Sustainability Report 2025

The Royal Hotel, Limited

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Our Purpose

Let us fill people, communities, Japan, and the world with warm hearts.

Discovering and understanding the charms and cultures of people, communities, and countries, and taking home memories.
We believe that human interactions leave warm memories in everyone's hearts, enrich individual lives, and will eventually bring peace to the world.
On this earth, we aim to be the starting point for interactions between people, communities, and countries. From there, like ripples spreading slowly, we want to fill the world with the warmth lit in our hearts.
Together with our customers, suppliers, investors, local communities, and all our stakeholders, we want to realize this aspiration.
This Purpose Statement is our call to action.
The warm memories we have woven together, the bonds with everyone who shares this aspiration, and the warm consideration like caring for family—these are the sources of our pride, unchanging from the past and into the future.



Message from the President

Building a Sustainable Society and a World Filled with Warm Hearts on the Foundation of Our Enduring Spirit of Hospitality

Founded in 1935 in response to the aspirations of the local community to create "a modern hotel for distinguished guests," our company celebrates its 90th anniversary in 2025.

Throughout our history, we have fostered connections among people through our hospitality business and continuously pursued excellence in delivering satisfaction and memorable experiences to our guests, working closely with a wide range of stakeholders.

The spirit of warm hospitality that has been passed down since our founding remains at the heart of our business today, resonating with the principles of sustainability that emphasize respect for people, communities, and the world around us.

At the center of everything we do are our people, our most valuable management asset. We believe that each employee's commitment to embodying this spirit of hospitality and performing their role with professionalism creates lasting value for our customers and society.

As social expectations and corporate responsibilities continue to evolve, we remain committed to building upon the values we have cultivated over the years and further advancing sustainability through our business activities. By strengthening our organizational framework and enhancing visibility into our current initiatives and challenges, we will continue to make steady progress.

Guided by the bonds we have built with our stakeholders and the spirit that has been inherited since our founding, we look ahead to our centennial and beyond. We are committed to realizing a sustainable society and a world filled with warm hearts for future generations.

President UEDA Fumikazu

Sustainability Promotion Framework & Strategy

We will strengthen engagement with all stakeholders and build a management foundation that supports sustainable growth.

Environmental conservation initiatives through business activities

Respecting the harmony and coexistence of the earth, people, and society, we strive to preserve and improve the global environment while pursuing the provision of better value to our customers.

Creating a comfortable and rewarding work environment centered on DE&I

The source of our value is none other than our "human resources." We strive to develop outstanding talent by promoting diverse work styles, practicing health and productivity management, and providing learning opportunities.

Promoting local charms through active engagement with the local community

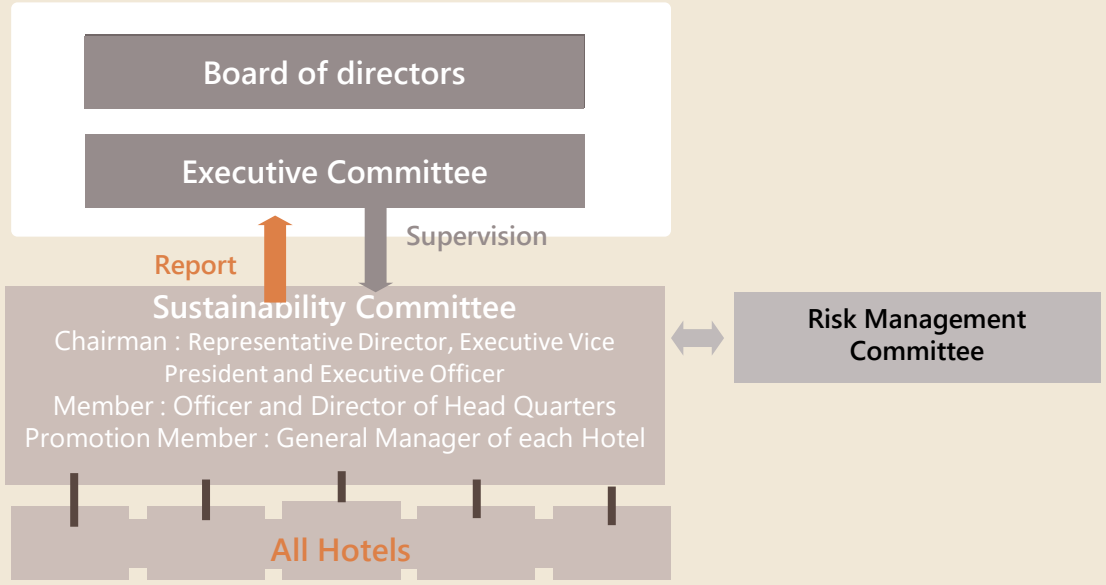
Our company has grown through our relationships with local communities. With a mission to be an entity that enhances local value and contributes to the region, we will share the charms of the local area with our customers through the unique hospitality of our hotel.

