



SUSTAINABILITY REPORT **2020**

SUSTAINABILITY REPORT

1. OUR SUSTAINABILITY FRAMEWORK

1.1 OUR COMMITMENT TO SUSTAINABILITY

The tourism industry has been contributing positively to economic growth and to the promotion of natural, emotional and physical well-being across the world. Yet, this industry has a significant carbon footprint, and it is particularly vulnerable to climate change, local environmental challenges and community development issues – all of which are critical to the quality of the experiences we provide to our guests.

At Constance Hotels, Resorts & Golf (CHRG), we have been concerned and remain concerned with the impact that our operations may have on the environment, communities, cultures and economy of the territories where we operate. In this respect, we incorporate the values and principles of sustainable development in our business practices and relationships with our stakeholders, and continuously strive to refine our level of understanding of sustainability.

We are committed to:

- Embed sustainable development principles into our core business practices, across our business units.
- Promote sustainable and responsible tourism by contributing to biodiversity conservation, cultural heritage preservation and community development.
- Understand and respect the needs of our stakeholders, and use our collective influence to drive sustainability within the tourism industry.
- Comply with all laws and regulations applicable in the countries where we operate.
- Leverage the opportunities presented by sustainable development to deliver long-term strategic benefits to our stakeholders and superior value to our shareholders.

Our sustainability practices are guided by the highest form of principles specific to the tourism industry and the countries where we operate, such as the United Nations World Tourism Organisation's Global Code of Ethics for Responsible Tourism (GCET), the ILO Guidelines on Decent Work and Socially Responsible Tourism and the National Code of Corporate Governance for Mauritius (2016). In order to continually achieve our sustainability objectives, our management teams are supported in their daily decision-making operations by the Sustainable Management Plan we have developed and which embraces the United Nations Sustainable Development Goals (SDGs), considered as an overarching framework to our strategy and operations.

2020 was anything but a normal year as the COVID-19 pandemic posed brutal and sudden challenges with wide-ranging consequences on the global hospitality industry. Despite the hampering effects of the pandemic on our sustainable development efforts, we remained committed to our core sustainability values and principles during the year under review.

1.2 OUR CORPORATE SUSTAINABILITY STRATEGY

Sustainability being a key focus of the boardroom agenda, our sustainability vision and strategy are formulated on the basis of the key ingredients to the creation of long-term strategic benefits and balanced value to stakeholders. Consequently, we have translated the 5 Ps of the SDGs – People, Planet, Prosperity, Peace and Partnership - in our Corporate Sustainability (CS) strategy of 'True by Nature' which rests on four pillars, namely True People, True Places, True Services, True Experiences.



True by Nature

The SDGs and the 4 Pillars of Our Corporate Sustainability Strategy

Pillar	Aim	SDG
True People	To contribute to the reduction of social differences and poverty by providing opportunities for economic empowerment through corporate social actions and community development, promoting local employment and supporting local entrepreneurs.	People SDGs 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 13 and 16
True Places	To identify and minimise the environmental impact of our operations, both at the local and global levels, by seeking greater efficiency in the use of natural resources, managing our waste products in a responsible manner, and contributing to the preservation of the biodiversity and natural ecosystems.	Planet SDGs 1, 6, 7, 8, 11, 12, 13, 14 and 15
True Services	To build competitive advantages within the industry through inspired service that exceeds guests' expectations, economic empowerment of the surrounding communities, proactive stakeholder engagement, quality training, and responsible and ethical governance and business practices.	Prosperity Peace SDGs 6, 8, 10, 12, 13, 14 and 16
True Experiences	To preserve both the tangible and intangible cultural and historical heritage of the territories where we operate by remaining fully involved in local life, whilst aiming to immerse our guests in the discovery and conservation of the unique cultural, culinary and artistic wealth of each destination.	Prosperity Partnership SDGs 11, 12, 15 and 17

Our CS strategy fundamentally lies on the identification and analysis of the key factors impacting our business, stakeholders and society at large. The formulation and implementation of our CS strategy is facilitated and supported by CHRG's Corporate Sustainability function, in conjunction with other business units. In this respect, a first materiality assessment, based on the SDGs, was conducted in 2018 among management and employee representatives across our business units to achieve a deep and thorough understanding of the economic, ethical, social, environmental and governance factors shaping our broader business performance. This first materiality assessment enabled us to better grasp the significance of each SDG target for CHRG, to constructively brainstorm on the opportunities to strengthen our dialogue with key stakeholders, and to identify the key levers to effectively drive our CS strategy to year 2030.

In December 2019, the materiality assessment was refined with a view to:

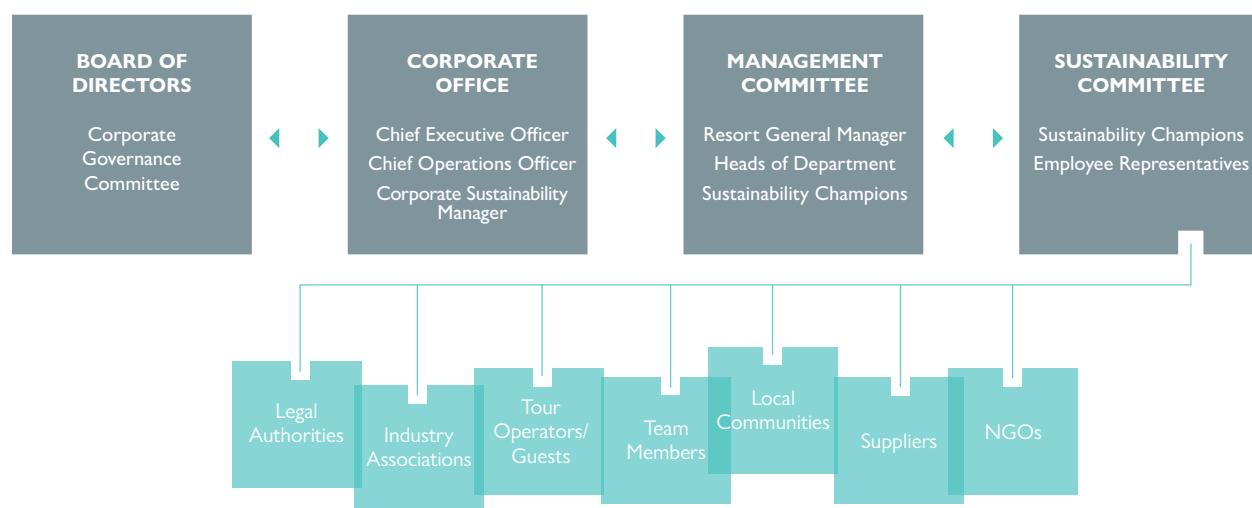
- Adjusting our sustainability commitments and targets
- Strengthening our CS thinking and integration
- Strengthening stakeholder engagement
- Enhancing the robustness and proactiveness of the reporting process

In the light of the aforesaid materiality assessment, it was decided that our CS strategy should focus on the following three priorities:

	1	2	3
Priority	To promote safe and secure working environments	To substantially reduce waste generation by refusing, reducing, recycling and reusing	To protect marine and coastal ecosystems, including their restoration, and to strengthen their resilience for a healthy and productive ocean
SDG Target			

A full materiality assessment will be conducted every three years so as to allow our CS strategy to evolve, as a result of new sustainability factors impacting our business. With the aim of using insights gathered from materiality assessments to inform strategic and operational planning and decision-making, the scope of our next materiality assessment will be expanded to external stakeholders. This will enable us to conduct a holistic assessment of the current and future needs and expectations of all our stakeholders.

