

MANAGING SUSTAINABILITY

ABOUT THIS REPORT

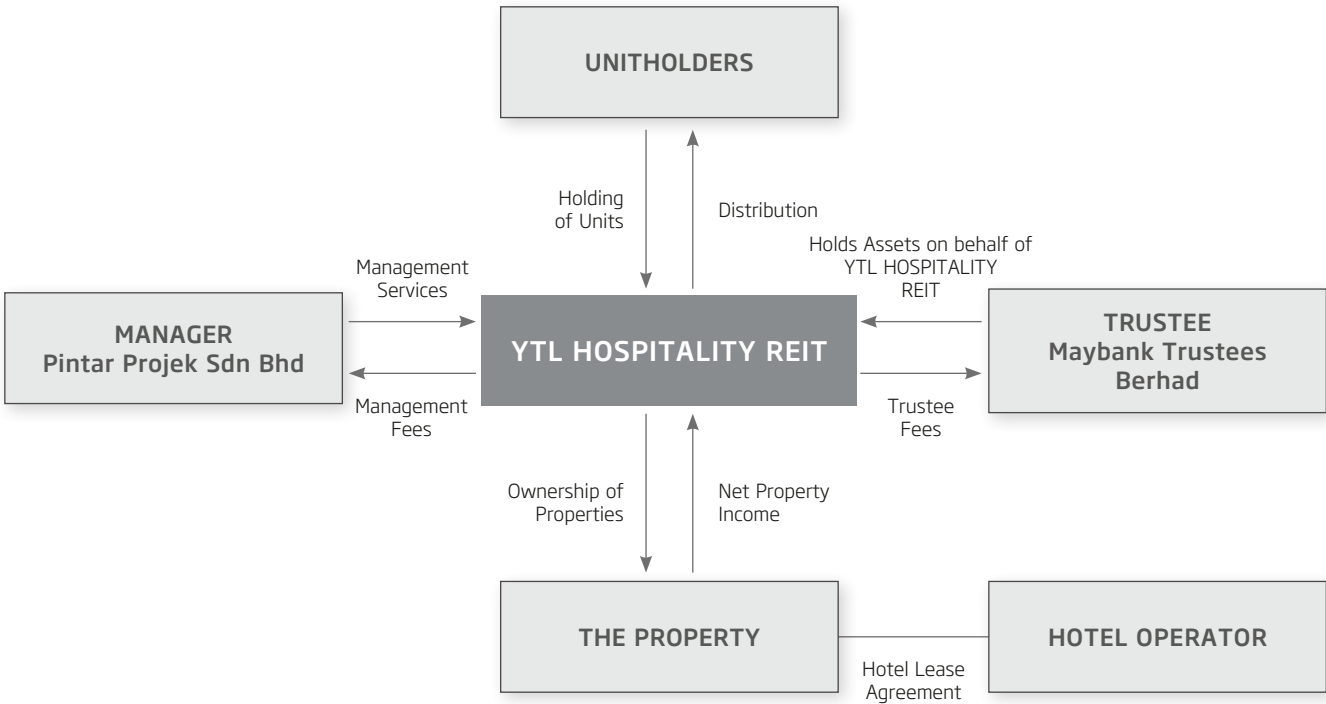
Structure and Management

YTL Hospitality REIT (“YTL REIT” or the “Trust”) was listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) on 16 December 2005 and is an income and growth type fund. The principal investment objective of YTL REIT is to own and invest in real estate and real estate-related assets, whether directly or indirectly through the ownership of single-purpose companies whose principal assets comprise real estate.

YTL REIT has a market capitalisation of RM1.83 billion (as of 30 June 2025) and owns a broad portfolio of 19 hospitality assets, spread across Malaysia, Australia and Japan.

The trustee of YTL REIT is Maybank Trustees Berhad and YTL REIT is managed by Pintar Projek Sdn Bhd (“Pintar Projek” or the “Manager”), a 70%-owned subsidiary of YTL Corporation Berhad (“YTL Corp”).

YTL Hospitality REIT Structure



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Reporting Scope and Boundary

This sustainability statement provides an overview of how we operate and manage our strategy and day-to-day business to address our sustainability commitments and performance.

This statement covers YTL REIT's portfolio, where the Manager, Pintar Projek, has both financial and operational control, aligned with YTL REIT's financial year from 1 July 2024 to 30 June 2025 ("FY2025"), unless otherwise specified, and where there is readily available data. The environmental data in this report covers Brisbane Marriott Hotel ("BMH"), Melbourne Marriott Hotel ("MMH") and Sydney Harbour Marriott Hotel ("SHMH"). The social and governance data covers the Manager, BMH, MMH and SHMH.

Properties where we do not have financial and operational control are excluded. Where material, newly acquired assets will be included upon the availability of a full year of data corresponding with YTL REIT's financial year, whilst any assets divested during the financial year are excluded from this statement.

Where relevant, the sustainability initiatives, performance and achievements of the lessees and operators of the Trust's properties will be outlined in greater detail in the consolidated YTL Group Sustainability Report 2025, which will be published in October 2025 in conjunction with YTL Corp's Annual Report for the financial year ended 30 June 2025. The report can be accessed from the YTL Group's sustainability website at <https://www.ytl.com/sustainability/>.

Reporting Framework, References & Guidelines

This statement was prepared with reference to the following requirements, guidance, standards, frameworks and principles:

- Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities")
- Malaysian Code on Corporate Governance ("MCCG")
- Bursa Securities' Sustainability Reporting Guide and Corporate Governance Guide
- FTSE Russell ESG Data Model Methodology
- Global Reporting Initiative ("GRI") Sustainability Reporting Standards
- The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard ("GHG Protocol")
- United Nations Global Sustainable Development Goals ("UN SDGs")

Data Validation & Assurance

The information and performance data presented in this statement have been verified for their accuracy using internal sources. The proportion of spending on local suppliers and the lost time incident rate ("LTIR") for FY2024 have been restated. We are continuously working on standardising the datasets and improving our data tracking and collection methods. This effort aims to overcome the challenges in gathering data related to our environmental, social and governance ("ESG") metrics and to improve the process of reporting non-financial information.

We have not undertaken third-party verification for non-financial data. Seeking external assurance is under consideration for future reports.

This report was approved by the Board of Directors of the Manager ("Board") on 28 August 2025. References in this report to our website are to our corporate website at www.ytlhospitalityreit.com.

