



THE HONGKONG AND SHANGHAI HOTELS, LIMITED


Stock Code: 45

# *Our People Our Legacy*

Corporate Responsibility and Sustainability Report 2024



# ABOUT THIS REPORT

We aim to provide an integrated view of our financial and non-financial performance to enable our stakeholders to have a holistic view of our company. The 2024 Corporate Responsibility and Sustainability Report is intended to be read together with our 2024 Annual Report, with this icon  showing relevant linkages to the Annual Report.

## Reporting Scope and Boundaries

This report focuses on all the main businesses of The Hongkong and Shanghai Hotels, Limited (HSH) including the group's Hotels, Commercial Properties, and Peak Tram, Retail and Others divisions<sup>1</sup>. The reporting period covered by this report is 1 January to 31 December, 2024.

## Reporting Standards and Assurance

This report has been prepared in accordance with the provisions as set out in Environmental, Social and Governance Reporting Code<sup>2</sup> (ESG Code) in Appendix C2 of the Listing Rules. In line with international best practice and to have more in-depth discussion on industry-specific and other sustainability topics, this report also references the Global Reporting Initiative Sustainability Reporting (GRI) Standards, the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, the Sustainability Accounting Standard Board (SASB) Standards, and the International Sustainability Standards Board (ISSB)'s International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures (IFRS S2).

This report aligns with the ESG Code reporting principles of materiality (refer to pages 6 to 7) as well as the quantitative and consistency standards (refer to pages 71 to 73). KPMG was commissioned to conduct limited assurance and to provide an independent conclusion on selected information of this report. The Independent Assurance Report can be read on page 69 to 70.

We welcome your feedback. Please share your views with us by post or email:

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<sup>1</sup> Entities covered in our workforce, environment and community data may vary, please refer to p.72 to p.73 for more details on CRS data reporting scope and methodology.

<sup>2</sup> For disclosures where HSH is unable to provide information, as per Appendix C2 of the Listing Rules, an explanation (such as an issue not being material or a commitment to provide this data in the future) is provided on p.74 to p.88 of this report.



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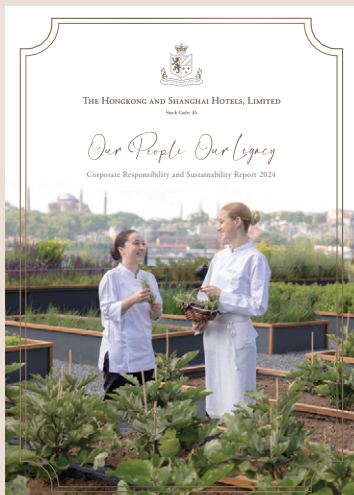
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## ABOUT THE COVER

The cover features a photo taken on The Peninsula Istanbul's rooftop garden. Spanning 1,528 square meters, we grow a variety of herbs, vegetables and fruit in our garden. Our chefs regularly select seasonal produce, such as oregano, tomatoes, green peppers and pomegranates to incorporate into their dishes. We also select produce which attract pollinators such as bees and butterflies, and offer shelter and nesting spots for birds that are drawn to fruit-bearing plants, to help promote urban biodiversity. We host events such as wine tastings, movie screenings, and garden tours to allow our guests to explore the garden, learn about our sustainability practices, and engage with the environment in a unique way.

## OUR SUSTAINABILITY VISION

“In a world where things come and go in the blink of an eye, longevity is a luxury.”



We have been in business for 159 years, and we hope to continue for the next century and beyond. Looking to the future, we continually ask ourselves how we can safeguard the things that mean the most to us, and how we can ensure they last.

To us, conducting our business with integrity, respecting history and heritage, and ensuring the current and future needs of our guests, people and communities are met, are what matters most. We believe that our company thrives when our people and communities do. Taking care of our people and the world around us, for today and also for the future, is the right thing to do.

The global context of sustainability is increasingly complex, leading some businesses to grapple with what future direction they should take. As we are reaching the midpoint of our ten-year *Sustainability Luxury Vision 2030* strategy, we engaged with members of our Board and our senior management team to take stock of where we stand. The message is clear – we remain steadfast in our commitment to the *Vision 2030* goals. We also took this opportunity to reflect on lessons learned in the past half decade, so we can refine our goals to focus on where we can make meaningful impact, and so that we continue to meet the evolving expectations from our stakeholders. More than ever, our people play a vital role. They are the heart and soul of this company, and are the ones who bring our *Vision 2030* to life. By empowering them with the knowledge and awareness to embed sustainability in their daily work, we can move towards true integration of these values into our service offering and our overall business.

This year, we celebrated the BREEAM Excellent certification of our two newest hotels – The Peninsula London and The Peninsula Istanbul. From design to construction and operations, we have considered our environmental impact and how to create added values to our surrounding communities. As owner and operator of our hotels and properties, we are in a unique position to act decisively and with genuine intent in our approach, ensuring we are leaving behind a legacy of best-in-class assets for our future generation.

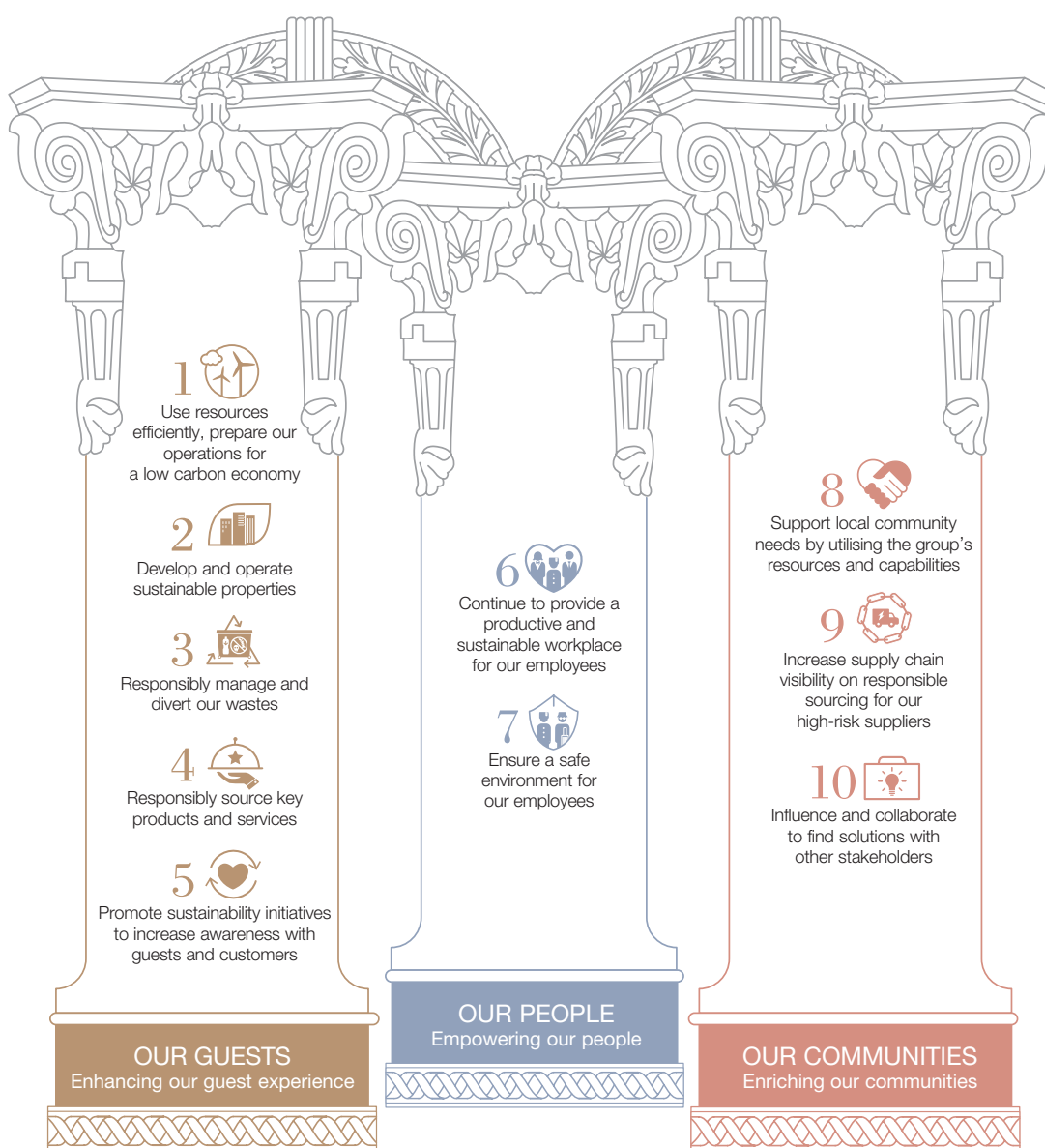
This report is an opportunity to reflect on our journey over the past year, while putting forward our plans to deliver on sustainable luxury for the future.



## Sustainable Luxury Vision 2030

We began our formal sustainability journey in 2007 by coordinating group efforts through the formation of a Group Corporate Responsibility Committee (GCRC). We launched the first iteration of our *Sustainable Luxury* strategy in 2013 with a focus on minimising our negative impact, and updated it with *Sustainable Luxury Vision 2030 (Vision 2030)*, which incorporates a deeper focus on business integration and uses regenerative, proactive and collaborative approaches. Our current strategy leverages the strengths of our business to address urgent global issues, including diminishing natural resources, the climate change crisis, and growing social inequality.

We address these key issues through *Vision 2030* from the lens of our three key stakeholder groups (i) our guests, (ii) our people and (iii) our communities. We seek to ensure that sustainability forms part of our luxury offering and to demonstrate that sustainability and luxury can go hand-in-hand. We do this by offering refined craftsmanship and exceptional service which is timeless, thoughtful and purposeful, while ensuring the needs of our guests, our people and our communities are met. The stakeholder pillars are underpinned by our 10 key commitments with specific targets and goals to track progress.



## OUR SUSTAINABILITY VISION



“Tackling the issue of climate change remains our focus for the coming decades and will require coordinated efforts from all areas of our business. We must continue to embed consideration of our decarbonisation goals through the implementation of Vision 2030 and in our daily business decisions in order to accelerate our impact. The GCRC will continue to work on reviewing our decarbonisation goals alongside our broader business strategy, identifying key opportunities and how this will impact our long-term capital spending and investment planning.”

**Christobelle Liao**

*Chief Corporate and Governance Officer,  
Co-Chair of GCRC*

### Governance on CRS

We regard the integration of sustainability as a sensible and necessary strategy that benefits the overall value of the group in the short and long term. Our *Sustainable Luxury Vision* was developed with oversight and support from our Board. To enable the integration and cross-functional implementation of sustainability into the business, the Board has delegated the management of *Vision 2030* and other related matters to the Group Corporate Responsibility Committee and other key committees and departments across the group.

The GCRC is co-chaired by our Chief Executive Officer and Chief Corporate and Governance Officer, who is also chair of the Group Risk Committee as a reflection of the rising importance of sustainability in all aspects of our business and of related risks. The GCRC is supported by the Corporate Responsibility and Sustainability (CRS) department and Group Champions comprised of Managing Directors of operations and Heads of Departments from Finance, People and Culture, Operations, Legal, Corporate Affairs and Sales & Marketing.

The group's *Vision 2030* strategy, targets and performance were discussed at the Board as part of their annual review, along with their review and approval of the annual CRS Report and the group's Modern Slavery Statement. A board-level stakeholder engagement exercise, led by the Head of CRS and external consultants, was conducted in 2024 to facilitate discussion with members of the Board around sustainability issues which have the most impact on the company. A subsequent session was later organised for the Board to discuss the results. During the session, the Head of CRS also presented the group's decarbonisation roadmap, to gather the Board's feedback on the proposed workplan to work towards related targets and goals.

The Head of CRS also provided key sustainability updates to the Audit Committee at least once in 2024, including on the latest global climate-related disclosure requirements arising from the International Sustainability Standards Board (ISSB) and the European Union's Corporate Sustainability Reporting Directive (CSRD). This update proposed current and future actions to meet the necessary requirements.



Read more about the GCRC's key work in 2024 on page 195



## How is Sustainability Governed at HSH

### Board of Directors

- Oversees and sets direction for Vision 2030
- Reviews performance and key initiatives at least once a year

### Audit Committee

- Review and and develop mitigation actions on the group's principal risks, including ESG risks

### Group Management Board (GMB)

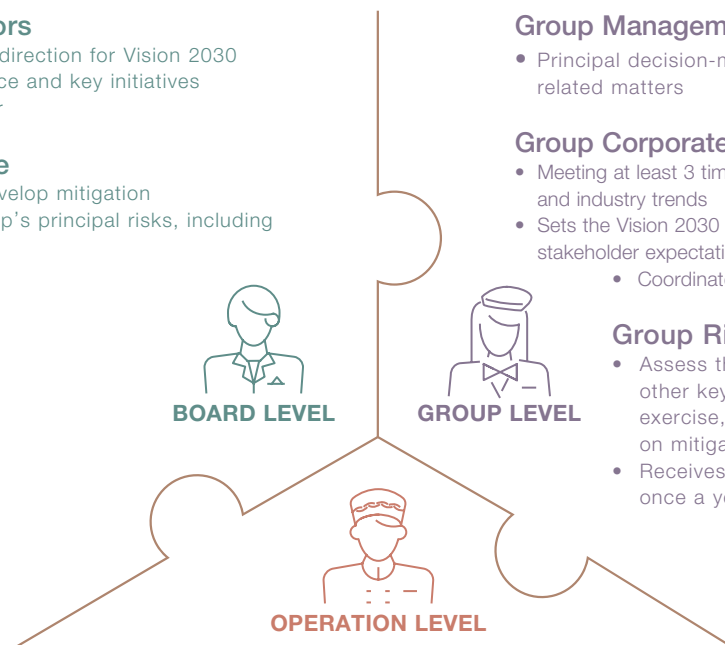
- Principal decision-making body including on CRS related matters

### Group Corporate Responsibility Committee (GCRC)

- Meeting at least 3 times a year, to review CRS performance and industry trends
- Sets the Vision 2030 goals and targets in line with materiality, stakeholder expectations and best practices
  - Coordinate CRS actions across the group

### Group Risk Committee (GRC)

- Assess the group's principal risks and other key risks through a semi-annual risk assessment exercise, and monitor progress on mitigating actions
- Receives updates from Head of CRS at least once a year on ESG risks



### Local CRS Committee

- Implements Vision 2030 programmes and action plans on an operational level and within local context
- Collect and report ESG data to CRS department for progress tracking

### Local CRS Champions

- Passionate individuals across the group contributing to building a culture of sustainability at the local level

In an effort to embed sustainability in our decision-making processes, we also added Environmental, Social and Governance (ESG) risks as a principal risk for our company starting in 2023, to ensure such issues are being proactively monitored by the Audit Committee and the Group Risk Committee. We have put in place a plan to incorporate climate risks into our semi-annual operation risk register from 2025 onwards, to monitor such risks on an asset-level and implement localised mitigation actions to protect individual assets. We also began to factor sustainability in our annual financial planning exercises to ensure related risks and opportunities are considered in our budget planning and capital deployment strategies. In late 2024, we introduced the concept of balanced scorecards across the organisation to facilitate a balanced assessment of financial and non-financial performance, which includes monitoring Vision 2030 goals for each operation and senior executives. This will be used as key performance indicators for each operation and head office.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY

HSH's approach to sustainability is shaped by engaging a broad set of stakeholders to understand their needs and concerns – from employees, customers, suppliers, regulators, lenders, shareholders and investors to non-governmental organisations and media. Since the launch of *Vision 2030*, we have recognised that stakeholder expectations towards sustainability are rapidly evolving.

In 2024, we conducted a dedicated stakeholder engagement exercise with members of the Board and our senior management team. Through in-depth interviews, they discussed their views on the long-term sustainability vision for the group, how to enable more robust positioning of sustainability within the company, and how we can leverage our existing strengths. Their views were supplemented by feedback from executive committee members and head of departments from operations, who were asked to provide on-the-ground and market specific perspectives through an online survey. The result of this stakeholder exercise was used to inform our materiality process, and to identify areas of adjustment in our review of *Vision 2030*.

The CRS department also actively engaged with external stakeholders, including meetings with regulatory bodies on policy changes, participation in industry and NGO working groups, interviews with suppliers, and attending relevant events and forums. Read more about our involvement with industry groups on p.65.

Identify key CRS issues based on industry reports, standards and benchmarking



Understand external and internal stakeholder perspectives through engagements



Link and prioritise key issues to business significance and potential impact to environment and society



Review goals and targets to align with findings and ensure relevancy to our business and stakeholders



**AR** Read our group's stakeholder engagement approach on page 128





## Identifying, Prioritising and Addressing Material Issues

The identification and prioritisation of issues, using our materiality approach, provides the foundation for our sustainability strategy. In 2024, we renewed this approach to incorporate the concept of double materiality, which accounted for the impact our activities may have on the environment and our communities, and the added consideration of financial impact on our company. We see this as a necessary step to ensure potential risks and opportunities are recognised and factored into our implementation of *Vision 2030* and future strategic planning.

To identify main global issues over the next decade, we referenced internationally recognised organisations such as the World Economic Forum and the United Nations Climate Change Conference. We also referred to the latest developments in sustainability disclosure standards from the ISSB and the European Union’s CSRD to understand the expectations from the investment community. Moreover, we have benchmarked against our luxury hospitality and real estate peers, and took guidance from the Business for Social Responsibility (BSR), World Travel and Tourism Council (WTTC), Global Sustainable Tourism Council (GSTC), World Green Building Council (WorldGBC) and Urban Land Institute (ULI), to further understand emerging issues within our industry.

Below is the list of material topics that the Board and other internal stakeholders have identified using the double materiality approach. The management of those material issues are discussed in this report, with the corresponding pages indicated.