1.3 ROLES AND RESPONSIBILITIES



A transparent internal structure, with defined roles and responsibilities, ensures that sustainability matters are handled rigorously across all business units.

The Corporate Governance Committee meets three times a year and acts as the highest authority on sustainability, setting the strategic direction. The Corporate Sustainability Manager acts as an interface for sustainability matters. The latter is delegated with the coordination of all sustainability activities, the implementation of the CS and the reporting obligations.

At business unit level, the responsibility for executing the CS strategy lies with the General Manager, and he is supported by the Sustainability Champion and the Sustainability Committee held on a monthly basis. Together, they are responsible for developing the content of sustainability activities, ensuring internal and external expansion of stakeholder dialogue, and making appropriate proposals to the Board.

The Sustainability Committee comprises a member from top management, the Sustainability Champion, the Financial Controller, the Human Resources Manager, the Maintenance Manager, the Quality Manager, the Executive Chef, the Food & Beverages Manager and the Executive Housekeeper. Other team members act as sustainability engagement ambassadors and support the Sustainability Committee.

The Sustainability Committee engages in two-way communications with relevant stakeholders through a range of channels and event formats, valuing professionalism, transparency and respect, whilst embodying generosity, innovation and creativity. Both internal and external stakeholders are encouraged to contribute their ideas to the Committee, and progress updates are communicated through internal channels, web-based platforms and annual reports.

2. SUSTAINABILITY CERTIFICATIONS AND PRACTICES

2.1 THE GREEN GLOBE CERTIFICATION PROGRAMME

The Green Globe Certification programme is the world's most recognised and longest running global certification for sustainable travel and tourism. It hinges on a set of 44 core criteria related to sustainable management, social and economic issues, cultural heritage and the environment. The origin of the Green Globe organisation can be traced back to the United Nations Rio de Janeiro Earth Summit in 1992, where 182 heads of state endorsed the Agenda 21 principles of sustainable development.



CHRG embarked on the Green Globe Certification programme in 2013 to better promote its existing environmental sustainability credentials and to enhance its sustainability performance. 2018 was a turning point as six of our properties located across the Indian Ocean were awarded the prestigious Green Globe Gold Certificate with an average score of 90%.

The Green Globe Gold Certificate, remitted to organisations which have certified for five consecutive years, is testimony to our rigorous commitment towards continual improvement in our sustainability performance. We now look forward to the next milestone of the certification programme: The Platinum Award.

2.2 EXPLOITATION-FREE ENVIRONMENT

CHRG strictly complies with all applicable labour laws and regulations, and prohibits the employment, sexual harassment and exploitation of children. In this respect, a dedicated set of internal policies, such as the Equal Employment Opportunity Policy and the Code of Conduct, have also been put in place.

The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism ('The Code'), introduced by The Code.org, is a multi-stakeholder initiative with the mission to provide awareness, tools and support to the tourism industry to prevent the sexual exploitation of children. Adhering companies commit to six essential criteria to keep children safe. During the year under review, CHRG maintained its compliance with all six criteria of the Code, making it a clear statement to our team members and guests that we do not accept the commercial sexual exploitation of children.

2.3 SEYCHELLES SUSTAINABLE TOURISM LABEL (SSTL)

Launched in 2011 by the Government of Seychelles and recognised by the Global Sustainable Tourism Council, the SSTL is a voluntary sustainable tourism certification programme specifically designed for use by hotels of all sizes in the Seychelles, the objective being to promote more efficient and sustainable ways of doing business. In line with our commitment to sustainability, Constance Lemuria, Seychelles and Constance Ephelia, Seychelles are among the thirteen certified establishments.



2.4 FOOD SAFETY MANAGEMENT SYSTEMS

ISO 22000 is an international standard which contains both traditional quality assurance preventive measures (ISO 9001) and preventive food-safety measures (HACCP) to provide a practical approach to the reduction and elimination of safety risks within the food supply chain as a means to protect consumers.

Following the introduction of the new version in June 2018, Constance Belle Mare Plage became the first hotel in the Indian Ocean to be ISO 22000:2018 certified. Under the leadership of Chef Nicolas Baubé, the team aims to:

- Embed, review and continually improve the internal processes and systems to provide safe food in consistent manner
- Guarantee to our guests that robust and effective food safety practices and procedures are in place
- Guarantee to our management teams, team members and suppliers that we have the needed ability to control food safety hazards and provide safe products
- Continuously improve the food management system so as to optimise all activities related to food safety
- Ensure adequate control at all stages of the food supply chain to prevent the introduction of food safety hazards

HACCP practices are in place in other resorts and are regularly audited in conformity with the aforesaid philosophy. With a view to offering the best culinary experiences, the preferences and allergies of each and every guest are duly considered and appropriate portions are offered when requested.

2.5 GREEN FINS CERTIFICATION

As a Green Fins member, TGI Maldives (Diving Centre) is responsible for the protection and conservation of coral reefs at Constance Halaveli, Maldives by establishing and implementing friendly guidelines to promote sustainable diving and snorkelling, including the monitoring of the environmental impact of its Diving Centre.

Regular training sessions are conducted to ensure that the Green Fins Code of Conduct is strictly adhered to.

2.6 PADI CERTIFICATION

With 6,400 PADI Dive Centre and Resorts, 133,000 PADI Professionals and nearly 25 million divers around the world, the Professional Association of Diving Instructors (PADI) is the world's leading scuba diver training organisation. It defines itself as a force for good with tremendous human potential to make an impact on critical social and environmental issues. PADI is dedicated to bringing the conversation to the forefront and inspire actions that lead to a stronger global dive community and healthier ocean planet.

All our Diving Centres at CHRG adhere to the PADI principles, thus ensuring that our guests receive the best experience in terms of technical guidance and environmental practices.



2.7 RESPONSIBLE SOURCING & PROCUREMENT (RSP)

In addition to aiming for the procurement of products and services which are less harmful to the environment (land, air and water) and the species that depend on the environment for survival, from the design to disposal stages, RSP also ensures that the procured products and services have the most positive social results.

We carry out RSP whilst giving due consideration to guests' satisfaction, company standards and reasonable costing. Our RSP measures include:

- Incorporating sustainability criteria in purchasing evaluations
- Implementing monitoring mechanisms and assessments to promote compliance along the supply chain
- Encouraging and favouring eco-friendly and power-efficient products
- Favouring recycled and bio-degradable products
- Buying seasonal and locally-produced goods as far as possible to limit transport energy
- Purchasing in bulk to reduce packaging wastes
- Favouring less harmful fertilisers and cleaning agents
- Favouring eco-friendly designs and eco-labelled products
- Prefering sources which are less polluting or use clean technology
- Encouraging and favouring vendors that use recycled packaging materials
- Exploring the possibilities of further reuse and/or recycling with vendors
- Greening the supply chain by seeking vendors that share our values and have in place an environment management system

In addition, at CHRG, in line with the fair-trade practice provided by our Procurement Policy, we do not engage in transactions related to historical artefacts or other products not permitted by law. We ensure, at all times, that the right methods are used to select suppliers and procure goods and services at the right quality, price, time, source and delivery, whilst striving to support local suppliers and boost the local economy.