Forward-looking Statements

This statement contains forward-looking statements related to future expectations. These statements are premised on current assumptions and circumstances that are subject to change. Although we believe that these statements are reasonable, they are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from expectations expressed or implied in such statements.

Contact

We welcome feedback, questions and suggestions from our stakeholders about this report. Please contact us at:

Sustainability Division
YTL Hospitality REIT
Email: sustainability@ytl.com

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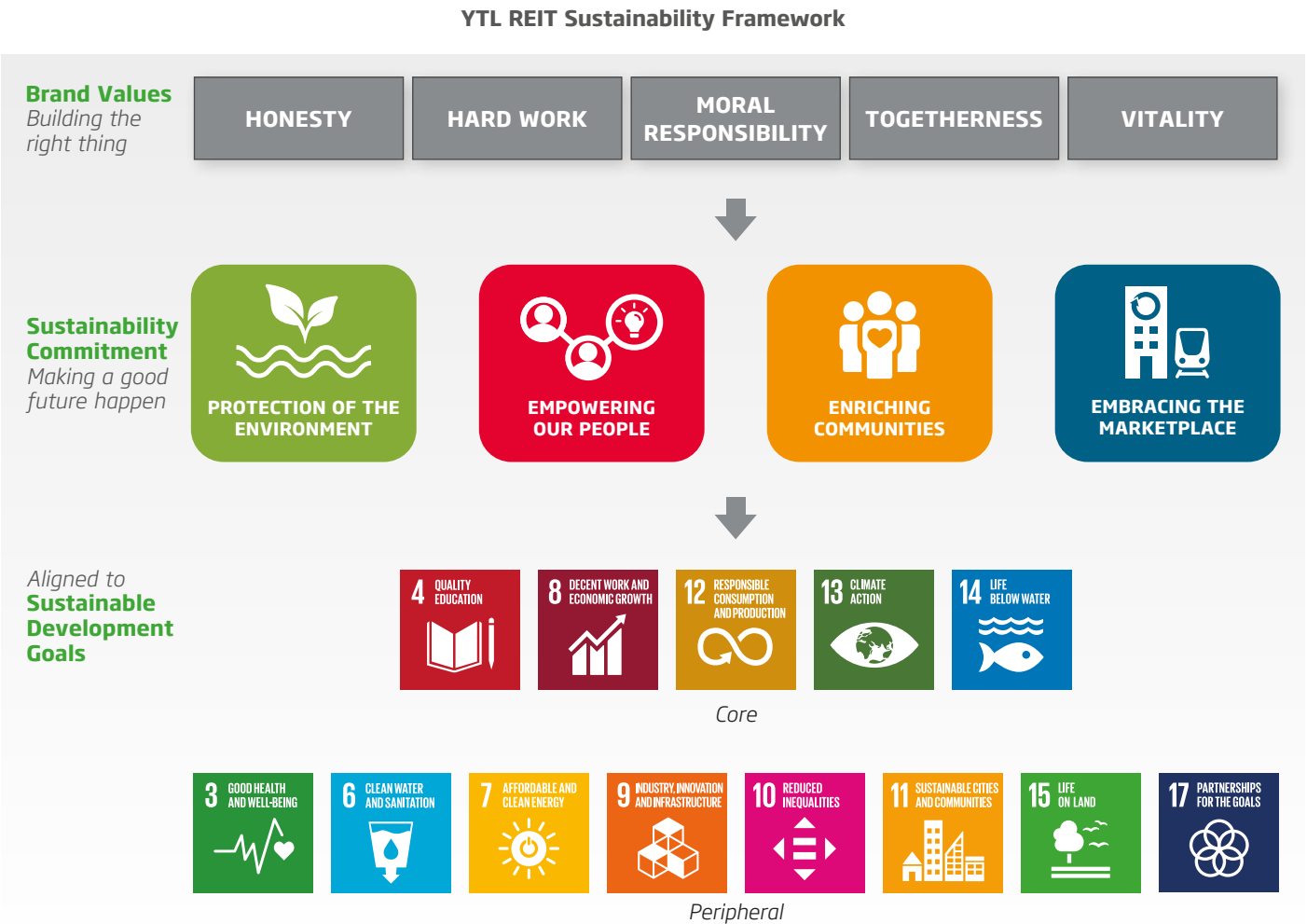
OUR APPROACH TO SUSTAINABILITY

As part of YTL Corp and its subsidiaries (“YTL Group”), YTL REIT’s sustainability focus is aligned with YTL Group’s credo, “Making A Good Future Happen”. This approach is embodied in our value chain and business practices, aiming to create long-term positive impacts for our stakeholders. Regular assessment, review and feedback on ESG issues are conducted in line with YTL Group’s practices and policies.

The Manager’s sustainability commitment is rooted in creating lasting value for all stakeholders by strongly emphasising management of the Trust’s assets responsibly and with integrity. Our commitment to sustainable practices enables us to demonstrate a clear commitment towards achieving our growth objectives, balancing business opportunities and risks in the ESG realms.

We have aligned and adopted YTL Group’s established sustainability structure and framework, policies and guidelines, where relevant and appropriate. The following value-added Sustainability Framework is intrinsically linked to our sustainable business practices, ensuring our business remains relevant, acts responsibly and creates value over the long-term.

Where applicable to the Trust, we incorporate sustainability into the day-to-day management of YTL REIT, which is aligned with the UN SDGs, YTL Group Code of Conduct and Business Ethics (“the Code”), Anti-Bribery and Corruption Policy (“ABC”) and Global Privacy Policy. On 21 August 2024, YTL Group updated its Code to formally consolidate existing ESG policies and general practices applicable across the Group. As a result, the previous Corporate Statements have been replaced with the updated Code.