### MATERIAL ISSUES



#### OUR GUESTS

- Carbon management and decarbonisation *p.20 – p.25*
- Water stewardship *p.23*
- Climate resilience *p.26*
- Waste management and circularity *p.32 – p.35*
- Sustainable procurement *p.36 – p.38*



#### OUR PEOPLE

- Talent acquisition and retention *p.48 – p.50*
- Diversity, equity and inclusion *p.51*
- Labour practices *p.51 – p.52*
- Guest and employee safety and wellbeing *p.54 – p.55*



#### OUR COMMUNITY

- Community investment and engagement *p.58 – p.61*
- Innovation *p.65 – p.67*



## Our Sustainable Luxury Champions

Our people brings our *Vision 2030* to life – whether it is through their daily work, or their everyday interactions with colleagues and guests, they are truly the ambassadors of our goals for the future and effecting impact on the ground. In this section, we feature four colleagues who champion sustainability through the different facets of their roles, each contributing to our *Vision 2030* in unique and meaningful ways.





Joseph Lee  
Senior Vice President, Operations Planning and Support, HSH

“ I joined HSH in 2016 as part of The Peninsula Tokyo team, remaining until 2020. In the Autumn of 2020, I received the opportunity to be part of the opening team of The Peninsula London as Hotel Manager. In 2024 I transitioned to my current role supporting group operations at our hotels and clubs.



When I arrived at The Peninsula Tokyo, sustainability practices were already in place as part of the group’s strategy. We were able to build on this success and embed this mindset as part of the hotel’s culture, weaving sustainability into daily conversations and work with our colleagues, reaching 90% participation rates for related activities. In London, as a new build property, we were able to build policies and procedures, establishing how we wanted to ideally operate the hotel. This allowed us to integrate several new and innovative sustainability practices. Through strong community partnerships and a team committed to sustainability, we have already achieved close to 70% in waste diversion in London, and were able to contract 100% renewable energy from the start of construction to operation.

Across the group, we have a globally committed team that really believes in sustainability, and we have established several impactful initiatives that are integrated across our hotel operations. Having a group vision with an aligned approach allows each operation to deploy localised initiatives with ease and contribute to our broader impact. I think we are very fortunate to work for a brand like HSH, which prioritises doing things the right way. We build sustainability practices that are an organic part of our culture, our business strategies, how we do business and how we operate in our communities. ”







**Nilgun Arsankan**  
*Group General Manager, Projects*

“ I worked on The Peninsula Istanbul Project for the Joint Venture between 2016 and 2023, first as Director of Project Management, and then as Joint Venture Project Director, before transferring to HSH Head Office in October 2023. My current role is Group General Manager for Projects.

For both The Peninsula London and The Peninsula Istanbul Projects, HSH made the commitment and set the target for achieving BREEAM Excellent at the very start back in 2015.

It sure was a challenge for both projects to achieve this target while maintaining the luxury experience that our guests expect. It was only possible due to HSH’s clear message to all project stakeholders right at the beginning of the project that achieving anything less than Excellent rating was simply not an option. All parties, starting from development and design stages, through procurement and construction worked collectively towards this goal.



At HSH, our leadership has set exemplary standards for incorporation of sustainable practices. One unique engineering initiative at The Peninsula Istanbul that we are proud of implementing is the Sea Water Cooling system, where the seawater is pumped through an intake pipe from Bosphorus, and passes through a heat exchanger, where it absorbs heat from the buildings systems, such as chillers. This system significantly reduces reliance on conventional cooling methods, resulting in lower energy consumption and operational costs, while maintaining harmony with the environment.

I have worked in several different countries but this project is the most special to me. Because of the complexity, because of the people it involves, because of the connection of this project to my home, it was truly a huge team effort. ”





Antje Balow

Executive Assistant to Managing Director,  
The Peninsula London

“My academic background is philosophy, which has taught me to ask questions and think things through in different ways. In my role, I work quite closely with the leadership team, and I am also fortunate to work across a number of different functions within the business as well as being responsible for the administration side of things. I try to make sure that people are keeping sustainability in mind and that they use it as a lens for their business decisions and how they run their operations.

It’s inspiring to see that in many workplaces in the UK, companies are now setting themselves worthwhile targets to ensure they do business in ethical ways. I believe most people have the desire to do better and to be better. Particularly in the hotel industry, we’re here to provide a service and people tend to have a genuine interest in other people. At The Peninsula, we hire the type of colleague that is always willing to go above and beyond, and to constantly improve. This attitude fits very easily into the social or environmental side of things. What leaders need to provide are opportunities and a little bit of guidance to steer people into that direction.



It’s like a dream come true, when your leaders are on your side and have the same vision. Our Managing Director supported me to participate in an executive ESG Programme for Hospitality Leaders and this has opened my eyes to how we must integrate sustainability into everything we do to run a profitable operation. I believe we can use sustainability as a good lens to combat wastefulness and manage resources properly, and make sure that our suppliers all do the right thing, and third-party contractors have the right policies in place. I learned how to integrate those ideas and visions into actual day-to-day business and reporting facts and numbers, just like we do with accounting, invoicing, and other business metrics.

We are a company with a long-term vision that want to have hotels that are a legacy for generations to come. When you have auditable data and information, you can convince even the toughest business leaders that the ethical decision is also a good business decision. ”





**Cannis Hui**  
*Learning and Talent Development Manager,  
The Repulse Bay*

“ I have collaborated with various departments to design tailored programmes for hiring refugees and ethnic minority trainees. Working with people from different backgrounds has expanded my horizons and helped me gain a new perspective.

It is gratifying and inspiring to see how our programmes have empowered our refugee staff members. One particular colleague developed an interest in F&B and, with our support, he created an original drink – a healthy smoothie called the Unicorn Purple, which was so good that we added it to our regular menu. This gave him a tremendous sense of pride and accomplishment which he could build upon in the future.



Equally, I have seen how our colleagues gain value from working with people from diverse backgrounds, as it cultivates a workplace of understanding and empathy. In 2024, we hired ethnic minority trainees as part of the Honing Skills in Hospitality Programme. Despite initial language barriers, our colleagues were able to overcome these creatively, for example using mobile phones to translate and communicate with each other. This was so heartening to see! At the end of the programme, our trainees and our colleagues developed such a close relationship – just like family. With the support of our management, we expanded this programme and hired five trainees at The Repulse Bay this year.

It is also important to create a respectful environment for all our employees, whatever their backgrounds. One demonstration of how we put this into practice at The Repulse Bay is during the Ramadan period, when our team tries to accommodate the needs of Muslim staff by flexible shift scheduling. We also provide training and resources to educate all employees about different religions and cultures and their practices, to promote a sense of belonging among colleagues. This is also important to foster within the hospitality industry so we can better deliver and tailor our services for guests from different backgrounds. ”



# Our Guests



We believe our guests' expectations and awareness of sustainability are evolving with the times and we know that every decision we make – from the way we design our buildings to the way we make our beds – enhances their experience with us. This is why we offer an experience around our guests' needs, while not compromising on the wellbeing of our people, our communities or the environment.



“ Climate change poses both risks and opportunities. We are constantly looking for ways to reduce our environmental footprint, while upholding our unwavering dedication to luxury. ”

## 2024 PROGRESS & UPDATE



Group Absolute Carbon\*

↓ 33.6%



Group Energy Intensity\*

↓ 17.9%



Hotels Water Intensity\*

↓ 5.5%



21.5%

electricity from renewable source



1,175 Mwh

renewable generated at The Quail solar farm, enough to power over 180 homes

### Our Commitments

- Use resources efficiently, prepare our operations for a low carbon economy
- Reduce our key environmental impact from 2010 baseline year by:
  - -55% for carbon and water intensity
  - -35% for absolute carbon emissions
- Increase the use of renewable and regenerative energy and water sources
- Embed climate adaptation measures for existing operations and future investments

### Our Approach

- Use of higher efficiency equipment, engineering solutions and smart systems to optimise performance and reduce energy and water demand
- On-site greywater recycling and rainwater harvest facilities in some operations
- Regular technical audits and data review to monitor performance
- Increase the use of renewable energy
- Climate strategy and decarbonisation roadmap to mitigate climate risks

\* Data compared to 2010 baseline



To deliver our services and products at a high standard and create a luxurious environment for our guests, we rely on valuable resources. It is our responsibility to contribute to the wellbeing of our planet by operating with resource efficiency.

We implement engineering solutions to optimise operational performance, while continuously exploring new technology and upgrading our equipment to higher efficiency models. Policies and procedural manuals such as our energy conservation manual and water management guide are put in place to serve as a practical guide on how to operate our properties efficiently. To supplement our engineering projects, we continue to raise awareness and provide training to our colleagues to drive behavioural change.

We conduct technical audits with all operations to assess the overall and energy efficiency performance of engineering equipment, and identify opportunities for equipment upgrades and optimising operational procedures. To monitor progress, we collect energy and water data on a monthly basis and schedule monthly calls with operations to discuss progress made towards group-wide targets and best practices sharing. We also benchmark our energy, water and waste performance against industry peers through The Cornell Hotel Sustainability Benchmarking Index and EarthCheck Benchmarking to further identify improvement areas.

## Low Carbon Transition

We implemented a number of initiatives to reduce energy demand and optimise performance over the years, such as LED lightings, building optimisation and recommissioning, new building automation systems, application of high-efficiency equipment such as oil-free type chiller systems, air handling units or fan coil units with permanent magnet motors and more. For example, in the most recent renovation of The Peninsula New York, we upgraded all public areas and guestrooms to LED lighting, which will generate at least 75% energy savings compared to the previous lighting system. These initiatives have driven our energy intensity levels down by 17.9% compared to 2010 baseline.

In comparison to last year, energy intensity has increased by 2.3% at 1,246 MJ per square meter, mainly contributed by

improved business activities and higher energy demand for indoor cooling or heating. Starting in 2024, we also transitioned outsourced laundry to in-house for some operations for commercial reasons, adding more energy and water usage to our scope but this will provide us with better oversight and control on energy and water usage in laundry procedure, use of environmentally friendly detergents and reduce emission produced by transportation. We will explore ways to optimise laundry operation hours and implement more efficient low-temperature washing programme. Our two newest hotels, The Peninsula London and The Peninsula Istanbul, are both certified BREEAM Excellent and are equipped with premier energy-efficient equipment and machinery. With both hotels only officially opened in 2023, we are continuously improving and fine tuning the system and expect their energy performance to improve in 2025.





## OUR GUESTS



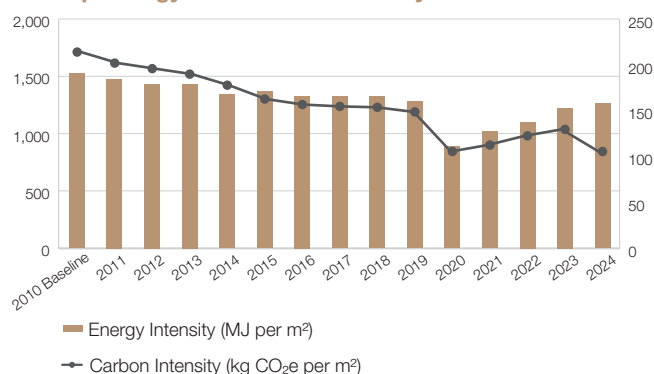
Our absolute carbon emission saw a 33.6% reduction compared to 2010 baseline despite the addition of our hotels in Paris, Istanbul, and London. This is equivalent to 48.4% carbon intensity reduction from our baseline year of 2010 and 12.5% reduction from last year at 110 kgCO<sub>2</sub>e per m<sup>2</sup>. Such improvement is achieved by the previously mentioned energy efficiency projects and grid decarbonisation, we accelerated the progress by proactively switching to renewable energy.

In 2021, we piloted our first on-site solar farm project at The Quail which generates the equivalent to most of the energy used for the resort. Where we are not able to install on-site renewable energy in our own properties due to space constraints, we seek to procure renewable energy through our energy providers. The Peninsula London has been sourcing 100% zero-emission electricity directly from the local grid to ensure that the energy consumed – from construction to operational phase – originates from renewable sources. The

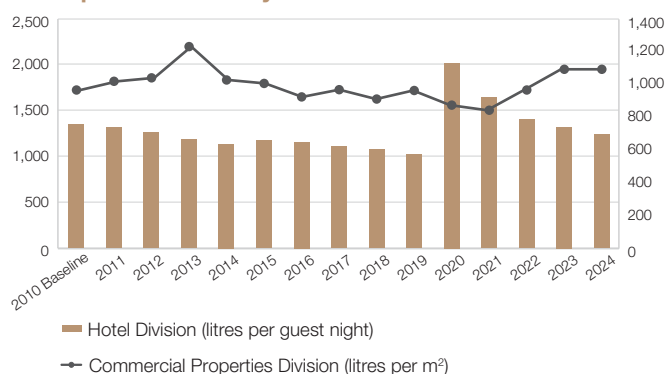
Peninsula Istanbul and The Peninsula Tokyo are procuring Renewable Energy Certificates (RECs) from their electricity providers to contribute to remote renewable energy projects given the challenge to source clean electricity directly from local grids.

We endeavour to expand low-carbon transportation options for our guests, including the electric BMW i7 series in bespoke Peninsula green used for guests transportation in our two new hotels, the bespoke hybrid LECV taxis and a 1960 vintage Austin taxi powered by electricity at The Peninsula London, and electric golf carts at The Quail and The Peninsula Istanbul. We also encourage low-carbon transportation by offering electric vehicle charging in most of our hotel car parks.

### Group Energy and Carbon Intensity



### Group Water Intensity\*



\* Water Intensity of Tai Pan Laundry (14.6 litres per kilogram washed) is excluded as its intensity is measured on a different metric from that of commercial properties and clubs.

## Water Efficiency and Recovery

Our approach to mitigating drought risk is to improve water efficiency within our operations. We reviewed water flow rates across our hotels and installed low-flow sanitary fittings and faucet applications where possible. Low temperature washing has been implemented in most hotels where we have in-house laundry to reduce energy and water consumption. Coupled with the use of eco-labelled or biodegradable detergent, we continue to maintain our standard of luxury for our guests' laundry service. Our operations in California, namely The Peninsula Beverly Hills and The Quail, have seen several water-saving initiatives ranging from water-efficient irrigation systems, utilising drought-resistant landscaping and turf greens, as well as installing no-water urinals. We also seek to reduce the stress on municipal water sources by recycling wastewater in Tokyo, Bangkok and Istanbul, and through rainwater capture for our residences at The Repulse Bay in Hong Kong.

Water intensity levels in our hotel division decreased slightly to 1,271 litres per guest night, a 3.4% reduction compared to last year and 5.5% reduction compared to 2010 baseline. We recognise water reduction progress is falling behind our target as we observed a change in pattern of water usage across the group since the end of the pandemic. Some of the change can be attributed to increasing health and hygiene regulations, our back-of-house use of water, and in some hotels where laundry operation is transitioned in-house. In the next year, we plan to implement further water saving best practices, raise awareness among our colleagues, and continue to explore use of technology in our operation. For example in The Peninsula Shanghai, we reduced the rate of replacing water in our indoor swimming pool by installation of smart water quality sensors,

ensuring we are able to precisely monitor when water needs to be replaced while meeting the stricter hygiene requirement set by local authority during the pandemic.

In commercial properties, water intensity increased slightly by 1% to 1,099 litres per square meter compared to last year, and 14.3% increase of water intensity compared to 2010 baseline. This is mainly contributed by increased irrigation needs due to prolonged drought seasons and increased greenery at The Repulse Bay and The Quail. Tai Pan Laundry's water intensity, calculated based on litres per kilogram washed, saw a year-on-year decrease of 11.3%.





OUR GUESTS

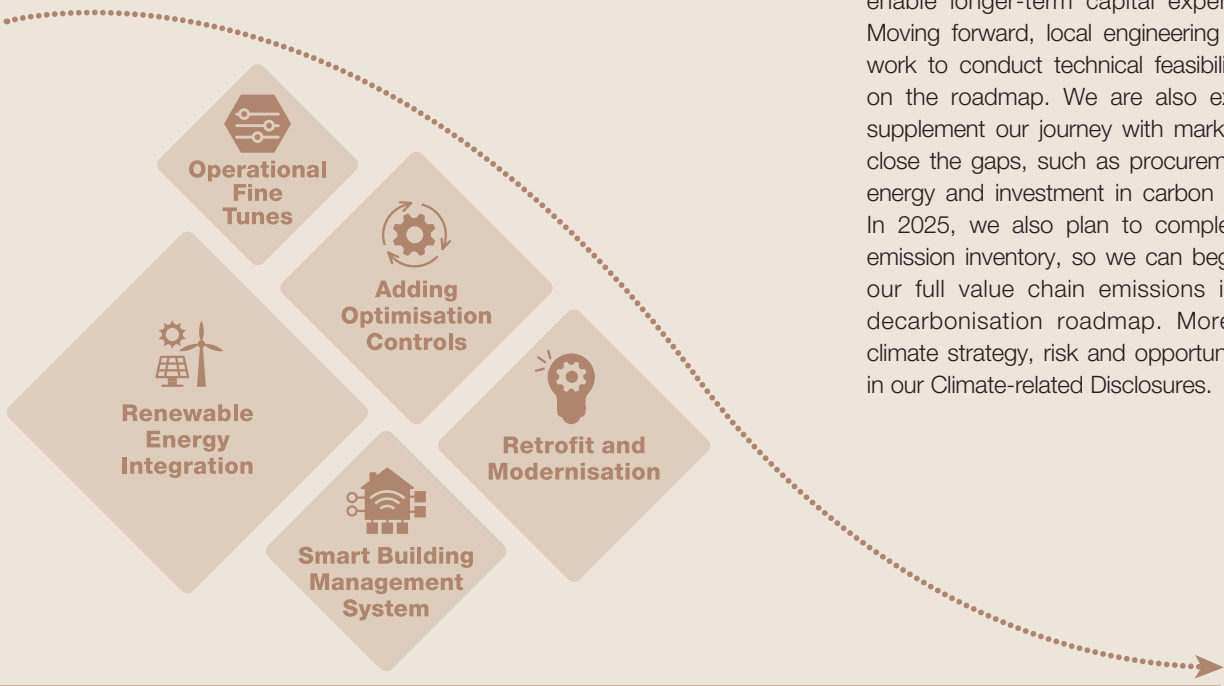
Our Decarbonisation Journey



In recent years, calls to accelerate the global decarbonisation progress is increasing with urgency, with 2024 being the warmest year on record. It is also the first time global temperature has exceeded the Paris Agreement to limit global warming to below 1.5 degrees Celsius, a scenario which is expected to result in intensifying extreme weather events and long-lasting or irreversible loss of some ecosystems. We see decarbonisation as an essential strategic direction for the group to take in order to navigate the changing climate, evolving expectations of our guests and stakeholders, and an increasingly complex regulatory environment.