3. CLIMATE CHANGE & ENVIRONMENTAL STEWARDSHIP

At CHRG, we are conscious of climate change consequences and acknowledge our responsibility towards the environment. Whilst the well-being of our guests remains at the forefront, we are committed to balancing our economic priorities with our responsibility to preserve the environment wherever we operate and to reduce our environmental footprint.

3.1 DESTINATION PROTECTION

The natural environment is one of the primary attractions for leisure visitors, and in order to develop sustainable tourism, we aim to:

- Combat climate change through appropriate mitigation and adaptive measures as required
- Ensure the protection of the natural and cultural values of the areas whilst developing and creating recreational facilities / activities for our guests
- Participate in habitat restoration efforts whenever possible
- Promote local food, entertainment, culture and cottage industries
- Engage with local people when developing cultural attractions
- Offer our guests local souvenirs made from eco-friendly products

In delivering this commitment, we endeavour to:

- Meet or exceed applicable environmental legislations, environmental standards and best practices
- Value and preserve the natural and cultural heritage of our properties, thus enabling our guests to enjoy authentic local experiences
- Promote the efficient use of materials and resources across our properties, especially water and energy
- Work diligently to minimise our waste stream by reusing, recycling and conserving natural resources, particularly through energy and water conservation
- Set sound environmental and social objectives and targets, integrate a process of review and issue progress reports on a periodic basis
- Continually identify opportunities to improve our environmental management system
- Promote awareness and educate our team members on environmental issues and sustainable working practices, e.g. preservation of local cultures, resources and active participation in environmental protection programmes at local and national levels
- Engage our guests, team members, suppliers, contractors and the local community in our initiatives to preserve the environment and consider their opinions/feedback when setting our environmental programmes and procedures
- Conduct Environmentally Preferable Purchasing (EPP)

3.2 BIODIVERSITY

Biodiversity underpins ecosystem productivity and stability, and, in any given ecosystem, each species has a specific and significant role to play. Consequently, CHRG is fully engaged in the biodiversity preservation of the territories in which it operates. In doing so, we aim to:

- Reduce our use of insecticides, weed killers, fungicides
- Use organic fertilisers
- Use environmentally friendly-products for cleaning
- Buy sustainably-harvested seafood and agricultural products
- Water plants in a rational way
- Use indigenous plants for landscaping and minimise light and noise
- Plant at least one tree every year
- Ensure that invasive alien species are not introduced in our gardens and landscapes
- Not display or sell products made from threatened or protected plant and animal species
- Participate in ecological restoration initiatives in local areas

A number of initiatives geared towards biodiversity preservation are carried out by our teams, including the following:

Protection of Endemic Animal and Plant Species

We regularly consult the International Union for Conservation of Nature (IUCN), the global authority on the status of the natural world and the measures needed to safeguard it. The IUCN regroups over 1,400 member organisations and 18,000 experts.

On the basis of information gathered from the IUCN and with the help of professionals in the field, we have identified more than 80 endemic species in the surroundings of our properties and have adapted our landscaping plans and nurseries to protect them from invasive species, thus contributing to the genetic diversity of our destinations. Guided tours are regularly organised to help our guests discover these species and learn about their importance.

World Bee Day at Constance Prince Maurice

Conscious of the urgent need to protect biodiversity, the World Bee Day was first celebrated at Constance Prince Maurice with 7 hives in 2019.

The hives have now been increased and form an integral part of the Chefs' garden which allows the bees to thrive in this exceptional place and produce an equally exceptional nectar with the expert monitoring of Etienne de Senneville.

Mangroves Preservation Programme

Wetlands play a significant role in stabilising greenhouse gas emissions and blunting the impact of climate change, and buffer coastlines against extreme weather events such as floods and droughts.

Apart from being the most effective carbon sinks on Earth, wetlands are also biodiversity hotspots and contribute to socioeconomic progress as they act as a fish nursery to secure fish stocks and create opportunities for ecotourism activities such as kayaking or guided tours.

Given the site locations of Constance Prince Maurice and Constance Ephelia, Seychelles, we aim to improve the management of biodiversity at both properties by enhancing our collaboration with community partners. Community-based mangrove management plans have been established and successfully implemented over the past three years at the RAMSAR site with more than 3,000 trees planted and monitored at Port Launay, Seychelles. Guests and community members are regularly invited for a tour in the mangrove nursery to learn about their contribution in the global ecosystem and the scientific approach adopted for the transplanting of samples.

As part of our Mangrove Management Plan at Constance Ephelia, Seychelles, all projects are implemented in collaboration with the Port Glaud environment club (a local sustainability NGO), the Ministry of Environment, Energy and Climate Change, and funded by either the UNDP Global Environmental Finance or Mangroves for the Future. In addition, we have an ongoing cooperation with governmental and private schools, together with the Wildlife Clubs of Seychelles, to invite students to participate in planting or clean-up activities and to learn about best management practices in respect of mangrove wetlands and sustainable tourism.

Over the last 6 years, we have welcomed 1,979 students and community members for sustainability and environmental education tours.

In 2020, we started a 4-year collaboration with Nature Seychelles to implement the project "Enhancing coastal and marine socio-ecological resilience and biodiversity conservation in the Western Indian Ocean", funded by Germany through the International Union for Conservation of Nature and Natural Resources. The funding aims at setting up the first-ever Locally Managed Marine Area in the country. This will allow local people to become stewards of coastal and marine resources and to secure their livelihood.

Marine Ecosystems

The ocean and reefs are home to numerous sea creatures and plants, some of which are even used for medical purposes. Every possible step towards the conservation of marine life and the protection of our reefs is thus taken across all our properties to:

- Ensure wastewater is not discharged in the ocean
- Use ecological or organic fertilisers

- Sensitise our team members and guests about the negative environmental impact of littering on the beach and in the sea
- Ensure all trash are properly disposed of
- Ensure with our service providers that snorkelling and diving are practiced in a way that does not affect our coral reefs
- Encouraging and support clean-up of the marine and coastal environment
- Comply with local conservation policies
- Keep boats clean and in proper working condition in order to minimise noise pollution
- Plant trees to reduce runoff into the ocean, and contribute in reversing the warming of our planet and rising temperatures of our oceans

Grande Anse Kerlan at Constance Lemuria, Seychelles, remains the number one beach on Praslin Island with a proper Turtle Conservation Programme by the renowned scientist, Dr. Jeanne Mortimer.

Corals & Island Life

Also known as the “tropical rainforests of the sea”, coral reefs not only harbour 25% of all marine species, despite covering less than 1% of the ocean floor, but they also produce oxygen whilst sequestering carbon dioxide, support fisheries, protect the shorelines and much more.

Along with Reefscapers, the leading company in coral preservation in the Maldives, our marine biologist at Constance Moofushi, Maldives, monitors the recovery of the coral reefs in 3 sites around the island. With our guests as sponsors, this project not only helps to restore the endangered coral reef ecosystems but also develop local trade activities as the iron frames are built by locals on the Fulhadhoo Island and shipped by the resort's supply boat whenever needed.

Lagoon cleaning is also a regular activity at Constance Moofushi, Maldives, and Constance Halaveli, Maldives, to remove the debris brought by ocean currents and help the marine ecosystem regenerate itself.

Local Food & Composting

At each of our properties, aromatic herbs are produced from the Chef's garden, whilst local food is ethically sourced in line with fair-trade practices, including our coffee.

