE TO SOCIETY, SUPPORTING OUR LOCAL COMMUNITIES

We aim to be key players wherever we operate and help contribute to social development in our local communities. Business units support numerous social causes.



LOCAL COMMUNITY PROJECT

Each one of our hotels selects a project that will serve their host communities, mainly in the form of philanthropy. Our aim is to ensure that the most vulnerable individuals – usually children and women – have their basic needs fulfilled and live in dignity. Each hotel encourages its employees to volunteer in these programs, which is usually met with much enthusiasm.



LOCAL CRAFT

Through our support for the Local Craft Project, we offer opportunities to local artisans to exhibit their products and crafts in our hotels. In addition to letting more people know about their work, we also support the sustainability of local crafts and their creators, making it easier for customers to purchase their work directly.



LONG BEACH

- Over the last five years, Long Beach has been providing hot meals to Flacq Disabled Centre, a day-care centre run by women for mentally and physically disabled children.
- According to the latest census (2011), Mauritius has 59200 persons living with a disability. Our new project therefore involves funding bi-weekly Physiotherapy sessions for the 50 children of the centre. The project costs MUR 100,000 for one year of therapy for 10 children between the aged of 8 -15 years.
- During Christmas, our volunteers collected and gifted Christmas presents to children from disadvantaged backgrounds in the village of Poste Lafayette.