Lowering our carbon emissions has been an integral part of the group's goals since the first iteration of our *Sustainability Luxury Vision* over a decade ago. More recently, we worked with consultants to develop carbon reduction pathways that reference global and climate science aligned methodology, and reassessed the condition and performance of all our buildings to identify energy saving opportunities in each asset. Five key levers were identified to help decarbonise our assets in the coming years.

Decarbonisation Strategy



With our Scope 1 and 2 decarbonisation roadmap, we are able to take a more long-term strategic approach, prioritise more impactful initiatives to develop a more robust modernisation and renovation plan by considering full life cycle of our buildings and enable longer-term capital expenditure planning. Moving forward, local engineering teams will begin work to conduct technical feasibility studies based on the roadmap. We are also exploring ways to supplement our journey with market instruments to close the gaps, such as procurement of renewable energy and investment in carbon removal projects. In 2025, we also plan to complete our Scope 3 emission inventory, so we can begin to incorporate our full value chain emissions into the group's decarbonisation roadmap. More details of our climate strategy, risk and opportunities can be read in our Climate-related Disclosures.

2050  
onwards





## OUR GUESTS

### Managing Climate Change Risk

Climate change and the global rise of temperatures have contributed to extreme weather events and long-term shift of weather pattern that have increased in frequency and intensity, causing direct impact on our operations in the present day and in the future. We recognise the urgent need to manage climate-related risks proactively and identify opportunities to transition to a low carbon future.

We have a strategy in place to mitigate risks by reducing emissions and implementing adaptation measures to protect our assets: (a) implement saving initiatives to reduce our energy and water demand, (b) enhancing the resilience of the physical structure through better design, upgrade and regular maintenance, and install physical protections against natural disaster, (c) establishing site and company level crisis management teams with business continuity plans to facilitate emergency responses, (d) conduct regular evacuation drills and safety training to prepare our employees for such events.

Details of our climate risk approach, assessment results, mitigation and adaptation measures can be read in our Climate-related Disclosures, which references the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

 [Read our Climate-related Disclosures 2024](#)







“ We aim to develop thoughtful, beautiful and sustainably designed buildings that will stand the test of time. ”

## 2024 PROGRESS & UPDATE



### BREEAM Excellent

For our hotels in Istanbul and London



### 8 out of 12

hotels have herb gardens or habitat for urban wildlife



The Peninsula New York refurbishment with sustainability considerations



All operations met or exceeded all local requirements on indoor air quality

### Our Commitments

- Develop and operate sustainable properties
- Align new developments and major renovations with international sustainable building standards
  - Achieve good or better rating for indoor air quality for all HSH buildings

### Our Approach

- Sustainability elements incorporated in HSH Design Standard
- Adopt BREEAM as practical framework on sustainable buildings
- Low VOC materials and furnishing to ensure optimum indoor health
- Annual indoor air quality assessments
- Use of responsibly sourced wood



## OUR GUESTS

Our hotels and properties are built to appeal to a timeless aesthetic showcasing both our heritage and the rich culture of the cities in which we operate. We aspire to develop HSH properties which are iconic, and, where possible, using materials which are sustainable and enduring.

### Sustainable Building Design

As part of *Vision 2030*, all new projects are designed in alignment with globally recognised sustainable building standards. For our hotel developments, we adopted the Building Research Establishment Environmental Assessment Method (BREEAM), a leading standard on sustainable buildings, to serve as a practical guide on the integration of sustainability considerations in our properties from design to operation stage. Our newest projects, The Peninsula Istanbul and The Peninsula London, are both BREEAM Excellent certified. At the time of certification, The Peninsula Istanbul was the first hotel in Türkiye to accomplish this level of achievement, and demonstrate our vision to go beyond market expectations and building a future portfolio of the highest-quality assets.

For our renovation projects, we incorporate sustainable design elements outlined in HSH Design Standard, and where the scope allows it, we adopt BREEAM standards. Our Paris property 21 Avenue Kléber received BREEAM Excellent and Haute Qualité Environnementale Outstanding ratings, as well as major renovation projects such as The Peninsula Beijing

which received a BREEAM Good rating. At the time, The Peninsula Beijing was the third BREEAM-accredited building in the city and a first for newly renovated hotels. In 2024, we completed the refurbishment of The Peninsula New York which incorporated sustainability elements such as LED lighting, responsibly sourced timber and leather, low VOC furnishing and paint.

### Indoor Air Quality

During the design and building stage of our new hotels, we try as much as possible to use carpets, adhesives, wallpapers, leather products, fittings and furniture which meet international standards for low emissions of VOC. For existing properties, we installed specialised air filters and conduct regular maintenance of ventilation systems to maintain optimal indoor air quality. All our operations conduct annual indoor air quality assessments by third-party consultants for guests and back of the house areas to ensure the wellbeing of our guests and employees. In 2024, we have met or exceeded all local requirements on indoor air quality.





## Our Sustainable Building Design Approach

Our two newest hotels, The Peninsula Istanbul and The Peninsula London, not only serve as showpieces of beautiful design, they also serve as an example of how luxury and sustainability can go hand in hand. From design to building construction, to operations, we embed *Vision 2030* considerations into all stages of our sustainable building approach.

### Embracing Sustainable Building Design for The Future



We set sights on BREEAM certification from the onset of each project, as we want to ensure alignment with global best practices on green buildings, adopting a framework for embedding sustainability from the very start and validated through a rigorous process. This can lead to improved building performance, climate resilience and a positive environmental and community impact – all principles we embrace through *Vision 2030*.

We incorporate passive design features where possible, for example double-glazed window glass allowing for maximum natural daylight and optimisation of ambient temperature. We consider sustainability in our material selection, from hardware to furnishings such as timber, wall covering, furniture, carpets. Most timber used in our projects is from certified responsible sources to ensure we are not contributing to deforestation practices. In The Peninsula London, we took extra steps to ensure certain bespoke timber items comply with the UK Government's Timber Procurement Policy and are legally harvested and traded.

In our indoor spaces, we use low VOC products to ensure optimal and healthy indoor spaces for our guests. Our hotels source their artisanal carpeting from Tai Ping Carpets International, a Hong Kong luxury carpet maker with a sustainability mind-set. The global carpet supplier has incorporated dye-free natural materials in their product line, which can reduce water and energy use during the production process compared with synthetic materials and able to reduce microplastic pollution.





## OUR GUESTS

### Minimising Negative Impact by Responsible Construction Practices

We partner with construction companies who are aligned with our goals and prioritise responsible construction practices. In The Peninsula London, we worked with a Considerate Constructors Scheme registered partner to ensure we regularly engage with our community to

address their concerns and to minimise noise and waste pollution in the neighbourhood. We also prioritise working with contractors who use lower-emission equipment or fleet, divert construction waste, and maintain a safe environment for their workers.



### Energy and Water Efficiency Fittings

Both hotels have built in smart building management systems so we can monitor and optimise energy use through automated systems. It also allows for early detection of issues or leakages for predictive maintenance. Such systems allows for continuous enhancement of building performance, while not sacrificing the comfort of our indoor environments.

We also installed energy efficient models for most machinery, including heating, ventilation and air-conditioning system, chillers, water pump motors and fan coil unit motors in guest rooms. While we use energy efficient lighting fixtures such as LED lighting and

proximity sensors at the back-of-house area. For water saving, we installed water-efficient shower heads, low flow faucets and dual flush toilets. In The Peninsula Istanbul, we installed a greywater recycling system, as well as an innovative seawater cooling system which leverages on the site's proximity to the Bosphorus to reduce energy required for cooling.

To accelerate our buildings towards a net zero carbon future, The Peninsula London sources 100% renewable electricity from our provider, while The Peninsula Istanbul purchases Renewable Energy Certificates through their electricity provider to contribute to broader decarbonisation efforts.



### Embracing Biophilic Design to Enhance Urban Ecology

Though our hotels are generally located in urban settings, we incorporate green spaces and biophilic design where possible as a contribution to urban ecology and biodiversity. In The Peninsula London, our green roof houses sparrow terraces, starling boxes and bat boxes to provide habitat for local species. In The Peninsula Istanbul,

our 1,528 square meter terrace is transformed into a herb garden which is used to grow a variety of vegetables and fruits which provide not only fresh ingredients for our chef team, but also encourage pollination by bees and butterflies, as well as provide shelter for birds.



### Preservation of Heritage and Local Culture

Heritage is synonymous with The Peninsula Hotels, which is proudly the oldest hotel company in Asia still in operation. We construct our hotels with a long-term vision designed to stand the test of time, and take pride in ensuring our buildings can bring value to the cultural fabric of our communities.

Site selection for both hotels were a key element to each project. We considered the cultural relevance to the city, with The Peninsula Istanbul contributing to the wider Galataport area revitalisation and restoration of neglected heritage buildings, and The Peninsula London overlooking the Wellington Arch, a historical landmark.

The Peninsula Istanbul was once home to three historical buildings which with careful consideration and dedication was preserved to honour its history. Most notably, one of the heritage buildings included Türkiye's first modern port terminal dating back to the 1930s. Even after the terminal ceased operation in 2014, the waterfront area continues to serve as an integral part of Istanbul's cityscape with views across the Bosphorus to the Topkapi palace and the Hagia Sophia. The cultural and historical significance was a key selection criteria of the site for the development of The Peninsula hotel.

We approached the monumental project with the goal to preserve the unique architectural styles and craftsmanship of the times, and maintain the cultural identity of the surrounding area. The three historical buildings were sitting on reclaimed land when the waterfront was developed as part of the port in the 1890s, resulting in difficult soil conditions. The three buildings were in varying structural conditions, in addition to the fourth new building that was added to the site, required different engineering approaches. To avoid damage to the building's historical façade with vibration, excavation work in certain areas had to be done without machinery and only with human power. The difficulty in excavation and foundation work was compounded due to the need to protect the site from water damage from the proximity to water.

We went above and beyond to preserve pieces of the building's history, for example the clock perched on top of the original passenger terminal was designed and built by Mustafa Şem-i, watchmaker to former sultan of the Ottoman Empire Abdul Hamid II. During construction, the clock was removed from the tower and restored before being carefully placed back up on top the tallest building of the site. We worked closely with the Heritage Board throughout this project to ensure our preservation efforts are in line with the needs and expectations of the broader community.





“ It’s time to rethink how we define and treat waste in our business – finding ways to eliminate waste, recovering and circulating valuable resources while regenerating natural resources. ”

## 2024 PROGRESS & UPDATE



50.5%

Waste Diversion Rate



652 kg

seafood shells repurposed for marine restoration project in Hong Kong



Over 35,000

soap bars redistributed to our community



Over 13,000 kg

food donated to charities, equivalent to 67,000 meals

### Our Commitments

Responsibly manage and divert our waste

- Achieve a waste diversion rate of 100% for food waste and recyclables by recycling, upcycling, and reusing
- Ensure proper disposal of hazardous waste
- Increase usage of recyclable materials

### Our Approach

- Proper waste segregation and recycling
- Donation of used soap bars and surplus food
- Other initiatives to repurpose coffee ground, cooking oil, textile waste, mooncake boxes etc.
- Hazardous waste and e-waste collected through vendor take-back or follow local regulation to ensure proper disposal
- Transition away from single-use plastic



In recent years, waste has been recognised as a valuable resource given its potential to be recovered and reprocessed. This is why we have adopted the philosophies of circular economy – redesign, reduce, reuse, recycle and recover, as a key focus for *Vision 2030*.

## Redefining Waste and Diversion

We developed group-wide waste management standards, and make efforts to ensure waste leaving our operations is properly segregated and responsibly disposed of. This is not without its own set of challenges as we offer a variety of products to our guests, resulting in our management of wide range of waste types. We work with local waste processors, recyclers and up-cyclers to divert waste from landfills and incineration where possible. Early adoption of waste management best practices such as dry and food waste sorting and recycling, and transitioning away from single-use plastics, has facilitated our smooth transition to emerging regulatory waste mandates.

## Waste Management Initiatives

1

### PAPER, GLASS, METAL

#### Reduce and recycling

Reduce paper by sharing guest information and newspaper through digital channels. Our team collect and sort waste from guestrooms and back of the house to be recycled.



2

### PLASTICS

#### Use of alternatives

Highly recyclable materials such as glass or aluminum are used to replace single-use plastic items (e.g. guestroom water). Non-petroleum based and plant-derived materials such as bamboo, wood and cornstarch are also used where applicable.



3

### SURPLUS FOOD

#### Food donation and composting

Edible surplus food and vegetable trimming are donated to local charities or food banks. Food scraps are donated to farms for use as fertiliser, cattle feed, or anaerobic digestion. Coffee ground and capsules used as fertiliser and/or biofuel.



1

2

3

4

6

5

4

### HAZARDOUS WASTE

#### Vendor take-back and recycling

We collect and sort our retired electronic items (e.g. light bulbs, batteries, printer cartage), through vendor take-back or local recycling programmes, ensuring hazardous waste is handled properly.



5

### SOAP BARS AND BATHROOM AMENITIES

#### Redesign packaging and redistribution

Soap bars and bottled amenities are redistributed for communities in need. Packaging for our bathroom amenities are made from recycled aluminum and sustainable paper which can be collected and sorted for recycling.



6

### OTHER WASTE GROUP

#### Piloting new circularity projects

We collaborate with innovation partners to find new ways to repurpose waste, such as textile waste to new garment, Christmas tree to wood furniture, and oyster shells to restored ocean habitat.





## OUR GUESTS

In 2024, we achieved 50.5% waste diversion across our group, a slight decrease of 3.0 percentage points compared to the previous year. While we have implemented more waste management initiatives and partnerships in our operations, the waste recycling programme for our new hotel in Istanbul is yet to be fully implemented, resulting in this decrease in waste diversion.

We take a two-pronged approach to waste diversion. Where possible, we extend the life of valuable resources by redistributing or donating discarded items with the help of local non-profit organisations. We partner with Clean the World at several of our operations to recycle used guestroom amenities such as bars of soap and liquid soap, which are, after a strict sanitation process, transformed into brand new soap bars that are then distributed to people in need to help reduce hygiene-related illnesses within local communities. To reduce food waste, food scraps are properly separated, partly being processed by the in-house food waste digester and the rest to off-site composting facilities in most hotels. Where possible, we also donate surplus food to local charities and food banks for redistribution. In 2024, The Peninsula London launched their new partnership with City Harvest, a charity which collects surplus food from the Peninsula Boutique and Café twice a week and distributes the food to the Marylebone Project in London, aiding homeless women.

Another approach we take to divert waste is by adopting the circular model of converting waste into valuable resources. For example, in Hong Kong, our long-term partnership with The Nature Conservancy takes discarded oyster, mussel and clam shells from our restaurants and reintroduces them into local waters to help restore marine habitats. Every year during the Chinese Mid-Autumn Festival, a large volume of mooncakes and mooncake packaging waste is sent to landfill. In 2024, Peninsula Merchandising, The Repulse Bay and our Head Office continue to send used mooncake boxes to local upcycling processor Mil Mill, where the boxes were upcycled into paper towels and redistributed to underprivileged families in Hong Kong. We continue to seek collaborations and engage with partners along our value chain to address the increasing scarcity of global resources and realising the true potential of waste as valuable resources.







## Single-Use Plastics Transition

Single-use plastics have become one of the most common pollutants entering our waterways and are detrimental to the marine ecology. In 2018, we began implementing a holistic approach to phasing out single-use plastics aligned with the Global Tourism Plastics Initiative's (GTPI) framework, led by the UN Tourism and United Nations Environment Programme (UNEP) in collaboration with the Ellen MacArthur Foundation.

We have prioritised our efforts to eliminate unnecessary and avoidable single-use plastics within our operations, promoting reusable products where possible and using non-petroleum based and natural alternatives. Most guest-facing items that are commonly found in our F&B outlets – plastic straws, stirrers, takeaway packaging, and beverage bottles in restaurants and mini-bars have been replaced with more sustainable

alternatives. Our bathroom amenities line features 99.9% non-petroleum plastics packaging, using recycled aluminium tubes and paper packaging as alternatives. Wood is used to replace plastics in our combs, toothbrushes and shaving razor handles. Together, this represents a considerable amount of items which we have transitioned away from single-use plastics.

In our hotels, we have adapted different solutions to transition bottled water from plastics through alternatives such as recyclable glass or aluminium bottles. The Repulse Bay and The Peninsula Bangkok use an on-site water filtration system in their restaurants to provide guests with premium drinking water filtered to neutral taste while retaining the water's natural minerals. We continue to explore solutions for more challenging items related to hygiene and food safety such as cling wrap used in kitchen area and individual packaging of our retail food items.



“Offering our guests the finer things in life, ensuring they have been sourced responsibly and sustainably, and not at the expense of others or our planet.”