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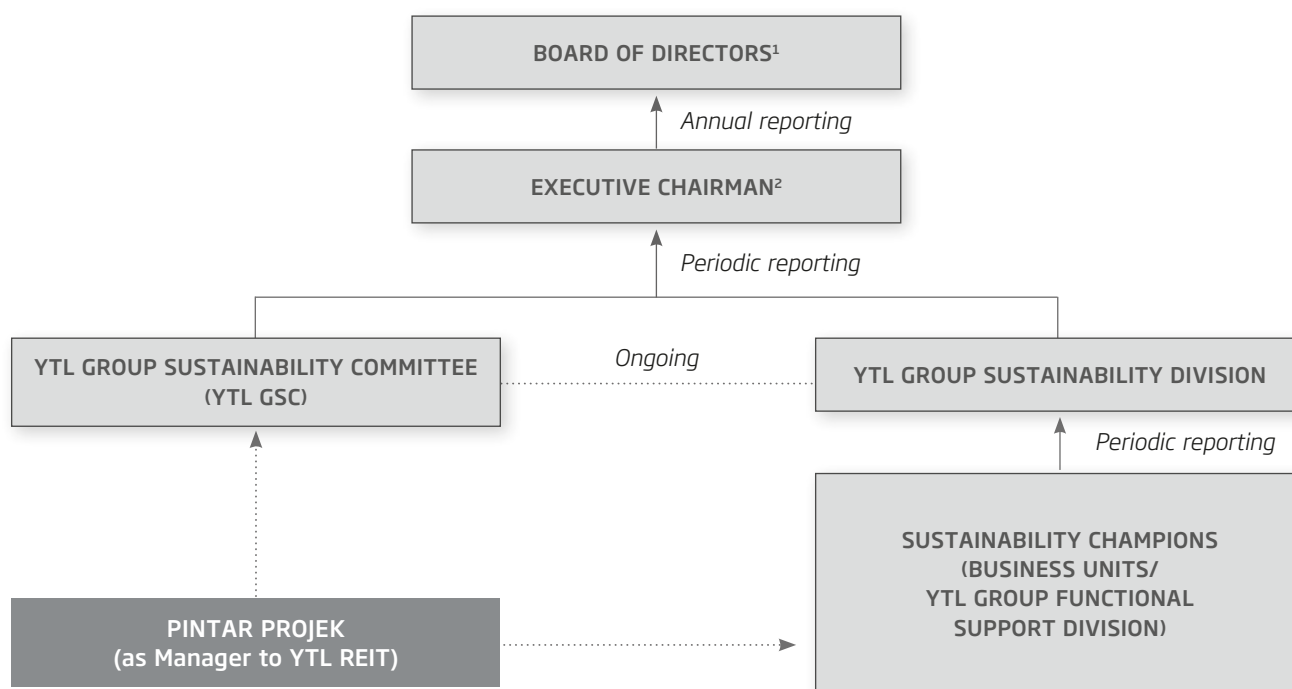
Sustainability Governance

YTL Group operates with a clear and well-communicated governance structure and robust governance systems, which YTL REIT has similarly adopted. The Manager's Board of Directors (the "Board") is responsible for implementing and ensuring good governance.

The Board maintains rigorous oversight of sustainability matters through a structured governance framework. YTL Group's Sustainability Division consolidates performance data across all key ESG metrics, before presenting it to the Board. Sustainability issues are discussed with the Board at least once a year during board meetings to enable effective oversight of strategies addressing climate change and sustainability-related risks and opportunities. In FY2025, the Board attended training on sustainability-related topics, further details of which can be found in the *Corporate Governance Overview Statement* in this Annual Report.

More information on the Trust's governance and internal control systems can be found in the *Corporate Governance Overview Statement*, and the *Statement on Risk Management and Internal Control* set out separately in this Annual Report.

YTL REIT Sustainability Governance Structure



Note:

¹ Refers to YTL Corp's Board of Directors

² Executive Chairman of Pintar Projek is also Executive Chairman of YTL Corp and Chairman of YTL GSC

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Board of Directors

- Responsible for the governance of ESG, including setting YTL REIT's ESG strategy, priorities and targets, and reviewing material ESG risks and opportunities.
- Oversees the progress of the sustainability strategy and performance across material ESG matters, including approving materiality results and the sustainability statement.

YTL Group Sustainability Committee

- Led and chaired by the Executive Chairman of YTL Corp, who is also the Executive Chairman of Pinar Projek.
- Comprises representatives from YTL Group's Sustainability Division and Senior Management from all YTL Group Business Units, who support the Board in setting high-level sustainability direction and strategic focus.
- Oversees the implementation of sustainability strategy, the roadmap and other ESG-related matters.
- Reviews, monitors and provides YTL Group's sustainability strategic plans and initiatives across our value chain.
- Reports to the Board on an annual basis or more frequently, as and when needed and updates the Board on regulatory changes and requirements.

Roles and Responsibilities

Group Sustainability Division

- Spearheaded by the Head of Group Sustainability.
- Formulates sustainability framework.
- Leads and oversees the implementation of YTL Group's sustainability strategy.
- Coordinates and implements YTL Group's sustainability activities.
- Monitors and tracks YTL Group's sustainability performance.

Sustainability Champions (Business Units/ Group Functional Support Division)

- Play a significant role in aligning the sustainability agenda with business practices on the ground.
- Implement, manage and monitor sustainability activities and performance.

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Stakeholder Engagement

Stakeholders	Engagement Methods	Stakeholder Interests and Concerns	Our Response and Initiatives
 LESSEES	Dialogue and engagement sessions	- Create a conducive hotel environment - Property maintenance and enhancement	Identify potential areas of improvement and implement appropriate follow-up actions
 INVESTORS	- Dedicated investor relations section on the company's website - Annual General Meeting - Annual Report - Results briefings with analysts, investors and via press releases to the media	- Access to yield-accretive real estate investments - Business performance and strategy - Corporate governance and risk management - Sustainable returns	- Provide accurate information to the investing public through timely communication channels - Implement effective strategies for investor engagement - Uphold high standards of corporate governance, risk management and internal controls
 GUESTS	- Newsfeed in lounges, guest rooms, front desk and other public areas - Loyalty programmes for hotel guests - Social media - Websites	- Condition of amenities provided in properties - Promotions and rewards	- Provide a safe and convenient environment - Improve guest experience via digitalisation initiatives
 EMPLOYEES	- Weekly department meetings - Annual performance appraisals - Recreational and team-building activities - Training courses and workshops - Employment incentives and benefits	- Communicate business strategy and developments - Personal growth and remuneration benefits - Diversity - Training and career development - Healthy, safe and inclusive work environment	- Foster open dialogue with employees to share updates and receive feedback - Ensure compliance with all applicable health and safety and labour laws - Provide opportunities for employees to develop skills and gain knowledge - Promote a positive culture through activities and engagements - Conduct performance appraisals, competitive remuneration and benefits

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Stakeholders	Engagement Methods	Stakeholder Interests and Concerns	Our Response and Initiatives
 GOVERNMENTS AND REGULATORS	Meetings, feedback and other correspondence	- Compliance with regulatory requirements - Sustainability and risk management	- Implement policies and procedures to ensure regulatory compliance - Regularly monitor and review regulatory issues and performance - Adopt best practices for ongoing improvement in sustainability and risk management
 SUPPLIERS AND CONTRACTORS	- Requests for Proposals - Meetings and site visits - Vendor evaluation	- Fair procurement policies and practices - Workplace safety assurance - Strict adherence to timelines - Timely payment for goods and services - Preference for local procurement or nearshoring	- Uphold ethical business practices and integrity - Foster responsible supply chain management
 COMMUNITY	Corporate social responsibility ("CSR") programmes	- Community investment - Supporting local communities	- Ongoing CSR activities through volunteerism, donations and in-kind sponsorships - Support for environmental and social causes

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FEATURE STORY - Industry Engagement

YTL REIT actively participates in industry associations that support the growth, sustainability and resilience of the hospitality sector. Through our assets across Australia, we contribute to collaborative efforts that drive operational excellence, sustainable tourism and destination stewardship.