Leftovers are reused by pig farms and excess food is stored in ideal conditions for distribution to the local and needy communities. Remaining food wastes, mainly biodegradable, are composted onsite for use in our gardens.

Moreover, partnerships with local suppliers and farmers have helped us to implement simple initiatives such as take-back policy for egg trays at Constance Ephelia, Seychelles, and vegetable crates at our properties in Mauritius and the Seychelles.

3.3 WATER

With global warming, sources of freshwater are being depleted faster than they can be recharged by natural processes. Water conservation is therefore becoming essential. In this respect, our continued efforts to reduce water consumption over the past years have enabled us to attain optimal cost savings at Constance Belle Mare Plage and Constance Prince Maurice. Constance Lemuria, Seychelles, is supplied with water from its own natural source and Constance Ephelia, Seychelles, and our properties in the Maldives are equipped with a desalination plant.

As a responsible organisation, our monthly water usage and costs are benchmarked with the aim to:

- Continually find ways to reduce water consumption.
- Reduce water losses by regularly checking for leaks.
- Install sensors, regulators and other water saving devices.
- Ensure efficient use of laundry equipment.
- Sensitise both team members and guests on the responsible use of water.
- Offer to guests the option of reusing towels and sheets.
- Limit the use of freshwater by capturing and using rainwater, wherever possible, and using recycled greywater for irrigation.
- Set, monitor and analyse water consumption reduction targets.
- Consider the option of desalination of sea water.

Moreover, all our properties are now equipped with water bottling plants to reduce the number of PET bottles within our properties, half of them being attached to a desalination plant with ultraviolet treatment.

Rainwater harvesting systems are used to irrigate the gardens of our Chefs, whilst grey/black water is channelled to our sewage treatment plant where it is recycled for irrigation. Guests are encouraged to use towels and linen in an environmentally-responsible manner, and swimming pools are backwashed regularly throughout the day.

3.4 ENERGY

Energy Consumption

During the year under review, our number of guests was heavily impacted by the COVID-19 pandemic. Consequently, comparative studies of our energy consumption were not meaningful.

Yet, in spite of the effects of the pandemic, we maintain our energy-saving practices as we strongly believe that the reduction of our energy consumption will lead to a reduction of our environmental footprint, whilst also lowering energy costs. In order to minimise energy consumption, we strive to:

- Make our workplace more energy efficient.
- Reduce the use of fossil fuels and opt for renewable energies.
- Maintain our machinery and equipment in good working condition.
- Opt for energy efficient equipment and low energy appliances.
- Ensure optimal use of plant and machinery.
- Use timers, sensors and other devices that regulate energy consumption.
- Reduce loss of energy by using, for instance, insulated pipes to carry hot or chilled fluids.
- Set objectives for limiting consumption, regularly monitor progress and improve processes.



Energy Efficiency

Our energy mix is progressively shifting towards renewable sources such as photovoltaic systems.

Constance Ephelia Seychelles was already equipped with a photovoltaic system for its water bottling plant. Constance Tsarabanjina Madagascar is now equipped with a 30KW solar power plant which is assisted by 2 new generators for better efficiency.

Our properties are operating on LED light at almost 100%, whilst the daily energy monitoring exercise in our properties, through the Supervisory Control and Data Acquisition (SCADA) system, provides each department with the necessary tools and information to manage their respective energy consumption and to identify opportunities to further reduce their carbon footprint.

Electricity

The implementation of the SCADA system, across our properties, started in 2011. Connected to meteorological stations, this system has enabled the real-time monitoring of electrical power usage and the reduction of associated costs.

Today, all our properties are equipped with the SCADA system, and its functionalities have been expanded so as to include the reporting on temperature and door openings of cold rooms. This has led to a direct positive impact on energy savings as well as on our Health & Safety performance.

Diesel

In the Maldives and the Seychelles, our diesel consumption is directly linked to the electricity produced given that our properties are on prime power generators. Consequently, any savings on electricity also result in savings on diesel.

Diesel is also used for water heating at Constance Lemuria, Seychelles, and Constance Prince Maurice. At both properties, a reduction in average consumption has been observed over the past years, further to the complete redesign of the heat recovery system.

Gas

To date, we have not been able to develop a thorough strategy to minimise our gas consumption due to a lack of appropriate instrumentation. Yet, a number of measures are in place to:

- Ensure the integrity of the distribution network
- Ensure that the gas banks are properly sized to match the evaporation rate demand
- Encourage team members to minimise gas usage
- Ensure that the burners are properly calibrated

3.5 WASTE

We recognise that our operations generate an important amount of waste which constitutes a major pollutant, affecting both the environment and public health. In 2020, despite the COVID-19 pandemic and the challenge of managing increased medical waste, we continued to apply the 4 R's of Waste Management - to refuse, reduce, reuse and recycle - so as to limit the impact on the environment by:

- limiting the use of disposable packaging for the hotel supplies.
- using bio-degradable products and materials, whenever the option is available.
- limiting individual packaging of hygiene products in bedrooms.
- organising sorting and separating of recyclable wastes.
- collecting and recycling cooking oil for permitted uses.
- separating and collecting grease from food stuffs.
- organising recycling of materials such as paper/cardboard/glass/plastic packaging, metal cans, ink cartridges, restaurant organic waste, garden green waste, etc.
- engaging in projects with the local community for the reuse of recycled materials.
- safely disposing hazardous wastes such as batteries, electrical and electronic devices, fluorescent bulbs/tubes, etc.
- organising and supporting clean-up of the surrounding environment.



In addition, we renewed our partnership with Parley for the Oceans which is helping us to recycle our plastic waste into usable items such as tennis shoes.

3.6 EMISSIONS

CHRG is very much conscious of the importance to minimise its carbon footprint. In this respect, we have aligned our actions to the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement. In addition, we have integrated the Hotel Carbon Measurement Initiative (HCMI) methodology into our monthly reporting process to monitor and reduce our carbon emissions more effectively, whilst contributing to SDG13 on climate action.

In 2020, further to the impact of the COVID-19 pandemic, we recorded a net level of GHG emissions of 16,161 tCO2e for our properties, compared with 34,079 tCO2e in 2019.

4. QUALITY OF SERVICES

4.1 THE QUALITY JOURNEY – OBSERVE, COLLECT, ANALYZE, IMPROVE, DELIGHT

We value our guests and ensure, through the Constance Minimum Standards and in line with the Leading Hotels of the World (LHW) Standards, that we consistently provide quality experiences to our guests. A systematic approach enables us to continuously monitor the quality level of our offerings and to grasp our guests' preferences and feedback with a view to making the necessary adjustments and continuously delighting our guests.

2020 was a year of unprecedented challenges for the global hospitality industry due to the adverse effects of the COVID-19 pandemic. At CHRG, our properties were put in a dormant state for almost 6 months. In the last quarter of the year, our properties in the Seychelles, the Maldives and Madagascar partially reopened whilst our Mauritian properties were restricted to local residents. In such a context, it was not possible to run our quality monitoring programmes in a consistent and continuous manner.

Yet, quality being in our DNA, throughout the 6-month dormant period, a number of initiatives were undertaken, including inter alia:

- Regular meetings among Resort Quality Managers
- Trainings on quality standards
- Analysis of past data
- Formulation of new goals
- Formulation and implementation of new safety standards in the light of the COVID-19 pandemic

Upon the re-opening of our properties in Q4 2020, our guest surveys were relaunched and reviews were collected with the aim to further improve our quality scores.