## 2024 PROGRESS & UPDATE



92.9%

Sustainably  
sourced paper



73.3%

Sustainably  
sourced tea



84.7%

Sustainably  
sourced coffee



91.1%

Sustainably  
sourced chocolate



80.9%

Sustainable/  
biodegradable  
cleaning products



65.9%

Locally Sourced  
Perishables



59.9%

Cage-free eggs

### Our Commitments

Responsibly source key products and services

- Meeting 4 or more of the following criteria:
  - Locally and regionally sourced
  - Not contain harmful chemicals and processes
  - Not from a critically endangered source or cause deforestation
  - Sustainably sourced to ensure reusability
  - Comply with a credible sustainability standard
  - Align with a credible modern slavery standard

### Our Approach

- Policy to avoid procuring critically endangered products
- Internal guideline to purchase key commodities that are sustainably or responsibly certified, where possible
- Due diligence interviews with high-risk suppliers
- Encourage partnership with local suppliers or SMEs



## Our Responsible Sourcing Approach



### WORKING WITH SUPPLIERS THAT ALIGN WITH OUR VALUES

- CRS Concierge document to guide procurement teams on sustainability specifications required for products
- Sustainability consideration in tendering of high value products
- Mandatory supplier acknowledgement of SCOC



### CONDUCTING DUE DILIGENCE FOR HIGH-RISK PRODUCTS

- Monitor and track progress on high-risk products such as tea, coffee, chocolate, seafood
- Ensure compliance to minimum standards outlined in our CRS Concierge and SCOC (e.g. use of critically engaged species)
- Encourage purchase of sustainably-certified products
- Conduct supplier interviews for high-risk suppliers



### COLLABORATING WITH OUR SUPPLIERS

- Understand and work together to address challenges e.g. through partnerships, creating bespoke products or processes which align with *Vision 2030* goals

Our sourcing decisions support what we believe in and closely align with our environmental, social, and ethical standards. We strive to source our key commodities (e.g. tea, coffee, chocolate, paper, cleaning products) from sources that minimise environmental degradation, be it the use of hazardous chemicals, critically endangered flora and fauna, or linked to destructive deforestation. Where possible, we work with local businesses and suppliers to empower and create shared value with the communities in which we operate.

As part of our responsible sourcing approach, we set out clear expectations for our suppliers through the tendering process, conduct due diligence to mitigate and address any supply chain risks, and promote transparency and traceability through engaging with our suppliers.

Read more on our approach to combat modern slavery in our supply chain on p.64.

## Safeguarding Biodiversity

Biodiversity is a core component of our natural environment which supports the provision of natural resources and regulates the balance of nature. Aligning our responsible sourcing approach to nature conservation is vital to preventing resource depletion and ensuring natural resources can continue to meet our guests' present and future needs. We avoid procuring products which are critically endangered and strive to source our agricultural products and other key commodities from sustainable sources.





## OUR GUESTS

Since 2013, we have been referencing the International Union for Conservation of Nature's (IUCN) Red List of Threatened Species, avoiding the use of critically endangered species when sourcing food items unless accompanied with a sustainability certification. We focus on seafood products due to the dangers of population depletion, bycatch and habitat destruction. In 2019, we further enhanced the policy by aligning to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

In 2024, 80.9% of our cleaning products were biodegradable, made from natural ingredients or free of harmful chemicals. 92.9% of the paper we use was from certified sustainable sources originating from responsibly managed forests that do not contribute to deforestation, or from recycled sources. We still encounter difficulties in sourcing sustainable paper-based products which are laminated or mixed with other materials. We are proud to see the progress made towards our goal of sourcing all our tea, coffee and chocolate from responsible or sustainable sources. In 2024, 91.1% of our chocolate, 84.7% of our coffee, and 73.3% of our tea was responsibly sourced. We continue to face challenges in sourcing Chinese Tea, as certified premium teas are not commonly available in the market due to the resources required in obtaining such certifications for small-batch tea products.

### Cage-free Egg Transition

We contribute to the collective efforts of the food and hospitality industry by committing to source only cage-free eggs by the end of 2025. As of 2024, our cage-free egg spend across the group is at 59.9% (with 87.6% in non-Asia operations and 38.6% in Asia). We continue to work with Humane World for Animals previously known as Humane Society International (HSI) and have successfully identified suppliers for our transition. In 2025, we will focus our effort and aim for 100% conversion for all our shelled eggs, and continue to work with our NGO partners to identify suppliers to close the remaining gaps for other egg types.

### Source Locally and Regionally

Sourcing locally and regionally yields environmental and social benefits including reducing our carbon footprint in transportation, ensuring supply chain resilience in volatile times, empowering local businesses and small medium enterprises (SMEs), and safeguarding products that allow us to connect the rich history and stories from our local community into the food we prepare. Our F&B teams seek opportunities to work with small suppliers and local farmers for products which highlight the seasonality and speciality of local cuisine. As of the end of 2024, 65.9% of our perishable goods are locally or regionally sourced.





## Sourcing with Nature in Mind



The Peninsula Beijing has partnered with Shan Shui Partners, a social enterprise which offers training and resources to local farmer co-operatives, imparting knowledge on sustainable farming methods, improving agricultural efficiency and their livelihood. The organisation emphasises on farming practices that ensure the protection of habitats of local endangered species such as panda and snow monkeys. Through this partnership, The Peninsula Beijing can source fair trade products such as Panda Bee honey directly from farmers.

Aside from working with suppliers and procuring products with consideration of biodiversity, we also take steps within our own operations to promote local ecology. We installed beehives on the rooftop of The Peninsula Paris to help preserve the vital role that bees play in the pollination of plant species and diverse ecosystems.

Our garden at The Peninsula Istanbul is one of the largest installations among the herb gardens among our hotels, spanning 1,528 square meters. We grow a variety of herbs, vegetables, and fruits. Our chefs regularly select seasonal produce, such as oregano, tomatoes, green peppers, and pomegranates to incorporate into their

dishes. We also choose produce that attract pollinators such as bees and butterflies, and provide shelter and nesting spots for birds drawn to fruit-bearing plants, to help promote urban biodiversity. We host events such as wine tastings, movie screenings, and garden tours to allow our guests to explore the garden, learn about our sustainability practices, and engage with the environment in a unique way.





“ We refine our luxury offering in tandem with the evolving expectations of our guests. ”

## 2024 PROGRESS & UPDATE



### All 12 hotels

on-track to achieve EarthCheck Certification



ART IN  
RESONANCE

### Global Art Programme

featured sustainability-related pieces at our hotels in Bangkok and Hong Kong



### Envision Racing

Formula E partnership with The Peninsula Shanghai

### Our Commitments

Promote sustainability initiatives to increase awareness with guests and customers

- Offer sustainability experiences to guests and customers
- Promote local culture and heritage, including partnerships with local artisans
- Showcase sustainability initiatives and disclose information digitally to guests and customers

### Our Approach

- Guest wellness through *Life Lived Best* programme and *Naturally Peninsula* menu
- Celebrate local culture with *Art in Resonance*, *Peninsula Perspectives* and *Peninsula Academy*
- Partnership with local artisans
- Showcase sustainability features through guestroom video



Hospitality is more art than science. We are in a position to redefine sustainable luxury for our guests, and we want to share our journey by inviting them to take part through the experiences we provide. Our hotels and properties are designed to reflect the unique cities we operate in. Building on our strong foundation of heritage, we strive to celebrate the local culture, style and history of these cities together with our guests.

## Celebrating Heritage and Culture

Forging partnerships with local artisans is a way for us to honour and celebrate the local culture and heritage of our cities. For example, we partner with local artisanal perfumers in our bathroom amenities line to bring bespoke fragrances that reflect the unique sensibilities of each of our cities to our guests. The stories of our cities are also told through the lens of our own colleagues in the group's new advertising campaign *Peninsula Perspectives*. The campaign follows the personal stories of individual colleagues to explore how the deep connections to their cities shape the exceptional guest experience at The Peninsula Hotels. On the other hand, our *Peninsula Academy* programme brings our cities to life as guests can explore first-hand the authentic cultural, artistic and lifestyle experiences outside of our hotel doors.



Our luxury offering at The Peninsula Hotel is synonymous with our impressive fleet of high-end automobiles. In The Peninsula London, we want to offer our guests this same experience but more sustainably. Among the hotel's collection is The Peninsula's own 1960 vintage London taxi, carefully restored and electrified by London Electric Cars, to bring an iconic experience to our guests with a personalised touch of Peninsula Green.

In an exciting new partnership, The Peninsula Shanghai collaborated with Envision Racing, to welcome back Formula E after a five-year hiatus in China and marking its debut in Shanghai. This partnership leverages on the group's history of love for motorsports, to propel a vision for the future. Formula E is a pioneer in fully electric motorsport events, showcasing cutting-edge environmental technology such as green hydrogen fuel, electric vehicle batteries and energy storage and usage of Internet of Things (IoT) platforms.



## OUR GUESTS

### Engaging Our Guests on Sustainability

We continue to refine our offering to our guests along with their evolving expectations and want to demonstrate that luxurious experiences can be delivered sustainably. We have been part of the EarthCheck Certified programme since 2012, reinforcing our commitment to sustainability across environmental, social, and economic pillars. We are on-track to achieve EarthCheck's group certification for 2024, which will also include our newly opened hotels in Istanbul and London this year. Through annual data submission and independent audits, EarthCheck helps validate our efforts to give guest confidence in our practices. The Peninsula Istanbul also achieved full certification in the National Sustainable Tourism Program, ahead of the government's minimum requirements for full compliance in 2030. This certification aligns with the globally-recognised GSTC Criteria for sustainability in travel and tourism.

With an increasing interest in our sustainability efforts from guests, we launched a video communicating our efforts in-room, on our social media channels, and on a dedicated page on The Peninsula Hotels website. In the future, we continue to explore and add more sustainability touchpoints for our guests to come along with our journey.

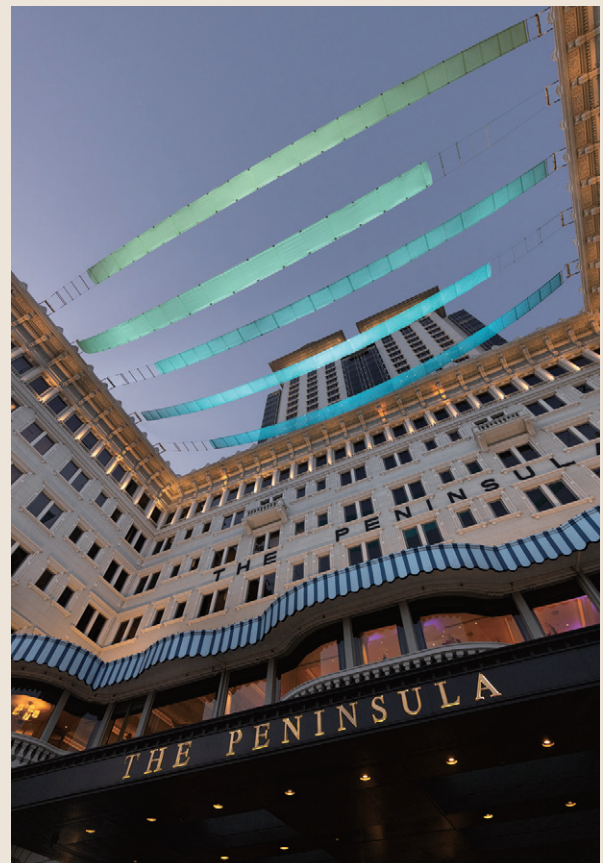
### Reflection of Sustainability through Dialogue in Art



Our *Art in Resonance* programme partners with emerging artists in our destination cities to inspire our guests through the expression of art. This year, we curated thought-provoking art pieces intended to encourage reflection on environmental issues we are facing globally.

Separately, The Peninsula Bangkok unveiled *Sanctuary Within*, an exhibition by textile artist Jarupatcha Achavasmit which prompts a reflection on finding beauty in waste. Discarded items collected from the hotel such as aluminium, fabric, and paper were used to transformed into beautiful art pieces. The first piece, named *Floating Forest* features 12,000 recycled aluminium containers symbolising new beginnings. Second is the *Cotton Field*, where old bed linens were naturally dyed with butterfly pea flowers grown on-site at our hotel. Finally, the *Paper Sky*, a collaborative work with local artist Ake Atthasumpunna, where 100kg of paper was naturally dyed and repurposed to construct abstract pieces.

At The Peninsula Hong Kong, multidisciplinary artist Elise Morin displayed her piece *SOLI*, a piece first commissioned in 2019 and shown at The Peninsula Paris. The poetic sculpture is made from thousands of pulverized and obsolete CDs, intended to portray a glittering reminder of palaces in her native France, while also offering a quiet commentary on the material burden of waste.







## Life Lived Best through Holistic Health

To us, sustainability is not just concerned with the health and wellbeing of the planet, it is also about the health and wellbeing of people. When guests step through the doors of our hotels, we want to provide a place for reflection and mindfulness. The Peninsula Hotels' *Life Lived Best* programme presents our guests with an array of offers to enhance their physical, mental and nutritional wellbeing, some of which are destination-specific and created in partnership with local residents. Locally inspired fitness classes are offered at our hotels, such as Muay Thai at The Peninsula Bangkok, Tai Chi at The Peninsula Hong Kong,

or Kung Fu at The Peninsula Beijing. We also partnered with the *Breathe* app to provide our guests with bespoke wellness content such as guided meditations and relaxing bedtime stories at the tip of their fingers, any time during their stay. Our *Naturally Peninsula* dining concept offers fully plant-based dishes at our restaurants, highlighting seasonal and locally sourced ingredients with an emphasis on nutrition to avoid refined sugars, artificial flavouring and preservatives. Our hotels in Hong Kong, Istanbul, Beijing, and Bangkok are growing vegetables and herbs in their own garden, bringing ingredients grown on site by the care of our employees directly to the plates for our guests to enjoy.



# Our People



The HSH family is a strong and committed team which shares a passion for hospitality, luxury and making a difference. We take tremendous pride in our team members who reflect our brand and values in all that they do. We celebrate diversity and strive to ensure that each person feels they belong and are an essential part of the team. At HSH, we know that our people are the heart and soul of the company, and we want to build a lasting and genuine relationship with them.





“ We ignite the potential and passion of our employees, creating opportunities for a purposeful career that is aligned to the business needs and goals of the company. ”

## 2024 PROGRESS & UPDATE



### Our Commitments

- Continue to provide a productive and sustainable workplace for our employees
- Strengthen our diversity and inclusion programmes
  - Commit to fair compensation with a special focus on gender pay equity
  - Enhance wellness and assistance programmes for all employees

### Our Approach

- Embrace our values through the HSH Core Principles
- Listen to our employees through regular feedback surveys and communication channels
- Training programmes for employees at all levels
- Take care of our people through benefits, assistance and wellness programmes
- Foster inclusive workplace through training and hiring of under-represented groups



In 2024, our company underwent a significant senior leadership transformation with the appointment of three new Executive Directors. To ensure a seamless transition, the company has proactively managed change and prioritised open communication. Global virtual town halls were held and featured our new Executive Directors and the newly appointed Deputy Chairman, Mr. Philip Kadoorie, sharing their leadership insights and vision for the company's future to over 1,500 total attendees.

We continue to see a steady decrease in our voluntary staff turnover rate with 16.2% achieved in 2024, our lowest recorded since 2020. This is a result of our concerted efforts to enhance the entire employee journey. We focused on identifying candidates who align with our company values and seek to foster a sense of belonging once onboarded. We offer market competitive salaries and benefits, and provide ample learning and training opportunities to support their professional growth. Our initiatives are affirmed by the fact that nearly one-third of our employees have tenures that surpass ten years.





## OUR PEOPLE

### Talent Acquisition

Among the challenges we faced in 2024, talent shortages continue to plague the hospitality industry. We have navigated through this by leveraging a range of recruitment channels to attract and engage potential talent in various markets.

We revitalised our global campus recruitment programmes, with our operations participating in early career campus events, job fairs, and partnering with schools, resulting in hiring over 430 early career candidates across the group. In China, we broadened our geographic reach to include additional schools in Shanghai, Zhengzhou, Nanjing, and Qingdao. In Europe, we continued to successfully attract talent through our annual Swiss campus tours. We are proud to share that, throughout 2024, over 20% of total hires were through internal colleague referrals, our top sourcing channel. This serves as a testament to our strong company culture and our current employees' belief in our company, encouraging them to recommend others to join.

We are developing a new careers website that will serve to articulate our employees' value proposition, company identity, and the multitude of opportunities available across our businesses. We believe this new website will be well-placed to attract the next generation of talents. Concurrently, we are undertaking a global refresh of our employer branding initiatives, showcasing our diverse family of colleagues across all regions.

All these efforts and initiatives have played an essential role in garnering the 80,000 applications we received in 2024, reflecting the enthusiasm and interest of candidates in joining our company. We have also received industry recognition for our work, including winning the Gold Award for Best Talent Acquisition Team from LinkedIn in Asia. Our China operations, namely The Peninsula Beijing, The Peninsula Shanghai, and The Peninsula Boutique & Café, have been recognised as one of the "Excellence Group Employers" at the 2024 VeryEast Employer Awards.