Queensland Hotels Association (QHA)

BMH is a member of the QHA, the peak industry body representing hotels in Queensland. QHA advocates for industry standards and regulatory compliance whilst promoting workforce development, sustainability and responsible service.

Brisbane Economic Development Agency (BEDA)

BMH is a member of BEDA which is the key body which drives engagement with all the key economic drivers in the City of Brisbane. All major city-wide events are partnered through BEDA.

Accommodation Australia

Both MMH and SHMH are members of Accommodation Australia, a leading national body representing Australian accommodation providers. The organisation works closely with government and industry stakeholders to support sustainable policies, workplace relations and business resilience.

Australian Cruise Association (ACA)

SHMH is a member of the ACA, which plays a pivotal role in making Australia and the Pacific region a major world class base and destination for cruise vessels. ACA fosters collaboration between ports, destinations and operators to realise the region's potential as a world-class cruise destination.

Business Events Sydney (BESydney)

As a member of BESydney, SHMH supports the promotion of Sydney as a leading sustainable destination for global conferences and events. BESydney works to attract high-impact events that contribute to economic development, knowledge exchange and sustainable tourism.

Uptown Sydney

SHMH is also part of the Uptown Sydney district partnership, a place-based initiative focused on revitalising the district through local business collaboration, cultural programming and urban placemaking to attract visitors to the area that was once overlooked as a tourist trap or corporate centre.

Ecotourism Australia

SHMH attained certification from Ecotourism Australia, the peak body for ecotourism and sustainable tourism that supports the tourism industry through building capacity and actively promoting sustainable tourism operations and systems.

Victorian Tourism Industry Council (VTIC)

MMH holds membership under VTIC, Victoria's peak tourism industry body and leading advocate for Victoria's tourism and events industry. VTIC connects and informs their members on future-focused insights and keeps members abreast of policy changes in the industry.



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MATERIALITY

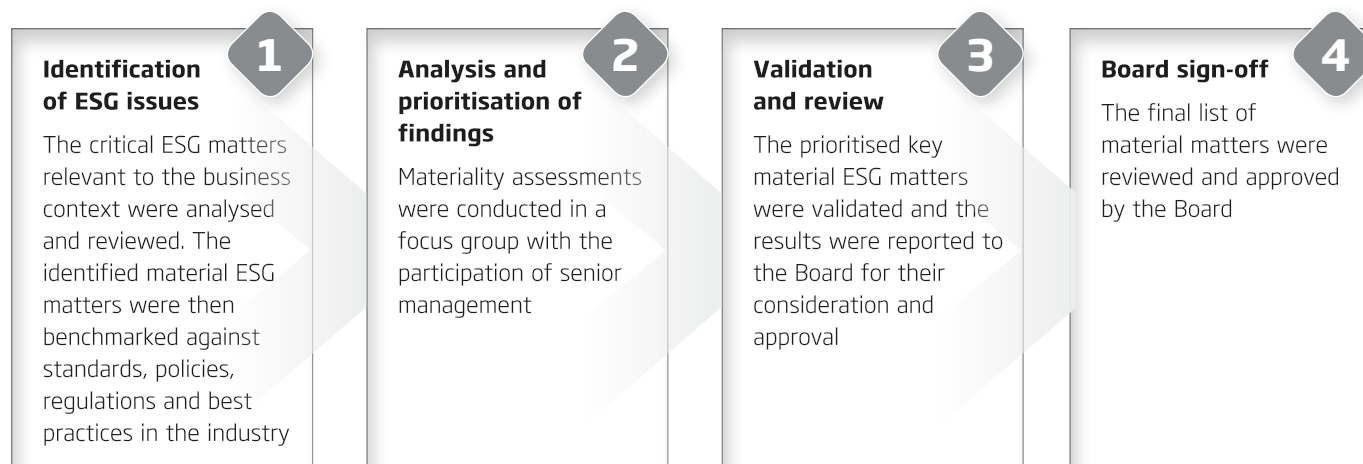
To ensure that YTL REIT remains aligned with the dynamic nature of sustainability issues, stakeholder priorities and regulations, we have conducted a new materiality assessment this year. The YTL Sustainability team worked with the relevant internal stakeholders to identify and review a new list of materiality matters, which are based on the common sustainability matters list from Bursa Malaysia's Sustainability Reporting Guide and Toolkits (3rd Edition), industry reports, peer benchmarking, as well as reports from the YTL Group of companies.

A six-point Likert scale was used, and respondents were asked to rank priorities based on the actual and potential impacts of issues affecting business continuity and development. The final list of material issues is reviewed and approved by the Board. The materiality assessment generated 15 material sustainability matters, of which five were ranked as highly material.

The table below highlights the key changes to materiality matters with a comparison based on FY2024's list of materiality matters:

Type of Change	FY2024 Materiality Matters	FY2025 Materiality Matters
Consolidation	Corporate Governance Business Transparency	Governance & Transparency
Consolidation	Financial Sustainability Quality of Asset Portfolio	Financial Sustainability
Deconsolidation	Resource Management	Energy Management Water Resources Management Waste Management
Deconsolidation	Human Resources	Diversity Health & Safety Labour Practices & Standards Employee Development
Newly added	-	Guest Satisfaction, Experience & Safety
Newly added	-	Anti-Bribery & Corruption
Newly added	-	Data Privacy & Security
Renamed	Supply Chain	Supply Chain Management
Renamed	Local Community Impacts	Local Community
Renamed	Climate Change	Decarbonisation

Materiality Assessment Process



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YTL Hospitality REIT Materiality Matrix



Management of our Material Matters

YTL REIT's material matters, which are aligned with the UN SDGs, are inherently tied to our sustainability strategy and categorised into three sustainability pillars. Identifying risks and opportunities within each of these pillars helps us to prepare and integrate suitable action plans into our operations, creating a positive impact on all ESG aspects.