4.2 ONLINE REPUTATION

The management of the Group's quality standards includes the monitoring of public feedback, conversations and engagements related to our brands on online platforms, namely Online Travel Agencies (OTAs), review websites and social media. The analytical tools of our e-Business Department enable us to benchmark the performance of each of our hotels against their respective set of competitors.

We monitor online reviews through ReviewPro, the world's leading independent provider of online reputation analytics for the hotel industry, with the aim to continually increase our industry-standard Global Review Index (GRI), as a recent study conducted by the Cornell University found that a 1% increase in the GRI results in higher RevPAR.

In 2020, we achieved a GRI score of 95.7% (+0.2 point year-on-year). This 2020 score should be analysed with caution as a 60% drop in the number of reviews was recorded when compared with 2019 due to the impact of the COVID-19.

Yet, since 2014, we have consistently achieved high GRI scores exceeding 93% compared with an industry average ranging between 70% and 80%, thus enabling Constance Hotels & Resorts (CHR) to be listed among the top 10 small luxury brands worldwide.

Annual GRI Scores of CHR



4.3 GUEST SATISFACTION

The quality of our offerings and the emotional experiences of our guests are evaluated and monitored through an internal system which includes guest-satisfaction surveys, mystery audits, reservation audits and self-assessments. Post-stay surveys are sent to all guests, and data collected are thoroughly analysed to help us have an objective view of our service quality. A recognition process is also in place, at both hotel and Group levels, to identify repeat guests along with their personal preferences.

The results of our assessment exercises are systematically benchmarked against the Constance Minimum Standards and those set by the Leading Hotels of the World (LHW); the 4 primary criteria being namely product, service, cleanliness and condition. Appropriate action plans are subsequently devised and implemented by Management.

Given the special circumstances which prevailed during the year under review, only 2 LHW audits were conducted in January 2020 and 8 mystery shopper visits were carried out. Post-stay surveys were sent to all guests who stayed in our resorts in Q1 and Q4. The collected data enabled us to have a detailed view of both the overall and departmental quality performances of our resorts and to identify and implement the necessary corrective actions.

As with the GRI, there was significant drop in the number of completed surveys. In effect, only 1,501 surveys were completed in 2020 compared with 5,069 in 2019, thus distorting any year-on-year result comparisons.

5. OUR PEOPLE AND HEALTH & SAFETY

5.1 OUR PEOPLE

HR Strategy

At the start of 2018, all our hotel HR and Training Managers collaborated in the formulation of our 2018-2021 HR Strategic Plan in line with the current and future development needs of CHRG. In this respect, a new mission statement was developed, highlighting the role of our HR team members as HR Business Partners and focusing on Employer Branding, Candidate Experience, Recruitment & Selection, Performance Management as an Engagement Tool, Onboarding, Rewards, Benefits & Recognition, Culture, Learning & Development, and Welfare.

Our HR Mission Statement

"We are Talent Trailblazers, Enablers and Drivers who attract, inspire and develop true talents, and shape our culture to achieve our business goals and co-create our future as Constance Family."

With more than 40 nationalities across our resorts, CHRG has a rich diversity of cultures. However, we proactively support the recruitment and development of locals at various positions across operational and support functions, unless there is a lack of expertise on the local market, whereby fully-qualified expatriates are sought.

All posts are filled in respect to gender equality, from casual workers up to the management level. Our organisation aims to achieve equality of opportunity and treatment for all employees in recruitment, training, promotion, transfer & benefits and disciplinary matters. All employees are treated as individuals, irrespective of their status, age, caste, colour, creed, ethnic origin, impairment, political opinion, race, sex or sexual orientation.

Moreover, we do not tolerate any form of harassment and exploitation. Our managers foster an atmosphere in which everyone feels free to report potential violations. All our employees undergo the Gold Chip Induction Programme whereby they learn about our Code of Conduct and the necessity to adhere to it.

2020 OVERVIEW

Focus Areas

We started the year 2020 with great projects and before the end of the first quarter we reviewed our HR plan for the year to adapt to the challenges set by the COVID-19. As a result, our operational HR strategy for 2020 was focused on 3 broad areas:

1. Managing Costs

- Reviewed all team member contracts ending in 2020. The contracts were assessed for renewal in the Maldives and the Seychelles, and also for a few key positions in Mauritius.
- In Mauritius, a Voluntary Retirement Scheme was offered to team members aged 55 and above. 67 team members opted for early retirement.
- Voluntary salary reductions, ranging from 10% to 50%, for Management teams in all our properties and at the Head Office.
- Leave without pay for team members in the Maldives during hotel closure.
- Extended work-from-home arrangements in Mauritius to further reduce operating expenses.
- Additional tailor-made cost-saving measures were put in place in each and every property in relation, for instance, to transport, canteen, training and welfare.

2. Safety, Wellbeing, Safety & Engagement & Motivation of Our Team Members

- We ensured the safety and security of all our team members. In addition, they were all trained on the COVID-19 protocols & revised Standard Operating Procedures.
- Where possible, team members were sent back home to spend time with their family.
- Custom courses with free online training from partner platforms were put in place and several other free online training courses were offered to team members
- A 2-month intensive blended learning course, entitled "We are More Leadership Journey", was offered to our line managers in all our destinations. 73 of our leaders graduated from the course. The programme was drafted and implemented, on complimentary basis, by our learning partner LRMG, a South African training provider.
- 3 online leadership case studies were conducted by the CEO of LRMG for our senior management team members from our properties and the Head Office.
- Regular engagement activities were conducted on the new employee communication and collaboration tool 'Workplace by Facebook' in order to keep our teams connected and involved.
- The 'Workplace by Facebook' platform was leveraged to reinforce the Constance Culture and foster learning through quizzes, challenges and posts.

3. Communication with Our Teams

- The 'Workplace by Facebook' platform was introduced in May 2020. It offers an easy media for cross-directional communication, document sharing, messaging, calls, learning, surveys, quizzes and it connects team members to each other irrespective of their physical location. Out of the 3,000 team members who were invited to join, 2,100 had activated their account and around 1,000 were weekly active users as at 31 December 2020, bearing in mind that a significant share of invited team members could not join due to literacy or internet access challenges.
- Key information, including on COVID-19, was regularly shared with our team members and domestic and overseas sales partners via 'Workplace by Facebook'.
- Online team-building sessions with the management teams in the Maldives, the Seychelles and Mauritius respectively.

Talent Acquisition

With the pandemic and the closure of all our resorts as from April 2020, recruitment was put on hold but the talent acquisition function reshaped itself to continue to grow our presence on social media platforms.

The principal talent-acquisition actions undertaken in 2020 included the following:

- Collaboration with job boards and recruitment service suppliers were temporarily put on hold in order to reduce costs as much as possible.
- We maintained our candidate communities so as to engage interested candidates for potential future opportunities through social media and took this opportunity to refresh the talent pool in our Applicant Tracking System (ATS) with strong candidate profiles.
- Upon the reopening of our hotels, we developed a talent exchange network between hotels to enhance internal mobility, reduce cost and rapidly redeploy resources where needed.
- In the light of the uncertainty in occupancy, we adapted our recruitment strategy for more short-term and casual contracts in order to cater for short-term needs.
- We reshaped our recruitment and selection process with focus on further digitalisation to better address the needs of our resorts and candidates.