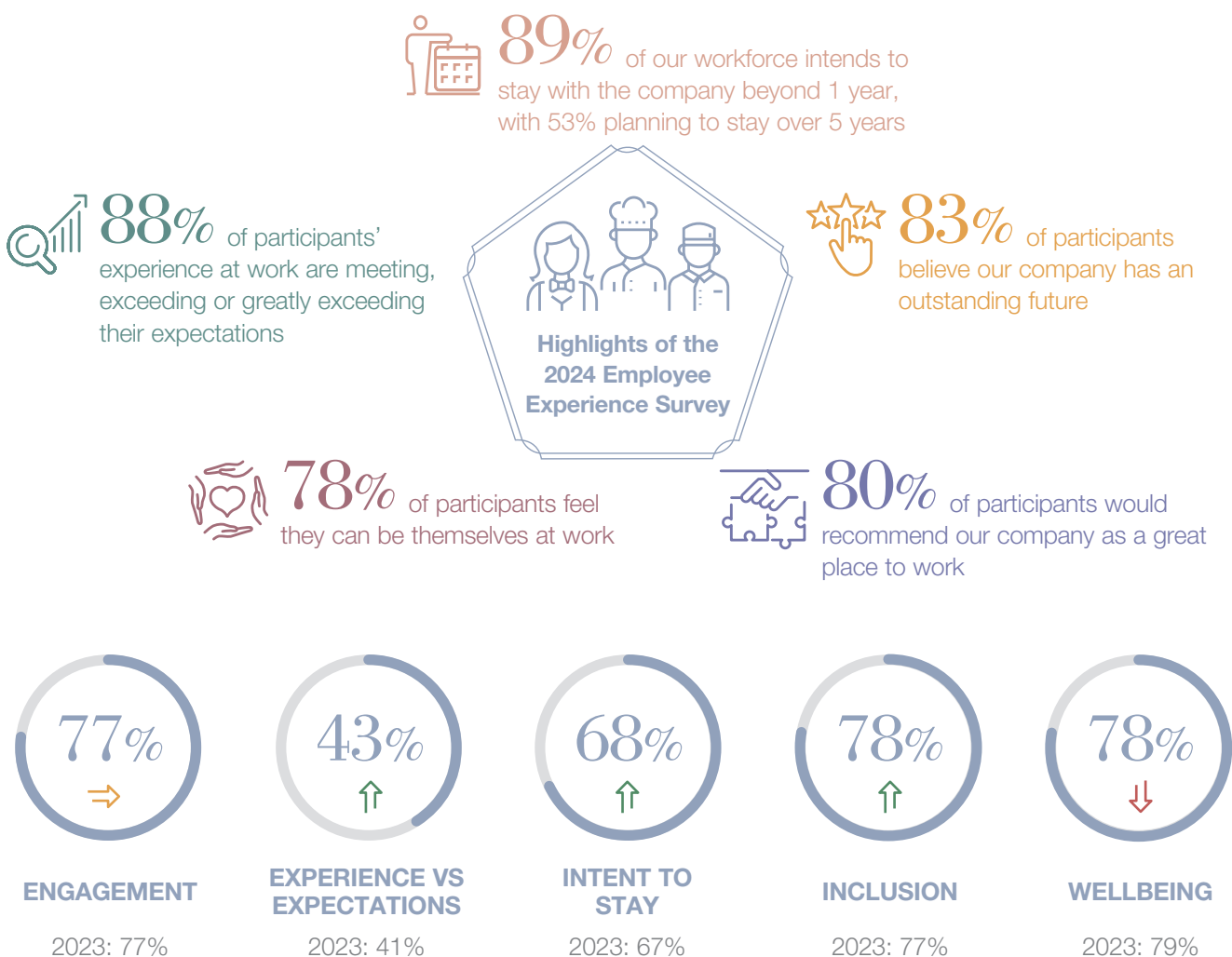
## Talent Management

### Listening to Our People

We are committed to listening to our employees and taking meaningful action based on their feedback. We conducted our global employee experience survey once again this year with a strong voluntary response rate. The result of this survey showed that our overall scores across five core KPIs – Engagement, Experience vs. Expectations, Intent to Stay, Inclusion, and Wellbeing – have remained consistent since 2023. Our overall engagement score exceeded the global average benchmark, while our employee net promoter score (eNPS) continued to be favourable and saw an improvement of two points from the previous year. In 2024, we identified areas of opportunity related to psychological safety and corporate responsibility

and sustainability. Psychological safety is essential to our culture, fostering an environment where employees can share their thoughts and concerns without fear of repercussions. Corporate responsibility and sustainability is equally important, as we empower our employees to align their values with our mission, enhancing morale and strengthening our brand reputation.

Key to cultivating a culture of open communication is to ensure employees have convenient access to two-way communication channels. Internal channels such as Viva Engage and our intranet, MyHSH Hub, enables our employees to stay informed about the company's latest global developments and strengthen personal connections with colleagues worldwide.





## OUR PEOPLE

### Employee Learning and Talent Development

We are committed to the long-term development of our employees, understanding that their growth is key to driving innovation, enhancing guest experiences, and maintaining a competitive advantage. This focus on meaningful career progression not only attracts top talent but also aids in retention, particularly among the newer generation. To facilitate this, we provide a range of tailored management development programmes designed to meet the learning needs of employees at all levels.

In 2024, we made significant strides launching 16 global learning programmes, including Leadership Excellence through Awareness & Purpose (LEAP), Dynamic Presentation, and Mastering Management Skills (MMS). We also certified several Learning & Talent Development (L&TD) leads in DiSC, empowering them to deliver the programmes locally.

Our diverse talent development efforts continue to cultivate a strong pipeline. The Corporate Management Training programme (CMT), targets recent graduates or high-potential junior staff to help develop a pathway for their career advancement and equip them with essential skills. The 12-month Emerging Manager Programme, targets high-performance managers offering them deeper insights into the business through department rotations and establishing their professional networks as they move forwards in their career with the group. Our Global Cross Exposure Programme, facilitated 123 colleagues to travel to and experience best practices across our global operations. The programme is intended to bring our global family of employees closer, facilitate collaboration and knowledge sharing.

To support self-directed learning, we offer various online resources to selected employees, including global subscriptions to LinkedIn Learning which feature over 20,000 courses. Our HSH Masterclass video series also launched its fourth season, focusing on topics like how to build a commercial mindset and modern slavery.





## Workplace Wellbeing

Ensuring our employees' health, safety, and wellbeing is vital for our success. By promoting a culture of safety and wellness, we not only reduce the risk of injuries but also enhance job satisfaction, morale, and overall productivity. More details of our health and safety initiatives can be found in the next chapter.

### Comprehensive Medical Plans and Benefit

We offer comprehensive medical plans to our employees world-wide. Each of our operations provides an employee assistance programme, which offers confidential counselling and support for personal and professional issues. In addition to a competitive annual leave package, most of our locations provide special leave options, such as three days of carer's leave in a majority of our Hong Kong operations, which allows employees to utilise part of their sick leave to care for family members, three days of Life Work Balance Leave in Tokyo for use for any personal events, and up to 30 days of personal leave in the US for emergencies or health concerns.

### Flexi Work

In response to the ongoing interest among today's workforce, we have established a policy allowing eligible colleagues at Head Office, The Peninsula New York, and The Peninsula Chicago to work from home once a week. Furthermore, flexible working hours continue to be available for eligible employees at Head Office.

### Wellness Initiatives

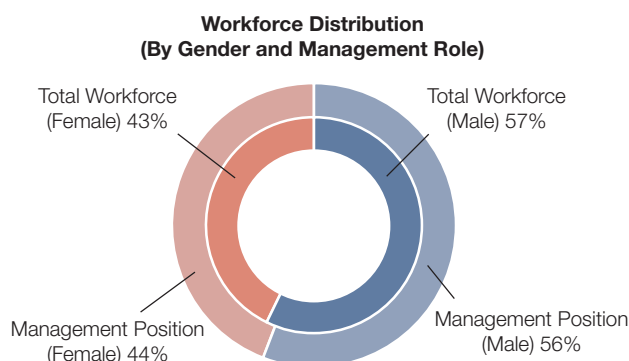
The *Wisdom on Wellness (WOW)* strategy supports the company's objective to create a culture of healthy, passionate and engaged employees to support the company in delivering the highest standard of service. To encourage physical wellbeing, nearly half of our operations feature gym facilities or gym memberships, and some also provide relaxation areas for employees to unwind and recharge.

## Inclusive Workplace

In Talent Acquisition, we continue to expand the diversity of recruitment channels. We further enhanced our bespoke Hiring for Success training programme to upskill and certify our hiring managers with the intention to create an environment of acceptance, foster a mindset of inclusion, and upholding affirmative recruitment practices. In Hong Kong, we are proud to support the relaunched *Honing Skills in Hospitality Programme*, where students from diverse and underrepresented backgrounds were recruited and trained. We extended support to the vulnerable refugee community through a hiring programme in Hong Kong, Tokyo, and Chicago.

## Gender Pay and Equality

Conducting a gender pay analysis is a vital step in our pursuit of gender equality. We are in the early stages of this initiative, and have completed the analysis in four of our operating locations. Our gender pay equity has outperformed the market average in Hong Kong, Paris, Tokyo and London. The Peninsula London continues to support Real Living Wage for our permanent employees, while all our operations in Hong Kong have met the Oxfam Hong Kong Living Wage standard as of January 2025. Additionally, we are integrating the recognition of same-sex marriage into our employee benefits programmes in operational locations, regardless of whether it is widely recognised, as long as doing so is not deemed illegal.





## OUR PEOPLE

HSH was one of the first companies to provide training and hiring opportunities to refugees in Hong Kong. Our People and Culture teams worked closely with a law firm to understand and overcome the challenges of the hiring process of refugees in Hong Kong, resulting in our first refugees hired in The Repulse Bay and our Head Office in 2018 through our non-profit partnership with Christian Action Centre for Refugees. After the outbreak of the Ukrainian war, The Peninsula Tokyo also hired 7 refugees to work with them full time or part time. Through these initiatives, we hope to yield sustained benefits for refugees, empowering them to improve their livelihoods even in locations where they have limited access to job security, social mobility and essential rights.

We continue to take our learnings throughout the years to develop a group-wide approach to hiring not only refugees, but also from other vulnerable groups within our community as well.

### Ethical Conduct

Our company is dedicated to maintaining ethical and responsible business practices. We honour human rights, promote diversity and inclusion, and are resolutely against corruption. This commitment is fundamental to our identity, helping us build and sustain the trust of our stakeholders. Our Code of Conduct specifies the expected behaviours of our employees, particularly in areas such as anti-bribery, fair competition, equal opportunity, data privacy, anti-discrimination, and environmental responsibility. All employees participate in training on our Code of Conduct to ensure they are well-informed about the group's ethical and professional standards. This code also aligns with international agreements, including the United Nations Declaration on Human Rights.

We respect our employees' rights to freely associate and engage in collective bargaining without fear of interference or retaliation. In 2024, we had six operations with collective bargaining, representing 17.2% of our total workforce.

Our grievance policies and procedures are outlined in the employee handbooks provided on the first day of employment, which all employees must acknowledge. Our *Speak Up Policy* establishes a clear framework for reporting misconduct and details the investigation and resolution procedures. Concerns can be reported through various channels, including our newly launched speak up portal. In 2024, 28 reports of potential integrity issues were received via Speak Up channel. All of these reports were investigated. Of the 28 reports, 26 were closed and two were still ongoing at the time of writing. Read more on our Speak Up Policy on p.63.







“ We make sure that guests and employees feel safe and secure whenever they are in our hotels and properties. ”

## 2024 PROGRESS & UPDATE



3.3 cases

per 100 employees  
for injury rate



98.4%

injuries recorded did not  
require a hospital stay

### Our Commitments

Ensure a safe environment for our employees

- Further enhance the group-wide HSH occupational safety, health and hygiene programme

### Our Approach

- Group-wide Occupational Safety and Health Management System referencing ISO 45001
- Risk identification through self-assessment and on-site audits
- Real time incidents reporting and systematic root cause analysis
- General and job-specific safety trainings for all employees, including part-time and casual workers
- Security Committee meet regularly to review OHS performance



## OUR PEOPLE

Our group-wide Occupational Safety and Health Management System (OSHMS) was last updated in 2023 referencing international standard ISO 45001, covering all employees including contractors and part-time or casual workers. The OSHMS reinforces many of our existing safety principles, while seeking to enhance health and safety controls with a focus on risk identification and mitigation. The scope of risk assessments includes workplace violence, establishing OHS performance as an evaluation criterion during the supplier selection process, as well as streamlining incidents reporting and investigation to allow for more systematic root cause analysis. A safety committee, consisting of members from Engineering, Housekeeping, Food and Beverage, People and Culture, Stewarding, and other departments, is established at each property. The committee convenes on a quarterly basis to monitor and review OHS performance, consolidate employee feedback on OHS issues, investigate and follow-up on OHS incidents, as well as support the overall implementation of the OSHMS to help create a culture of safety.

In 2024, we continued the rollout of the new OSHMS in operations, focusing on the incorporation of our new *Workplace Violence Prevention Programme*, which was developed to address the prevention and management of violence-related incidents. This programme covers both guests and employees, and outlines the procedures to properly identify, deescalate and follow up on potential threats. We also launched the HSH Business Travel Security Policy to protect our colleagues' personal safety while travelling. Under the policy, a risk assessment will be conducted prior to employee traveling based on factors such as destination of travel and effectiveness of the destination's security and emergency services. Depending on the risk level determined, the appropriate mitigation actions will be implemented such as a pre-travel briefing session and preparation for emergency protocols.





We regularly conduct comprehensive security and safety audits at our properties to assess the effectiveness of existing measures and identify areas for improvement. Our Hygiene and Sanitation Guidelines & Principles also serves to ensure we are providing services to guests with the utmost attention to their health and safety and in a well-maintained, clean environment.

We continued to build a safety-first culture and engage employees to keep incidents as low as possible. Training is an integral part of the OSHMS which includes providing general and job-specific safety training to all employees and all part-time or casual workers. In 2024, our injury rate improved by 12.7% at 3.3 cases per 100 employees driven by more training and identification of high-risk areas through regular on-site audits

and self-assessment checklist. 98.4% of the reported incidents did not require a hospital stay, and thus not considered severed injuries, representing an injury rate of 0.13 per 100 employees for severe cases. Lost day rate increased by 12.4% to 46.4 lost days per 100 employees, this is attributed to 3 injury cases with over 100 lost days, and another 3 injury cases with over 200 lost days. There was a reported increase of safety incidents in 2024 related to slip and fall accidents, bloodborne injuries caused by handling of sharp objects or needles, and cuts from handling of glassware. Training materials were subsequently developed to address these specific incident types and launched to operations. In 2024, we continued to have zero fatalities and no permanent disabilities.



## Being Prepared in Times of Crisis

The greater Los Angeles region was recently devastated by wildfires that spread across the city, destroying buildings and homes. It was critical to prepare our colleagues in The Peninsula Beverly Hills, and all other hotels facing similar crisis situations, to ensure our people and our guest's safety.

Each operation develops a local crisis management plan which includes key components such as an effective notification and reporting system, set up of a command centre, and plans to coordinate with law enforcement and

public safety officials. To ensure the plan's effectiveness, operations will conduct at least one tabletop exercise and one full-scale drill annually to simulate real-world scenarios, identify additional actions required, and ensure colleagues' preparedness. Each local crisis management plan is reviewed annually. In 2024, we conducted tabletop exercises covering scenarios such as earthquakes, active shooters, bomb threats, terrorist attacks, outbreaks of contagious diseases, fires, and evacuation drills, all focused on emergency responses. In Paris, we developed emergency plans in preparation for the Olympic Games.



# Our Communities



Wherever we have hotels and properties around the world, we strive to be part of the local fabric. We want to be deeply entwined with the communities we serve, supporting them to thrive.





“ Our communities are our homes – we stand to benefit when our communities thrive. We look for ways to uplift, contribute and reinvest in the communities that supported us. ”

## 2024 PROGRESS & UPDATE



### Honing Skills In Hospitality

relaunch - an immersion programme for ethnic minority students in Hong Kong



**11,373**  
volunteering  
hours

**HK\$11m**  
total community  
contribution



### 11 Trailwalker teams

from Asia operations to raise fund for poverty alleviation



### Festive fundraising

campaign in The Peninsula Hotels to support children and youth development organisations

### Our Commitments

Support local community needs by utilising the group's resources and capabilities

- Provide training and hiring programmes for the under-represented in our communities
- Contribute to elderly care, youth development and uplifting marginalised communities
- Offer employees incentives in volunteering for community activities

### Our Approach

- Engage with local communities in meaningful ways such as contribution of time, expertise, training, and other support
- Supporting three key demographics:
  - Elderly care
  - Youth development
  - Uplifting the marginalised



We aim to deliver a positive, lasting impact that contributes shared and sustained value for all. Through *Vision 2030*, we continue to engage with our local communities in meaningful ways, extending beyond just monetary-based contributions to contributing time, expertise, vocational training opportunities, and other in-kind support to create long-term impact in the cities we operate. We focus our engagement to address the needs of three key demographics – the youth, elderly and marginalised members of our community.



## Community Volunteering and Investment

In 2024, our community initiatives added up to HK\$11 million monetary and in-kind charitable contribution, and more than 11,300 volunteering hours. Below are some examples of our community support efforts.

### Elderly Care – Caring for our heritage

The elderly are the backbone of the cities we call home, having made invaluable contributions to building out society. With so much to learn from them, we want our colleagues to feel a connection to their heritage. We want to bring our signature Peninsula service and delicacies to the elderly, so they can experience it in-person through volunteering programmes with our colleagues and bring back fond memories.



- The Repulse Bay invited elderlies to experience our signature afternoon tea experience at The Verandah and enjoy a leisurely afternoon at the seaside property together with our colleagues.
- Head Office spent a memorable afternoon at an elderly care centre to deliver a unique “soft meal” dim sum for elderlies who suffer from difficulties swallowing or chewing solids. Our colleagues each took on a service or kitchen role, replicating the exceptional Peninsula service standards while we served them food and created memories together.
- The Peninsula Beijing and The Peninsula Shanghai continued their tradition of elderly home visits, where our colleagues distributed our signature mooncakes and seasonal gifts and spread their well wishes during festive holidays.



## OUR COMMUNITIES

### Youth Development – Preparing for the future

Youth are the leaders of tomorrow, and as a business which has existed for 159 years, we recognise the necessity of imparting skills and knowledge for future generations especially for under-represented groups. We support and offer meaningful vocational training and hiring programmes to them, with the hope to enhance their livelihood, promote social equity, and build the company's future talent pipeline.