Building a system to protect "safety and security"

"Safety and security" are our most important values. We are establishing an organization and system to continuously enhance effectiveness, including strengthening corporate governance, addressing compliance, and promoting food safety and barrier-free access.

Sustainability Promotion System

We have established the "Sustainability Committee" to discuss and promote sustainability-related matters (excluding compliance and risk management). The Committee reviews the progress of our initiatives twice a year and reports to the Management Committee and the Board of Directors, ensuring an appropriate supervisory system.





Environmental Initiatives

We are committed to environmental conservation through our business activities and providing better value to our customers.

Reduction of Plastic Usage

We are striving to reduce emissions and reuse resources by switching room amenities to recycled plastics and implementing horizontal recycling.

In addition, some hotels have introduced a front desk pick-up system for amenities, wooden room keys, and carbonated water servers in banquet halls to reduce plastic usage.

Reduction of Greenhouse Gas Emissions

We measure our greenhouse gas emissions and disclose Scope 1 and 2 data.

We are also working to reduce emissions by upgrading to energy-saving equipment, promoting LED lighting, restricting elevator use late at night, and reducing air conditioning use by introducing an office casual dress code.

Water Conservation

Since hotel operations use a lot of water resources, such as for washing linens, we are working on water conservation. We ask guests staying for multiple nights to cooperate with our environmental efforts by opting for simplified room cleaning.

We are also switching to water-saving showerheads and toilets in guest rooms. In addition, some restaurants have introduced an "Automatic Water and Hot Water Management System" to save water by automatically controlling usage.

Food Waste Reduction

Food Waste Reduction

We make efforts to use ingredients without waste by utilizing vegetable scraps from the cooking process for soups and sauces.

We also support "mottECO," recommended by the Ministry of the Environment, by promoting the taking home of leftovers. Providing rice grown with fertilizer made from food waste in the employee cafeteria helps raise each employee's awareness of food loss. Furthermore, some locations have introduced a "Food Waste Monitoring System" to reduce food loss by analyzing waste using AI.

We are also actively engaged in resource circulation and recycling, such as providing waste cooking oil as a raw material for SAF (Sustainable Aviation Fuel). At banquets, we support the "3010 Campaign" and conduct educational activities to reduce food loss through posters and pamphlets.





Photo Left: Amenities using recycled plastic through horizontal recycling
Photo Bottom Right: Door sign for cleaning requests



Photo: Image

Human Resource Initiatives

Creating an environment where diverse talent can grow,nurturing people who bring warmth and compassion to the world

Recruitment

Securing Diverse Talent

We are expanding nationwide recruitment by offering housing subsidies for young employees. Furthermore, we secure diverse talent by maintaining a high female hiring rate, boosting foreign and mid-career employment, and introducing a re-employment system for retirees.

Development

Human Resource Development that Supports Learning and Taking on Challenges

To support employee growth, we provide diverse learning opportunities, including long-term overseas culinary training, reskilling programs, and e-learning. We also focus on language skills through AI-based training and Japanese lessons for foreign staff. Furthermore, we encourage self-development via qualification support, implement management training, and pass down our founding spirit of hospitality through an instructor system.

Retention

Creating a Workplace Where Employees Can Work with Peace of Mind for a Long Time

We foster an environment for taking on challenges through an internal open application system. To improve engagement, we utilize regular surveys and employee feedback to enhance the workplace. Additionally, a mentor system supports staff retention and growth.

Promotion

Promoting the Success of Diverse Talent

The cross-departmental team for promoting women's success makes proposals regarding the workplace environment and systems from a female perspective, leading to improvements through dialogue with management.