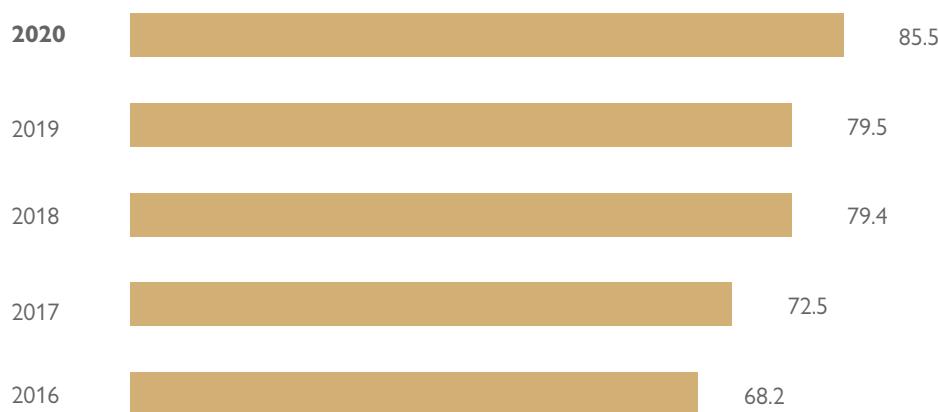
Gender Distribution

During the year under review, the gender distribution evolved with an increase in female employment representing about 30% of our workforce. The net improvement was mainly attributable to increases of nearly 48% and 3% for the Management and Junior positions respectively.

Employee Engagement Survey

Ensuring that our team members are engaged is fundamental to how we run our business. An Employee Engagement survey is consequently run twice a year to measure the gap between promises made by the CHRG to its team members and promises actually delivered. Despite the exceptional COVID-19 circumstances in 2020, our Group Employee Engagement Score continued to improve as a result of all of our initiatives.

Employee Engagement Survey Score (%)



Constance Hospitality Training Centre (CHTC)

In a year of unprecedented change in workforce operations due to the COVID-19, we experienced the challenges to ensure that employees felt supported and included. At CHTC, our priority was to ensure the well-being of the team and that of our students. Timely, clear and continuous communication was essential to get through this testing period as “normally” as possible.

For our students, we continued our programmes through distance-learning mode. We negotiated with our partners and e-learning content providers who agreed to open their platforms free of charge to our students.

Whilst our hotel operations were at halt due to the COVID-19, it was imperative to keep team members at our properties engaged, by notably connecting with them through various training programmes:

1. COVID-19 Awareness Certificate:

In the initial stages of the pandemic, lots of unverified information were in circulation creating doubts and uncertainty. CHTC came up with a structured online COVID-19 Awareness Programme which was deployed through our Learning Management System. We touched all our current students and more than 2,700 team members of the CHRG. Some properties used this certification, among other measures, to be certified as COVID-safe hotel.

2. LinkedIn Learning Pro:

We negotiated free access to their contents which were distributed to our managers and executives.

3. Topsy.com:

They opened their platform for free. We provided access to all our students and CHRG team members at supervisory and operative levels.

4. BRIGHT:

We launched our BRIGHT Level 1 and BRIGHT Level 2 programmes in Mauritius.

5. Other Programmes:

Other programmes included virtual team building for the management staff throughout CHRG and the CITC Level 1 for our team in Mauritius.

Major external programmes had to be put on hold due to the pandemic. However, CHTC was called upon to deliver its COVID-19 Awareness Programme to other hotels in Mauritius through the Tourism Employees Welfare Fund.

Our existing NC3 students were able to complete their exams which were organised at our own C Mauritus in collaboration with the MITD and MES. We also completed the second semester of our National Diploma Level 6 in Hotel Management, and the third semester started in November and is ongoing.

In the current environment, it is important that we remain vigilant and ready to bounce back when the situation improves. It is also crucial that we instil the ‘new normal’ in the hospitality industry. Whilst we have reviewed all our existing training offers to meet the current exigencies, we are working on new online programmes to be deployed both internally and externally.

Overview of Major Activities in 2020

1. BRIdging the Gap Through Holistic Training (BRIGHT) Level 1 & Level 2

- 8 modules per programme (excluding orientation and assessment presentation)
- 3 formal assessments conducted per participant, including Train-the-Trainer, write-up & presentation and WRitten Assessment

Number of participants in the 2020 cohort:

- Mauritius: 21 (BRIGHT 1) and 11 (BRIGHT 2)
- Seychelles: Cancelled due to COVID-19
- Maldives: Cancelled due to COVID-19

2. Ongoing Award Courses (existing cohorts)

- Number of students enrolled in NC3 courses under HRDC's NSDP scheme: 129
- Non-NSDP students enrolled in NC3 Courses: 24
- Number of students enrolled in the National Diploma Level 6 in Hotel Management: 10

3. COVID 19 Awareness Programme

Number of Internal Participants: Total of 2,828

CPM: 286 CBMP: 729 CMRU: 123 CHML: 141
CES: 674 CLS: 383 CHM: 257 CMM: 235

Number of External Participants: Total of 194

La Vallée Des Couleurs Nature Park	21
Maritim Crystal Beach Hotel Mauritius	26
Sofitel Mauritius	40
Club Med Pointe au Cannoniers Mauritius	29
Anahita Golf & Spa Resort	58
Veranda Tamarin Hotel & Spa	20

4. Basic Train the Trainer

18 Participants from CBMP

CPM: Constance Prince Mauritus	CBMP: Constance Belle Mare Plage
CMRU: C Mauritus	CHML : Constance Hospitality Management Ltd
CLS: Constance Lemuria, Seychelles	CES: Constance Ephelia, Seychelles
CHM: Constance Halaveli, Maldives	CMM: Constance Moofushi, Maldives

5. OUR PEOPLE AND HEALTH & SAFETY (continued)

OUR TEAM PROFILE IN 2020

2,762
Team Members



46
Nationalities



Team Member by Country of Operation

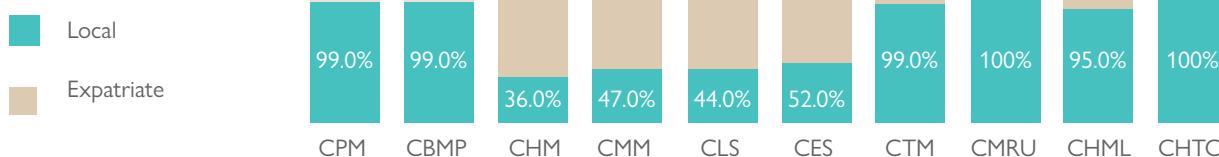


Mauritius	1,189
Seychelles	992
Maldives	470
Madagascar	99
Germany	3
France	3
Italy	3
UK	3

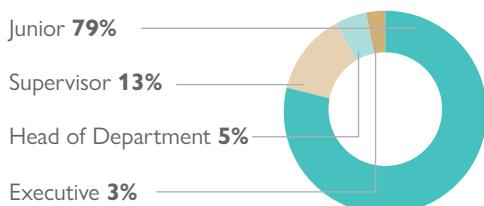
% of Local Team Members



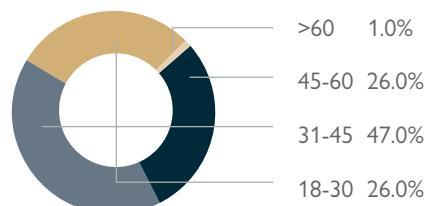
% of Local & Expatriate Team Members by Hotel/Entity