- At The Quail, a charitable trust was set up since 2007 to allocate donations raised through our annual *Quail Motorsports Gathering* event to selected charities and education institutions. Over US\$110,000 was raised during the event this year, with proceeds disbursed throughout 2024 and early 2025. Selected recipients were focused on issues surrounding under-served youth and education, for example Rancho Cielo Youth Campus, which provides education and culinary job training to at-risk youth.
- The Peninsula Beverly Hills celebrated the second successful year of the *Career Academy Programme* in 2024. In the span of six months, students from Beverly Hills High School gain hands-on exposure to different departments. This programme aimed at allowing students to better understand the desired skill sets for their future careers, and preparing them for success through soft skills-oriented workshops.
- The Peninsula London continued its partnership with The Prince's Trust by hosting this year's Invest in Futures gala event, which fundraised GBP\$2 million to go towards programmes in aiding vulnerable youth globally.
- Our signature *Festive* programme takes place in The Peninsula Hotels every December to celebrate the season of Christmas giving. Each hotel will offer guests the chance to make purchases with proceeds benefitting local organisations that support children and youth development organisations.



### Uplifting the Marginalised – Helping those in need

We recognise that though we live in a globalised world, inequalities are solved at a local level. We rely on each operation's connection with their local communities to identify how we can best support the most urgent needs of marginalised groups.

- The Peninsula Shanghai continued their partnership with *The Library Project* where a team of colleagues from The Peninsula Shanghai travelled nearly 20 hours to reach a remote rural area to personally deliver more than 1,000 books, bookshelves and other school resources to build a library for the school. This project runs in tandem with the *I (eye) Care Project*, where a team of volunteering doctors also travel to the school to provide comprehensive eye examinations for all the students.
- 44 of our colleagues from the Head Office and our Asia operations, including our Chief Financial Officer, participated in the 2024 Hong Kong *Oxfam Trailwalker* event, to traverse a 100-kilometer trail through the territory. Our colleagues were able to fundraise a total of HK\$180,000 to contribute towards Oxfam's efforts in alleviating global poverty and climate change.
- Our Hong Kong team has been dedicated to supporting refugees through various initiatives. It was the third year we supported RUNHK's mock interview programme, helping refugees gain confidence and prepare for real job opportunities. This year, we started a new experiential learning session on Food and Beverage services, equipping refugee participants with essential culinary skills that help them pursue relevant careers in the future.



## Empowering Tomorrow's Leaders in Hospitality

The *Honing Skills of Hospitality Programme (Honing Skills)* was relaunched in 2024 after being suspended during the pandemic. Our signature internship programme was developed to inspire and nurture students from a wide range of ethnic, cultural and educational backgrounds to gain hands-on experience in the hospitality industry. We worked with non-profit organisations and social enterprises such as WeDo Global, DreamImpact to diversify our recruitment channels, extending to communities which we typically may not have access to.

We also enhanced this programme to focus more on the students' personal development. We organised a two full-day workshop prior to the internship to equip students with lifelong skills as they embark on their professional journeys. The students set career goals, improved their communication skills, and implemented a growth mindset.

This year, 11 students participated in the programme, and were assigned to a 4-week internship in our Hong Kong operations which included The Peninsula Hong Kong, The Repulse Bay, The Peak Tram, Peninsula Merchandising and The Hong Kong Club. The students were able to explore their interest working in wide ranging roles from events and marketing, food and beverage, housekeeping, club management and more. A dedicated mentor was assigned to each student to ensure adequate support and guidance was provided to them throughout.

We collected feedback from students and our mentors to measure the social impact of this programme:

**Impact to students** – Overall, students indicated an improvement to their skills after the programme, such as interpersonal skills, problem skills and confidence levels. The programme also helped to deepen their understanding of the hospitality industry and expectations as a career choice.

**Impact to HSH** – Our mentors indicated through working together with the students, the programme helped foster two-way learning as colleagues learned to embrace diverse perspectives and enhanced empathy and understanding of each other's differences. The programme was also seen as successful in building a talent pipeline from communities we typically would not reach.

**Impact to wider community** – Students found the programme to enhance their sense of belonging among the community and among their colleagues.

As a testament to the programme's success, three participants were offered part time roles following the internship. We are looking to expand this programme globally in the future.

## Rebuilding HOPE for Natural Disaster Victims

In addition to our ongoing community initiatives, we are committed to extending our support to those in need during catastrophic events. Through our "Hope For" group-wide fundraising initiative, we aim to provide essential support and build new homes for those affected by natural disasters.

Most recently, we launched *Hope for Los Angeles* to fundraise for the local communities impacted by the devastating loss of lives and homes from the wildfires. For every night booked at any of our Peninsula hotels in the U.S., a donation will be made on behalf of the group to a non-profit organisation assisting survivors. In 2023, our *Hope for Türkiye* raised a total of HK\$37.9 million to be donated towards the long-term redevelopment of the most affected areas. In the same spirit, we have also launched similar campaigns in 2013 with the aftermath of Super Typhoon Yolanda in the Philippines, and in 2011 with the Great East Japan earthquake and tsunami.



**HOPE**  
for  
**LOS ANGELES**





“ By increasing visibility on the provenance of our products and services, we take steps to ensure our offering does not contribute to modern slavery. ”

## 2024 PROGRESS & UPDATE



Launched the Modern Slavery masterclass training



Enhanced accessibility of Speak Up Portal

### Our Commitments

- Increase supply chain visibility on responsible sourcing for our high-risk suppliers
- Monitor our high-risk suppliers to ensure clear visibility and traceability of 90% through targeted audits and engagement
- Require all suppliers to support anti-modern slavery efforts as part of our Supplier Code of Conduct
- Work and engage with our suppliers by strengthening our Supplier Code of Conduct

### Our Approach

- All suppliers acknowledged Supplier Code of Conduct
- Speak Up Policy and Portal available for all employees, suppliers, customers
- Modern Slavery Statement outlining our approach to safeguard human rights
- Improving traceability and conduct due diligence interviews with high risk suppliers



As global supply chains continue to grow in length and complexity, visibility across our value chains becomes increasingly challenging. With our business positioned at the end of supply chains, we strive to strengthen due diligence processes to ensure products and services offered to our guests comply with relevant regulations and contribute to good labour and environmental practices.

We have focused our work on high-risk suppliers, defined by their susceptibility to labour exploitation, contribution to environmental degradation, and a general lack of transparency. Examples include suppliers of seafood, cotton, tea, coffee, chocolate, outsourced service contractors and recruitment agencies for our contingent or temporary workforce.

## Supplier Code of Conduct

Introduced in 2009, the Supplier Code of Conduct (SCOC) exists to articulate our expectations of suppliers and contractors on environmental, social and ethical practices. The SCOC is publicly available, and supplier's explicit acknowledgment is mandated in all contracts. The SCOC is regularly updated to ensure alignment with international standards, notably the

United Nations Global Compact, UN Universal Declaration of Human Rights, Conventions of the International Labour Organisation and the OECD Guidelines for Multinational Companies. In an effort to encourage reporting of suspected breaches and violations, we have also linked our Speak Up Policy to the SCOC. In 2024, we relaunched our Speak Up Portal to enhance accessibility, allow two-way communication and improve efficiency of reporting suspected matters of misconduct. The portal is open to use for employees, suppliers, customers, and is now available in 40+ languages to cover global locations where HSH operates. Cases can also now be reported through web-based portal or with a live hotline operator.

Over the course of 2024, we engaged with several high-risk seafood suppliers through interviews aimed to ensure our suppliers are meeting the standards set out in the SCOC and other responsible sourcing practices outlined in *Vision 2030*. Where gaps are identified, we sought to understand their challenges and provide feedback for improvement. By adopting a collaborative approach, we hope to bring all our suppliers, including those with room for improvement, alongside our sustainability journey and cultivate mutual advancement.





## OUR COMMUNITIES



### Anti-modern slavery

We are committed to upholding fundamental human rights within our own operations as well as across our supply chain. We condemn any form of slavery and human trafficking and are continuously improving our policies and processes to build awareness, improve transparency and combat such practices. Since 2020, we have engaged contingent labour agencies and seafood suppliers to incorporate action items related to human rights, human trafficking and modern slavery, and have worked with a number of NGOs both locally and on a group-wide level to strengthen internal awareness and training. In 2024, we launched a masterclass video on the topic of Modern Slavery to all employees where the Company Secretary and Group General Counsel and the group's Head of CRS were invited to discuss ways we combat Modern Slavery across our business. Our Modern Slavery Statement, reviewed and updated annually, is publicly available and details our efforts towards addressing Modern Slavery.



[Read our Modern Slavery Statement here](#)

### Improving Traceability and Sourcing Responsibly

The majority of our tea, coffee and chocolate are already sourced from certified sources which ensure chain of custody and traceability. We are also members of the Hong Kong Sustainable Seafood Coalition (HKSSC) and join other players in the seafood value chain to advance the sustainable seafood market locally. The seafood supply chain is particularly susceptible to issues of traceability, exposing vulnerability to unsustainable fishing practices and modern slavery. We are working to further enhance tools to enable our procurement teams to source seafood from trusted suppliers, especially for seafood products that have not yet obtained internationally recognised sustainable certifications.



“Harnessing the power, passion and influence of like-minded partners, to create impactful and lasting change.”

## 2024 PROGRESS & UPDATE



Member of  
**Responsible Luxury Initiative**  
to advance sustainability agenda among luxury brands



First year to join  
**Energy & Environment Alliance**  
to advance decarbonisation effort among hotel owners



**HK\$10 billion**  
equivalent in green facility amount

### Our Commitments

Influence and collaborate to find solutions with other stakeholders

- Join sector and like-minded business initiatives to advocate and advance efforts for sustainable change
- Partner with others to implement actions and solutions in our operations

### Our Approach

- Participate in industry groups to collaborate and find solutions
- Leverage green and sustainability-linked loans to facilitate low carbon transition



## OUR COMMUNITIES

We recognise that collaboration is key to solving our world's most pressing issues. We are members of several cross-sectoral and industry-wide consortiums to participate in problem-solving sessions with our partners, and listening to the voices of tomorrow. Through this approach, we strengthen not only our own sustainability practices, but also share our learnings across industries and like-minded peers.

### Knowledge Sharing and Industry Collaboration

We are members of industry-specific working groups which address common challenges, bringing closer alignment of actions across our sector and raising the bar towards achieving a common goal. We are part of The Cornell Hotel Sustainability Benchmarking Advisory Group and the Energy & Environment Alliance's (EEA) Taskforce on Hotels & Lodging Sustainability Standards, to advance global standards for reporting in the hospitality sector. We also take part in groups working on specific issues within our industry, for example The Mekong Club's Supply Chain Working Group, Business for Social Responsibility's Responsible Luxury Initiative, and the Hong Kong Sustainable Seafood Coalition. We also participate in industry stakeholder focus groups to share our expertise on topics through The University of Hong Kong's (HKU) *Partnership for Sustainability Leadership in Business* project. In 2024, we also served as a corporate advisor to students at the Division of Environment and Sustainability at The Hong Kong University of Science and Technology's (HKUST), providing mentorship and real-world insights on their Capstone project.



## Partnering with a Purpose – Pushing Innovation Boundaries

Complex sustainability challenges often require innovative solutions to solve. Finding the right partners that are willing to push the boundaries is key to developing creative solutions.

HSB began our long-term partnership with The Hong Kong Research Institute of Textiles and Apparel (HKRITA) in 2018 to finding forward-looking solutions to hotel textile waste. HKRITA is a world-renowned research institute and a pioneer in developing new methods of textile upcycling. Hotels generate textile waste through frequent replacements of bed linens, towels and uniforms from guest stays. Currently, we have not found scalable ways to divert such waste partially due to the complexities of material composition, volume and high cost of recycling solutions. Throughout our partnership, The Peninsula Hong Kong supplied retired bedding, feather topper, towels, uniforms, and other textiles for their research and testing. In recent years, HKRITA has successfully developed ways to turn fine woven cotton fabrics back into cotton yarn that can be upcycled into new textile products. We recently created bespoke upcycled sports jersey with HKRITA for our colleagues participating in the *Oxfam Trailwalker* event.

This year, HKRITA unveiled their state-of-the-art new space, Open Lab, where they will continue to develop sustainable solutions in one of its key facilities, the Pilot Plant – an end-to-end industrial upcycling line, which includes the Green Machine 2.0 that separates polyester fibres from PET-cotton blended textile. We look forward to continuing to support HKRITA in their exciting new chapter.



## Unlocking Opportunities through Green Financing

Green Finance is a growing vehicle for corporates to unlock capital that may not be available through traditional financing channels, by demonstrating good sustainability performance or by earmarking such capital to support sustainability-related projects. It has also become an important instrument for financial institutions to support climate solutions through investments. Since 2021, we partnered with banks and financiers to incorporate green finance into our overall financing strategy securing a total of HK\$10 billion equivalent in green facilities, and with interest margin discount ranging from 2 to 4 basis points depending on our sustainability performance. More details of the green projects financed by our sustainability-linked or green loans can be read in our Green Finance Report.



**Read our Green Finance Report here**



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# INDEPENDENT ASSURANCE REPORT

## Independent Practitioner's Limited Assurance Report

### To the Directors of The Hongkong and Shanghai Hotels, Limited

Report on selected information in The Hongkong and Shanghai Hotels, Limited's Corporate Responsibility and Sustainability Report and Sustainability Data Statements 2024 as of and for the year ended 31 December 2024

## Conclusion

We have performed a limited assurance engagement on the following information in The Hongkong and Shanghai Hotels, Limited's ("HSH") Corporate Responsibility and Sustainability Report and Sustainability Data Statements 2024 as of and for the year ended 31 December 2024 (hereafter referred to as "the Assured Sustainability Information"):

Assured Sustainability Information	Applicable Criteria
<p><b>A. Data points and relevant narratives:</b></p> <p><b>Workforce:</b></p> <ul style="list-style-type: none"> <li>Total headcount</li> <li>Headcount by gender</li> <li>Total staff turnover</li> </ul> <p><b>Safety:</b></p> <ul style="list-style-type: none"> <li>Injury rate</li> <li>Lost day rate</li> </ul> <p><b>Community:</b></p> <ul style="list-style-type: none"> <li>Monetary Donations</li> <li>In-kind donations</li> <li>Other community contributions</li> </ul> <p><b>B. Economic data points</b></p> <ul style="list-style-type: none"> <li>Revenue (including interest income)</li> <li>Operating costs</li> <li>Employee wage and benefits</li> <li>Capital expenditure</li> </ul> <p><b>C. Information in relation to green loan:</b></p> <ul style="list-style-type: none"> <li>Amount of proceeds allocated to the Eligible Projects</li> </ul> <p><b>Environment:</b></p> <ul style="list-style-type: none"> <li>Greenhouse gas emissions (Scope 1 and 2)</li> <li>Group carbon intensity</li> <li>Total energy use</li> <li>Energy intensity</li> <li>Direct water consumption</li> <li>Water intensity</li> <li>Water recycled and other water sources</li> <li>Waste generated</li> <li>Waste diverted</li> </ul> <ul style="list-style-type: none"> <li>Payments to providers of capital</li> <li>Tax payments to governments</li> <li>Total floor area</li> <li>Total number of guest nights</li> </ul>	<ul style="list-style-type: none"> <li>Environmental, Social and Governance Reporting Code, Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEX ESG Code")</li> <li>CRS data reporting scope and methodology as disclosed in the Sustainability Data Statements in the Report</li> <li>CRS data reporting scope and methodology as disclosed in the Sustainability Data Statements in the Report</li> <li>HSH Green Financing Framework</li> </ul>

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Assured Sustainability Information of HSH as of and for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the Applicable Criteria.

Our conclusion on the Assured Sustainability Information does not extend to any other information that accompanies or contains the Assured Sustainability Information and our assurance report (hereafter referred to as "other information"). We have not performed any procedures as part of this engagement with respect to the other information.

## Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



## INDEPENDENT ASSURANCE REPORT

### Intended use or purpose

This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our conclusion is not modified in respect of this matter.

### Responsibilities for the Assured Sustainability Information

The Directors of HSH are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Assured Sustainability Information;
- selecting or developing suitable criteria for preparing the Assured Sustainability Information and appropriately referring to or describing the criteria used; and
- preparing the Assured Sustainability Information in accordance with the Applicable Criteria.

### Inherent limitations in preparing the Assured Sustainability Information

Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

### Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Assured Sustainability Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to you.

### Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Assured Sustainability Information that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the

Assured Sustainability Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we:

- Evaluated the suitability in the circumstances of HSH's use of the Applicable Criteria, as the basis for preparing the Assured Sustainability Information;
- through inquiries of relevant staff at corporate and selected location responsible for the preparation of the Assured Sustainability Information, obtained an understanding of HSH's control environment, processes and information systems relevant to the preparation of the Assured Sustainability Information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- tested a limited number of items to or from supporting records, as appropriate;
- performed analytical procedures over the Assured Sustainability Information where appropriate by comparing the expected results to actual results reported and made inquiries of management to obtain explanations for any significant differences we identified;
- performed recalculations of selected data in the Assured Sustainability Information; and
- considered the presentation and disclosure of the Assured Sustainability Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



KPMG  
Certified Public Accountants  
8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong  
31 March 2025

# SUSTAINABILITY DATA STATEMENTS

This section provides statistical information on the group's sustainability performance. To facilitate stakeholders in understanding and benchmarking our corporate responsibility performance, our reporting follows the HKEX ESG Code and GRI Standards.