Environment

Key Stakeholders: Community, Governments and Regulators, Guests, Investors

UN SDGs:



Material ESG Matters	Management Approach	Risks	Opportunities
1 Decarbonisation 2 Energy Management 3 Water Resources Management 4 Waste Management	- Optimise resource use whilst maintaining or improving asset quality - Transition towards low-carbon assets and management of climate risks	- Negative impacts on the environment resulting from our operations - Business operation disruptions due to supply shortage of resources - Increase in operating expenses due to rising temperature and extreme weather events (i.e. heavy rain, floods, heat waves, etc.)	- Promote sustainable development through environmentally responsible operations - Reduction of insurance premiums - Implement sustainable practices by embracing innovation, mitigation and adaptation

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Social

Key Stakeholders: Community, Employees, Guests, Suppliers and Contractors

UN SDGs:



Material ESG Matters	Management Approach	Risks	Opportunities
5 Local Community 6 Diversity 7 Health & Safety 8 Labour Practices & Standards 9 Employee Development 10 Guest Satisfaction, Experience & Safety	• Enhance community resilience for better lives and livelihoods • Promote workplace diversity and inclusion through leadership, recruitment, policies, education and a supportive environment • Promote workplace safety and health • Deliver high-quality services, ensure a safe and secure environment and create unique and memorable experiences for hotel guests	• Negative image and/or brand reputation for the company • Underperforming workforce that leads to decreased productivity, increased turnover and employee disengagement • Unsafe workplace, physical, ergonomic and psychosocial hazards may lead to injuries, illnesses or accidents in the workplace and regulatory fines • Low guest satisfaction may cause the loss of repeat business, negative reviews, decreased occupancy rates and financial loss	• Enhance brand image to a broader and more diverse community as well as contribute to local communities and create lasting positive impacts • Good occupational health and safety practices improve overall productivity and all aspects of physical and mental, health and safety in the workplace • Promote a positive culture to improve workplace performance • Good guest satisfaction can boost revenue, enhance the hotel's reputation and drive repeat business through positive reviews and word-of-mouth recommendations

Governance

Key Stakeholders: Lessees, Investors, Governments and Regulators, Suppliers and Contractors

UN SDGs:



Material ESG Matters	Management Approach	Risks	Opportunities
11 Anti-Bribery & Corruption 12 Supply Chain Management 13 Data Privacy & Security 14 Governance & Transparency 15 Financial Sustainability	• Implement policies and procedures to ensure sound corporate governance, risk management and compliance with applicable laws and regulations • Maintain zero tolerance for corruption, bribery, fraud and money laundering • Ensure fair and responsible supply chains and procurement processes • Incorporate data security management strategies to safeguard digital information and protect sensitive data • Strengthen the asset portfolio and deliver sustainable growth and long-term value	• Heightened legal, regulatory and reputational risks • Address inconsistency, strategic misalignment and accountability gaps to prevent corruption, negligence and fraud • Potential conflict of interest, corruption and unethical practices in supply chain • Data breaches, compromised guest information, reputational damage and legal consequences • Underperforming assets impact income distribution, stability and profitability	• Promote good governance practices that contribute to growth and management stability • Improve organisational efficiency and effectiveness in entrepreneurial risk management • Improved collaboration and relationships with suppliers in managing procurement processes • Improve data protection measures through adoption of industry best practices • Unlocking value through the optimisation of the asset portfolio

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ENVIRONMENT

1 Decarbonisation

Aligned with YTL Group's aspiration of achieving carbon neutrality in operations by 2050, YTL REIT recognises the importance of supporting the transition towards a low-carbon economy by managing climate risks, reducing our carbon footprint, remaining resilient and driving sustainable investments for long-term value creation.

In FY2025, our Scope 1 emissions were reported at 1,206 tonnes of carbon dioxide equivalent (tCO₂e) and Scope 2 emissions were 7,105 tCO₂e. As part of YTL Group, our climate change strategy

remains focused on reducing emissions, improving energy efficiency and adopting renewable energy solutions, whilst also enhancing the resilience and value of our portfolio where possible.

During the transition period to cope with rising demands for shifting to more climate-friendly and responsible practices and the realisation of YTL Group's 2050 carbon neutral vision, several transitional risks were identified which may potentially have short, medium, to long-term financial impacts as listed in the table below:

Climate-related Risks	Transition Risks - Policy and Legal (Short to Medium): Introduction of carbon pricing, enhanced policy and regulations - Technology (Short to Long): Transition to lower emissions technology - Market and reputation (Short to Long): Increased cost of raw materials, shift in stakeholders' expectations, reputation risk from perceived inaction Physical Risks - Acute (Short to Long): Increased severity and frequency of extreme weather events (e.g., heatwaves, heavy rainfall, floods, droughts) - Chronic (Long): Changes in precipitation patterns and extreme variability in weather patterns (e.g., sea level rise and high temperatures)
Potential Impacts	- Increase in operating costs (e.g., higher compliance costs and penalties, higher repair costs and increased insurance premiums) - Reduction in demand for services due to shift in consumer preferences - Financial losses and damage due to service disruption - Greater capital investment required for climate adaptation and energy efficiency measures - Write-offs and early retirement of existing equipment
Potential Opportunities	- Reduction in operating costs through efficiency gains and cost savings - Increase in the value of fixed assets (e.g., highly rated energy-efficient buildings and sustainably designed buildings) - Stronger competitive position aligned with evolving stakeholder preferences, resulting in higher revenues - Improved reliability of supply chains and greater operational resilience under challenging or variable conditions - Adoption of new and cleaner technologies, supported by favourable policy incentives, subsidies and tax benefits

The risks and potential impact findings are qualitatively based on our practical and unique hospitality experience. We will continue to be transparent about how our businesses are rising to the generational challenge of climate change.

To strengthen climate risk management, we are working towards alignment with the International Financial Reporting Standards (IFRS) S2 - Climate-related Disclosures and the National Sustainability Reporting Framework (NSRF)'s "climate-first" disclosure approach, adopting a phased approach to enhance disclosures over time.

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2 Energy Management

Effective energy management is crucial for YTL REIT, reflecting our commitment to sustainability and operational excellence across our portfolio. By implementing efficient energy practices, such as energy action plans, retro-commissioning, lighting retrofits and building automation, these not only help to reduce operational expenses but also enhance the overall guest experience by ensuring uninterrupted service and comfort.