ENGAGING SOCIETY

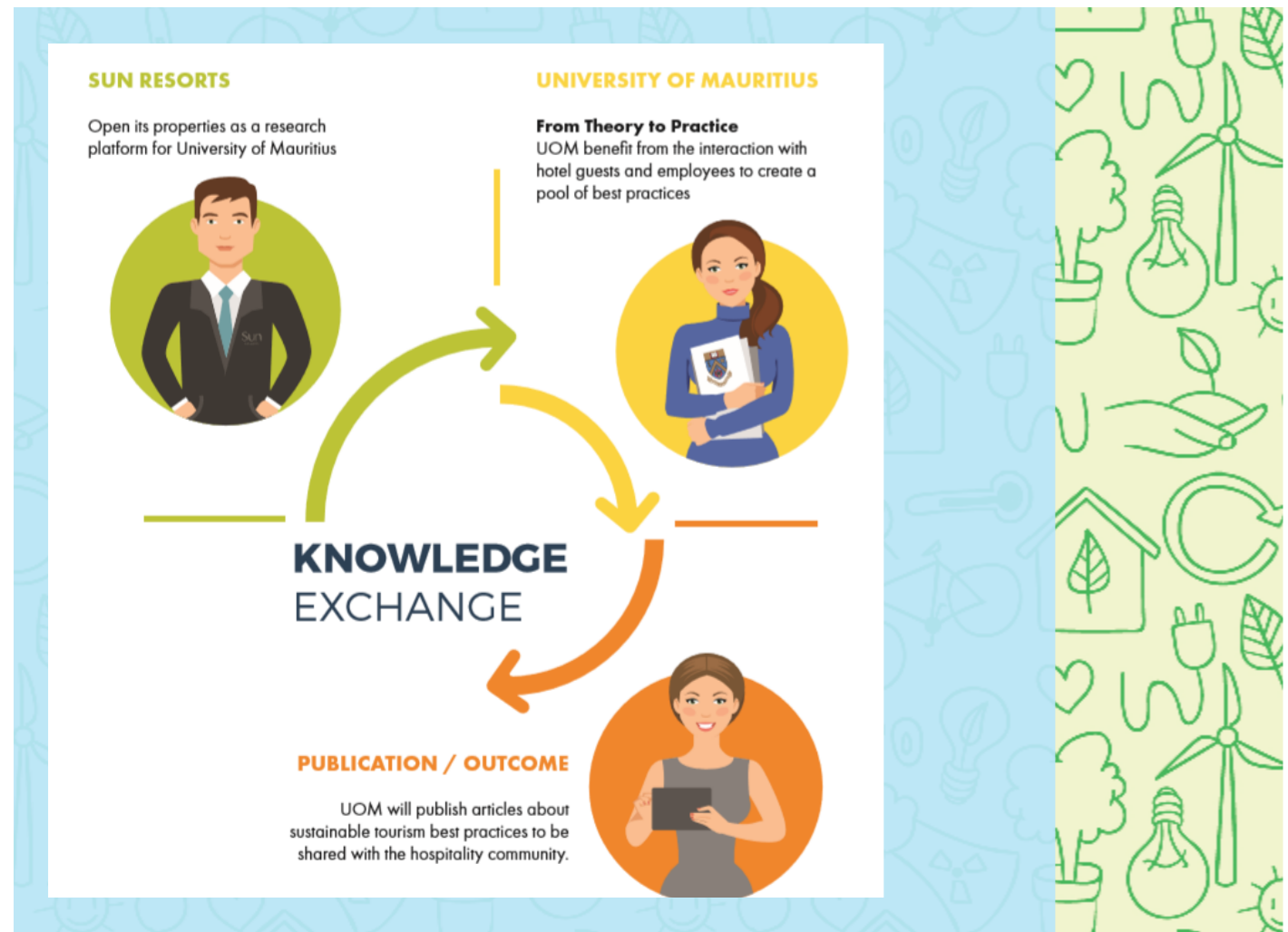
EDUCATION

Education plays a pivotal role in the future of our community. At the same time, it has the power to secure the future of our hotels by ensuring a continuous pool of educated people in the area surrounding it. Recognising this, SUN has initiated a number of educational programmes:

The Youth Empowerment Programme aims to attract and expose youth to the hospitality industry and sometimes, to the formal work sector through apprenticeship. This provides an opportunity for young people to enhance their skills.

SUN also collaborates with the tertiary education sector for various programmes. Our collaboration with the Fashion & Design Institute promotes young talents.

In order to be at the forefront of industry initiatives, SUN has recently signed a Memorandum of Understanding with the University of Mauritius, promoting research and innovation in the sustainable tourism industry.



OUR ENGAGEMENT IN THE CIRCULAR ECONOMY MODEL.

SUN Group has its own industrial laundry services (Washright) that manage all the hotels' laundry, including that of some external clients. Every year, we have a significant number of sheets and towels that no longer be used at hotels. These are sent to the island's prisons as requested by the latter, and to PAWS, an animal shelter, so they can be used for the dogs' bedding.



FOOD DISTRIBUTION

We distribute excess food in the local community through our "No food Waste" programme. Ambre Hotel's engagement in this programme is reflected through its commitment towards Emmanuel pre-primary school in Cité Perdue, where twice a week, well-balanced meals are distributed to the 18 students aged 2-5 years. Data gathered from previous years demonstrated that the main causes of absenteeism among children from vulnerable families were the unavailability of food and malnutrition. Providing food to children makes them feel more valued and stable, improving their emotional state.

CUSTOMER EXPERIENCE

We offer our guests experiences that allow them to enjoy local culture and leisure activities.

Mauritius is a very rich and diverse country, where many races, religions and cultures all live together. This rich cultural heritage is one of the main characteristics of the nation and everything it offers to customers. Employees at Sun Resorts proudly wear their beautiful and elegant traditional costumes, on special events such as Divali, Eid.



ABOUT THIS REPORT

This Sustainability Report covers SUN's sustainability performance for the financial reporting period from July 2019 to 30 June 2020. It is our 1st Sustainability Report.

The GRI Standards: Core Option, which is internationally recognised, has been selected as the reporting framework as it provides guiding principles on report content and quality, and suggests specific performance disclosures relevant to our material ESG topics.

REPORT SCOPE

This report describes the sustainability activities and performance of our 5 properties located in Mauritius, namely, Long Beach, Ambre, Sugar Beach and La Pirogue and Ile aux Cerfs Island.

Information relating to energy, water, waste, customer experience, employee health and well-being, talent recruitment and retention, and our contribution to the communities has been disclosed in good faith and to the best of our knowledge.

FEEDBACK

We welcome any feedback or suggestion that will help us improve our sustainability reporting and performance. Please write to: suncare@sunresorts.mu

Thank you.



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