We have introduced a mentor system for female managers to support their growth and career development as managers.

Environment

Developing an Environment Where Employees Can Work with Peace of Mind

We support diverse work styles, such as introducing an office casual dress code in administrative departments and promoting the taking of paternity leave by male employees. Regarding childcare and nursing care systems, we have established provisions that exceed statutory requirements, working to create an environment where employees can continue to work with peace of mind according to changes in their life stages.



Developing Human Resources to Pass on the Spirit of Omotenashi and Culinary Skills to the Future

We are passing on our inherited spirit of Omotenashi (hospitality) and culinary skills to the next generation through continuous learning and taking on new challenges.

Hospitality Instructor System

For about 20 years, we have run the Hospitality Instructor System to pass on our founding "customer-first mindset" to the next generation.

Through training in the five principles of hospitality—greeting, facial expression, grooming, wording, and attitude—along with hands-on practice and teaching, we develop people who truly understand the essence of Omotenashi.

To date, around 50 instructors across the group have been active in new employee training, level-specific programs, and external training.

A key strength of this system is developing individuals who not only practice hospitality but also share its values with others. With ongoing learning even after certification, we spread the Royal Hotel's unique spirit of Omotenashi throughout the organization—delivering peace of mind and moving experiences to our customers, now and into the future.



Photo: Hospitality Instructor Certification Badge



Photo:Image

Developing Human Resources to Pass on Traditional Flavors and Skills to the Future

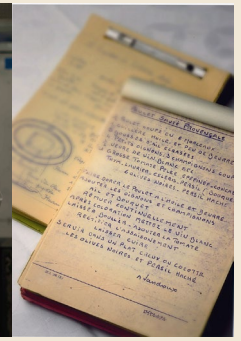
To pass on the flavors and skills of the "Culinary Excellence of Royal" to the next generation, we place great importance on developing our people.

Since 1976, our Overseas Culinary Training Program has sent young chefs—future head chef candidates—abroad to experience authentic techniques and food cultures. This builds not only their skills but also a broader perspective and understanding of different values.

We also support culinary competitions, where pursuing perfection under time pressure demands preparation and dedication. The experience gained enhances daily work, improving quality and creating new value.

While preserving the reliable skills and customer-first spirit inherited from our predecessors, Royal Hotel is committed to developing the chefs who will carry the future of the "Culinary Excellence of Royal."







Initiatives for Health Management

Employee and family well-being is the foundation of our hospitality.
Guided by our top management's "Health Management Declaration,"
we actively drive these initiatives.

Health Promotion Initiatives

Prioritizing employee health, we have been certified as an "Outstanding Health and Productivity Management Organization" for six consecutive years. We ensure a 100% health checkup rate and offer targeted guidance, including women-specific cancer screenings. Furthermore, we successfully reduced smoking rates by banning smoking during work hours in 2022 and providing cessation programs. We also partner with doctors to host health seminars, continuously improving employee lifestyles.

Health Awareness Activities

We disseminate health-related information to raise employee awareness. We regularly conduct health awareness training by external instructors.

Consultation Desks and Systems

We have established a Health Management Office and respond to consultations regarding illnesses in cooperation with industrial physicians.

We have also set up a cancer consultation desk to support balancing work and treatment, assist with returning to work, and provide information on various systems.

Creating a Comfortable Work Environment

To ensure employees can refresh both physically and mentally, we strive to create, maintain, and manage comfortable spaces such as cafeterias and break rooms.

To maintain appropriate working hours, we continuously work on improving operational efficiency and conduct training on working hours.

For a safe working environment, we review facilities and procedures, issue warnings, and share information on countermeasure examples.

Mental Health Measures

We conduct stress checks once a year and have achieved a 100% participation rate.

We have established a consultation desk with external counselors.

We conduct training on mental health.

KENKO Investment for Health

Under the "Health Management Declaration" by the President, we promote initiatives to support the physical and mental well-being of employees and their families. Certified as a "KENKO Investment for Health" for the sixth consecutive year.