In FY2025, total energy consumption across YTL REIT’s portfolio amounted to 16,816 MWh from our Australian hotels. This represents a 2% reduction compared to the previous year. Electricity remained the predominant source of energy, accounting for 61% of overall consumption.

Energy Management Initiatives

Heating, Ventilation, Air Conditioning (HVAC) Efficiency Improvements	BMH, MMH and SHMH conducted routine optimisation of critical systems, including chillers, boilers and ventilation equipment. These maintenance programmes ensure sustained operational efficiency across our portfolio, with particular focus on preventive measures to avoid energy waste in climate control systems. SHMH completed essential repairs and recommissioning of the chiller, restoring its design efficiency and integrating it with the Building Management System (BMS). This enables demand-driven operation, reducing cooling energy consumption whilst maintaining guest comfort. New Variable Speed Drives (VSDs) have been installed in the BMH plant room to reduce energy consumption associated with chiller and cooling tower motors. These VSDs optimise motor speed based on real-time demand, allowing the chillers and cooling towers to operate more efficiently.
Building Management System (BMS)	BMH and SHMH are fitted with BMS, which help monitor and control core building services such as HVAC and lighting.
Electric Vehicle (EV) Charging Facilities	MMH and BMH installed EV charging facilities at their sites, facilitating electric vehicle adoption amongst guests and employees.
LED Fixtures	BMH, MMH and SHMH are progressively transitioning from conventional lightings to energy-efficient LED fixtures to further reduce energy consumption. BMH and MMH have implemented LED lighting paired with motion sensors in designated areas to help reduce unnecessary energy use. SHMH has just completed their phase two project focusing on guest rooms back in October 2024. The project is initiated by the hotel following an assessment in 2022, which projected annual savings of about 150,000 kWh through the transition to LED lighting. Phase 1 consisted of replacing the lights at the back of the house, offices and storage rooms.

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3 Water Resources Management

Water is a critical resource and especially in tourism services, underpinning essential hotel operations such as housekeeping, food and beverage services, landscaping and guest amenities. Recognising this, YTL REIT remains committed to managing water responsibly across our properties.

An assessment using the World Resources Institute's Aqueduct Water Risk Atlas has identified several of YTL REIT's properties, particularly the three hotels in Australia, as located in regions experiencing high water stress. In response, we are strengthening our water-related risks and ensuring long-term operational resilience.

Our properties primarily source water from local municipal supplies. In FY2025, total water withdrawn across YTL REIT's properties was 102,000 m³, of which 22,000 m³ of water is consumed and 79,000 m³ of used water is discharged back into the municipal sewage system.

Water Resources Management Initiatives

Low-flow Fixtures	All guest bathrooms across BMH, MMH and SHMH feature water-saving fixtures as the standard. These carefully selected fittings reduce consumption whilst maintaining full functionality.
Towel and Linen Reuse	BMH, MMH and SHMH encourage guests to opt out of daily towel and sheet replacement, conserving water with the decrease in laundry.
Rainwater Harvesting System	BMH has rainwater harvesting systems in place that collect and store rainfall for use in greywater systems and fire safety infrastructure. At SHMH, a similar system has been implemented to capture and store rainwater, which is repurposed for landscape irrigation.
Cooling Tower Optimisation	BMH upgraded to a new water filtration system aimed at reducing overall water intake for the HVAC and chiller systems. SHMH undertook key refurbishments to its cooling towers in 2024, focusing on structural reinforcement and advanced water treatment upgrades. These improvements optimise chemical dosing and system control, supporting more efficient operations. The upgrades contribute to long-term system resilience, responsible resource management and future water savings.
Employee Engagement in Water Conservation	SHMH complements their technical water efficiency measures with ongoing employee education programmes. They are encouraged to adopt responsible practices including prompt leak reporting, minimising unnecessary water use during food preparation and ensuring dishwashers are fully loaded before operation.

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4 Waste Management

Effective waste management is a key component of our sustainability commitment in our operations. In line with the global waste management hierarchy, we prioritise waste prevention, followed by responsible and cost-effective disposal, in full compliance with local regulations.

In FY2025, YTL REIT generated 574 tonnes of waste, of which 158 tonnes were diverted from disposal through recycling and other recovery initiatives, whilst 416 tonnes were directed to disposal.

Waste Management Initiatives

Landfill Diversion	SHMH maintains dedicated recycling bins across all guest rooms and back-of-house operational areas. This dual-stream system enables proper segregation of recyclables at source, with clearly labelled bins designed for optimal participation from both guests and employees. Eligible items left by guests are distributed to charities resulting in 43 bags of clothes and 16 boxes of books being donated. BMH participated in the Container of Care Exchange (COEX) programme, where they recycled bottles and cans, with a significant portion of the proceeds channelled to Scouts Australia.
Food Waste Diversion	SHMH have implemented organic waste segregation using designated bins to facilitate composting. BMH established a food waste management system in collaboration with third-party vendors.
Single-use Plastic (SUP) Reduction	BMH, SHMH and MMH have transitioned from single-use toiletries to residential-sized bathroom amenities across all guest rooms. BMH and MMH have replaced SUP water bottles with reusable glass alternatives in guest rooms. SHMH have an annual collaboration with The Hidden Sea to promote a special one-month campaign where they served The Hidden Sea wine, a brand committed to removing plastic from the ocean with every bottle sold. This initiative was actively promoted to both external guests and in-house patrons.
Public Area Water Dispenser	BMH and SHMH have installed water refill stations in key public areas to support guests in the use of reusable water bottles and to move away from SUP.

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FEATURE STORY - Pioneering Green Hospitality: SHMH Earns Ecotourism Australia Certification

YTL REIT is pleased to report that SHMH at Circular Quay has become the first Marriott International property in Australia to earn the Sustainable Tourism Certification from Ecotourism Australia. This certification, awarded in July 2025, reflects the hotel's commitment to meeting best-practice standards across environmental, socio-economic, cultural and sustainable management principles.

The certification forms part of Ecotourism Australia's nationally accredited programme, with standards that are recognised by the Global Sustainable Tourism Council (GSTC). It recognises tourism operators that meet more than 200 robust requirements across four core pillars: effective sustainability management, environmental performance, cultural respect and contribution to local communities.

"Achieving Ecotourism Australia's Sustainable Tourism Certification is a proud milestone for SHMH at Circular Quay. We have embedded environmentally responsible practices across every aspect of our operations, from reducing energy and water consumption to improving waste management and building strong partnerships with our local community.