Team Member by Job Level

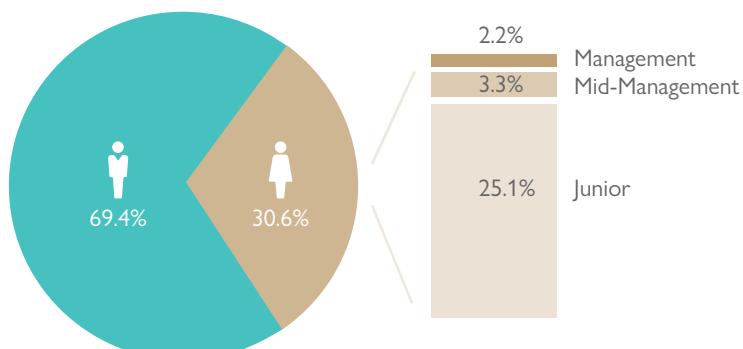


Team Member by Age Group



CPM: Constance Prince Maurice
CBMP: Constance Belle Mare Plage
CHM: Constance Halaveli, Maldives
CMM: Constance Moofushi, Maldives
CLS: Constance Lemuria, Seychelles
CES: Constance Ephelia, Seychelles
CTM: Constance Tsarabanjina, Madagascar
CMRU: C Mauritius
CHTC: Constance Hospitality Training Centre
CHML: Constance Hospitality Management Limited

Gender Distribution by Job level



5.2 HEALTH & SAFETY

CHRG is committed to maintaining and continually improving its Health & Safety (H&S) standards across all its operations. We aim to complement local legislations and requirements through the following four spheres of H&S performance, binding all our stakeholders to incorporate them into their daily operations.

1.

Compliance

Each unit, in consultation with the Sustainability Committee representatives, establishes and reviews appropriate standard of procedures, as and when required, to ensure the H&S of all team members, service providers, guests and any other stakeholder groups with whom they are involved.

2.

Risk Management

Each unit ensures active monitoring of risks and unsafe conditions through regular worksite inspections, risk assessments, timely reporting of incidents, adherence to safety rules and health surveillance programmes. These are essential management tools to establish an effective H&S framework.

3.

Competence & Training

Each unit ensures that all team members are provided with the adequate information, instructions, and job-specific training. Team members receive refresher training on workplace safety rules and emergency management on a yearly basis and upon unsafe acts/behaviours or following the occurrence of a work-related incident.

4.

Consultation & Communication

We actively engage with all stakeholders to assist in the evaluation of the effectiveness of the H&S programme and to promote awareness and co-worker participation.

During the year under review, our H&S related operations were hampered by the COVID-19 pandemic. The measures imposed by national and regional authorities varied significantly in terms of time and geography, depending on the outbreak patterns. As a result, the positive growth trend recorded in our H&S Performance over the past years was adversely impacted as our teams remained off-site for several months at a time.

We temporarily adjusted our priorities to avert potential risks and make the best possible use of opportunities arising from the exceptional situation. Though working remotely, the Sustainability Team continued to care for the health and well-being of all team members; maximising the availability of its services to help people and their families with health and hygiene practices, supporting the communities with quarantine facilities and preparing for the continuity of our services for our guests. In order to attain these objectives, we came forward with a new sanitary protocol: the Constance Stay Safe.

Our New Sanitary Protocol: Constance Stay Safe



STAFF JOURNEY ROADMAP



GUEST JOURNEY ROADMAP

6 Main Touchpoints

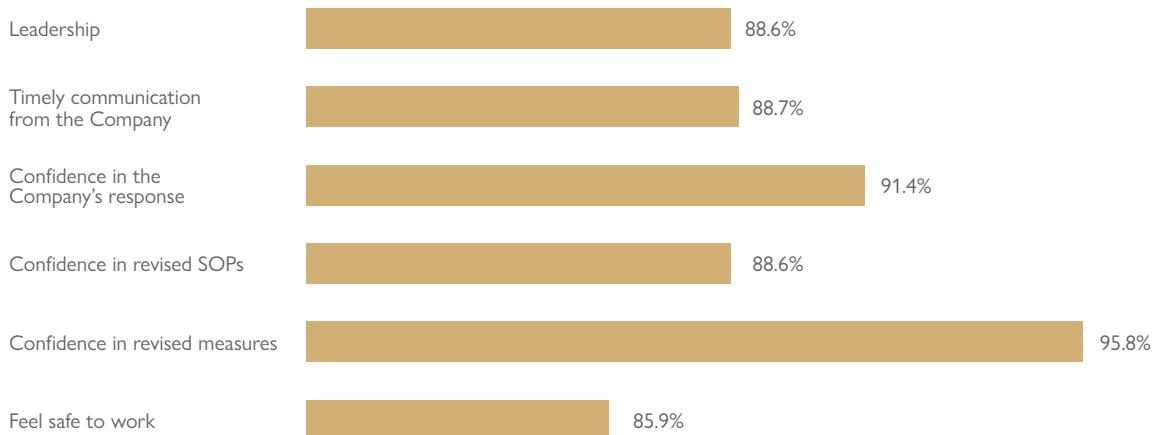
Our reinforced sanitary protocol reflects our commitment to the health of our guests and stakeholders throughout their journey with us, in strict compliance with the directives of the World Health Organisation, SGS Global Standards and local health authorities.

The Constance Stay Safe protocol comprises a number of initiatives throughout the journeys of both our guests and staff. Digital aids and other awareness materials are also used to protect each guest and employee.

At end of 2020, a COVID-19 pandemic response pulse survey was conducted in order to gauge the perception of our team members and their confidence in working at their respective property. 95.8% of the respondents expressed their confidence with regard to the revised sanitary measures and 85.6% felt safe within their working environment.

Pulse Survey on COVID-19

December 2020



6. CORPORATE SOCIAL RESPONSIBILITY

6.1 FONDATION CONSTANCE

Mission

As part of its mission, the Company cares for the well-being and development of the communities in the neighbourhood of its hotels. It considers its Corporate Social Responsibility (CSR) initiatives as investments that contribute to the sustainable development of the community.

Fondation Constance

Fondation Constance is the entity responsible for the implementation of Constance Group's CSR programmes through its Steering Committee. It reports to the Corporate Governance Committee, which approves its annual programme and monitors its performance on a quarterly basis.

Objectives

The Constance Group's CSR policy is guided by a set of three objectives.

Objective 1



Care for the well-being and development of the community in which it operates, including the environment.

Objective 2



Ensure that the Group's involvement and contribution make a difference

Objective 3



Establish that Corporate Social Responsibility is not charity but an investment that bears a positive impact on the community.

Whilst Fondation Constance extends its consideration to high-impact projects at national level, it tends to give priority to projects in the region in which its Group member companies operate. This gives the Group a wider opportunity to reach out to its local stakeholders.

Donation Policy

The Group's allocation of funds follows a specific donation policy that is meant to:

- i. Ensure that all its donations are compatible with its business activities and reflect its respective values and objectives.
- ii. Support people and communities, at both local and national level, with the aim of making their lives better and giving them opportunities that they might otherwise not have had access to.
- iii. Enhance and safeguard the natural environment.