2026
健康経営優良法人
KENKO Investment for Health
大規模法人部門

Photo: Image



Initiatives for Safety and Security

"Safety and Security" is our most important value.
We continuously maintain a highly effective system



Governance

We ensure board diversity for effective governance. We enforce strict compliance through company-wide training and an internal reporting system. Our "Risk Management Committee" actively identifies and mitigates business risks.

Disaster Prevention

We regularly conduct fire and earthquake drills, including lifesaving courses. We also stockpile supplies to support stranded individuals during local disasters.

Food Safety

We practice HACCP-based hygiene management. We ensure food safety through strict menu verification and regular employee training.

Barrier-Free Accessibility

We promote barrier-free facilities and share accessibility details online. For guest comfort, we installed sanitary boxes in men's restrooms and upgraded guest room sanitary bags to be highly waterproof and odor-resistant.

Food Diversity

We use food pictograms at our breakfast buffet to welcome guests from diverse cultural backgrounds. We also offer vegan full-course and a la carte menus.

Customer Harassment Policy

To protect employee well-being, we established a "Basic Policy Against Customer Harassment." We clearly define unacceptable behaviors, respond firmly to malicious cases, and support staff through education and consultation desks.

Left:：A dish from "Restaurant Chambord," RIHGA Royal Hotel Osaka
Top Right:： Waterproof sanitary bag in guest rooms



Initiatives for Social Contribution

We will strengthen the bonds we have cultivated with the local community and carry them forward into the future.

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Promoting Local Charms

We deliver the charm of the local area to our guests by incorporating unique regional culture and characteristics into our hotel interiors, amenities, and cuisine. This includes offering local ingredients and specialties, as well as featuring interiors that use local crafts.

Connection with the Community

We participate in local events such as festivals and conduct cleaning activities in the areas surrounding our hotels.

We have concluded agreements with local governments to accept people unable to return home during large-scale disasters.

Donation Activities

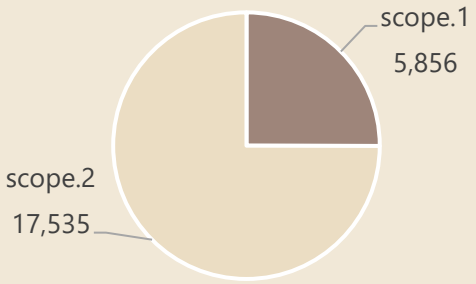
We donate a portion of our banquet sales to the "Green Fund" to support environmental conservation. We also collect plastic bottle caps in employee areas and some hotel lobbies to help provide polio vaccines to developing countries. Furthermore, for our 90th anniversary, we held three charity walks for employees and donated to six organizations addressing social issues.



Photo Left: Community exchange workshop
Photo Right: Field trip by a local school

Data Summary

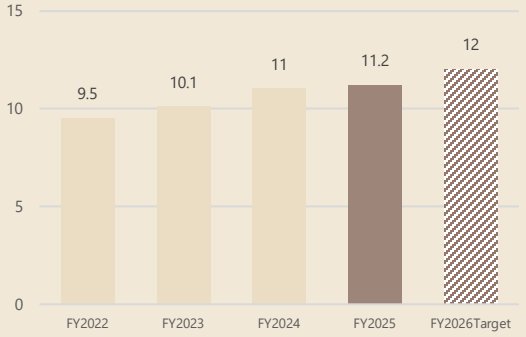
Greenhouse Gas Emissions [tCO2e]



*Total for facilities of the head office and consolidated subsidiaries below:
Royal Hotel Co., Ltd. (Head Office), Rihga Royal Hotel Tokyo / Hiroshima / Kokura, Rihga Gran Kyoto, Rihga Place Higobashi / Kyoto Shijo Karasuma

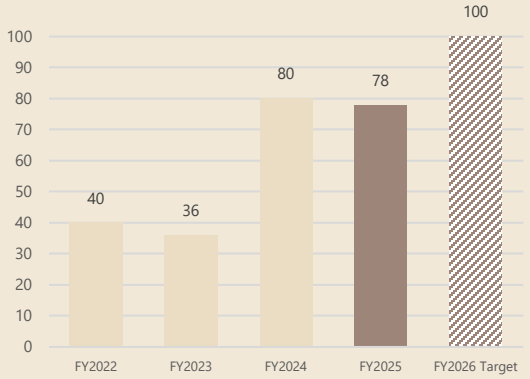
Total 22,391

Female Manager Ratio [%]