This recognition reaffirms our commitment to minimising our environmental footprint as a hospitality leader, whilst continuing to deliver exceptional guest experiences as we work towards a more sustainable future."

Bernhard Langer, SHMH General Manager



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SOCIAL

5 Local Community

YTL REIT embraces social responsibility and maintains a solid commitment to uplift the well-being of communities that directly or indirectly impact our business. As part of the YTL Group, we believe that fostering positive relationships and social connections is a fundamental aspect of creating tangible long-term value through community engagement and impact programmes. In FY2025, YTL REIT invested around RM48,200 in the local community, supporting 25 organisations.

Local Community Initiatives

Education & Career Development	BMH fosters local talent development through active participation in “My First Jobs” and university career fairs, whilst inspiring future hospitality professionals through school industry tours for institutions like St James College to promote hospitality careers.
Health & Social Welfare Fundraising	BMH employees hosted Australia’s Biggest Morning Tea, raising funds for Cancer Council. SHMH contributed to Bowel Cancer Australia and the Children’s Hospital through gift certificate donations. The annual New South Wales (NSW) Marriott International hotels “Road to Give” charity event raised AUD9112.72 in donations for the UN Women’s fund. BMH, MMH and SHMH participate in UNICEF Check Out for Children, where guests are able to donate AUD2 per night of their stay, helping children in need worldwide. MMH employees volunteered at the “Eat Up” programme, which provides sandwiches for disadvantaged children. BMH and MMH participated in Silly Socks for a Safe House, a campaign launched and coordinated by The DV Collective, a national initiative that assists domestic violence victims.
Community Safety & Emergency Response	SHMH registered with GoodSAM, a life-saving emergency response programme that improves community access to AED defibrillators before medical services arrive. The hotel also provided financial support to the Palm Beach Surf Life Saving Club, helping to protect beachgoers through vital surf safety initiatives.
Environmental Stewardship	In conjunction with Earth Hour, SHMH featured a themed cocktail and exclusive beverage offer in support of the global sustainability initiative. Employees in MMH participated in a community clean-up initiative on Clean Up Australia Day.

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6 Diversity

At YTL REIT, we embrace all people regardless of gender, age, cultural or ethnic background, religion, sexual orientation or disability. We believe that providing equitable opportunities and championing diversity not only enhances employee well-being but also strengthens our organisation by attracting and retaining top talent.

We uphold a non-discriminatory work environment and ensure that hiring and career advancement is based on merit, ability, experience and performance. We also adopt local employment strategies to support community development and economic resilience. Hiring locally enables us to integrate local cultural awareness and regional insights into our operations, strengthening our connection with the communities we serve.

In FY2025, YTL REIT had a total of 371 employees, of which locals accounted for 82%. Notably, 100% of our senior management positions are held by locals, reflecting our belief in empowering regional leadership to enhance market understanding and responsiveness.

Diversity Initiatives

Associate Resource Groups (ARGs)	ARGs are established in BMH, MMH and SHMH to promote an inclusive community and culture within the employees via education and networking events, such as the Women's ARG bringing women together to engage in dialogue on women empowerment and development, helping to drive innovation and performance in hospitality.
Cultural Diversity Week	MMH supported Cultural Diversity Week and Harmony Day, where employees share cultural dishes, fostering a sense of inclusivity and appreciation for different backgrounds.

7 Health & Safety

At YTL REIT, our workplaces adhere to health and safety (H&S) standards, and we equip our employees with adequate H&S training and knowledge to identify and manage hazards in unfavourable situations. We ensure that all properties under our portfolio comply with local occupational H&S regulations and implement standard operating procedures to prevent workplace accidents, injuries and other safety-related incidents. In FY2025, 653 employees in YTL REIT received various trainings in H&S.

Recognising that well-being extends beyond physical safety, we equally emphasise the importance of the mental health and well-being of our people. Work may sometimes take a heavy toll on workers, both physically and psychologically, and we are committed to supporting our employees in whatever way necessary.

Health & Safety Initiatives

Employee Assistance Programme (EAP)	BMH, MMH and SHMH provide support and assistance to employees including counselling, legal advice and mental health services through this programme.
TakeCare Programme	BMH and SHMH adopted the TakeCare initiative, an associate well-being programme that offers resources for mental, physical and financial health.
Anti-harassment Training	MMH and SHMH conduct annual harassment prevention training for all employees.

MANAGING SUSTAINABILITY

Work, Health and Safety (WHS) Committee	BMH, MMH and SHMH have their respective WHS Committees that comprise employee representatives who identify potential risks, as well as develop safety standards, rules and procedures.
First Aid Certification	21.93% of the employee base at SHMH are certified in first aid.
Safety and Security Training	BMH requires all new employees to complete safety and security training, both online and in-person. MMH has a section on security and safety included in their employee onboarding course, whilst SHMH conducts onboarding, orientation and weekly safety and security training, e.g. fire extinguisher training. "Safety lunch" is activated for no lost time incidents within the calendar month.

8 Labour Practices & Standards

At YTL REIT, we seek to uphold and respect human rights across our operations by fostering a fair, safe and healthy work environment by complying with applicable labour laws and regulations, and by encouraging ethical employment practices. Our approach is guided by the YTL Group Code of Conduct and Business Ethics, which address key principles including the prevention of child and forced labour, non-discrimination, freedom of expression, employment rights and ethical business conduct. We also adhere to applicable laws and regulations in all our operating countries, which include but are not limited to Malaysia’s Employment Act 1955 and Australia’s Fair Work Act 2009.

Our properties operate with applicable policies and procedures that address human rights and labour practices, in alignment with local requirements, practices and standards in their respective operating regions. Employees are provided with competitive wages and benefits in line with industry norms.

In line with the YTL Group Code of Conduct and Business Ethics, our employees are allowed to raise genuine concerns relating to unlawful, unethical or questionable behaviours to superiors, heads of departments, higher management or the Human Resources Department. In FY2025, YTL REIT maintained a clean slate of zero complaints on human rights violations.

9 Employee Development

Employee engagement, development and appreciation are fundamental tools to create a supportive and productive work environment for our employees, who are our most valuable assets and the backbone of our operations. YTL REIT is committed to cultivating a supportive, engaging and high-performing work environment by fostering open communication, encouraging participation and creating opportunities for professional growth. Our offering of employee upskilling programmes ensures that employees have access to continuous learning and skill enhancement, empowering them to grow professionally and remain competitive, progressive and future ready. Employee appreciation, whether through recognition programmes, constructive feedback or rewards, reinforces positive behaviour and motivates our employees to strive for personal and organisational excellence. In FY2025, we recorded a total of 7,686 hours of employee training.