## 1. PERFORMANCE HIGHLIGHTS <sup>(1)</sup>

			2024	2023	2022	2021	2020	2010 Baseline
Economic <sup>(2)</sup>	Revenue (incl. interest income)	HK\$m	10,318	8,133	4,204	3,465	2,715	
	Operating costs	HK\$m	5,959	4,431	1,706	1,388	1,133	
	Employee wage and benefits	HK\$m	2,749	2,462	1,966	1,562	1,511	
	Capital expenditure	HK\$m	901	1,708	2,030	2,050	1,585	
	Payments to providers of capital	HK\$m	736	737	295	165	215	
	Tax payments to governments <sup>(3)</sup>	HK\$m	383	241	261	229	355	
	Total floor area <sup>(4)</sup>	'000 m <sup>2</sup>	750	750	647	646	646	
	Total number of guest nights <sup>(5)</sup>	'000	1,178	1,027	790	604	384	
Workforce	Headcount <sup>(6)</sup>		7,836	7,695	6,439	5,866	5,609	
	Turnover <sup>(6)</sup>	%	21.3%	21.9%	23.8%	24.3%	31.5%	
	Headcount by Gender	% Female	42.6%	41.6%	41.0%	40.5%	40.5%	
	Injury rate <sup>(7)</sup>	incidents per 100 employees	3.3	3.8	3.6	3.0	2.5	
	Lost day rate <sup>(7)</sup>	days per 100 employees	46.4	41.3	49.6	71.1	47.4	
Environment <sup>(8)</sup>	Greenhouse gas emissions	'000 tCO <sub>2</sub> e	82	81	79	72	68	124
	Group carbon intensity <sup>(9)</sup>	kg CO <sub>2</sub> e per m <sup>2</sup>	110	126	122	112	105	213
	Total energy use <sup>(10)</sup>	'000 GJ	935	788	710	654	572	884
	Energy intensity <sup>(10)</sup>	MJ per m <sup>2</sup>	1,246	1,218	1,097	1,012	885	1,518
	Direct water consumption	'000 m <sup>3</sup>	1,759	1,562	1,302	1,168	941	1,674
	Water intensity							
	Hotels Division <sup>(11)</sup>	litres per guest night	1,271	1,315	1,395	1,636	2,010	1,346
	Commercial Properties, Peak Tram, Retail and Others	litres per m <sup>2</sup>	1,099	1,088	962	839	870	962
Community	Water recycled and other water sources	'000 m <sup>3</sup>	210	296	382	337	372	142
	Waste diversion rate <sup>(12)</sup>	%	50.5%	53.5%	52.7%	48.3%	48.8%	
	Monetary Donations <sup>(13)</sup>	HK\$'000	3,575	3,805	941	1,549	3,157	
	In-kind Donations <sup>(13)</sup>	HK\$'000	7,329	3,003	2,706	1,807	1,988	
	Other community contributions <sup>(13) (14)</sup>	HK\$'000	2,904	2,892	2,451	1,193	380	

### Footnotes:

- (1) Please refer to p.72 for the scope of businesses covered in the reporting of workforce, environment and community performance. Full year environment data for The Peninsula Istanbul and The Peninsula London data is added to the scope in 2024, following the addition of workforce and community data of these two hotels in 2023.
- (2) Reporting scope for Economic data includes financial information for all subsidiaries owned by the group, excluding joint ventures and associates for alignment with consolidated financial reporting in our Annual Report. As representative indicators of our areas of operation and business volume, reporting scope for total floor area includes all hotels, commercial properties and Tai Pan Laundry, while total number of guest nights includes all hotels.
- (3) Inclusive of corporate income tax, property and real estate tax, payroll tax and other corporate taxes.
- (4) Total floor area has been restated for 2023 based on more accurate data becoming available for calculation.
- (5) Calculation based on actual number of guests that occupied each of the rooms and suites in the relevant year.
- (6) Year-end data as at 31 Dec 2024. Headcount data only covers full-time employees working full number of hours per week for that particular position. Voluntary turnover rate, which covers full-time employees left employment based on their own decision to resign is 16.2%.
- (7) Overall, injury rates decreased while lost day rates increased. Increase in lost day rate for the group is mainly attributed to 3 injury cases with over 100 lost days, and another 3 injury cases with over 200 lost days. 3 of the cases were a result from human errors such as slip, fall and lapses, while 3 other cases occurred outside of the work site or under adverse weather conditions. 98.4% of the reported incidents did not require a hospital stay, and thus not considered severe injuries. The injury rate for severe cases is at 0.13 per 100 employees. There was no incident of occupational disease recorded.
- (8) Addition of the two new hotels in London and Istanbul in the Environment data scope in 2024 has unavoidably increased the group and hotel division's absolute energy and water consumption, waste generation and greenhouse gas emissions.
- (9) Carbon intensity decreased by 12.5% compared to last year which is attributable to the increased procurement of renewable electricity directly from grid in The Peninsula London and indirectly from the purchase of Renewable Energy Certificates in The Peninsula Istanbul and The Peninsula Tokyo, these account for 21.5% of the group's total electricity use.
- (10) Vehicle fuel consumption is not included in the total energy use and energy intensity reported.
- (11) Includes all water uses in the hotels, not just those used by guests directly.
- (12) Grease trap waste, hazardous waste and construction waste were not included in the waste data reported.
- (13) Monetary Donations include donations from the company, guests and employees. Total community contributions (i.e. monetary and in-kind donations) increased by 60.2% from last year as The Peninsula London and The Peninsula Istanbul activated new charity partnerships.
- (14) Relates to contributions made to non-charitable organisations on projects supporting the wider community, for example, the Hong Kong Heritage Project, an archive project for preserving valuable historical records of the Kadoorie family and its businesses that are mostly based in Hong Kong.



SUSTAINABILITY DATA STATEMENTS

2. CRS PERFORMANCE

Explanations for significant data changes are included in the main report text or in the footnotes below, as indicated. Group Performance can either be a total number or a weighted average (i.e. ratio or intensity) depending on the methodology used.

- (a) Workforce data reported covers the group’s Hotels Division (including corporate office operations in Hong Kong, Beijing, Bangkok, Shanghai, London, Istanbul and the US), Commercial Properties Division, and Peak Tram, Retail and Others.
- (b) Environment data reported covers the group’s Hotel Division, The Repulse Bay Complex, The Peak Tower, The Peak Tram, St. John’s Building, The Landmark, The Quail, and Tai Pan Laundry.
- (c) Community data reported covers Hotel Division and Head Office in Hong Kong, The Repulse Bay Complex, The Peak Tower, The Peak Tram, St. John’s Building, The Landmark, The Quail, Peninsula Merchandising, and Tai Pan Laundry.

			2024 Commercial Properties, Peak Tram, Retail and Others			2023 Commercial Properties, Peak Tram, Retail and Others			2022 Commercial Properties, Peak Tram, Retail and Others			2010 Commercial Properties, Peak Tram, Retail and Others		
			Hotels	Others	Group	Hotels	Others	Group	Hotels	Others	Group	Hotels	Others	Group
Workforce	Total Headcount <sup>(1)</sup>		6,595	1,241	7,836	6,515	1,180	7,695	5,344	1,095	6,439			
	Male		56.8%	60.9%	57.4%	57.7%	62.2%	58.4%	58.1%	63.1%	59.0%			
	Female		43.2%	39.1%	42.6%	42.3%	37.8%	41.6%	41.9%	36.9%	41.0%			
	by Management Role													
	Management		20.4%	16.9%	19.9%	18.9%	13.3%	17.9%	20.9%	11.5%	19.2%			
	Non-management		79.6%	83.1%	80.1%	81.1%	86.7%	82.1%	79.1%	88.5%	80.8%			
	Employees under Collective Bargaining		17.2%	17.3%	17.2%	17.4%	17.9%	17.5%	20.2%	17.2%	19.7%			
	Total Turnover Rate <sup>(2)</sup>		22.1%	17.3%	21.3%	21.3%	25.0%	21.9%	23.1%	26.8%	23.8%			
	Under 30 years old		36.4%	21.1%	34.8%	32.8%	43.1%	33.7%	42.0%	47.4%	42.6%			
	30 to 50 years old		19.0%	12.2%	17.9%	19.6%	19.6%	19.6%	20.6%	22.8%	21.0%			
	Over 50 years old		12.1%	23.0%	14.6%	11.2%	26.6%	14.9%	11.5%	24.7%	14.9%			
	Average training spend <sup>(3)</sup>	per full time equivalent	HK\$1,815	HK\$1,228	HK\$1,727	HK\$1,330	HK\$359	HK\$1,185	HK\$1,339	HK\$220	HK\$1,149			
Injury Rate <sup>(4)(5)</sup>	incidents per 100 employees	3.5	2.3	3.3	4.0	2.8	3.8	3.8	2.5	3.6				
Lost Day Rate <sup>(4)(6)</sup>	days per 100 employees	46.7	44.9	46.4	41.3	41.0	41.3	56.3	21.5	49.6				
Absentee Rate <sup>(4)</sup>	days per employee	5.7	6.3	5.8	5.3	6.8	5.5	8.2	11.2	8.8				
Environment <sup>(7)</sup>	Greenhouse gas emissions <sup>(7)(8)</sup>	'000 tCO <sub>2</sub> e	67	15	82	66	15	81	66	13	79	104	20	124
	Scope 1 emission	'000 tCO <sub>2</sub> e	16	6	21	13	6	19	12	4	16	18	5	23
	Scope 2 emission <sup>(9)</sup>	'000 tCO <sub>2</sub> e	52	9	61	53	9	62	54	9	63	86	15	101
	Carbon intensity <sup>(10)</sup>	kg CO <sub>2</sub> e per m <sup>2</sup>	114	95	110	136	96	126	135	84	122	232	151	213
	Total energy use <sup>(11)(12)</sup>	'000 GJ	802	133	935	651	137	788	602	108	710	752	132	884
	Direct energy use <sup>(11)</sup>	'000 GJ	245	74	319	179	80	259	157	56	213	222	60	282
	Indirect energy use	'000 GJ	557	59	616	472	57	529	445	52	497	530	72	602
	Energy intensity <sup>(12)</sup>	MJ per m <sup>2</sup>	1,358	832	1,246	1,336	857	1,218	1,235	676	1,097	1,683	975	1,518
	Direct water consumption <sup>(13)(14)</sup>	'000 m <sup>3</sup>	1,497	262	1,759	1,293	268	1,562	1,102	200	1,302	1,456	217	1,674
	Water intensity <sup>(15)</sup>													
	Hotels	litres per guest night	1,271	–	–	1,315	–	–	1,395	–	–	1,346	–	–
	Commercial Properties, Peak Tram, Retail and Others	litres per m <sup>2</sup>	–	1,099	–	–	1,088	–	–	962	–	–	962	–
	Water recycled and other water sources <sup>(16)</sup>	'000 m <sup>3</sup>	132	78	210	144	152	296	54	327	382	142	–	142
	Waste generated <sup>(17)</sup>	tonnes	7,144	406	7,550	5,681	562	6,243	5,060	361	5,421	–	–	–
	Waste diverted <sup>(17)</sup>	tonnes	3,602	209	3,811	3,008	331	3,340	2,752	104	2,856	–	–	–
	Emission of ozone depleters	kg CFC-11e	5.9	1.9	7.7	10.0	1.3	11.0	16.6	0.3	16.9	115.7	17.2	132.9
Community	Monetary donations <sup>(18)</sup>	HK\$'000	3,212	363	3,575	3,369	435	3,805	294	647	941			
	In-kind donations	HK\$'000	4,982	2,346	7,329	1,673	1,329	3,003	2,266	441	2,706			
	Other community contributions <sup>(19)</sup>	HK\$'000	–	–	2,904	–	–	2,892	–	–	2,451			
	Community outreach <sup>(20)</sup>													
	Service hours	hours	9,994	1,379	11,373	9,291	857	10,148	6,384	725	7,109			
	Employee volunteers		1,133	177	1,310	1,025	50	1,075	713	103	816			

**Footnotes:**

(1) Year-end data as at 31 Dec 2024. Headcount data only covers full-time employees working full number of hours per week for that particular position, as majority of our workforce are full-time employees. Part-time employees working on permanent, fixed term and at will contracts, non-contracted employees and daily contingent casual labour were not included in the reporting scope. Full-time equivalent (as of Dec 31) is 8,493, this includes employees working on a part time basis (e.g. two part-time employees working half day are counted as one full-time equivalent).

(2) Total turnover rate covers all full-time employees who left the company. “Full Time” means that the employee works full time number of hours per week for that particular position. Voluntary turnover rate covers full-time employees left employment based on their own decision to resign is 16.2%.

(3) Average training spend is based on total annual training spend per full-time equivalent.

(4) Injury rate, lost day and absentee rates do not include The Peninsula Beverly Hills, as the methodology used for monitoring sick days is slightly different where sick days is defined as paid time off.

(5) Injury rate improvement driven by better training and identification of high risks area through regular on-site audits and self-assessment checklist. 98.4% of the reported incidents did not require a hospital stay, and thus not considered severe injuries. The injury rate for severe cases is at 0.13 per 100 employees. There was no incident of occupational disease recorded. Refer to page 55 in report for details.

(6) Lost day rate increased by 12.4% for the group mainly attributed to 3 injury cases with over 100 lost days, and another 3 injury cases with over 200 lost days. 3 of the cases were a result from human errors such as slip, fall and lapses, while 3 other cases occurred outside of the work site or under adverse weather conditions.

(7) Addition of the two new hotels in London and Istanbul in the Environment data scope in 2024 has unavoidably increased the group and hotel division’s absolute energy and water consumption, waste generation and greenhouse gas emissions.

(8) Carbon emissions generated from Hong Kong Towngas includes both scope 1 (combustion) and scope 2 (generation and transportation) as required under Hong Kong Carbon Accounting guidelines. For other countries the extraction, generation and transportation process are considered as scope 3 under GHG Protocol and other international standards, and are therefore excluded.

(9) Scope 2 GHG emissions data presented are calculated based on the market-based method as per the GHG Protocol Scope 2 Guidance. (2024 location-based Scope 2 GHG emissions was 76,877 tonnes CO<sub>2</sub>e).

(10) Carbon intensity decreased by 12.5% compared to last year which is mainly attributable to the increased procurement of renewable electricity directly from grid in The Peninsula London and indirectly through Renewable Energy Certificates in The Peninsula Istanbul and The Peninsula Tokyo, accounting for 21.5% of the group’s total electricity use. Solar farm at The Quail generated 1,174,753 kwh renewable energy was transferred to local grid instead of on-site usage.

(11) Vehicle fuel consumption is not included in the total energy use and energy intensity reported.

(12) 2024 direct energy consumption by source was 246,953 GJ of gas, 1,900 GJ liquefied petroleum gas and 70,238 GJ of diesel oil, while our indirect energy consumption by source were 547,044 GJ of electricity, 13,219 GJ of chilled water and 55,587 GJ of purchased steam.

(13) The Repulse Bay tenants, The Peak Tower, The Peak Tram, St. John’s Building and The Landmark are excluded for water and waste data. Business nature of these properties are different from hotels and other commercial properties, as water consumption and waste disposal are largely determined by number of tenants (or visitors) and their behaviour, where we have limited control.

(14) Direct water consumption refers to water obtained from municipal source; water captured directly are reported under recycled and other water sources.

(15) Includes all water uses in the hotels such as restaurant, spa, etc, not just those used by guests directly. Water intensity of Tai Pan Laundry (14.6 litres per kilogram washed in 2024, saw a 11.3% decrease from last year due to optimisation of water usage per laundry load) is excluded as its intensity is measured on different metrics from that of commercial properties and clubs.

(16) Water recycled and other water sources decreased by 29% compared to last year, mainly attributable to reduced intake of groundwater from on-site wells at The Quail and less rainwater harvested in The Repulse Bay.

(17) Group waste diversion rate in 2024 is 50.5%, a decrease of 3.0 p.p from last year. Grease trap waste, hazardous waste and construction waste were not included in the waste data reported.

(18) Monetary Donations include donations from the company, guests and employees. Total community contributions (i.e. monetary and in-kind donations) increased by 60.2% from last year as The Peninsula London and The Peninsula Istanbul activated new charity partnerships.

(19) Relates to contributions made to non-charitable organisations on projects supporting the wider community, for example, the Hong Kong Heritage Project, an archive project for preserving valuable historical records of the Kadoorie family and its businesses, mostly based in Hong Kong.

(20) Community outreach service hours and number of volunteers improved as more community activities were organised to address local community needs.

# SUSTAINABILITY REPORTING CONTENT INDEX

HSH has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards. The following table also summarises the information disclosed in this report in accordance to Part A to Part C of the HKEX ESG Code and SASB. Alignment with these reporting standards must be read from this table for full details and context. The content index for Part D of the HKEX ESG Code and the ISSB's IFRS S2 Climate-related Disclosures is prepared separately and can be found in our Climate-related Disclosures. KPMG was commissioned to conduct assurance of this report and to provide an independent limited assurance opinion on selected information of this report. Details of its report can be found on page 69 to 70.

In case of any discrepancy in the disclosures between the HKEX ESG Code, GRI Standards or SASB, the HKEX ESG Code shall take precedence due to the Company's disclosure obligation per its listing on the HKEX. References to the 2024 Annual Report in the page/section column will be abbreviated as "AR"

GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>GRI 2: General Disclosures 2021</b>				
2-1 Organizational details		SV-HL-000. A to D	About this Report; AR Company at a Glance; AR Ten Year Operating Statistics; AR Ten Year Financial Summary	
2-2 Entities included in the organisation's sustainability reporting	MDR 15		About this Report; Sustainability Data Statements	
2-3 Reporting period, frequency and contact point			About this Report	Report publication date: 11 April 2025
2-4 Restatements of information			Sustainability Data Statements	The group's total floor area in 2023 has been restated based on more accurate data becoming available for calculation.
2-5 External assurance			Independent Assurance Report	
2-6 Activities, value chain and other business relationships			About this Report; AR Company at a Glance; AR Ten Year Operating Statistics; AR Ten Year Financial Summary; Our Guests – p.18 – p.43, Our Communities – p.56 – p.67	Full year environment data for The Peninsula London and The Peninsula Istanbul have been included in the data scope in 2024, while workforce and community data of these two hotels were included in 2023.





GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
2-7 Employees	B1.1		Sustainability Data Statements	<p>Employee Statistics by region: Asia: 4,719 (60.2%) Non-Asia: 3,117 (39.8%)</p> <p>Headcount data only includes full-time employees hired under full-time contract. Part-time employees working on permanent, fixed term and at will contracts, non-contracted employees and daily contingent casual labour were not included in the reporting scope but reflected as full-time equivalent (8,493 as of Dec 31).</p>
2-8 Workers who are not employees	B1.1		Sustainability Data Statements	<p>Some of our workforce is hired under contract or casual basis. These workers are typically hired to perform on-demand work such as at events or banquets and to support general operations during peak seasons or for specialised skillsets. Full time equivalent (FTE) data is disclosed which also includes employees working on part-time or temporary basis, please refer to p.73.</p>
2-9 Governance structure and composition	MDR 13		Our Sustainability Vision; AR Corporate Governance Report	
2-10 Nomination and selection of the highest governance body			AR Corporate Governance Report; AR Nomination Committee Report	
2-11 Chair of the highest governance body			AR Corporate Governance Report	
2-13 Delegation of responsibility for managing impacts			Our Sustainability Vision; AR Group Corporate Responsibility Committee Report	
2-14 Role of the highest governance body in sustainability reporting			Our Sustainability Vision	



## SUSTAINABILITY REPORTING CONTENT INDEX

GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
2-15 Conflicts of interest			AR Corporate Governance Report – p.189	
2-17 Collective knowledge of the highest governance body			AR Corporate Governance Report	
2-22 Statement on sustainable development strategy	MDR 13		AR Letter from the Chairman; AR CEO Statement and Strategic Review; Our Sustainability Vision	
2-26 Mechanisms for seeking advice and raising concerns			–	<p>Our Speak Up Policy and Speak Up Portal provide employees and other stakeholders with a confidential reporting channel on suspected misconduct or malpractice within the group without fear of reprisal or victimisation. Reported allegations are logged, reviewed, independently validated and investigated as appropriate. Read more on the enhancements of our enhanced Speak Up Portal on p.63.</p> <p>Please refer to our Code of Conduct and Speak Up Policy for more details.</p>
2-27 Compliance with laws and regulations	A1; B6.2	SV-HL-310a.2	–	No significant instances of non-compliance with laws and regulations resulting in fines or non-monetary sanctions for non-compliance was recorded in 2024.
2-28 Membership associations			AR Engaging with our Stakeholders; Our Communities – p.66 - p.67	
2-29 Approach to stakeholder engagement			Stakeholder Engagement and Materiality; AR Engaging with our Stakeholders	
2-30 Collective bargaining agreements			Sustainability Data Statements	17.2% of total employees are covered by collective bargaining agreements in 2024.



Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	MDR 14: Materiality		Stakeholder Engagement and Materiality	
	3-2 List of material topics	MDR 14: Materiality		Stakeholder Engagement and Materiality	
<b>Economic Performance</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics			AR CEO Statement and Strategic Review	
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed			Sustainability Data Statements; AR Financial Statements	
	202-2 Financial implications and other risks and opportunities due to climate change	A4.1		Climate-related Disclosures	
	201-3 Defined benefit plan obligations and other retirement plans	B1		AR Financial Statements – Employee Retirement Benefits	
	201-4 Financial assistance received from government			AR Financial Statements	
<b>Market Presence</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B1		Our People; AR Our Leadership – Diversity	
<b>GRI 202: Market Presence 2016</b>	202-2 Proportion of senior management hired from the local community			–	Majority of senior management is hired from the local community
<b>Procurement Practices</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B5		Our Guests – p.36 – p.39; Our Communities – p.62 – p.64	



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Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers			Our Guests – p.36 – p.39; Our Communities – p.62 – p.64	We monitor material issues such as sourcing of perishable goods, 65.9% were sourced locally and regionally during the reporting period.
		B5.1		Our Guests – p.36 – p.39; Our Communities – p.62 – p.64	HSH has operations in Asia-Pacific, US, Europe and given our business nature, we rely on local distributors to source products from wide range of geographical regions. This makes tracking of suppliers from second tier onwards more difficult; we are still exploring effective ways to obtain such statistics.
		B5.2, B5.3, B5.4		Our Guests – p.36 – p.39; Our Communities – p.62 – p.64	Currently, we have policies in place to encourage local sourcing and our Modern Slavery Statement also lists out the actions we have taken to manage social risks in our supply chain.
		B5.4		Our Guests – p.36 – p.39	We support animal welfare through our group-wide commitment to source 100% cage-free eggs by 2025. As at 2024, 59.9% of total egg spend is from cage-free eggs, with 38.6% adoption rate in Asia region and 87.6% in Non-Asia region.
<b>Anti-corruption</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B7		Our People – Ethical Conduct	Please refer to our Code of Conduct and Speak Up Policy for more details. No significant fines or non-monetary sanctions for non-compliance was recorded during the reporting period.
<b>GRI 205: Anti-corruption 2016</b>	205-3 Confirmed incidents of corruption and actions taken	B7.1			No identified legal cases regarding corrupt practices were recorded during the reporting period.
		B7.2		Our People – Ethical Conduct	Our Speak Up Portal provides employees and other stakeholders a confidential reporting channel on suspected misconduct or malpractice within the group without fear of reprisal or victimisation. Reported allegations are logged, reviewed, independently validated and investigated as appropriate.
		B7.3		Our People – Ethical Conduct	Reading materials on anti-bribery and corruption were provided to directors. All full-time and permanent part-time staff are required to complete an online Compliance Training Programme as part of their induction process. The programme covers training on the HSH Code of Conduct which includes anti-corruption conduct.





Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>Anti-competition</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics				<p>Please refer to our Code of Conduct for more details. Group Legal and the Head Office Competition Committee have oversight of all issues related to anti-competition.</p> <p>All full-time and permanent part-time staff are required to complete an online Compliance Training Programme as part of their induction process. The programme covers the topic of Fair Competition.</p>
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices				No identified cases regarding anti-competitive behavior and violations of anti-trust and monopoly legislation were recorded during the reporting period.
<b>Energy</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	A2		Our Guests – p.20 – p.26	
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	A2.1	SV-HL-130a.1	Our Guests – p.20 – p.26; Sustainability Data Statements	58.5% of energy consumed was supplied from grid electricity. On-site solar farm at The Quail generated 1,174,753 kwh renewable energy in 2024. The Peninsula London is sourcing 100% zero-carbon-emission electricity from local provider, while The Peninsula Istanbul and The Peninsula Tokyo are procuring Renewable Energy Certificates (RECs) to make contributions to remote renewable energy projects given the challenge to source zero-emission electricity from local grid.
	302-3 Energy intensity	A2.1		Our Guests – p.20 – p.26; Sustainability Data Statements	
	302-4 Reduction of energy consumption	A2.3		Our Guests – p.20 – p.26; Sustainability Data Statements	



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Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>Water and effluents</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	A2, A3		Our Guests – p.20 – p.26	
<b>GRI 303: Water and Effluents 2018</b>	303-3 Water withdrawal	A2.2, A2.4	SV-HL-140a.1	Our Guests – p.20 – p.26; Sustainability Data Statements	<p>Group total water consumption is 1,969,358 m<sup>3</sup>. Direct water consumption in: high baseline water stress area is 615,309 m<sup>3</sup> (accounts for 31.2% of the total water withdrawal); extremely high baseline water stress area is 508,574 m<sup>3</sup> (accounts for 25.8% of the total water withdrawal.)</p> <p>Seawater is used for flushing in Hong Kong, the consumption amount is not considered to be material to HSH, and therefore, was not included in the scope.</p>
<b>Emissions</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	A1, A3		Our Guests – p.20 – p.26	We comply with relevant environmental regulations such as carbon disclosure in Beijing, Shanghai, Tokyo and Paris, water savings in California and energy management in New York
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	A1.1		Our Guests – p.20 – p.26; Sustainability Data Statements	Greenhouse gases included in the emissions calculation included CO <sub>2</sub> , CH <sub>4</sub> and N <sub>2</sub> O as a result of the consumption of fuel oil, diesel, petrol, natural gas, town gas and Tokyo Gas. Fugitive emissions in CFCs and HCFCs from the consumption of refrigerants were also included in the calculations. All greenhouse gases are reported in CO <sub>2</sub> equivalents.
	305-2 Energy indirect (Scope 2) GHG emissions	A1.1		Our Guests – p.20 – p.26; Sustainability Data Statements	Refer to response above.
	305-4 GHG emissions intensity			Our Guests – p.20 – p.26; Sustainability Data Statements	Refer to response above.
	305-5 Reduction of GHG emissions	A1.5		Our Guests – p.20 – p.26; Sustainability Data Statements	Refer to response above.
	305-6 Emissions of ozone-depleting substances (ODS)	A1.1		Sustainability Data Statements	Refer to response above.





Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>Waste</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	A1, A3		Our Guests – p.32 – p.35	
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	A1.4		Our Guests – p.32 – p.35	
	306-2 Management of significant waste-related impacts	A1, A3		Our Guests – p.32 – p.35	Our waste is handled and disposed of by our waste contractors according to local regulations or through take back programmes from the suppliers.
	306-3 Waste generated	A1.3, A1.4		Sustainability Data Statements	Less than 1% of our waste generated is hazardous waste, and therefore is not a material issue to HSH.
	306-4 Waste diverted from disposal	A1.6		Sustainability Data Statements	Recyclables are sent to off-site recycling facilities or upcycled by our partnering organisations where possible. We currently do not track the amount of materials we re-use within our operations.
	306-5 Waste directed to disposal	A1.4, A1.6		Sustainability Data Statements	Waste sent to landfill and incinerator are 3,073 tonnes and 666 tonnes respectively.
<b>The Environment and Natural Resources</b>					
		A2.5		–	We are still exploring a practical way to monitor the use of packaging materials and ensure data accuracy. We aim to report on the quantity of packaging materials in the future.
		A3.1		Our Guests – p.20 – p.26	
			SV-HL-160a.1.	–	We do not have any lodging facilities operated, owned, leased, or franchised in sites with protected conservation status, or areas of endangered species habitat.
			SV-HL-160a.2.	Our Guests – p.36 – p.39	Most of our entities are located in cities. We preserve ecosystem services indirectly through sustainable procurement of our seafood, paper products, cleaning products, tea, coffee and chocolate etc. We continue to implement international green building standards (e.g. BREEAM) to reduce our environmental impact in new projects and major renovations.



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Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>Employment</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B1	SV-HL-310a.2.	Our People – p.46 – p.52	HSH complies with relevant employment and labour laws and regulations in cities where we operate. There were no substantiated fines incurred due to violations of the law.
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	B1.2		Sustainability Data Statements	In the spirit of conciseness and materiality, we only provide employee turnover by age group.
	401-3 Parental leave			–	Eligible employees receive parental leave based on local regulations; we do our best to encourage return to work for all employees where possible.
			SV-HL-310a.1.	Sustainability Data Statements	Voluntary turnover rate: 16.2% Total turnover rate: 21.3%
<b>Labour/Management Relations</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B1		Our People – p. 46 – p. 52	
<b>GRI 402: Labour/Management Relations 2016</b>	402-1 Minimum notice periods regarding operational changes			–	In the case of any significant operational changes that would substantially affect our employees, we keep them informed well in advance, typically with a minimum notice period of 1 to 12 weeks. This is also specified in collective bargaining agreements where they apply.
			SV-HL-310a.3.	–	The Peninsula London continues to support Real Living Wage for our permanent employees, while all our operations in Hong Kong have met the Oxfam Hong Kong Living Wage standard as of January 2025. We continue to review Living Wage for some of our operations in the coming years.





Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>Occupational Health &amp; Safety</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B2, B2.3		Our People – p.46 – p.52	HSH complies with relevant health and safety laws and regulations in cities where we operate.
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	B2		Our People – p.46 – p.52	
	403-2 Hazard identification, risk assessment, and incident investigation	B2.3		Our People – p.46 – p.52	
	403-4 Worker participation, consultation, and communication on occupational health and safety	B2.3		Our People – p.46 – p.52	
	403-5 Worker training on occupational health and safety	B2.3		Our People – p.46 – p.52	
	403-9 Work-related injuries	B2.1, B2.2		Our People – p.46 – p.52; Sustainability Data Statements	<p>Total number of hours worked is 16,578,931 hours. Based on GRI methodology, recordable injury rate is 7.67 per 200,000 hours worked. There were 10 cases of high-consequence work-related injury (i.e. injuries requiring hospitalisation) and we recorded no fatalities due to injury in 2024.</p> <p>We currently do not track total number of hours worked for non-full time or non-permanent contract employees, so we are not able to calculate their recordable injury rate based on GRI methodology. However, we do track injury cases for casual workers, trainees and contractors working within our premises. In 2024, there were 89 injury cases recorded which required doctor consultation or hospital stays.</p>

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Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>Training and education</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B3		Our People – p.46 – p.52	
<b>GRI 404: Training and Education 2016</b>	404-2 Programs for upgrading employee skills and transition assistance programs			Our People – p.46 – p.52	Our learning and development programmes include opportunities for skills upgrading; where relevant, we provide transition assistance programmes e.g. operations closure.
		B3.1, B3.2		Sustainability Data Statements	We provide training as part of one's role and training needs, regardless of gender, other diversity factors and management/non-management role.
<b>Diversity and equal opportunity</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B1		Our People – p.46 – p.52; AR Corporate Governance Report – Board diversity	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	B1.1		AR Corporate Governance Report – Board diversity; Sustainability Data Statements	<p>Board Membership Statistics:</p> <ul style="list-style-type: none"> <li>by gender: 21% female and 79% male</li> <li>by age group: 21% between 30 to 50; 79% over 50</li> </ul> <p>Employee Statistics:</p> <ul style="list-style-type: none"> <li>by gender: refer to Sustainability Data Statements</li> <li>by age group: 24.9% under 30; 51.1% between 30 to 50; 24% over 50</li> </ul>
<b>Non-discrimination</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B1		Our People – p.46 – p.52	
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	B1		Our People – p.46 – p.52	There were no substantiated reports of workplace discrimination in 2024.



Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
			SV-HL-310a.4.	Our People – p.46 – p.52	Three reports of sexual harassment cases were reported in 2024. All cases were promptly investigated. Two substantiated cases resulted with the employees in question terminated immediately, while one partially substantiated case resulted in a written warning to the employee.
<b>Freedom of Association and Collective Bargaining</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B1		–	HSH complies with relevant laws and regulations in relation to employees entering collective bargaining agreements.
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk			–	No known risks identified within our operations and in our suppliers.
<b>Child labour</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B4		Our Communities – p.62 – p.64	HSH complies with relevant laws and regulations in relation to preventing child and forced labour. Please refer to our Modern Slavery Statement.
<b>GRI 408: Child Labour 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labour	B4.1, B4.2		Our Communities – p.62 – p.64	No known significant risks identified within our operations. We strive to mitigate all potential supply chain risks within our sphere of influence through HSH Supplier Code of Conduct.
<b>Forced or compulsory labour</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B4		Our Communities – p.62 – p.64	HSH complies with relevant laws and regulations in relation to preventing child and forced labour. Please refer to our Modern Slavery Statement.
<b>GRI 409: Forced or Compulsory Labour 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	B4.1, B4.2		Our Communities – p.62 – p.64	Our Code of Conduct and Modern Slavery Statement outlines our commitment to respecting human rights including our position against child labour and human trafficking, and the use of child labour and forced labour in our supply chain.

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Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>Local communities</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B8		Our Communities – p.58 – p.61	
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs			Our Communities – p.58 – p.61	All operations had local community engagement programmes during the reporting year in the form of volunteering or community contributions.
		B8.1		Our Communities – p.58 – p.61; Sustainability Data Statements	
		B8.2		Our Communities – p.58 – p.61; Sustainability Data Statements	
<b>Customer Health &amp; Safety</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B6		Our People – p.53 – p.55	
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories			–	Health and safety impacts are assessed for improvement for all significant products and services. No incidents of non-compliance concerning the health and safety impacts of products and services were recorded in the reporting year.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services			–	Refer to response above.
		B6.1		–	Refer to response above.
		B6.4		–	Once potentially unsafe products are identified, product recall procedure would kick-start to stop the distribution and sale of the product from marketplace. The cause, extent and result of the recall would be recorded and reported.





Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
<b>Marketing and Labeling</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B6		Our Guests – p.40 – p.43, Our Communities – p.62 – p.64	
<b>GRI 417: Marketing and Labeling 2016</b>	417-2 Incidents of non-compliance concerning product and service information and labeling	B6		–	No incident of non-compliance in the reporting year.
<b>Customer Privacy</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	B6		–	<p>We comply with the relevant data protection legislation that applies to our respective operations.</p> <p>Cybersecurity and data privacy trainings continue to be mandatory and were a particular focus throughout 2024, with additional simulated phishing emails and testing conducted. The trainings target understanding of social engineering threats, relevant warning signs and appropriate actions. On the privacy side, the training focuses on employees' responsibilities to protect personal information, identify privacy risks, and reinforce the group's commitment to data privacy.</p> <p>For our data privacy and security policy, please visit <a href="http://www.peninsula.com/en/privacy-security">http://www.peninsula.com/en/privacy-security</a></p>
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	B6.5		–	No substantiated complaints regarding breaches of customer privacy were recorded during the reporting period.

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Material Topics	GRI Standards	ESG Code	SASB	Page/Section	Remarks/Reasons of Omission
Product and Service Feedback					
		B6.2		–	Once received, products and service feedback or complaints are acknowledged in writing in a timely manner and reported to related departments with the appropriate levels of management informed depending on the severity of events. Concerns are reviewed and fully understood before it is addressed with an official response or compensation offered.
Intellectual Property Rights					
		B6.3		–	Our Code of Conduct outlines our commitment to intellectual property rights protection.







THE HONGKONG AND SHANGHAI HOTELS, LIMITED  
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