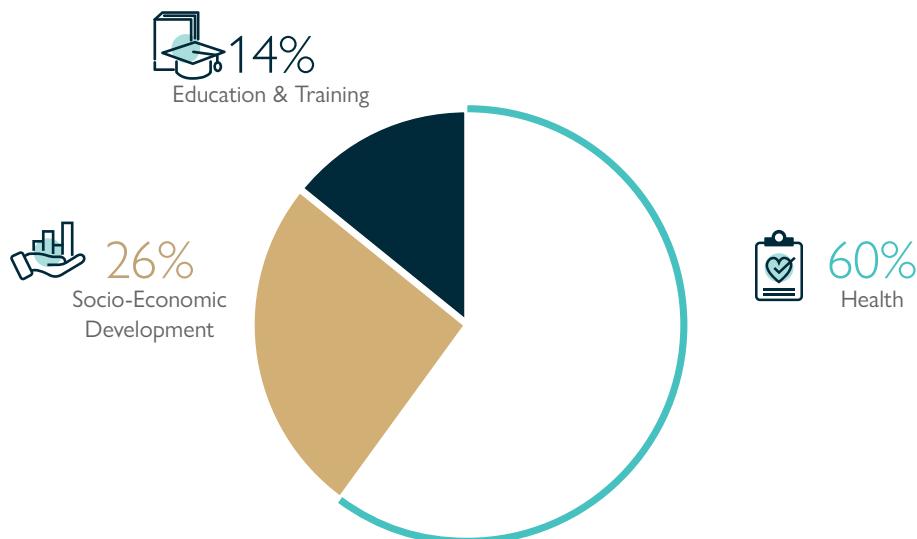
The outbreak of the COVID-19 pandemic in 2020, significantly impacted on CHSL, leading to considerable cuts in the contributions made to Fondation Constance during the year under review.

	The Group		The Company	
	2020 MUR'000	2019 MUR'000	2020 MUR'000	2019 MUR'000
National Social Inclusion Foundation (through MRA)	-	-	-	-
CSR contribution to Fondation Constance	-	2,000	-	2,000
Others	82	32	-	-
Total	82	2,032	-	2,000

Fund Allocation of Fondation Constance

In 2020, Fondation Constance reviewed its priorities and allocated the available financial resources to fund projects in three focus areas, namely Education & Training, Socio-Economic Development and Health.

Fund Allocation by Focus Area, Year Ended 31 December 2020





EDUCATION & TRAINING

Taking into consideration that Education & Training has been among the priority areas of the Constance Group of Companies for years and that the allocation of funds is sensitive to the economic impact of COVID-19, Fondation Constance continued to commit support to the following:

- **Etoile de Mer:** An NGO dedicated to the development of quality non-formal education programmes for 40 underprivileged children excluded from the formal education system.
- **Friends of the Poor:** Schooling support was sponsored for 10 underprivileged children from the eastern region of Mauritius.
- **Technical Training:** Fondation Constance sponsors youths who demonstrate a keen desire to uplift themselves and secure future employment through vocational training and tertiary education. During the year under review, 2 students pursuing their studies at Charles Telfair University and St Joseph Technical School, respectively, took advantage of the scheme.



SOCIO-ECONOMIC DEVELOPMENT

Service d'Accompagnement, de Formation, d'Insertion et Réhabilitation de l'Enfant (SAFIRE)

Due to financial constraints, Fondation Constance had to review downwards its financial support to SAFIRE, an NGO engaged in the promotion of the rights of street children. This collaboration targets children living in the regions where member companies of the Constance Group operate.

Support to Vulnerable Families during the COVID-19 Pandemic

The outbreak of the COVID-19 and the ensuing total lockdown in 2020 caused sudden hardships among families of the eastern region of Mauritius. Fondation Constance catered for the basic necessities of some 15 families through Caritas-Flacq.



HEALTH

Centre d'Accueil de Terre Rouge (CATR)

Drug addiction being alarmingly on the rise, particularly among young persons of the East of Mauritius, Fondation Constance financially supported the CATR, an NGO expert in this matter, to develop a programme so as to strengthen the prevention and treatment of substance abuse in the region.

A Day Centre, opened on 05 September 2018, continued to receive the financial support of Fondation Constance in 2020. Counselling and sensitisation sessions continued to be offered to the community by CATR in 2020. Youngsters from the East have benefitted from the 'Art Therapy' sessions at Rivière Citron.

The reduced contributions from Constance Group of Companies in 2020 led Fondation Constance to put on hold its collaboration to provide a Day Centre, with appropriate amenities, to combat drug addiction in the East.

6.2 CSR INITIATIVES AT PROPERTY LEVEL

Concurrently to projects supported by Fondation Constance, CSR initiatives are also undertaken at the level of our properties. These initiatives give CHRG a wider opportunity to reach out directly to its local stakeholders.

During the year under review, in spite of the impact of the COVID-19 outbreak, 30 initiatives regrouping over 1,200 individuals and amounting to over MUR 5 million were carried out, in line with our CSR objectives and under the monitoring of the Corporate Sustainability Manager. Such initiatives are mapped onto the SDG Matrix in an effort to visualise our contribution to SDGs, and in turn inform our sustainability strategy in the long term.

Selected CSR Initiatives

Kids Hiyaa

Organised by the Maldives Housekeepers Association in collaboration with the Ministry of Gender, Family and Social Services of Maldives. The team of Constance Moofushi, Maldives, participated in the cleaning & painting of Kids Hiyaa, a children orphanage in the Maldives.

Clean Up Drive – Himandhoo Island

In February 2020, as part of the the Clean Up Drive initiative, the team of Constance Moofushi, Maldives, participated in the cleaning of the beaches of the nearby Himandhoo island, together with local students.

Himandhoo School Prefect Celebration

Visits to the Himandhoo island being part of the authentic experiences we offer at Constance Moofushi, Maldives, our guests often donate gifts for the local school. These gifts are remitted, every year, during the special celebration of the School Prefect. We believe in inspiring the future generations to develop themselves and open up to opportunities offered by the tourism industry.

7. THE WAY FORWARD

As a responsible business, we believe that we must not only manage the impact of our operations on the economy, society and environment, but also lead the way in understanding, improving and innovating for sustainable tourism. Building on our sustainability achievements and commitments, we aim to establish a new chapter in our sustainability journey – True by Nature.

Over the coming years, CHRG will, consequently, strive to better grasp and address new sustainability challenges through the empowerment of its people and continual enhancement of its operations and initiatives, thus reinforcing its commitment to responsible and sustainable business practices.

Our 2024 Targets

Sustainability Management Plan Pillar	Indicator/Lever	2024 Target
 TRUE PEOPLE	Average Group Consumption in m3/day	≥ 80%
	Average Training Hours per Team Member	≥ 30 hours per year
Operational Health & Safety	Overall OHS Performance	≥ 80%
 TRUE PLACES	Supply Chain Engagement	≥ 80%
	CSR Direct Beneficiaries	> 2,000 individuals
Biodiversity	Increase in funding of restoration projects	-15%
Energy	Reduction in Greenhouse Gas Emissions	-15%
Waste Management	Reduction in Waste-to-landfill per Room Night	15%
 TRUE SERVICES	Corporate Governance	Status of Compliance to Structures and Systems
	Quality Standards	Secured Guests Score
 TRUE EXPERIENCES	Overall Guest Satisfaction Score	> 86%
	Customer Satisfaction	Emotions Score



CONSTANCE
HOTELS, RESORTS & GOLF

True by Nature

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