MANAGING SUSTAINABILITY

Employee Engagement and Appreciation Initiatives

Employee Recognition	BMH, MMH and SHMH have employee recognition programmes to acknowledge and recognise employees providing exemplary service.
Digital Learning Zone	MMH and SHMH offer self-directed and self-paced training on topics including safety, security and sustainability, alongside mandatory discipline and compliance training on this online learning platform.
Annual Performance Reviews	BMH, MMH and SHMH conduct yearly performance appraisals and succession planning as part of human capital planning.
Employee Engagement Survey	BMH and SHMH have engagement surveys conducted on employees to collect feedback and raise concerns over work.

10 Guest Satisfaction, Experience & Safety

Our robust safety measures and hygiene protocols remained steadfast even after the pandemic subsided, sustaining guest confidence in our hotels. Positive guest experience is crucial to operational excellence and long-term value creation at YTL REIT. We are exploring attaining sustainability-related certification that can improve our sustainability performance whilst supporting our guests with the notion of doing good for the environment. We integrate various sustainable practices into our operations such as using refillable wall-mounted bath amenities, installing air-conditioning with occupancy sensors and timers, placing recycling bins in guest rooms and setting up public water dispensers. Our commitment to guest inclusivity means making sure all our guests feel accommodated and comfortable, regardless of their individual situation, requirements and needs.

Guest Satisfaction, Experience & Safety Initiatives

Accessibility	In order to create an inclusive and welcoming environment for all guests, BMH, MMH and SHMH ensure there are accessible entrances to hotel amenities and have disabled-friendly hotel bathrooms. MMH and SHMH offer valet parking for wheelchair-bound drivers. BMH and MMH welcome service animals – working animals that are trained to perform tasks that assist disabled people – without a fee.
Helping Guests Be Sustainable	SHMH has the “Connect Responsibly” initiative that supports event planners and attendees in achieving their sustainability objectives by promoting environmental conscious choices and contributing to a more sustainable future for travel and events. The initiative provides tools and resources to track and reduce the environmental impact of events, including the meeting impact reports and access to carbon offset projects.
Local Cultural Advertising	To enhance the guests’ city experience, MMH has an online newspaper platform and brochures about cultural tours of Melbourne in guest rooms.

MANAGING SUSTAINABILITY

GOVERNANCE

12 Supply Chain Management

Responsible management of resources and ethical sourcing practices play a pivotal role in the hospitality industry. During the year under review, the YTL Group’s Code of Conduct and Business Ethics was updated to set out our expectations for responsible and ethical supplier conduct. We also believe in engaging and supporting locally owned businesses as a way to drive local economic growth, strengthen community relations and reduce our emissions. In FY2025, 82% of our supply chain expenditure was spent on local suppliers and businesses.

Supply Chain Management Initiatives

Responsible Sourcing of Ingredients	MMH sources ingredients locally wherever possible – fruits and vegetables are locally and seasonally grown and where possible, meat products are from trusted local suppliers. SHMH has responsible sourcing policies including cage-free eggs, crate-free pork and sustainable fisheries. BMH prioritises purchasing local brands, where their vendors provide weekly updates on available produce and the region of origin.
Third-party Certification	SHMH requires that their suppliers comply with the listed environmental and social requirements. Third-party certifications are not required to demonstrate compliance with the requirements; however, suppliers with third-party certifications will be given preference.

13 Data Privacy & Security

We are committed to upholding the highest standards of data privacy and security as part of our sustainability approach. Protecting sensitive information not only ensures compliance with regulations but also fosters trust, integrity and accountability across our operations, which are essential values for building a resilient and sustainable future. We prioritise the protection of personal data and privacy for our valued customers, employees and other stakeholders. Our data management practices adhere diligently to the applicable data protection regulations in the countries where we operate, including the Personal Data Protection Act 2010 of Malaysia and The Privacy Act 1998 in Australia. We report zero substantiated complaints of breaches of customer privacy and data loss in FY2025.

15 Financial Sustainability

YTL REIT is committed to delivering sustainable growth and long-term value to our stakeholders. A detailed analysis of the Trust’s financial results and performance for the financial year under review can be found in the *Management Discussion & Analysis* and the full financial results can be found in the *Financial Statements*. A complete overview of the Trust’s assets can be found in the *Property Portfolio* in this Annual Report.

MANAGING SUSTAINABILITY

COMMON SUSTAINABILITY MATTERS

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Executive	Percentage	80.00	67.00
Non-executive	Percentage	79.00	67.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	38.00	70.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	96,842.00	48,247.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	31	25
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Executive Under 30	Percentage	14.00	16.00
Executive Between 30-50	Percentage	64.00	62.00
Executive Above 50	Percentage	22.00	22.00
Non-executive Under 30	Percentage	63.00	62.00
Non-executive Between 30-50	Percentage	27.00	28.00
Non-executive Above 50	Percentage	10.00	10.00
Gender Group by Employee Category			
Executive Male	Percentage	46.00	50.00
Executive Female	Percentage	54.00	50.00
Non-executive Male	Percentage	44.00	53.00
Non-executive Female	Percentage	56.00	47.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	75.00	75.00
Female	Percentage	25.00	25.00
Under 50	Percentage	0.00	0.00
Between 50-60	Percentage	38.00	38.00
Above 60	Percentage	62.00	62.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	17,166.00	16,816.00

Internal assurance External assurance No assurance

(*)Restated

MANAGING SUSTAINABILITY

Indicator	Measurement Unit	2024	2025
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	3.70 *	4.70
Bursa C5(c) Number of employees trained on health and safety standards	Number	356	322
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Executive	Hours	4,323	2,338
Non-executive	Hours	12,115	5,348
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	5.00	0.00
Bursa C6(c) Total number of employee turnover by employee category			
Executive	Number	11	39
Non-executive	Number	158	199
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	83.00 *	82.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	16.000000	22.000000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	680.00 *	574.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	78.00 *	158.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	602.00 *	416.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	1,549.00 *	1,206.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	8,016.00 *	7,105.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	No Data Provided

Note:

Collection and inclusion of more complete Scope 3 data is currently in progress and we aim to include it in future disclosures.

Internal assurance

External assurance

No assurance

(*)Restated