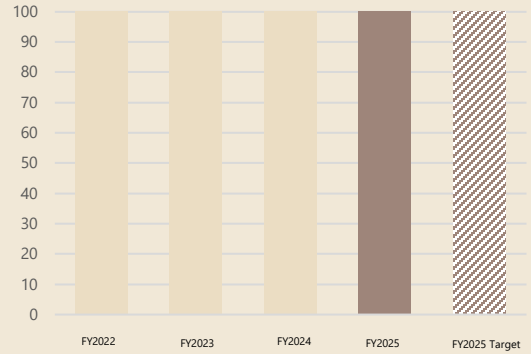


*Calculated based on the Act on the Promotion of Women's Active Engagement in Professional Life

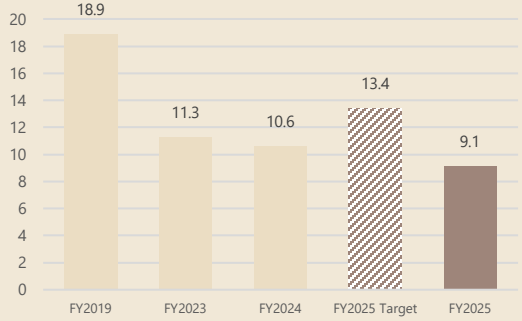
Male Childcare Rate [%]



Stress Check Participation [%]

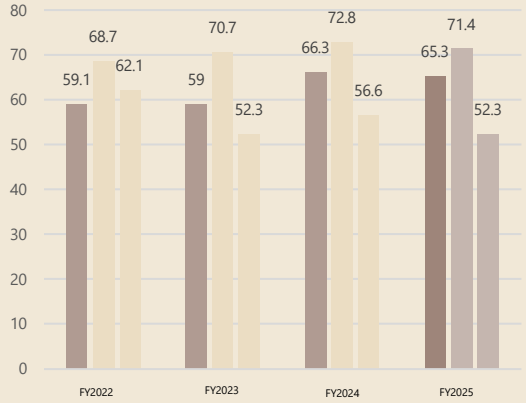


Specified Plastic Emissions [t]



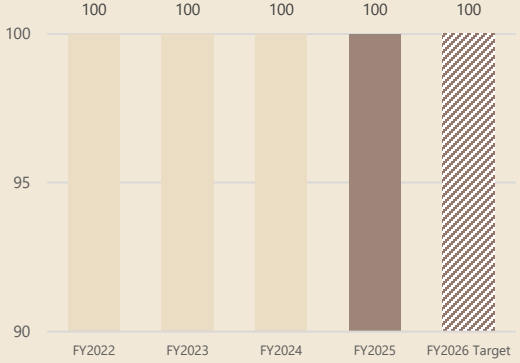
*Unit requirement (total amount of specified plastic emissions divided by the number of guests, a value closely related to the total of emissions)
* Total values for the following facilities :
RIHGA Royal Hotel Osaka / Tokyo / Kyoto / Hiroshima / Kokura, RIHGA Gran Kyoto, RIHGA Place Higobashi / Kyoto Shijokarasuma
*The target for FY2025 was established in FY2022. We have already achieved the target in FY2023 and will continue to promote reduction of plastic emissions to a level below the target until FY2025.

Gender Pay Gap [%]

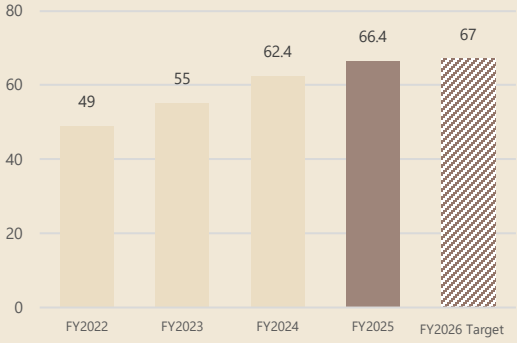


*From the left-side bar, "All Workers" ,"Regular Employees", or "Part-time and Fixed-term Employees"

Health Checkup Rate [%]



Paid Leave Utilization [%]



Legend: ...FY2025results ... FY2025target ... Results from before FY 2024