

**THE HONGKONG AND SHANGHAI HOTELS, LIMITED**  
(the “Company”)

**GROUP CORPORATE RESPONSIBILITY COMMITTEE**  
(the “Committee”)

TERMS OF REFERENCE

**MEMBERSHIP**

All members of the Committee shall be appointed by the Chief Executive Officer of the Company.

The Committee shall initially comprise the following members:-

- 1 Chief Executive Officer;
- 2 Director, Corporate Responsibility and Sustainability; and
- 3 Selected members of senior management, General Managers of operations and Heads of corporate departments as appointed by the Chief Executive Officer.

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

The Chief Executive Officer may appoint any member as the Company’s Champion of specific corporate responsibility and sustainability areas, whereby the Champion will lead the Company’s effort in the designated areas with the support of Director, Corporate Responsibility and Sustainability and other members.

The Director, Corporate Responsibility and Sustainability shall act as the secretary of the Committee.

**MAIN RESPONSIBILITIES**

- 1 To propose and recommend to Group Management Board (“GMB”) policies, practices and a set of measurements relating to the environment, labour practices, supply chain practices, social/community responsibility and ethical matters, including the Company’s Sustainable Luxury Vision 2020.
- 2 To monitor and report to GMB on the effectiveness of the adopted corporate responsibility and sustainability policies and practices, where relevant against an agreed set of measurements.
- 3 To review and seek improvements of existing corporate responsibility and sustainability practices.
- 4 To consider the impact of the Company’s corporate responsibility on its stakeholders, including employees, shareholders, local communities and the environment.
- 5 To review and advise GMB on the Company’s public communications, disclosure and publications as regards to its corporate responsibility and sustainability performance.
- 6 To consider key trends in legislation, regulation, litigation and public debate as regards to corporate responsibility and sustainability.
- 7 To monitor and compare corporate responsibility and sustainability standards with comparable hospitality and property companies.
- 8 To review and recommend to GMB annual plans with respect to community giving schemes such as charitable and environmental donations and sponsorships.

- 9 To visit, as appropriate, the Company's own facilities or those projects sponsored or subsidised by the Company so as to review and monitor the effectiveness of Company's investment in corporate responsibility and sustainability projects.
- 10 To perform such further functions related or incidental to the foregoing which the Committee deems appropriate.
- 11 To report to GMB on the Committee's decisions and recommendations.

## **MEETINGS**

- 1 The Committee shall meet at least three times a year and additionally as required.
- 2 For all Committee meetings, reasonable notice of at least seven days shall be given unless otherwise agreed by members.
- 3 Unless otherwise specified by GMB, the quorum of a meeting shall be half of the membership of the Committee with at least the Chief Executive Officer and the Director, Corporate Responsibility and Sustainability. Attendance may be in person or through electronic means of communication.
- 4 Only members of the Committee have the right to attend the Committee meetings. Other officer(s) or advisor(s) or any other person(s) who are relevant to the discussions may be invited to attend for all or part of any meeting to answer specific points or concerns.

## **MINUTES OF THE MEETINGS**

Minutes of the 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.

Draft and final versions of minutes of the Committee meetings shall be sent to all members for their comments and records respectively, with a copy to GMB, within a reasonable time after the meeting is held.

The Director, Corporate Responsibility and Sustainability shall keep minutes of the Committee meetings. Any Committee member may request to inspect the minutes of the Committee meetings.

## **AUTHORITY**

The Committee is authorised by GMB to:

- 1 retain outside counsel, experts and professional advisors, as the Committee deems appropriate, at the Company's expense; and
- 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.

## **DISCLOSURE**

The Committee shall make available on the Company's website this set of terms of reference, explaining its role and the authority delegated to it by GMB.

The Committee shall produce an annual report of the Group's corporate responsibility and sustainability policies and practices which may or may not form part of the Company's annual report.

*Note: GMB approved this set of terms of reference for the Committee on 12 September 2014.*