

THE HONGKONG AND SHANGHAI HOTELS, LIMITED

(the “Company”)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

TERMS OF REFERENCE

1. CONSTITUTION

Group Management Committee of the Company (“GMC”) adopted this set of Terms of Reference for the Corporate Social Responsibility Committee (the “Committee”).

2. PURPOSE

To assist the GMC to develop policies and practices to ensure the Company and its subsidiaries are socially responsible corporate entities. Areas of focus should include environmental, labour practices, social/community responsibilities and ethical matters.

3. RESPONSIBILITIES

- 3.1 To propose and recommend to GMC policies, practices and a set of measurements relating to environment, labour practices, social/community responsibilities and ethical matters (“CSR”);
- 3.2 To monitor and report to GMC on the effectiveness of the adopted CSR policies and practices, where relevant against an agreed set of measurements;
- 3.3 To review and seek improvements of existing CSR practices;
- 3.4 To consider the impact of the Company’s CSR on employees, shareholders, local communities and the environment;
- 3.5 To review and advise GMC on the Company’s public communications, disclosure and publications as regards its CSR performance;
- 3.6 To consider key trends in legislation, regulation, litigation and public debate as regards CSR;
- 3.7 To monitor and compare CSR standards with comparable hospitality and property companies;

- 3.8 To review and recommend to GMC annual plans with respect to community, charitable and environmental donations and sponsorships;
- 3.9 To visit, as appropriate, the Company's own facilities or those projects sponsored or subsidised by the Company's so as to review and monitor the effectiveness of Company investment in CSR projects;
- 3.10 To perform such further functions related or incidental to the foregoing which the Committee deems appropriate; and
- 3.11 To report to GMC on decisions or recommendations made, unless there are legal or regulatory restrictions to do so.

4. AUTHORITY

The Committee is authorised by GMC to:

- 4.1 retain outside counsel, experts and professional advisors, as the Committee deems appropriate, at the Company's expense; and
- 4.2 investigate any activity within its Terms of Reference and in doing so to seek any information it requires from any employee or co-worker.

5. MEMBERS

All members of the Committee shall be appointed by the Chief Executive Officer of the Company, and the Chief Executive Officer may, from time to time, at his discretion, revoke the appointment of any members thereof or appoint new members.

The Committee shall initially comprise of the following members:

1. Chief Executive Officer
2. Chief Financial Officer
3. Chief Operating Officer
4. Group General Manager (Properties & Clubs)
5. General Manager, Corporate Responsibility and Sustainability
6. General Manager and Regional Vice President – USA East Coast
7. General Manager and Area Vice President – Hong Kong and Thailand
8. General Manager, Operations Planning and Support
9. General Manager, Human Resources
10. Manager, Corporate Affairs
11. Group Chief Engineer, Operations
12. Manager, Operational Risk and Environmental Sustainability

Any Member may at any time by notice in writing to the Chief Executive Officer appoint any person to be his alternate Member and may in like manner at any time terminate such appointment.

6. PROCEEDINGS

Unless otherwise specified by GMC, five members of the Committee with at least the Chief Executive Officer/Chief Operating Officer attending shall form a quorum. Attendance may be in person or through electronic means of communication.

7. MEETINGS

7.1 The Committee shall meet not less than once every two months and when necessary for the proper discharge of its duties.

7.2 For all Committee meetings, reasonable notice of no less than seven (7) days shall be given.

8. MINUTES AND RECORDS

8.1 One of the executives of the Committee or a duly appointed secretary of the meeting shall keep minutes of Committee meetings. Any Committee member may inspect the minutes of the Committee meetings at any reasonable time on any reasonable notice.

8.2 Minutes of Committee meetings shall record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised by Committee members or dissenting views.

8.3 Minutes of the Committee meetings should be sent to all members for their comment and records respectively, with a copy to members of GMC, within a reasonable time (normally within one week) after the meeting is held.

9. DISCLOSURE

The Committee shall make available on the Company's website this set of Terms of Reference, and to explain the role of the Committee and the authority delegated to it by GMC.